



AGENDA ITEM 8A

MEETING: May 18, 2022

TO: Humboldt LAFCo Commissioners

FROM: Colette Santsche, Executive Officer

SUBJECT: **Preview of Proposed Annexation of Good Will Response Area and Land Currently Served by the Sprowel Creek Volunteer Fire Company to the Garberville Fire Protection District**

The Commission will receive a report introducing the proposed Garberville Fire Protection District Annexation. The report is being presented for information only.

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 annexations, 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.

DISCUSSION

Garberville FPD is proceeding with a proposed annexation of its existing out-of-district service area, consolidate operations with the Sprowel Creek Volunteer Fire Company, and annexing the Sprowel Creek service area into the boundaries of the Garberville FPD. The proposed annexation would officially merge the operations of the two fire departments and make possible a proactive, sustainable solution for future fire and emergency service needs for the area by creating a regional district, with an improved economy of scale and associated benefits. Sprowel Creek would become a new battalion of the Garberville FPD. In addition, the new revenue generated by this annexation would begin the process of establishing a new battalion in the Benbow area. Initially this would mean firefighters would be recruited and trained from the Benbow area, and a fire engine may be strategically placed at a residence or other location to allow a quicker response to Benbow incidents. The ultimate goal will be to construct a fire station in Benbow after sufficient revenue is accumulated, an appropriate site is selected, and environmental review completed.

Currently, Garberville FPD is primarily supported through property taxes (also known as "ad valorem" taxes) as well as grants and interest revenue. Total revenue has averaged approximately \$83,500 per year over the last five years, and operating expenditures are approximately \$79,000 per year.

The proposed annexation involves a property tax exchange agreement with Humboldt County, whereby the County would shift property tax base and growth generally equivalent with current the Garberville FPD property tax allocation. It is estimated that the base property tax transfer would equal approximately \$200,000 per year and average annual property tax revenue growth is projected to be approximately \$7,000 per year over the first five years. This revenue would be in addition to the current \$80,000 per year in property tax receipts that are generated within the existing district.

The proposed annexation is coupled with a proposed special tax as a means to establish a dependable long-term source of revenue for community fire protection services for the existing district, the annexation area, and for the Sprowel Creek VFC response area. The special tax is proposed to be based on the use of property, whereby vacant property of any type would pay \$25 per year; a single family home within a hydranted area would pay \$100 per year; a home not served by hydrants would require a greater response, including water tenders, would pay \$150 per year; multiple family dwellings would pay between \$200 and \$450 depending upon the number of housing units; most commercial properties would pay \$300 per year; and hotels and motels would pay between \$300 and \$750 per year based on the number of rooms. The tax may be increased by as much as five percent per year to account for inflation. The proposed special tax is estimated to generate approximately \$150,000 per year.

The annexation would be initiated by resolution of the Garberville FPD Board. Once an application is on file with the Commission, LAFCo staff will send a notice of filing to affected and interested agencies. Once the application is deemed complete, a hearing date will be scheduled with 21-day notice published in the newspaper. Since the total number of notices to landowners and registered voters exceed 1,000, notice may be provided by publishing a display ad of at least 1/8th page in the newspaper. Should annexation be approved by LAFCo, the special tax must be approved by 2/3rds votes cast at a special or general election that includes registered voters within the existing district and proposed annexation area.

RECOMMENDATION

This item has been agendaized for information only. The Commission is invited to discuss the item and provide direction to staff as needed.

Attachments

Attachment A: Frequently Asked Questions handout



Garberville Fire Protection District Proposed Consolidation/Annexation and Special Tax

WHAT IS THE GARBERVILLE FIRE PROTECTION DISTRICT?

- Garberville Fire Protection District (GFPD) is an independent, single purpose special district formed in 1940.
- GFPD is governed by a three (3) member Board of Directors who are elected by registered voters that live within the boundaries of the District.
- The District is authorized to provide the following community services within its jurisdictional boundary:
 - Fire protection.
 - Rescue.
 - Emergency medical (note that the majority of calls for service from the GFPD are for vehicle accidents and medical aid).
 - Other services relating to the protection of lives and property pursuant to the Fire Protection District Law of 1987.
- Services provided by the GFPD are supported by a portion of the property tax revenue paid by property owners located within the boundaries of the District. Any services currently provided outside of the District boundary are based on availability and supported by the taxes paid by property owners within the District. The priority and responsibility of District resources is to respond to incidents within its own jurisdiction.
- GFPD uses its current allocation of tax revenue to support the Garberville Volunteer Fire Department to provide community fire and rescue services. Garberville Volunteer Fire Department is a 100% volunteer run organization and has an active crew of 17 dedicated volunteers.
- Currently, the GFPD boundary encompasses 1.1 square miles (704 acres) and includes the town of Garberville and the old Wallen Ranch area. All of the parcels within the District boundary are located in the State Responsibility Area (SRA).

- Although GFPD resources are called upon to assist with wildfire suppression, the California Department of Forestry and Fire Protection, or CAL FIRE, is responsible for managing wildfires in the SRA.
- While it is not their primary responsibility, CAL FIRE will respond to community fire and rescue emergencies when available. This is not a guaranteed service, particularly during the wildfire season when state resources can be drawn down because of wildfires in other areas.
- It's important to recognize that Southern Humboldt communities are served by a network of small fire related districts and non-district affiliated fire companies which, out of necessity, have well-coordinated mutual aid relationships. GFPD resources are no exception and provide and receive mutual aid when needed. This is why you will often see multiple fire departments and CAL FIRE resources responding to one incident, regardless of whose jurisdiction it is in.

WHY IS CONSOLIDATION/ANNEXATION BEING PROPOSED?

- Residential and commercial development around the town of Garberville has expanded well beyond the GFPD boundary.
 - This growth has resulted in a large area where there is a demand for community fire protection and rescue services. This out of district response area includes territory south of Garberville all the way to the County line, including the densely populated community of Benbow; commercial and residential development to the north of Garberville between the existing boundaries of the GFPD and the Redway Fire Protection District; and scattered residential development to the east of Garberville along Alderpoint Road, and to the west of Garberville along Sprowel Creek Road and near the Garberville Airport.
 - This area is currently outside of any local jurisdiction that is responsible for providing community fire protection and rescue services (jurisdictional “no-man’s-land”).
 - GFPD resources are routinely called upon to respond, on a goodwill basis, to emergencies within this area outside of its jurisdictional boundary.
 - Approximately 56 percent of the population and over 90 percent of the land area to which GFPD resources are dispatched as a primary community fire and rescue responder, is located within this goodwill service area.
 - Over 50% of the District’s emergency responses are to locations within this goodwill service area.
 - GFPD currently responds to calls in these areas but does not receive property tax or other consistent and reliable revenue for providing the service.
 - GFPD must often call on neighboring departments to cover the Garberville fire station or be on alert that District resources are responding out of their jurisdiction.
 - Because of the demand for service from outside of its jurisdiction, GFPD is proposing to annex its existing goodwill, out-of-district service area, consolidate

operations with the Sprowel Creek Volunteer Fire Company, and develop an additional fire station in the Benbow area.

- The GFPD and the Sprowel Creek Volunteer Fire Company are mutually interested in officially merging their operations, through annexation, into one efficient, effective, and sustainable emergency services system.
 - The Sprowel Creek Volunteer Fire Company was established in 1998 and currently provides community fire protection service to the Sprowel Creek/Nielson Ranch area.
 - The Sprowel Creek fire station would become a battalion of the GFPD; volunteers from Sprowel Creek would train with and develop seamless interoperability with volunteers and resources out of the Garberville fire station.
 - This organizational change would support a regional district model, with an improved economy of scale and associated benefits.
 - This is a proactive, sustainable solution for meeting current and future fire and emergency service needs for the area.
- Times are changing and as the demands on local fire and rescue service providers are increasing, it's getting harder and harder to justify providing services to areas outside of the GFPD boundary on a budget designed for a much smaller jurisdiction. Like many other fire departments, the GFPD is facing growing challenges that include:
 - Ever increasing mandatory requirements and standards.
 - Limited volunteer recruitment and retention programs and incentives.
 - Inadequate levels and types of training opportunities.
 - Limited administrative capacity to address growing organizational requirements.
 - Insufficient funding to cover growing expenses, including:
 - The replacement of aging safety equipment and apparatus,
 - Communication equipment and infrastructure improvements,
 - Insurance and worker's compensation,
 - Training and certification for volunteers, and
 - Fire station maintenance and the growing need for an additional strategically placed station to improve response times.
- GFPD is also struggling under the pressure of ever-increasing training and performance demands on volunteers and an increasing volume of calls.
- None of these challenges will be easily overcome but members of the GFPD and Garberville Volunteer Fire Department are continually working to prepare themselves and their equipment to improve levels of community fire and rescue services and coordinated wildfire prevention and suppression to meet demand.
- Your help is also needed to overcome these challenges. Please join District representatives in taking advantage of an opportunity to expand the GFPD boundaries to match the actual response area and establish a reliable source of revenue to support services.

WHY NOW?

To help address some of the challenges mentioned above the Humboldt County Fire Chiefs' Association commits a portion of their annual Measure Z grant funding to provide ongoing support for countywide fire service planning. These grant funds are supporting a technical team that is available to help fire related districts through the district consolidation/annexation process and will cover many of the associated expenses. **Take advantage of this opportunity and help ensure that all areas that receive service from the GFPD are included within the District boundary.**

IS MY PROPERTY WITHIN THE PROPOSED ANNEXATION AREA?

- Please use this [link](#)¹ to access an online map that shows the current district boundary and the proposed annexation area; a simple map is also attached.
- GFPD representatives developed a proposed annexation area to include the parcels where their resources are most likely to be dispatched as the primary local emergency responder. Accessibility was also a consideration and areas where the District did not think their resources could reasonably get to were not included.
- If successful, the proposed consolidation/annexation will result in a long-term community-based and locally controlled revenue source to support the sustainable delivery of fire protection services for the whole greater Garberville area.
- It will be the registered voters who reside within the expanded boundary (the existing district and the annexation area) who will vote on establishing a special tax to support sustainable fire and rescue services (more on the proposed special tax below).

WHAT WILL THE PROPOSED CONSOLIDATION/ANNEXATION COST ME?

- As mentioned above, GFPD services are supported by revenue received through a portion of the property taxes currently being collected from within the current district boundary. Unlike many other fire related districts, this is the only reliable revenue source supporting the GFPD. It is common for districts to receive revenue from a portfolio of different sources in order to support efficient, effective, and sustainable emergency services.
- **New Special Tax:** A new revenue source will be required to support the GFPD's ability to build and sustain adequate community fire and rescue services for the entire area they are currently being called upon to cover. To this end, an annual special tax will be proposed for Assessor's Parcels located entirely or partially within the expanded GFPD boundary, based on land use types in the following manner:

Land Use Type	Proposed Annual Tax
Vacant/Unimproved	\$25.00
Common Area	\$75.00
Single Family Residential, Hydrant Area	\$100.00

¹ <https://arcg.is/G9W0C>

Land Use Type	Proposed Annual Tax
Rural Residential, Non Hydrant Area	\$150.00
Mobile Home	\$100.00
Mobile Home Park	\$300.00
Multifamily Small (2-4 units)	\$200.00
Multifamily Medium (5-9 units)	\$300.00
Multifamily Large (10 + units)	\$450.00
Care Home	\$300.00
Commercial: Auto Repair, Gas Station, Office Medical Office, Restaurant, Retail (up to 2000 sf), Miscellaneous, Warehouse	\$300.00
Commercial: Retail (above 2000 sf), Retail (multi-tenant)	\$400.00
Commercial: Theater	\$450.00
Commercial: Hotel, Motel, Campground (up to 10 units)	\$300.00
Commercial: Hotel, Motel, Campground (11 to 19 units)	\$450.00
Commercial: Hotel, Motel, Campground (20 to 40 units)	\$600.00
Commercial: Hotel, Motel, Campground (over 40 units)	\$750.00
Industrial: Light	\$300.00
Industrial: Heavy	\$500.00
Non Taxable	\$0.00

- GFPD’s costs have outpaced current revenue. The costs of fire equipment and apparatus, diesel fuel, and insurance typically increase from year to year at rates that exceed average inflation.
 - To ensure that the proposed special tax will retain its purchasing power in future years, the special tax is proposed to include an inflationary clause allowing the GFPD Board, through a publicly noticed process, to adjust the tax, if needed, by no more than the cost of living as determined by the Consumer Price Index (CPI) prepared by the United States Bureau of Labor, not to exceed five percent, by approving a resolution at a public hearing.
- GFPD is aiming for the March 7, 2023 general election to ask local registered voters to approve the proposed special tax to support expanded, improved, and sustainable community fire and rescue services.
 - If the proposed special tax is approved by local voters (2/3 majority of votes cast), the amount will appear on your annual property tax bill.
 - Although these taxes are collected by the County, they do not go to the state like property taxes; they are deposited in a fund for use by the District (nominal processing and administration fees may be charged by the County to cover staff time and costs associated with managing the fund).
 - Initial estimates indicate that, if approved by registered voters, the special tax will generate nearly \$150,000 per year in revenue.

- **Tax Exchange Agreement with the County:** In addition to proposing the establishment of a new special tax, GFPD is also working on a proposal to the County Board of Supervisors to receive a portion of the property taxes already collected from within the proposed annexation area to support expanded fire and rescue services through a property tax exchange agreement.
 - If those negotiations are successful and the agreement is approved by the Board of Supervisors, it is estimated that it could generate approximately \$200,000, in addition to what is generated by the special tax.
 - The revenue provided by this agreement between the District and the County will come out of property taxes you already pay and will cost you nothing extra.

HOW WILL GFPD INVEST THE INCREASED REVENUE TO BENEFIT PUBLIC SAFETY?

- The increased revenue will be used by GFD to sustain and improve community fire and rescue services by establishing the following ongoing programs and actions:
 - A comprehensive volunteer recruitment and retention program to ensure that volunteer firefighters will continue to be available to support high quality fire protection services.
 - Hiring part time administrative staffing to properly manage records and expenditures.
 - Hiring a daytime firefighter/EMT to ensure reduced response times (note that the majority of the calls are for emergency medical services such as vehicle accidents and general medical aid).
 - Create a fund that will support the regular replacement of apparatus and equipment, to ensure operational safety and effectiveness.
 - Improve the existing Sprowel Creek fire station and support capacity building for improved response in that area of the expanded District.
 - Develop a new fire station in Benbow and support capacity building for improved response in that area of the expanded District.
 - Initially a fire engine may be strategically placed at a residence or other secure location to allow a quicker response to incidents in the community of Benbow. Current GFPD personnel will be staffing this engine as several live in the Benbow area.
 - The goal will be to construct a fire station in Benbow once sufficient revenue is accumulated, an appropriate site is selected, and environmental review completed. This is a priority for the District within the first 3-5 years and would allow GFPD to recruit and train new members from the community that would staff and respond from the new Benbow station.
 - Having a station in Benbow will reduce GFPD's response time by half which will ensure a fast and effective first engagement of any fire or medical emergency. Plans are to have the following equipment at the Benbow station: one quick attack 4WD vehicle for medical aids, traffic collisions and rescue

related calls; one Type III pumper for structure and wildland fire events; and one tactical 6WD water tender for wildland and structure fires.

HOW WILL CONSOLIDATION/ANNEXATION BENEFIT YOU?

- If successful, the proposed consolidation/annexation will result in improved response times and service quality for the whole expanded district, including areas within the current district boundary.
- For those of you who are currently located outside of the GFPD boundary, it may bring peace of mind to be included in the district, receiving the associated dedicated services rather than relying on goodwill services as available. It may also bring comfort to receive an emergency response from trusted neighbors who become trained fire department volunteers.
- As a result of the widespread wildfires experienced the last couple years, fire insurance is getting harder and harder to obtain if you choose to live in a rural area. Although there are no guarantees, being located within the boundaries of a fire related district may greatly benefit your ability to obtain fire insurance or keep the policy you already have.
- In response to severe wildfire impacts and changes to state law, property can only be subdivided if it is located within the boundaries of a fire-related district. Being located within a fire district will allow you to develop or subdivide your parcel, if you choose to do so, and it is consistent with Humboldt County General Plan and Zoning requirements.

HOW WILL CONSOLIDATION/ANNEXATION BENEFIT THE COMMUNITY AND THE EXISTING FIRE DEPARTMENT?

- If successful, the proposed consolidation/annexation will result in a long-term community-based and locally controlled revenue source to support the sustainable delivery of fire protection services for the whole greater Garberville area.
- GFPD would still rely on services provided primarily by volunteers, but the expanded district will have more revenue to support volunteer recruitment and retention efforts, increased training opportunities, and improved equipment.
- Through a multi-year, phased budget allocation and fundraising process, services will be provided from three fire stations, rather than just one. This will decrease response times and inspire more community members to join the department if they can respond from their own neighborhood fire station.

WHAT ARE THE STEPS IN THE CONSOLIDATION/ANNEXATION PROCESS?

- Note that the following steps are not necessarily in sequential order.
- Who's responsible for what? The GFPD Board makes the decision to move forward with the consolidation/annexation process; LAFCo reviews and considers approval of the boundary change (contingent upon the approval of the associated revenue sources); the Board of Supervisors considers approval of the tax exchange agreement with the GFPD (transfer of existing taxes from County to GFPD); and the registered voters make the decision on whether to approve the proposed new special tax.

- GFPD Board will hold a public hearing to approve a Resolution of Application to LAFCo:
 - A notice will be circulated in a local publication and shared on social media 21 days before the hearing.
- The Annexation application will be submitted to LAFCo:
 - Upon receipt, LAFCo will send a notice of filing to interested/affected agencies.
 - Once the application is determined to be complete, a hearing date will be scheduled.
 - A public notice will be issued 21 days in advance of the hearing.
 - If written objections are received by the close of the hearing, a protest hearing will be scheduled to take place in Garberville and another notice will be issued 21 days before that hearing.
- A Tax Exchange Agreement will be proposed by the GFPD to the Humboldt County Board of Supervisors:
 - The GFPD will submit a proposal demonstrating their ability to meet expectations for expanding the district boundary and responsibly administering public funds generated from property taxes.
 - If approved, the Tax Exchange Agreement will be executed by and between the GFPD and the County.
- Election Process:
 - Annexation will be conditioned upon voter approval of a special tax.
 - A consolidated District Election will be called by the Board of Supervisors for a vote on the special tax.
 - If the schedule for all of the above steps holds, the election will take place on March 7, 2023.
 - If 2/3rds of the votes cast by registered voters are in favor of the new special fire tax, the proposed consolidation/annexation will move forward.

LEARN MORE!

Contact Us:

- If you have questions and want to learn more about this effort, please contact:
 - Tim Tietz, Garberville Fire Chief: garbfirerescue@gotsky.com

 Proposed Garberville FPD Annexation Area

 streams copy

 Fire Related District Boundaries

 Parcel Lines

 Building Footprints

 Water Bodies

 County Boundary

Roads

 Other Principal Arterial

 Major Collector

 Minor Collector

 Local

 Not County Maintained

