

LAFCO RESOLUTION 2021-05

RESOLUTION OF THE SHASTA LOCAL AGENCY FORMATION COMMISSION MAKING DETERMINATIONS AND APPROVING, WITH CONDITIONS, ANNEXATION TO THE CONSOLIDATED FALL RIVER VALLEY FIRE PROTECTION DISTRICT AND DETACHMENT FROM THE COUNTY SERVICE AREA # 1.

WHEREAS, Concurrent Resolutions of Applications from the Fall River Mills and McArthur Fire Protection Districts (consolidated into the Fall River Valley Fire Protection District, as successor agency), have been filed with the Shasta Local Agency Formation Commission (LAFCO) Executive Officer and said application complied with Commission requirements; and,

WHEREAS, The territories that are subject of the proposal are located in the eastern portion of unincorporated Shasta County ("Affected Territories"). As part of the Application, the Applicants included a plan for providing services within the Affected Territories ("Plan for Services").

WHEREAS, The consolidated Fall River Valley McArthur Fire Protection District will be formed under authority defined in the California Health and Safety Code, Fire Protection District Law of 1987 [Sections 13800 - 13970]; and

WHEREAS, The individual Districts circulated notices to agencies and interested parties including LAFCO and adopted resolutions initiating LAFCO proceedings and conducted public meetings based on their notification, and have received and considered comments presented at the public hearings; and

WHEREAS, District consolidation proceedings are governed by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 as amended, Government Code Section 56000 et seq.; and

WHEREAS, The Fall River Mills and McArthur Fire Protection District territory was consolidated, subject to conditions, into the Fall River Valley Fire Protection District, as successor agency; and

WHEREAS, The proposal included annexation of territory, covering approximately 23,478.3 acres in County Service Area #1 (CSA #1) – Shasta County Fire Department, to the consolidated District, requiring detachment from CSA #1; and

WHEREAS, the proposed annexation and consolidation are subject to a Tax Revenue Sharing Agreement meeting California Revenue & Taxation Code Section 99 requirements; and

WHEREAS, The Shasta County Board of Supervisor's adopted Resolution 20-078 on July 28 2020, that formally documents that Fall River Mills and McArthur Fire Protection Districts property taxes allocations, with no revenue allocations for annexed parcels, to be transferred to the Fall River Valley Fire Protection District (consolidated District), to meet California Revenue & Taxation Code Section 99 requirements.

WHEREAS, Due to the proposed annexation not receiving property tax revenue allocations for annexed parcels currently allocated to County Service Area #1, the Executive Officer recommended the Commission continue the annexation portion of the proposal, to allow more time for revenue options to be explored; and

WHEREAS, At the time and in the manner provided by law, the Executive Officer issued a certificate of filing and posted a notice of the Commission's December 3 2020 hearing, which gave notice of the date, time, and place of a public hearing by the Commission upon said application; and

WHEREAS, the Shasta LAFCO has adopted a Sphere of Influence for the consolidated District, as shown in the 2018 Intermountain Fire Protection Districts Municipal Services Review approved by the Commission; and

WHEREAS, at a hearing on December 3 2020, the Commission considered the proposal and the report of the Executive Officer; the factors determined by the Commission to be relevant to this proposal, including, but not limited to, factors specified in Government Code § 56668, and all other relevant evidence and information presented at said hearing, including the comments of all interested parties desiring to be heard; and

WHEREAS, On December 3 2020, the Commission approved the consolidation, with conditions, and continued the hearing on annexation and detachment portions of the proposal, to a date certain, April 1 2021, to allow for revenue options to be explored; and

WHEREAS, The Executive Officer furnished the staff report for the continued item, to the Districts, the Commission, other persons required by law to receive it and included it in the April 1 2021 Commission agenda packet posted to the Shasta LAFCO website; and.

WHEREAS, State CEQA Guidelines § 15320 exempts from CEQA changes in the organization or reorganization of local government agencies where the changes do not change the geographical area in which previously existing powers are exercised. In that the District will provide fire and emergency medical services to the Affected Territories that are comparable or superior to those provided currently, and will continue to provide such services to the Affected Territories upon consolidation, there is no change in the geographic area to which services have been provided as a result of consolidation. As a result, the Proposal is exempt pursuant to State CEQA Guidelines § 15320.

WHEREAS, LAFCO, on behalf of the consolidated Districts, as the Lead Agency, prepared a Notice of Exemption for the affected territory pursuant to the requirements of the California Environmental Quality Act (Public Resources Code § 21000 et seq.).

WHEREAS, The Affected Territories are inhabited, in that more than twelve registered voters reside within. Therefore, the Commission will establish a Protest proceeding for the consolidation and annexation, if approved, beginning on April 15, 2021 and concluding at the Commission's regular meeting on June 3, 2021.

WHEREAS, Based on the foregoing findings and determinations and the record of these proceedings, the Commission finds and determines that the annexation and detachment of territory is consistent with the intent of the Cortese-Knox-Hertzberg Act and the purposes of the Commission, as expressed in Government Code § 56001 and § 56301. The Commission further finds, therefore, that approval of the consolidation of the two existing districts is appropriate.

NOW, THEREFORE, IT IS RESOLVED, DETERMINED AND ORDERED as follows:

The foregoing recitals are true and correct.

1. The territory to be annexed comprises approximately 23,478.3 more or less and is inhabited.
2. The change of organization is assigned the following distinctive short-term designation:
Fall River Valley Fire Protection District Annexation.
3. The Commission has reviewed and considered the information contained in the Notice of Exemption prepared for this change of organization and makes a specific determination that

this environmental determination adequately addresses this change of organization. The Commission hereby affirms and incorporates by reference the decision as part of the findings for this resolution.

4. The Commission adopts and affirms the Notice of Exemption prepared by Shasta LAFCO and directs the Executive Officer to file a Notice of Exemption as provided under the California Environmental Quality Act. Applicant shall be responsible for payment of any documentary handling fees required by the Shasta County Clerk or filing office.
5. The consolidated Fall River Valley Fire Protection District, would include the proposed annexation.
6. The proposed annexation of 23,479 acres (including territory in Lassen and Modoc Counties totaling less than 400 acres, or 2%) and detachment from CSA #1 for all Shasta County territory, would not receive any of the Shasta County portion of property tax revenue, per Board of Supervisors Resolution 20-078, approved July 28 2020.
7. The proposed annexation was continued on December 3 2020, so that the consolidated district could address the lack of revenues from the annexed territory that would create inconsistencies compared to revenue received from properties in the consolidated District and limit the Districts ability to extend services.
8. The Commission adopts the determinations regarding consistency with LAFCO policies contained in the staff report for this project and incorporates them by reference herein.
9. The Fall River Valley Fire Protection District will be formed pursuant to California Health and Safety Code, Fire Protection District Law of 1987 [§ 13800 – 13970].
10. This change of organization includes all the territory shown in Exhibit "A" Consolidated Fall River Mills and McArthur Fire Protection Districts. The district boundaries and Sphere of Influence, as set forth in the proposal, are hereby approved as shown in Exhibit "A" attached hereto and by this reference incorporated herein.
11. The effective date of formation shall be upon the Certificate of Completion recordation and after the completion of all proceedings.
12. The Fall River Valley Fire Protection District shall be the successor agency to all rights, responsibilities, properties, contracts, assets, liabilities, and functions of Fall River Mills and McArthur Fire Protection Districts. Any professional service agreements, individual employments contracts and pension liabilities will be evaluated consistent with the following:

Any full- or part-time Fall River Mills and McArthur Fire Protection District employees shall become full-time or part-time employees of the successor agency. Contract employees and professional service agreements will be evaluated, at the sole and exclusive discretion of the governing body of the consolidated District, to determine whether they are essential to the ongoing District operation.

This consolidation is subject to the following conditions:

1. The successor agency shall function under and carry out all authorized duties and responsibilities as outlined in Fire District Law and other applicable laws.
2. As applicable, all income from taxes, assessments or any other source, which has been a continuing right to tax distribution, or historical distribution or allocation of funds, shall continue to be distributed to the Fall River Valley Fire Protection District.
3. The provisional appropriation limits of the Fall River Mills and McArthur Fire Protection

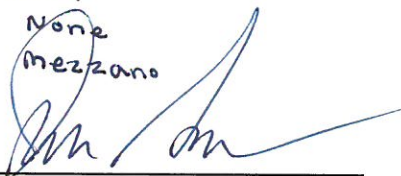
Districts shall be set in the first full fiscal year. This amount is to be set from the proceeds of taxes currently received by the Fall River Mills and McArthur Fire Protection Districts.

4. All Assets, unrestricted, restricted or fiduciary, held by the Fall River Mills and McArthur Fire Protection Districts, shall be transferred to and become assets of the Fall River Valley Fire Protection District. The consolidated District shall be the successor agency. The assets include, but are not limited to vehicles, infrastructure, structures, land, office equipment, maintenance equipment and cash assets.
5. Any previously authorized charges, fees, assessments, and/or taxes currently in effect, now levied or collected by each district, including improvement or assessment districts thereof, shall continue to be levied and collected by successor District.
6. All District liabilities shall be transferred to and become liabilities of the consolidated District.
7. The existing rights of lands in the annexed territory continue post annexation.
8. The District shall extend the range of services authorized by Fire District Law to the annexed territory. The consolidated District Board of Trustees shall include services to annexed territory in an annual work plan for services.
9. The Sphere of Influence hereby adopted by Shasta LAFCO (Resolution 2020-08) on December 3, 2020 shall guide the consolidated District and any Sphere of Influence Updates shall meet requirements of Government Code § 56425 (g).
10. LAFCO is the conducting authority for this annexation. In accordance with provisions of Government Code § 56000 et. seq. and Shasta LAFCO Policies, a protest-hearing, pursuant to Government Code § 57000 et seq. shall be conducted. If written protests are received at the public hearing, the proposal shall be subject to protest proceeding thresholds in Government Code § 57077.2. As necessary the Commission hereby directs the Executive Officer to schedule a protest hearing for this matter after the expiration of the reconsideration period specified by § 56895; to conduct the hearing for this reorganization; and, upon completion of the hearing, to take action as appropriate in accordance with LAFCO Policies and the requirements.
11. Approval of this annexation is conditioned upon the applicant's obligation to defend, indemnify, and hold harmless the Shasta Local Agency Formation Commission and its agents, officers and employees from any claim, action or proceeding against the Commission or its agents, officers, and employees; including all costs, attorney's fees, expenses and liabilities incurred in the defense of such claim, action, or proceeding to attack, set aside, or void the approval or determinations of this Commission concerning this annexation. Shasta LAFCO shall promptly notify the applicant of any such claim, action, or proceeding and be entitled to representation by counsel of its choosing.
12. Unless otherwise waived, all LAFCO, Shasta County and State of California fees must be paid in full prior to Certificate of Completion filing. LAFCO will forward invoices and (or) a list of estimated required fees or deposits prior to Certificate of Completion filing.
13. The District shall prepare and submit, and implement a financial proposal to generate revenues for the annexed territory which may include, but not be limited to: an Annexation Development Plan per R&T Code §99.3, a special parcel assessment, and /or fee for services agreement.
14. The Executive Officer is hereby directed to transmit a certified copy of this resolution to each affected agency, as provided in G.C. § 56882.

15. The Completion of the 30-day reconsideration period provided under G.C. § 56895.
16. Submittal of a final map and geographic description of the affected territory conforming to applicable State Board of Equalization requirements prior to the recordation of the Certificate of Completion.
17. The Executive Officer is directed to record a Certificate of Completion for this proposal upon completion of all proceedings.
18. Completion of proceedings shall be concluded within one year after adoption of this resolution. If the proceedings are not concluded within one year after passage of this resolution, all proceedings shall be terminated unless an extension is approved.

Adopted on April 1 2021 by the following Vote:

For: Baugh, Chimenti, Fust, Hoynes, Morgan, Neutze, Russell
Against: none
Abstain: None
Absent: Mezzano



Irwin Fust, Chair Shasta LAFCO

Attest:

G. Bull for
George Williamson Executive Director

Attachments Exhibit A- Boundary & SOI Map