



AGENDA ITEM 9C

MEETING: January 18, 2023
TO: Humboldt LAFCo Commissioners
FROM: Colette Santsche, Executive Officer
SUBJECT: **Status of Current and Future Proposals**
The Commission will receive a report summarizing active on future proposals. This report is being presented for information only.

BACKGROUND

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 delegates Local Agency Formation Commissions (LAFCos) with regulatory and planning duties to coordinate the logical formation and development of local governmental agencies. This includes approving or disapproving proposals for annexation, sphere of influence amendments, and outside agency service requests.

DISCUSSION

Following is a summary of active and future proposals.

Active Proposals

Salmon Creek Fire Protection District Formation

The LAFCo Executive Officer prepared the attached Impartial Analyses for Measure S (Formation of Salmon Creek FPD) and Measure T (Salmon Creek FPD Formation Special Tax). The Election is scheduled for March 7 2023.

Garberville Fire Protection District 2022 Annexation

The LAFCo Executive Officer prepared an Impartial Analysis for Measure U (Garberville FPD Annexation Special Tax). The Election is scheduled for March 7 2023.

Future Proposals

There are several potential new proposals to the Commission in the near future based on discussions with proponents. A summary of these anticipated proposals follows.

Fire Services Coordination Efforts

A portion of Measure Z funds granted to the Humboldt County Fire Chiefs Association is focused on sustainable community fire protection to address the lack of complete community coverage and sustainable revenue. An informal working group consisting of County of Humboldt (Board of Supervisors, Planning and Building, Public Works, and County Administrative Office), LAFCo, and Humboldt County Fire Chiefs' Association representatives have been meeting to address service and funding needs on a countywide basis. Most recently the group has been working on the following fire services planning efforts:

- Arcata FPD Annexation of the Upper Jacoby Creek Community and Fickle Hill Areas.
- Kneeland FPD Annexation of goodwill response areas.

- County Service Area 4 (CSA 4) governance structure and funding options in the Trinidad/Big Lagoon/Westhaven areas.
- Eel River Valley Shared Services options and direct charge list support.
- 2021 Annual Fire Chief's Report highlighting service calls and achievements of emergency response providers throughout Humboldt County.
- Ongoing coordination and meetings with affected timber companies to address the statutory exclusion of commercial forest lands that are timbered in Fire Protection District Law.

Willow Creek CSD Activation of Powers – Wastewater Collection and Treatment

Willow Creek CSD has gone out to bid for construction of a community wastewater collection and treatment system for downtown Willow Creek and adjacent neighborhoods. Construction is not expected until summer of 2023. In order to provide this service, the Willow Creek CSD must apply for activation of powers through LAFCo. Staff previously met with the General Manager to help develop the application package, evaluate a service-specific sphere of influence to correspond to the wastewater service area, and prepare a CEQA addendum to include powers activation by LAFCo. An application is expected in early 2023.

Humboldt CSD McKay Ranch Annexation (SCH #: 2019049166)

Humboldt County is lead agency for the North McKay Ranch General Plan Amendment (GPA), Zoning Reclassification (ZR), Tentative Subdivision Map and Planned Development (PD) Permit for future residential and commercial development. The proposed subdivision is located in the Cuten area of Humboldt Community Services District's (CSD) sphere of influence and is expected to consist of approximately 320 residential units and two (2) commercial lots at full build-out. Annexation to the Humboldt CSD would be required making Humboldt LAFCo a responsible agency.

A Draft EIR was released in May 2020 with a partial recirculation of the Draft EIR released for review and comment in December 2021. The Final EIR for the project was approved by the Humboldt Planning Commission at the January 6, 2022 meeting and was presented to the Board of Supervisors on March 8, 2022. The Board chose to continue the item to the March 22, 2022 meeting. Since that time, the Board has been in conference with legal council regarding anticipated litigation on the FEIR for the project and has delayed a decision on the project until a time uncertain. LAFCo staff will continue to work with Humboldt CSD and the developer on preparation of the annexation application should the project move forward.

RECOMMENDATION

Staff recommends the Commission receive and file this report.

IMPARTIAL ANALYSIS OF MEASURE S:
FORMATION OF SALMON CREEK FIRE PROTECTION DISTRICT

This is a ballot measure to determine if the voters in the Salmon Creek area wish to confirm or reject the formation of the Salmon Creek Fire Protection District.

The proposal to form the Salmon Creek Fire Protection District was filed by petition signed by 78 of the 223 registered voters within the proposed district boundaries, or 35 percent. The proposed district formation was then approved by the Humboldt Local Agency Formation Commission on July 20, 2022, contingent on voter approval of a special tax. A three-member board of directors would also be elected on the same ballot.

The principal reasons for the proposed formation as included in the petition are as follows:

1. To establish a fire protection district to support the continued operation of the Salmon Creek Volunteer Fire Department on behalf of the Salmon Creek Fire Protection District, and that would make available the benefits and authorities contained in the Fire Protection District Law of 1987.
2. To establish an elected three-member board of directors to manage the delivery of fire and rescue services to the community.
3. To establish formal boundaries within which fire and rescue services can be adequately delivered and that clearly define the service responsibilities for the benefit of fire service providers, land use authorities, the public, and other service providers.
4. To provide the authority to establish revenue sources that can support the delivery of fire and rescue services and that the residents of the Salmon Creek Fire Protection District can rely upon into the future.

The Salmon Creek Fire Protection District boundaries would be the same as the Salmon Creek Volunteer Fire Company response area, comprising approximately 20,500 acres. Residents within the district boundaries would become eligible to vote in Salmon Creek Fire Protection District elections and run for office on the Salmon Creek Fire Protection District governing board.

The formation of the Salmon Creek Fire Protection District would not change the delivery of fire protection and emergency response services but instead formalize fire protection responsibility that has historically been provided by good-will services. The Salmon Creek Volunteer Fire Company has been serving the Salmon Creek area since 1978 and currently supports its fire protection operations through fund raising, donations, and grants. The Salmon Creek Volunteer Fire Company would continue to provide fire protection services on behalf of the Salmon Creek Fire Protection District.

In summary, a "yes" vote on this measure is a vote in favor of the formation of the Salmon Creek Fire Protection District. A "no" vote on this measure is a vote against the formation of the Salmon Creek Fire Protection District. The formation of the Salmon Creek Fire Protection District requires majority voter approval and is contingent upon the approval of a special tax to finance district services. If the special tax as part of Measure T does not pass, district formation proceedings will be terminated.

/s/ Colette Santsche
Executive Officer
Humboldt Local Agency Formation Commission

The above statement is an impartial analysis of Measure "S". If you desire a copy of Measure S, please call the Elections Official's office at (707) 445-7481 and a copy will be mailed at no cost to you. Information regarding the Salmon Creek Fire Protection District Formation is available at the LAFCo office (707) 445-7508 or by visiting www.humboldtlaico.org.

IMPARTIAL ANALYSIS OF MEASURE T:
SALMON CREEK FIRE PROTECTION DISTRICT SPECIAL TAX

This is a ballot measure to determine if the voters in the Salmon Creek area wish to confirm or reject a proposed special tax for the Salmon Creek Fire Protection District. The formation of the Salmon Creek Fire Protection District is contingent upon the approval of the special tax to finance district services.

The Salmon Creek Volunteer Fire Company would continue to provide fire protection services on behalf of the Salmon Creek Fire Protection District. The Salmon Creek Fire Protection District is to be funded through a voter-approved special tax that would generate approximately \$25,000 per year. The special tax would be apportioned to all parcels within the district at a maximum rate of \$75 per parcel per year commencing in fiscal year 2023-24.

The special tax would be levied annually for an indefinite term (no sunset), collected as part of the annual property tax bill, and deposited in a fund for the sole use of the district (nominal fees may be charged by the County). The Salmon Creek Fire Protection District would be required to file an annual report regarding the use of the tax proceeds per state law.

The special tax would include the following additional provisions:

1. Inflationary Adjustment. In each subsequent year and as part of a noticed public hearing, the District Board may choose to adopt an inflation adjustment factor to increase the maximum special tax rate by an amount equal to the annual change in the Consumer Price Index of the San Francisco-Oakland-San Jose area, up to a maximum increase of five percent to account for cost increases in providing fire services. This factor is the maximum that the special tax could be raised in a fiscal year. The District Board can adopt a lower adjustment factor or forgo the adjustment at the Board's discretion.
2. Contiguous Parcel Exemption. The special tax would include an exemption to allow Assessors Parcels which are contiguous, undeveloped, held under identical ownership and used solely for timber production or agricultural grazing, upon approval of an application of the owners thereof to the District Board, to be treated as a single parcel for purposes of this special tax.
3. Hardship Exemption. The special tax would include an exemption to allow landowners who fall within the U.S. Department of Housing and Urban Development (HUD) Guidelines for "very low" or "poverty level" income, to apply to the Salmon Creek Fire Protection District Board for a partial or complete exemption from the tax.

In summary, a "yes" vote on this measure is a vote in favor of the establishment of the special tax. A "no" vote on this measure is a vote against the special tax. The approval of the special tax will only become effective if approved by two-thirds of those voting, and the Salmon Creek Fire Protection District will only be formed if the special tax to finance district services is approved.

/s/ Colette Santsche
Executive Officer
Humboldt Local Agency Formation Commission

The above statement is an impartial analysis of Measure "T". If you desire a copy of Measure T, please call the Elections Official's office at (707) 445-7481 and a copy will be mailed at no cost to you. Information regarding the Salmon Creek Fire Protection District Special Tax is available at the LAFCo office (707) 445-7508 or by visiting www.humboldtlafo.org.

IMPARTIAL ANALYSIS OF MEASURE U:
GARBERVILLE FIRE PROTECTION DISTRICT ANNEXATION CONTINGENT ON SPECIAL TAX APPROVAL

This is a ballot measure to determine if the voters in the existing boundaries of Garberville Fire Protection District and the proposed annexation area wish to confirm or reject a proposed special tax for the Garberville Fire Protection District.

On June 8, 2022, the Board of Directors of the Garberville Fire Protection District adopted a Resolution of Application requesting annexation to the Humboldt Local Agency Formation Commission (LAFCo) and approved the first reading of an Ordinance to establish a special tax on all parcels within the existing district and annexation area.

On July 20, 2022, Humboldt LAFCo conditionally approved Garberville Fire Protection District's application to annex their approximately 36,000-acre out-of-district good-will response area and consolidate with the Sprowel Creek Volunteer Fire Company. The annexation is conditioned upon voter-approval of a special tax to be levied within the existing district and annexation area.

The special tax would be a reliable revenue source to improve training, personal protective equipment, emergency medical and firefighting equipment, and apparatus, and to improve response times and operational capacity by hiring daytime firefighters to staff the Garberville fire station. The special tax would generate approximately \$150,000 annually and be apportioned to property based on the use of property (per parcel per year) as follows:

- Vacant property, all types: \$25 per parcel per year
- Single-family homes *within a hydranted area*: \$100 per parcel
- Single-family homes *not served by hydrants* require a greater response, including water tenders: \$150 per parcel
- Multiple-family dwellings: between \$200 and \$450 per parcel depending upon the number of units
- Commercial and industrial properties: between \$300 and \$500 per parcel
- Hotels and motels: between \$300 and \$750 per parcel depending on the number of rooms

The special tax would be levied annually on parcels within the existing district and annexation area for an indefinite term (no sunset), collected as part of the annual property tax bill, and deposited in a fund for the sole use of the district (nominal fees may be charged by the County). The Garberville Fire Protection District would be required to file an annual report regarding the use of the tax proceeds per state law.

The special tax includes the following additional provision:

- Inflationary Adjustment. In each subsequent year as part of a noticed public hearing, the District Board may adopt an inflation adjustment factor to increase the maximum special tax rate by an amount equal to the annual change in the Consumer Price Index of the San

Francisco-Oakland-San Jose area, up to a maximum increase of five percent, to account for cost increases for providing fire services. This factor is the maximum that the special tax could be raised in a fiscal year. The District Board can adopt a lower adjustment factor or forgo the adjustment at the Board's discretion.

A "yes" vote on this measure is a vote in favor of the establishment of the special tax and a "no" vote on this measure is a vote against. The approval of the special tax will only become effective if approved by two-thirds of those voting. If the special tax does not pass, the annexation proceedings will be terminated.

/s/ Colette Santsche
Executive Officer
Humboldt Local Agency Formation Commission

The above statement is an impartial analysis of Measure "U". If you desire a copy of Measure U, please call the Elections Official's office at (707) 445-7481 and a copy will be mailed at no cost to you. Information regarding the Garberville Fire Protection District Annexation and Special Tax, or to view a copy of the full GFPD Ordinance, is available at the LAFCo office (707) 445-7508 or by visiting www.humboldtlaftco.org.