

Eastern Plumas County New Fire Protection District Draft Feasibility Study & Plan for Services Highlights of the effects for the City of Portola

1. The New Fire District will be governed by a five-member board of directors elected by the registered voters residing within the boundaries of the new district.
2. The City will Transfer Responsibility to provide fire protection services and transfer of assets related to fire protection services to the NFD.
3. The proposed reorganization/formation will be subject to the following terms and conditions:
 - a. The approval of the district formation would be subject to a two-thirds majority vote by the registered voters within the proposed district boundaries in favor of a special tax.
 - b. The approval of the district formation would be subject to a property tax-sharing agreement with Plumas County.
 - c. The City will cede to NFD a percentage of its current County Tax Sharing revenues in a present-day amount of approximately \$70,000.
4. Formation of the New Fire District will be contingent upon establishment of a special tax and successful negotiation of a property tax exchange agreement with Plumas County.
5. All existing special taxes and assessments used to fund community fire protection and rescue services will terminate and the new voter-approved special tax would be levied in their place.
6. A new revenue source will be required to support the New Fire District's ability to build and sustain adequate community fire and rescue services for the entire service area. To this end, an annual special tax will be proposed for Assessor's Parcels located entirely or partially within the New Fire District boundary, based on land use types provided by the Assessor's Office. [See table p. 30 of the Feasibility Study]
 - a. The New Fire District recognizes the proposed special tax may create a burden for low income property owners in the region. For this reason, the New Fire District will establish procedures for implementing a Low Income Exemption, to allow landowners who fall within the U.S. Department of Housing and Urban Development (HUD) income limits for "very low" or "poverty level" to apply for a partial or complete exemption from the tax.
 - b. To ensure that the proposed special tax will retain its purchasing power in future years, it is proposed to include an inflationary clause which will allow the New Fire District Board, to adjust the tax, if needed, by no more than the cost of living as measured by the Consumer Price Index (CPI) for the preceding yearⁱⁱ as prepared by the United States Bureau of Labor. This increase will not exceed 3% and must be approved by resolution at a properly noticed public hearing.
 - c. If the new special tax is approved, all existing special taxes and assessments used to fund community fire protection and rescue services by the City of Portola would terminate and no longer be levied