

STATEMENT OF PROCEEDINGS
COUNTY OF SAN DIEGO SAN DIEGO COUNTY FIRE PROTECTION DISTRICT
REGULAR MEETING
MEETING AGENDA
WEDNESDAY, JUNE 15, 2022, 9:00 AM
COUNTY ADMINISTRATION CENTER, ROOM 310
1600 PACIFIC HIGHWAY
SAN DIEGO, CA 92101

A. REGULAR SESSION – Regular Meeting was called to order at 10:30 a.m.

PRESENT: Directors Nathan Fletcher, Chair; Joel Anderson; Terra Lawson-Remer; Jim Desmond; also, Andrew Potter, Clerk of the Board of Supervisors.

ABSENT: Director Nora Vargas, Vice-Chair

(Members of the San Diego County Fire Protection District attended the meeting via teleconference and participated in the meeting to the same extent as if they were present, pursuant to Resolution No. 22-056, adopted May 24, 2022.)

B. Non-Agenda Public Communication: No Speakers

C. Approval of the Statement of Proceedings/Minutes for the meeting of March 15, 2022.

ACTION:

ON MOTION of Director Fletcher, seconded by Director Anderson, the Board of Directors of the San Diego County Fire Protection District approved the Statement of Proceedings/Minutes for the meeting of March 15, 2022.

AYES: Anderson, Lawson-Remer, Fletcher, Desmond

ABSENT: Vargas

NOTICE: THE BOARD OF SUPERVISORS MAY TAKE ANY ACTION WITH RESPECT TO THE ITEMS INCLUDED ON THIS AGENDA. RECOMMENDATIONS MADE BY COUNTY STAFF DO NOT LIMIT ACTIONS THAT THE BOARD OF SUPERVISORS MAY TAKE. MEMBERS OF THE PUBLIC SHOULD NOT RELY UPON THE RECOMMENDATIONS IN THE BOARD LETTER AS DETERMINATIVE OF THE ACTION THE BOARD OF SUPERVISORS MAY TAKE ON A PARTICULAR MATTER.

Agenda Items

- | Agenda # | Subject |
|-----------------|---|
| 1. | CONFIRM FISCAL YEAR 2022-23 LEVIES FOR COMMUNITY FACILITIES DISTRICTS
[FUNDING SOURCES: SPECIAL TAX LEVIES FROM CFD NO. 2008-01, CFD NO. 2013-01, CFD NO. 2019-02, CFD NO. 2019-01, CFD NO. 2019-03, CFD NO. 04-1 AND CFD 09-1 AND ARE PAID BY PROPERTY OWNERS]

(RELATES TO BOARD OF SUPERVISORS AGENDA NO. 05) |

2. NOTICED PUBLIC HEARING:
PUBLIC HEARING TO CONFIRM FISCAL YEAR 2022-23 LEVIES FOR
PERMANENT ROAD DIVISION ZONES, COUNTY SERVICE AREAS AND
ZONES, SAN DIEGO COUNTY FIRE PROTECTION DISTRICT ZONES, AND
STORMWATER MAINTENANCE ZONES
[FUNDING SOURCE: ASSESSMENT LEVIES ON PROPERTY OWNERS WITHIN
THE IDENTIFIED DISTRICTS]

(RELATES TO BOARD OF SUPERVISORS AGENDA NO. 06; AND, FLOOD
CONTROL DISTRICT AGENDA NO. FL01)

1. SUBJECT: CONFIRM FISCAL YEAR 2022-23 LEVIES FOR COMMUNITY FACILITIES DISTRICTS (DISTRICTS: ALL)

OVERVIEW

In accordance with Board Policy I-136, Comprehensive Goals and Policies for *Community Facilities Districts*, the County of San Diego manages eight Community Facilities Districts (CFD) throughout the region. In addition, the San Diego County Fire Protection District manages two CFDs. A CFD is established to create a funding mechanism for public facilities and services such as streets, sewer facilities, stormwater facilities, fire protection, parks, and libraries. Through this funding mechanism, these public facilities and services are paid for by those property owners within the boundaries of the district since they benefit the most from the services and are typically established as part of the development process for new or infill housing to support the residents of those housing developments.

The method for calculating the levies for CFDs can be based on a variety of factors, including parcel acreage or use type (single-family or multi-family). The rate is established in each district Rate and Method of Apportionment (RMA) as adopted by the Board of Supervisors at the time each CFD is formed. The RMA provides the methodology to determine the maximum annual special tax allowable for each district. Any changes to an RMA require voter approval. CFDs are levied annually on each parcel's tax bill, reducing the cost to the ratepayer by eliminating the administrative costs that arise from annual billing and payment collection. The annual adoption of a resolution is required to provide for the levies of a special tax for CFDs on the tax rolls.

Today's request is for the County of San Diego Board of Supervisors and San Diego County Fire Protection District Board of Directors, acting as the Governing Body of the CFDs, to adopt resolutions to authorize the Fiscal Year (FY) 2022-23 levies for eight CFDs: CFD No. 2008-01 (Harmony Grove Village), CFD No. 2013-01 (Horse Creek Ridge Maintenance), CFD No. 2019-02 (Sweetwater Place Maintenance), CFD No. 2019-01 (Meadowood Maintenance), CFD No. 2019-03 (Park Circle Maintenance), CFD no. 2022-01 (Piper Otay Preserve Maintenance), CFD No. 04-1 (Lake Morena, Jacumba, Jamul, and Lyons Valley), and CFD No. 09-1 (East Otay Mesa). Upon approval, the annual levies will be placed on the tax roll so that the property owners can continue to pay the levy through their property tax bills.

If today's actions are approved, levies will be adopted for eight CFDs. All proposed levies are within approved maximum rates in accordance with the RMAs for each district and would not require voter approval. RMAs are established as part of the CFD creation and any amendments to an RMA, such as changes to rates or services provided, require voter approval. If today's proposed actions to levy on the tax bill are not approved, the previously approved FY 2021-22 rates will be levied. There would be no reduction in revenue from not placing the collection of the service fees on the tax roll, but administrative expenses would increase for annual billing and payment collection if the payments are collected separately instead of on the tax roll. If the rates are not increased as proposed, maintenance would be impacted, and available fund balance would be used to mitigate any shortfalls for FY 2022-23.

Board of Supervisors Policy B-29: Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery (Board Policy B-29) directs departments to recover the full cost of services provided to agencies or individuals. Staff reviewed each district's budget to determine if revenues were adequate for services or if rates should be increased or decreased based on the budget. Staff determined that the proposed rates for Fiscal Year 2022-23 are needed to fund costs for services, and available fund balance is needed for working capital, future services, or facility repair, improvements, or replacement, and to ensure compliance with Board Policy B-29.

The following is the summary of proposed levies for FY 2022-23:

Community Facilities District 2008-01 (Harmony Grove Village). The Harmony Grove Village subdivision is located within the San Dieguito Community Plan area in District 3. The site is approximately 418 acres and includes 736 residential dwelling units and three public park sites. The proposed maximum annual Special Tax A will increase from \$1,362,972.40 to \$1,382,820.86 for Improvement Area No. 1 and will increase from \$1,136,804.46 to \$1,153,504.14 for Improvement Area No. 2 to fund costs related to construction of public facilities including parks, roads, wastewater, and flood control facilities built by the developer, through a bond series approved by the Board on December 5, 2017 (23) and December 10, 2019 (25). Special Tax B will increase in both Improvement Areas from \$836,625.92 to \$886,821.12 in accordance with the RMA, adopted June 25, 2008 (9) to fund increasing costs for CFD administration, maintenance, and operating costs of storm drain structures, public parks/recreation facilities/open space, street lighting, and emergency response facilities and services provided by Rancho Santa Fe Fire Protection District.

Community Facilities District 2013-01 (Horse Creek Ridge Maintenance). The Horse Creek Ridge subdivision is located within the Fallbrook Community Plan area in District 5. The site is approximately 416-acres and approved for 741 single-family and multi-family dwelling units and a public sports park and staging area site. Special Tax A funds costs related to open space, trails, park, recreational facility maintenance, and CFD administration. Special Tax B funds storm drainage and detention basin facilities maintenance. Special Tax C funds fire protection, suppression, and emergency medical services provided by North County Fire Protection District. The proposed maximum special tax will increase from \$514,936.64 to \$526,000.10 for Special Tax A, from \$210,111.70 to \$214,629.20 for Special Tax B, and from \$158,224.14 to 161,626.54 for Special Tax C, all in accordance with the RMA, adopted January 29, 2014 (1). This increase is needed to fund increased costs to operate and maintain a regional sports park complex, staging area and park trails, onsite and offsite open space, fire services, and detention basins within the CFD.

Community Facilities District 2019-02 (Sweetwater Place Maintenance). The Sweetwater Place subdivision is located within the Spring Valley Community Plan area in District 4. The site is approximately 18-acres and approved for 122 single-family and multi-family dwelling units and a two-acre public park. This CFD was established to finance ongoing operations and maintenance of the park within the CFD. The proposed maximum special tax will increase from \$125,317.16 to \$131,842.96 in accordance with the RMA, adopted May 1, 2019 (2). This increase is needed to fund increased costs to operate and maintain a two-acre public park within the CFD.

Community Facilities District 2019-01 (Meadowood Maintenance). The Meadowood subdivision is located within the Fallbrook Community Plan area in District 5. The site is approximately 389-acres and approved for 844 single-family and multi-family dwelling units and a park. The Meadowood subdivision is still being built out, and the number of parcels increased from 2 to 190 between FY 2021-22 and FY 2022-23. This increase in parcels paying into the CFD has resulted in a larger than usual increase in the special tax. Special Tax A funds costs related to open space, trails, a park, recreational facility maintenance, and CFD administration. Special Tax B funds storm drainage and detention basin facilities maintenance. Special Tax C funds fire protection, suppression, and emergency medical services provided by North County Fire Protection District. The proposed maximum special tax will increase from \$11,573.94 to \$120,656.90 for Special Tax A, from \$6,668.76 to \$69,528.00 for Special Tax B and \$4,905.18 to \$52,911.60 for Special Tax C in accordance with the amended RMA, adopted May 6, 2020 (3). The increases are needed to fund the cost to operate and maintain a park, park trails, fire services, and stormwater drainage and treatment facilities within the CFD.

Community Facilities District 2019-03 (Park Circle Maintenance). The Park Circle subdivision is located within the Valley Center Community Plan area in District 5. The site is approximately 74-acres and approved for 322 single-family dwelling units and a 2.6-acre public park. This CFD was established to finance ongoing operations and maintenance of the park within the CFD. The proposed maximum special tax will increase from \$58,762.08 to \$202,639.04 due to FY 2021-22 to FY 2022-23 having an increase from 72 to 236 total parcels to be levied in accordance with the RMA, adopted June 5, 2019 (1). These increases are needed to fund the cost of operations and maintenance of a public park within the CFD.

Community Facilities District 2022-01 (Piper Otay Preserve Maintenance). The Piper Otay subdivision is located within the East Otay Mesa Business Park Specific Plan in District 1. The proposed maximum special tax will be \$37,828 in accordance with the RMA, adopted April 27, 2022 (07). FY 22-23 is the first year the special tax will be levied, and the tax is needed to fund the cost of operations and maintenance of a public park within the CFD.

Community Facilities District 04-1 (CFD 04-1) Located in southeast San Diego county in District 2, CFD 04-01 and encompasses approximately 4,549 acres of land (851 acres classified as developed property with 41 residential parcels and 3 non-residential parcels, and 3,584 undeveloped acres) within the communities of Lake Morena, Jacumba, Jamul, and Lyons Valley. This CFD was formed to fund fire protection, suppression, and paramedic services, as well as the construction or acquisition of fire stations, fire training facilities, fire dispatch centers, fire communication systems, and fire equipment with a useful life of five years or more. The special tax was established to fund fire protection expenses through the collection of Special Tax A and Special Tax B. The Special Tax A Requirement is applied to all eligible properties as an ongoing, annual assessment. In FY 22-23, the proposed maximum Special Tax A Requirement will increase from \$18,442.42 to \$19,973.00. Special Tax B is a one-time special tax levied on a property the first year following development, and will increase from \$676.06 to \$1,456.06 in FY 22-23 due to an increase in the amount of parcels eligible for the one-time assessment. The proposed special tax increases for both Special Tax A and Special Tax B are in accordance with the RMA, adopted January 6, 2004. The increase is needed to fund fire protection operations, equipment, facilities, and staffing.

Community Facilities District 09-1 (East Otay Mesa) (CFD 09-1) Located in the southwestern portion of San Diego county in District 1, CFD 09-1 is between the Otay River Valley to the north, the international border with Mexico to the south, the San Ysidro Mountains to the east, and the City of San Diego to the west, encompassing approximately 3,068 acres of land. The special Tax was established by the former Rural Fire Protection District to fund authorized facilities (Temporary Sheriff's Substation, Fire Station, and Permanent Sheriff's Substation) through the issuance of bonds secured by the levy of Special Tax A. The RMA, adopted September 22, 2009, identifies specific expenses that are eligible for funding under the Special Tax A Requirements before and after the issuance of bonds. For example, prior to the issuance of bonds, the Special Tax A funds can only be used to pay lease payments for the Temporary Sheriff's Station and administrative expenses. In contrast, the requirements for Special Tax B are not affected by the issuance of bonds, and were established to pay for the ongoing cost of operations and maintenance of fire facilities. In FY 22-23, the collection of Special Tax A will be discontinued as the temporary lease for the Sheriff's substation is no longer needed and there are no current plans to proceed with the issuance of bonds. The proposed maximum special tax rate for Special Tax B will increase in accordance with the RMA from \$1,283,919.50 to \$1,610,814.82. The increase is needed to fund the operation and maintenance of fire facilities that serve the approximately 134 parcels within the boundaries of the CFD, 26 of which are currently developed.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

Acting as the Board of Directors, San Diego County Fire Protection District:

1. Adopt a Resolution entitled: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN DIEGO COUNTY FIRE PROTECTION DISTRICT ACTING AS THE GOVERNING BODY OF COMMUNITY FACILITIES DISTRICT NO. 04-1 AUTHORIZING THE LEVY OF SPECIAL TAXES FOR FISCAL YEAR 2022-23.
2. Adopt a Resolution entitled: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN DIEGO COUNTY FIRE PROTECTION DISTRICT ACTING AS THE GOVERNING BODY OF COMMUNITY FACILITIES DISTRICT NO. 09-1 AUTHORIZING THE LEVY OF SPECIAL TAXES FOR FISCAL YEAR 2022-23.

EQUITY IMPACT STATEMENT

Levying special taxes that fund special districts would result in additional community services and resources that improve the health, safety, and economic interests of local communities. Based on available data from community feedback received at public meetings and daily interactions with residents which indicate residents support continued funding for services through special districts, services provided through the levying charges on the FY 2022-23 tax rolls will have a positive impact on communities throughout the unincorporated areas of the county, including providing fire protection, flood control protection, parks, and paramedic services to residents of approximately 1,614 parcels.

FISCAL IMPACT

The proposed special tax levies are included in the Fiscal Year (FY) 2022-23 CAO Recommended Operational Plan for the Department of Public Works, Department of Parks and Recreation, and San Diego County Fire Protection District. If approved, the proposed rate increases will result in additional estimated revenue of \$86,743.34 in the Department of Public Works for CFD No. 2008-01 Harmony Grove Village; and \$427,162.74 in the Department of Parks and Recreation for CFD No. 2013-01 Horse Creek Ridge Maintenance (\$18,983.36), CFD No. 2019-02 Sweetwater Place Maintenance (\$6,525.80), CFD No. 2019-01 Meadowood Maintenance (\$219,948.62), CFD No. 2019-03 Park Circle Maintenance (\$143,876.96) and CFD 2022-01 Piper Otay Preserve Maintenance (\$37,828.00). If approved, the proposed rates for the San Diego County Fire Protection District will result in estimated additional revenue of \$2,310.58 for CFD No. 04-01 and \$164,737.40 for CFD 09-1. If approved, the cumulative proposed rate increases will result in additional estimated total revenue of \$680,954.06 to the County. The funding sources are special tax levies from CFD No. 2008-01, CFD No. 2013-01, CFD No. 2019-02, CFD No. 2019-01, CFD No. 2019-03, CFD No. 04-1 and CFD 09-1 and are paid by property owners.

There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

(RELATES TO BOARD OF SUPERVISORS AGENDA NO. 05)

ACTION:

ON MOTION of Director Fletcher, seconded by Director Anderson, the Board of Directors of the San Diego County Fire Protection District took action as recommended, adopting Resolution No. 22-091, entitled: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN DIEGO COUNTY FIRE PROTECTION DISTRICT ACTING AS THE GOVERNING BODY OF COMMUNITY FACILITIES DISTRICT NO. 04-1 AUTHORIZING THE LEVY OF SPECIAL TAXES FOR FISCAL YEAR 2022-23; and,

Resolution No. 22-092, entitled: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN DIEGO COUNTY FIRE PROTECTION DISTRICT ACTING AS THE GOVERNING BODY OF COMMUNITY FACILITIES DISTRICT NO. 09-1 AUTHORIZING THE LEVY OF SPECIAL TAXES FOR FISCAL YEAR 2022-23.

AYES: Anderson, Lawson-Remer, Fletcher, Desmond

ABSENT: Vargas

2. **SUBJECT: NOTICED PUBLIC HEARING:
PUBLIC HEARING TO CONFIRM FISCAL YEAR 2022-23 LEVIES
FOR PERMANENT ROAD DIVISION ZONES, COUNTY SERVICE
AREAS AND ZONES, SAN DIEGO COUNTY FIRE PROTECTION
DISTRICT ZONES, AND STORMWATER MAINTENANCE ZONES
(DISTRICTS: ALL)**

OVERVIEW

Special districts are created by residents of a community to deliver specialized services the local county or city do not provide. There are a variety of special districts, and each type is governed under different State laws. The County of San Diego (County), San Diego County Flood Control District (Flood Control District), and San Diego County Fire Protection District (Fire District) use special districts as a funding mechanism to provide services, such as fire protection, flood control protection, private road, and landscape maintenance, parks, emergency communication, and paramedic services, across the unincorporated areas and in six cities (Del Mar, Solana Beach, Encinitas, Santee, and portions of Poway and San Diego) in San Diego county.

Services are primarily funded by property owners through assessments or special taxes that are collected through annual property tax bills, reducing the cost to ratepayers by eliminating the administrative costs from annual billing and payment collection. District boundaries were established by voters at the time of formation or as a condition of development. Services are primarily funded by parcels within each district's boundaries. The method for calculating how much each parcel pays varies based on the type of district and ordinances adopted when the districts were formed. The most common method for calculating the rate per parcel is based on a variety of factors, including land use, parcel acreage, or use type (single-family or multi-family). The assessments or special taxes cannot exceed the maximum amount in the adopted ordinance without an additional vote of the affected community. At the time of formation, some of the ordinances included cost escalators, tied to a specific cost index, to allow special districts to increase the maximum rate each year to keep pace with inflation. The most commonly used cost indices are the Consumer Price Index (CPI) which measures the cost of consumer goods, and the Construction Cost Index (CCI) which measures the cost of construction materials and labor.

Board of Supervisors Policy B-29: *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery* (Board Policy B-29) directs departments to recover the full cost of services provided to agencies or individuals. Staff reviewed each district to determine if revenues were adequate for services or if rates should be increased or decreased based on the budget. Staff determined that the proposed rates for Fiscal Year (FY) 2022-23 are needed to fund services and to ensure compliance with Board Policy B-29. Rates are also necessary to maintain financial reserves to fund future services, facility repairs, improvements, or replacements. All proposed rates are in accordance with Articles XIII A-D of the California Constitution, (Proposition 218) as amended to date and are within maximum rates set forth in each district's adopted ordinance; and therefore, do not require voter approval from affected property owners. Under Proposition 218, voters must approve special district formations and the maximum amount that can be collected from property owners.

Permanent Road Division Zones (County District)

There are 68 Permanent Road Division (PRD) Zones managed by the County Department of Public Works (DPW). 50 of the 68 PRD Zones levy property owner assessments or special taxes. Private road maintenance services funded by these PRD Zones are provided in multiple unincorporated communities. The amount each parcel is charged is determined by factors such as the type of land use, parcel size, and the number of dwelling units, which is represented by “benefit units”. Benefit units are used to quantify the specific level of benefit each parcel receives from the services. Rates will remain the same in 44 of the 50 PRD Zones that levy property owner assessments or special taxes. Six rate increases are being proposed to fund multi-year maintenance plans for road resurfacing, culvert repairs, and future road replacements. Three PRD Zones will have rate increases based on their approved cost escalators, and three PRD Zones will have rate increases based on voter approval. The approved cost escalator for the three PRD Zones is the Los Angeles Construction Cost Index (CCI), which measures construction labor and materials costs and is frequently used to account for inflation for construction projects in the San Diego region, as Los Angeles is the closest region to have a CCI for these zones. The six proposed annual rate increases for this upcoming FY are:

1. PRD Zone 30-Royal Oaks Drive/Carroll Lane is located in the unincorporated community of North County Metro (District 2). The proposed rate will increase from \$0 to \$100 based on a property owner approved rate increase, with a single-family residence assigned one benefit unit, or \$100 annually. Additional revenue will provide funding for planned road and culvert maintenance.
2. PRD Zone 99-Via Allondra/Via Del Corvo is located in the unincorporated community of North County Metro (District 5). The proposed rate will increase from \$105 to \$140 based on a property owner approved rate increase, with a single-family residence assigned four benefit units, or \$560 annually. Additional revenue will provide funding for planned road and culvert maintenance.
3. PRD Zone 101A-High Ridge Road is located in the unincorporated community of Lakeside (District 2). The proposed rate will increase from \$300 to \$400 based on a property owner approved rate increase, with a single-family residence assigned two benefit units, or \$800 annually. Additional revenue will provide funding for planned road maintenance.
4. PRD Zone 117-Legend Rock is located in the unincorporated community of Hidden Meadows (District 5). The proposed special tax will increase from \$1,411.59 to \$1,508.84 per parcel, based on the voter approved cost escalator. The increase is due to rising inflation, based on a 6.89% escalation in the Los Angeles CCI for 2021. Additional revenue will provide funding for planned road and culvert maintenance.
5. PRD Zone 133-Ranch Creek Road is located in the unincorporated community of Valley Center (District 5). The proposed rate will increase from \$1,419.69 to \$1,517.50 based on the voter approved cost escalator, with a single-family residence assigned one and a quarter benefit unit, for a total of \$1,896.88 annually. The increase is due to rising inflation, based on a 6.89% escalation in the Los Angeles CCI for 2021. Additional revenue will provide funding for planned road and culvert maintenance.

6. PRD Zone 1017-Kalbaugh/Haley/Toub Streets is located in the unincorporated community of Ramona (District 2). The proposed rate will increase from \$246.76 to \$263.76 based on a voter approved cost escalator, with a single-family residence assigned two benefit units, for a total of \$527.52 annually. The increase is due to rising inflation, based on a 6.89% escalation in the Los Angeles CCI for 2021. Additional revenue will provide funding for ongoing road maintenance.

County Services Areas (County District)

There are eleven County Services Areas (CSA) funded by assessments that are managed by multiple County departments based on the services provided. CSAs provide maintenance and operations for parks, landscaping, flood control, open space management, and emergency medical/paramedic services in multiple unincorporated communities and six incorporated cities (Del Mar, Solana Beach, Encinitas, Santee, and portions of Poway and the City of San Diego). Rates will remain the same in six of the eleven CSAs that levy assessments because revenues can fully fund planned services. The approved cost escalator for CSAs is the San Diego Consumer Price Index (CPI), which is based on a broad range of labor costs, goods, and services. Five rate increases are being proposed, which are based on the voter-approved San Diego CPI increase of 5.21%:

1. CSA 83A-San Dieguito Local Parks District is managed by the Department of Parks and Recreation and provides park amenities and services in the unincorporated community of 4S Ranch (District 2). The proposed rate will increase from \$135.00 to \$141.75 per single-family residence. The increase is due to rising inflation, based on a 5.21% escalation in the San Diego CPI for 2021, with a voter approved maximum cost escalator of 5%. It is anticipated that the additional revenue will be sufficient to fund increased costs for park maintenance and operations for FY 2022-23.
2. CSA 17-San Dieguito Emergency Medical Services is managed by San Diego County Fire and provides services to the cities of Del Mar, Solana Beach, Encinitas, and the City of San Diego communities of Del Mar Heights, and Del Mar Terrace, the unincorporated communities of Rancho Santa Fe, 4S Ranch, and a portion of Elfin Forest. (Districts 2 & 3). The proposed maximum annual special tax will increase from \$32.76 to \$34.47 per single family residence. The increase is due to rising inflation, based on a 5.21% escalation in the San Diego CPI for 2021. The additional revenue will ensure the CSA has adequate working capital.
3. CSA 69-Heartland Paramedic Services is managed by San Diego County Fire and provides services to the unincorporated community of Lakeside and the City of Santee (District 2). The proposed maximum annual special tax will increase from \$59.49 to \$62.59 per single-family residence. The increase is due to rising inflation, based on a 5.21% escalation in the San Diego CPI for 2021. The additional revenue will ensure the CSA has adequate working capital.

4. CSA 26 Zone A-Cottonwood Village is managed by DPW and provides open space fire-fuel management and landscape maintenance services in the unincorporated community of Rancho San Diego (District 4). The proposed rate will increase from \$100.00 to \$105.20, with the average a single-family residence assigned one benefit unit, for a total of \$105.20 annually. The rate increase is due to rising inflation, based on a 5.21% escalation in the San Diego CPI for 2021. The increase will ensure the CSA can fund annual fire-break services and maintain adequate working capital.
5. CSA 26 Zone B-Monte Vista is managed by DPW and provides landscape maintenance services in the unincorporated community of Rancho San Diego (District 4). The proposed rate will increase from \$178.09 to \$187.36 per single-family residence. The rate increase is due to rising inflation, based on a 5.21% escalation in the San Diego CPI for 2021. The increase will ensure the CSA can fund routine landscape maintenance services and maintain adequate working capital.

San Diego County Fire Protection District (Fire District)

There are ten zones in the San Diego County Fire Protection District funded by assessments or special taxes managed by San Diego County Fire that provide funds to supplement the cost of fire protection and emergency medical services across multiple unincorporated communities. Rates will remain the same in nine of the ten zones that levy assessments or special taxes because revenues are adequate to fully fund services; in addition, there is no voter approved cost price escalator for these nine zones. One rate increase is being proposed:

1. Fire District-Palomar Mountain provides services within the unincorporated community of Palomar Mountain (District 5). The proposed maximum annual special tax will increase from \$165.53 to \$170.50 per single-family residence. The increase is due to rising inflation, based on a 5.21% escalation in the San Diego CPI for 2021, with a voter approved maximum cost escalator of 3%. The additional revenue will be used to fund firefighting personnel and fire protection equipment and apparatus.

Flood Control District Stormwater Maintenance Zones (Flood Control District)

There are three Stormwater Maintenance Zones (SMZ) funded by assessments managed by the Flood Control District in DPW that provide maintenance of flood control facilities in multiple unincorporated communities. Rates will remain the same in two of the three zones that levy assessments because revenues can fully fund planned services. One rate increase is being proposed:

1. SMZ No. 4-4249-3-Lake Rancho Viejo is located in the unincorporated community of Fallbrook (District 5). The proposed rate will increase from \$320.57 to \$351.12 per single-family residence. The increase is due to rising inflation, based on a 9.53% escalation in the Los Angeles CCI from September 2020 to September 2021. The additional revenue will be used to fund increased costs for stormwater facility maintenance and operations.

This is a request for the Board to adopt resolutions to confirm assessments and special taxes and authorize levies for the 74 special districts administered by the County, the Fire District, or the Flood Control District. Upon adoption, the assessments and special taxes will be placed on the tax roll for FY 2022-23. These actions are discretionary after consideration of public testimony.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

Acting as the Board of Directors, San Diego County Fire Protection District:

Adopt a Resolution entitled: RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN DIEGO COUNTY FIRE PROTECTION DISTRICT ACTING AS THE GOVERNING BODY OF THE SPECIAL ASSESSMENT SERVICE ZONES, ADOPTING SPECIAL ASSESSMENTS AND CONFIRMING REPORTS RE: SPECIAL ASSESSMENTS TO BE COLLECTED ON THE TAX ROLL FOR FISCAL YEAR 2022-23.

EQUITY IMPACT STATEMENT

Today's action continues the County's commitment to providing programs and services that enhance our communities. Assessments and special taxes fund services that include fire protection, flood control protection, private road maintenance, landscaping, parks, emergency communication, and paramedic services which improve the health and safety of our local communities.

FISCAL IMPACT

The proposed assessment revenues are included in Fiscal Year (FY) 2022-23 CAO Recommended Operational Plan for the Departments of Public Works (DPW), Department of Parks and Recreation (DPR), Sheriff, San Diego County Fire (County Fire), San Diego County Flood Control District (Flood Control District), and the San Diego County Fire Protection District (Fire District). The proposed rate increases for 13 special districts will result in increases in revenue from property owner assessments of \$52,687.54 in total for DPW, \$283,135.92 in total for County Fire, \$30,579 for DPR, \$2,022 in total for the Fire District, and \$8,676.20 in total for the Flood Control District. There is no proposed change in rates for 61 special districts. There will be no change in net General Fund cost and no additional staff years.

The proposed assessment levies are estimated annually in an amount sufficient to recover full cost as required by Board Policy B-29: *Fees, Grants, Revenue Contracts-Department Responsibility for Cost Recovery*. Accordingly, there is no projected unrecovered cost, and a waiver of Board Policy B-29 is not needed. The funding source is assessment levies on property owners within the identified districts.

If the Board of Supervisors, acting on behalf of the County and other independent districts, does not adopt the resolutions, the proposed assessments and special taxes cannot be placed on the tax rolls for FY 2022-23. Without the funds generated by assessments, services for flood control protection, private road maintenance, parks, and landscape services would be reduced, and maintenance would be deferred. Fund balance would be leveraged to fill the gap for public safety communications systems, structural fire protection, and emergency medical services, which would impact the funding available for working capital.

BUSINESS IMPACT STATEMENT

N/A

(RELATES TO BOARD OF SUPERVISORS AGENDA NO. 06; AND, FLOOD CONTROL DISTRICT AGENDA NO. FL01)

ACTION:

ON MOTION of Director Fletcher, seconded by Director Anderson, the Board of Directors of the San Diego County Fire Protection District closed the Hearing and took action as recommended, adopting Resolution No. 22-093, entitled: RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN DIEGO COUNTY FIRE PROTECTION DISTRICT ACTING AS THE GOVERNING BODY OF THE SPECIAL ASSESSMENT SERVICE ZONES, ADOPTING SPECIAL ASSESSMENTS AND CONFIRMING REPORTS RE: SPECIAL ASSESSMENTS TO BE COLLECTED ON THE TAX ROLL FOR FISCAL YEAR 2022-23.

AYES: Anderson, Lawson-Remer, Fletcher, Desmond

ABSENT: Vargas

There being no further business, the Board of Directors of the San Diego County Fire Protection District adjourned at 2:28 p.m.

ANDREW POTTER
Clerk of the Board of Directors of the
San Diego County Fire Protection District

Notes By: Vizcarra

NOTE: This Statement of Proceedings sets forth all actions taken by the San Diego County Fire Protection District on the matters stated, but not necessarily the chronological sequence in which the matters were taken up.

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