



AGENDA ITEM 7B

MEETING: July 15, 2015
TO: Humboldt LAFCo Commissioners
FROM: Colette Metz, Administrator
SUBJECT: **Proposed Sphere of Influence Amendment and Annexation of Out of District Fire Service Response Areas to the Telegraph Ridge Fire Protection District**

The Commission will consider a proposal submitted by resolution of application by the Telegraph Ridge Fire Protection District (FPD) for a sphere of influence (SOI) amendment and corresponding annexation of approximately 8,911 acres (155 parcels) of land located outside the boundaries that is currently served by the District. Staff recommends approval of the proposal with conditions incorporated.

LAFCos are responsible under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 to regulate the formation and development of local governmental agencies and their municipal services. This includes approving or disapproving proposed changes of organization, such as district formations, consistent with adopted policies and procedures pursuant to California Government Code (G.C.) Section 56375. LAFCos are authorized with broad discretion in amending and conditioning changes of organization as long as they do not directly regulate land use, property development, or subdivision requirements.

A. BACKGROUND

Proceedings for this annexation were initiated by the Telegraph Ridge FPD. The proposal includes annexation of approximately 8,911 acres (155 parcels) located outside the boundaries that is currently served by the District. The proposal includes the following actions to annex the following out of district service areas, as shown in Attachment A:

1. Revise the Telegraph Ridge FPD Sphere of Influence (SOI) to exclude approximately 2,953 acres that is included in the Whitethorn FPD SOI and approximately 6,294 acres that is included within the boundaries of the Briceland Fire Protection District;
2. Revise the Telegraph Ridge FPD SOI to add approximately 3,315 acres for a total of approximately 8,911 acres; and
3. Annex all land within the revised Telegraph Ridge FPD SOI into the District boundaries.

Upon annexation, the Telegraph Ridge FPD's existing special assessment on property, applied at a rate of \$10 for unimproved property and \$30 for improved property within the district, would be extended to all property within the proposed annexation area.

The Telegraph Ridge FPD currently provides "good will service" to the proposed annexation areas and has responded to calls for service in these areas since the time the district was formed. The demand for service in the annexation areas has increased over time as additional development has been approved by Humboldt County. The approval of this annexation would enable the district to establish funding sources within the annexation areas, beyond donations, from which the fire district can rely upon into the future and improve service delivery.

No improvements are proposed as part of this annexation. The Telegraph Ridge FPD would continue to provide service to the annexation areas from its existing fire station on Ettersburg-Honeydew Road and using its current equipment and apparatus. It is hoped that the additional revenue would allow the Telegraph Ridge FPD to improve its capacity to provide service and the level of service provided.

B. DISCUSSION

Reasons for Proposal

According to the application, the reasons for the proposed annexation are as follows:

1. The Telegraph Ridge FPD has provided fire protection services to the proposed annexation areas for as long as the district has been in existence and as long as there has been land use activity demanding fire protection services;
2. The proposed annexation would enable the district to extend its existing funding source to the annexation areas to support existing service and to sustain or potentially improve future service delivery; and
3. The proposed annexation would establish district boundaries that clearly define service responsibilities for the benefit of neighboring fire service providers, land use authorities, the public, and other service providers.

Description of Annexation Areas

Annexation Area 1: This annexation area is approximately 5,525 acres in area and comprised of Sections 25 and 26 [T 4 South R 3 East] and Sections 16 (portion), 17, 19 (portion), 20, 21 (portion), 25, 30 (portion), 29 (portion), 31, 32 (portion) [T 3 South R 2 East]. Approximately 4,155 acres of Annexation Area 1 are within the existing Telegraph Ridge FPD SOI. The area contains the steeply sloped Mattole Canyon Creek and Sholes Creek watersheds of the Mattole River. Homes and development within this annexation area largely concentrated along Dutyville Road. The annexation area is bounded by the Honeydew Volunteer Fire Company (VFC) response area to the north and west, the Salmon Creek VFC response area to the northwest, and the Briceland FPD boundaries

to the south east. Land within this area is zoned Unclassified (51%), TPZ (27%), Forestry Recreation (12%), and Agricultural Exclusive (9%).

Annexation Area 2: Annexation Area 2 is approximately 291 acres in area and comprised of the southern half of Section 27 [T 4 South R 2 East]. Annexation Area 2 is not within the existing Telegraph Ridge FPD SOI. The area contains the steeply sloped Miller Creek watershed of Redwood Creek and the Upper Sprowell Creek watershed of the South Fork Eel River as well as the Eubank Creek watershed of the Mattole River. There are no homes or development within this area except the Briceland-Thorne Road. The annexation area is bounded by the Briceland FPD boundaries to the east and the Whitethorn FPD good will out of district response area to the west. Land within this area is zoned TPZ (100%).

Annexation Area 3: Annexation Area 3 is approximately 1,618 acres in area and comprised of the northern half of Sections 13, 14, and 24 (portion) [T 4 South R 1 East]. The entire Annexation Area 3 is within the existing Telegraph Ridge FPD SOI. The area is within the steeply sloped North Fork Bear Creek and Big Finley Creek watersheds of the Mattole River. The only home in this annexation area is accessed via Etter Ranch Road. The annexation area is bounded by the existing Telegraph Ridge FPD to the east and the Whitethorn FPD good will out of district response area to the south. Land within this area is zoned TPZ (70%), Unclassified (21%), and Agricultural Exclusive (9%).

Annexation Area 4: Annexation Area 4 is approximately 995 acres in area (53% is BLM land) and comprised of Section 4, 9 (portion), and 10 (portion) [T 3 South R 1 East]. Approximately 56% of Annexation Area 4 is within the existing Telegraph Ridge FPD SOI. The area is within the steeply sloped North Fork Bear Creek watershed of the Mattole River. The 2010 Census indicates that there are no housing units within this annexation area, but at least two parcels are developed. The annexation area is bounded by the existing Telegraph Ridge FPD to the east and the King Range National Conservation Area to the west. Land within this area is zoned TPZ (57%), Unclassified (43%), and Agricultural Exclusive (9%).

Annexation Area 5: Annexation Area 5 is approximately 482 acres in area comprised of a portion of Section 32 [T 4 South R 1 East]. None of Annexation Area 7 is within the existing Telegraph Ridge FPD SOI. The area is within the steeply sloped North Fork Bear Creek and Honeydew Creeks watersheds of the Mattole River. The annexation area is bounded by the existing Telegraph Ridge FPD to the east and the King Range National Conservation Area to the west and the Honeydew VFC response area to the north. Homes and development within this annexation area are concentrated along Windy Ridge Lane. All of the land within this area is zoned Unclassified.

Financial Information

The Telegraph Ridge FPD is funded primarily through a special assessment on property within the district that is applied at a rate of \$10 for unimproved property and \$30 for improved property. Annual revenue from the special assessment is approximately \$4,850. The District also receives a transfer of property tax funds from other special

districts through the ERAF process in the amount of approximately \$4,500 per year. The Telegraph Ridge FPD does not receive property tax revenue and will not request a share of property tax revenue within the proposed annexation areas.

Upon annexation, the District would receive approximately \$2,370 in special assessment revenue from improved properties within the annexation and approximately \$720 in special assessment revenue from vacant properties (there are a total of 14 public properties within the proposed annexation areas that are assumed to not contribute revenue to the District), for a total of \$3,090 per year.

C. ANALYSIS

The analysis of the proposal is organized into two sections. The first section considers the proposal relative to the factors mandated for review by the Legislature anytime LAFCos review boundary changes. The second section considers issues required by other applicable State statutes in processing boundary changes, such as environmental compliance with the California Environmental Quality Act.

Required Factors for Review

G.C. Section 56668 requires the Commission to consider 17 specific factors anytime it reviews proposals for a change of organization or reorganization involving special districts. The majority of the prescribed factors focus on the impacts of the proposed boundary changes on the service and financial capacities of the affected agencies. No single factor is determinative. The purpose in considering these factors is to help inform the Commission in its decision-making process.

A summary of key statements and conclusions generated in the review of the mandated factors for the proposal follows, with a complete analysis provided in Attachment B.

- The annexation area consists of approximately 79 residents and 48 total housing units. Total assessed value of properties (land and improvements) is \$15,056,456.
- Land uses within the annexation area are very similar to land uses within the existing district, and include developed and undeveloped rural residential land, timber land, and grazing land.
- There is little development potential within the annexation area. Future demands for services are expected to be similar to the current service demands.
- The approval of this annexation would enable the district to extend its existing funding source (special assessment) within the annexation area, beyond donations, from which the fire department can rely upon into the future and improve service delivery.

Other Considerations

- Municipal Service Review and Sphere of Influence

A Municipal Service Review (MSR) has been prepared to evaluate the services to be provided prior to amending a SOI in accordance with Government Code Section 56430 (Attachment C). MSR determinations are included in this report. The Telegraph Ridge FPD does not propose a SOI beyond the proposed new district boundaries. As a result, the district boundaries and SOI would be coterminous.

- Environmental Review

The proposed annexation is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)3 because it can be seen with certainty that there is no possibility that the activity in question will have a significant effect on the environment - where the activity is the establishment of a district boundary and a funding source for a service provider that has provided service for many years, that does not involve development or a change in the manner for which an existing service is provided.

- Conducting Authority Proceedings

All proposed boundary changes approved by the Commission are subject to conducting authority proceedings (i.e., protest hearing) unless waived in accordance with criteria outlined under G.C. Section 56663. Unless written opposition is received from landowners or registered voters within the affected territory prior to the conclusion of the Commission's proceedings on the proposal, the proposal is not subject to conducting authority proceedings under G.C. Section 56663. To date, no written opposition has been received.

D. RECOMMENDATION

The proposed SOI amendment and annexation to the Telegraph Ridge FPD appears appropriate relative to the factors required by statute for consideration. It is recommended the following conditions of approval be applied with delegation to the Executive Officer to determine when the requested actions have been sufficiently satisfied before proceeding with a recordation.

- Completion of the 30-day reconsideration period provided under G.C. Section 56895.
- Completion of conducting authority proceedings by Executive Officer (unless waived pursuant to G.C. Section 56663).
- Submittal of a final map and geographic description of the affected territory conforming to the requirements of the State Board of Equalization.
- Payment of any outstanding fees as identified in the Commission's adopted fee schedule.

Alternatives for Commission Action

Staff has identified three options for Commission consideration with respect to the proposal. These options are summarized below.

- Alternative Action One (Recommended):
Adopt the draft resolution identified as Attachment D, approving the proposal with the recommended conditions along with any desired changes as requested by the Commission.
- Alternative Action Two:
Continue consideration of the item to the next regular meeting and provide direction to staff for additional information as needed.
- Alternative Action Three:
Disapprove the proposal. Disapproval would statutorily prohibit the initiation of a similar proposal for one year unless a request for reconsideration is filed and approved within 30 days of Commission action.

Procedures for Consideration

This item has been agenzized for consideration as part of a noticed public hearing. The following procedures are recommended with respect to the Commission's consideration of this item:

- A. Receive verbal report from staff
- B. Open the public hearing and invite testimony.
- C. Discuss item and – if appropriate – close the hearing and consider action on recommendation:

"I move to adopt Resolution No. 15-09, approving the Sphere of Influence Amendment and Annexation of Out of District Fire Service Response Areas to the Telegraph Ridge Fire Protection District, as described in the staff report, subject to the recommended conditions".

Attachments

Attachment A: Map of Proposed Annexation Areas

Attachment B: Required Factors for Review

Attachment C: Municipal Service Review

Attachment D: Draft Resolution of Approval (No. 15-09)