



Lou Ann Teixeira  
Executive Officer

**MEMBERS**

|  |   |
|--|---|
| <b>Donald A. Blubaugh</b><br><i>Public Member</i>          | <b>Dwight Meadows</b><br><i>Special District Member</i> |
| <b>Federal Glover</b><br><i>County Member</i>              | <b>Mary N. Piepho</b><br><i>County Member</i>           |
| <b>Michael R. McGill</b><br><i>Special District Member</i> | <b>Rob Schroder</b><br><i>City Member</i>               |
|  | <b>Don Tatzin</b><br><i>City Member</i>                 |

**ALTERNATE MEMBERS**

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|--|
| <b>Candace Andersen</b><br><i>County Member</i>            |
| <b>Sharon Burke</b><br><i>Public Member</i>                |
| <b>Tom Butt</b><br><i>City Member</i>                      |
| <b>George H. Schmidt</b><br><i>Special District Member</i> |

September 12, 2012 (Agenda)

September 12, 2012  
Agenda Item 10

Contra Costa Local Agency Formation Commission (LAFCO)  
651 Pine Street, Sixth Floor  
Martinez, CA 94553

## Fire Service and Property Tax Revenue

Dear Commissioners:

Last month, the Commission hosted a discussion regarding fire and emergency medical services. All municipal fire and emergency medical service agencies provided updates to the Commission and participated in the discussion.

One of the issues discussed was the ongoing fiscal challenges; and in particular, the effects of declining property values and reduced property tax on fire service providers which rely primarily on property tax revenues to fund services.

The Commission requested additional information regarding the cumulative impact of reduced assessed value on local agencies (Attachment 1). The attached table shows the decline in property values in absolute and percentage terms by jurisdiction from FY 2008-09 through FY 2012-13. The cities hardest hit include San Pablo, Antioch, Oakley, Hercules and Bentwood.

The Commission also requested information regarding the impact of redevelopment agency (RDA) funding on fire districts; and specifically, property tax revenue (net of pass throughs) for the last fiscal year that would have gone to fire service providers if RDAs had not existed (Attachment 2), and corresponding information for first 12 months following the dissolution of RDAs (Attachment 3). [Note: there are no RDAs within the boundaries of Crockett Carquinez Fire Protection District (unincorporated), Kensington FPD (unincorporated), and Moraga Orinda FD (i.e., Town of Moraga, City of Orinda)].

Attachments 2 and 3 were prepared by the County Auditor's Office. Attachment 2 shows FY 2010-11 gross and net (pass throughs) RDA funding loss by fire district (and for cities within the fire districts). Attachment 3 shows FY 2011-12 gross and net RDA funding losses by fire district (and for cities within the districts), and Redevelopment Property Tax Trust Fund (RPTTF) - the fund which maintains the tax revenue activity related to redevelopment. Attachment 3 also includes a column showing RPTTF Residuals to fire districts.

One of the questions the Commission asked the fire districts in August was the amount of their annual operating budget. The table below shows FY 2010-11 and FY 2011-12 Net RDA Losses, and FY 2011-12 RPTTF Residuals as compared to annual FY 2011-12 operating expenditures (actual) by fire district. The RPTTF Residuals range from less than one percent of fire district actual expenditures (ECCFPD, RHFD, SRVFPD), to over two percent (CCCFPD).

| <b>District</b> | <b>FY 2010-11<br/>Net RDA<br/>Loss</b> | <b>FY 2011-12<br/>Net RDA<br/>Loss</b> | <b>FY 2011-12<br/>RPTTF<br/>Residuals to<br/>Fire District</b> | <b>FY 2011-12<br/>Annual<br/>Expenditures<br/>(Actual)</b> | <b>Residuals as<br/>Percent of<br/>Expenditures</b> |
|-----------------|--|--|--|--|---|
| <b>CCCFPD</b>   | \$12,317,253                           | \$11,675,121                           | \$2,009,920  | \$ 96,258,955  | 2.09%   |
| <b>ECCFPD</b>   | \$ 165,751                             | \$ 285,344                             | \$ 43,339  | \$ 11,149,926  | 0.39%   |
| <b>RHFD</b>     | \$ 787,626                             | \$ 747,313                             | \$ 40,494  | \$ 5,327,700   | 0.76%   |
| <b>SRVFPD</b>   | \$ 1,321,506                           | \$ 1,482,572                           | \$ 248,426   | \$ 49,184,588  | 0.51%   |

LAFCO staff would like to thank LAFCO Chair Don Tatzin and the County Auditor's Office for their assistance in preparing the attached tables.

RECOMMENDATION

Receive report.

Sincerely,

Lou Ann Texeira  
 Executive Officer

Attachments

Change in Assessed Value by City – FY 2008-09 and FY 2012-13  
 FY 2010-11 RDA Loss Analysis by Fire District  
 FY 2011-12 RDA Loss Analysis by Fire District

c: Distribution

**Net Assessed Value and Measures of Change by Cities and Unincorporated Area in Contra Costa  
County for FY2008-09 and FY2012-13**

|                | <b>FY2008-09 Net AV</b>   | <b>FY2012-13 Net AV</b>   | <b>Change in AV from<br/>FY2008-09 Through<br/>FY2012-13</b> | <b>Percent Change from<br/>FY2008-09 through<br/>FY2012-13</b> |
|----------------|---------------------------|---------------------------|--|--|
| Antioch        | \$ 9,654,993,982          | \$ 6,606,339,031          | \$ (3,048,654,951)   | -31.6%   |
| Brentwood      | 7,405,323,749             | 5,478,345,259             | (1,926,978,490)  | -26.0%   |
| Clayton        | 1,777,803,637             | 1,604,536,185             | (173,267,452)  | -9.7%  |
| Concord        | 13,552,563,912            | 11,316,232,079            | (2,236,331,833)  | -16.5%   |
| Danville       | 9,466,927,971             | 9,238,178,145             | (228,749,826)  | -2.4%  |
| El Cerrito     | 2,947,812,488             | 2,848,616,268             | (99,196,220)   | -3.4%  |
| Hercules       | 3,314,651,211             | 2,423,177,685             | (891,473,526)  | -26.9%   |
| Lafayette      | 5,418,125,819             | 5,674,829,964             | 256,704,145  | 4.7%   |
| Martinez       | 4,578,591,291             | 4,174,628,671             | (403,962,620)  | -8.8%  |
| Moraga         | 2,935,400,513             | 2,979,121,946             | 43,721,433   | 1.5%   |
| Oakley         | 3,376,432,314             | 2,445,322,267             | (931,110,047)  | -27.6%   |
| Orinda         | 4,568,489,431             | 4,698,983,746             | 130,494,315  | 2.9%   |
| Pinole         | 1,985,512,566             | 1,682,356,980             | (303,155,586)  | -15.3%   |
| Pittsburg      | 6,098,720,415             | 4,976,254,120             | (1,122,466,295)  | -18.4%   |
| Pleasant Hill  | 4,712,656,052             | 4,284,099,833             | (428,556,219)  | -9.1%  |
| Richmond       | 13,752,255,886            | 12,751,987,659            | (1,000,268,227)  | -7.3%  |
| San Pablo      | 1,724,999,904             | 1,165,133,002             | (559,866,902)  | -32.5%   |
| San Ramon      | 15,101,325,579            | 14,634,072,934            | (467,252,645)  | -3.1%  |
| Walnut Creek   | 12,855,567,849            | 12,239,661,586            | (615,906,263)  | -4.8%  |
| Unincorporated | 31,724,873,842            | 29,988,748,715            | (1,736,125,127)  | -5.5%  |
| <b>Total</b>   | <b>\$ 156,953,028,411</b> | <b>\$ 141,210,626,075</b> | <b>\$ (15,742,402,336)</b>                                   | <b>-10.0%</b>  |

**Contra Costa County  
RDA Loss by Fire District  
FY 2010-11**

| <u>City</u>   | <u>Gross<br/>RDA Loss</u> | <u>Pass Through<br/>Payments</u> | <u>Net<br/>RDA Loss</u> |
|---|---------------------------|----------------------------------|-------------------------|
| Antioch   | 1,212,463.27              | 367,875.01                       | 844,588.26              |
| Concord   | 2,038,654.13              | 112,484.44                       | 1,926,169.69            |
| Clayton   | 722,332.02                | 97,041.86                        | 625,290.16              |
| Pittsburg   | 5,790,347.31              | 1,257,621.00                     | 4,532,726.31            |
| Walnut Creek  | 464,038.24                | 0.00                             | 464,038.24              |
| San Pablo   | 1,881,428.36              | 155,094.04                       | 1,726,334.32            |
| Pleasant Hill   | 583,911.09                | 105,156.81                       | 478,754.28              |
| Lafayette   | 540,540.51                | 161,200.43                       | 379,340.08              |
| Unincorporated  | 1,851,662.88              | 511,651.11                       | 1,340,011.77            |
| <b>Total Contra Costa County<br/>Fire Protection District</b> | <b>15,085,377.81</b>      | <b>2,768,124.70</b>              | <b>12,317,253.11</b>    |
| Brentwood   | 382,732.52                | 222,620.39                       | 160,112.13              |
| Oakley  | 137,920.18                | 132,281.78                       | 5,638.40                |
| <b>Total East Contra Costa<br/>Fire Protection District</b>   | <b>520,652.70</b>         | <b>354,902.17</b>                | <b>165,750.53</b>       |
| Hercules  | 798,183.90                | 0.00                             | 798,183.90              |
| Unincorporated  | 215,312.32                | 225,869.99                       | -10,557.67              |
| <b>Total Rodeo-Hercules<br/>Fire Protection District</b>      | <b>1,013,496.22</b>       | <b>225,869.99</b>                | <b>787,626.23</b>       |
| Danville  | 442,727.79                | 82,829.56                        | 359,898.23              |
| San Ramon   | 1,166,664.47              | 205,056.44                       | 961,608.03              |
| <b>Total San Ramon Valley<br/>Fire Protection District</b>    | <b>1,609,392.26</b>       | <b>287,886.00</b>                | <b>1,321,506.26</b>     |

ATTACHMENT 2

**Contra Costa County  
RDA Loss by Fire District  
FY 2011-12**

| <u>City</u>   | <u>Gross<br/>RDA Loss</u> | <u>Pass Through<br/>Payments</u> | <u>Net<br/>RDA Loss</u> | <u>RPTTF<br/>Residuals to<br/>Fire Districts</u> | <u>Total 11-12<br/>Residual by<br/>Former RDA</u> | <u>% of Total<br/>RPTTF<br/>Residuals</u> |
|---|---------------------------|----------------------------------|-------------------------|--|---|---|
| Antioch   | 1,153,770.27              | 338,058.51                       | 815,711.76              | 398,163.67                                       | 2,361,757.18                                      | 16.86%                                    |
| Concord   | 1,971,314.80              | 94,062.22                        | 1,877,252.58            | 414,268.68                                       | 3,209,235.10                                      | 12.91%                                    |
| Clayton   | 702,249.65                | 99,118.74                        | 603,130.91              | 264,230.98                                       | 1,851,536.99                                      | 14.27%                                    |
| Pittsburg   | 5,731,367.79              | 1,266,279.00                     | 4,465,088.79            | 18,034.87  | 114,793.99  | 15.71%                                    |
| Walnut Creek  | 106,176.11                | 0.00                             | 106,176.11              | 36,576.58  | 285,809.68  | 12.80%                                    |
| San Pablo   | 1,796,485.82              | 154,496.74                       | 1,641,989.08            | 487,622.06                                       | 2,428,569.32                                      | 20.08%                                    |
| Pleasant Hill   | 560,580.40                | 36,592.29                        | 523,988.11              | 59,375.39  | 458,137.99  | 12.96%                                    |
| Lafayette   | 496,892.13                | 143,888.60                       | 353,003.53              | 0.00   | 0.00  | 0.00%                                     |
| Unincorporated  | 1,792,864.06              | 504,084.02                       | 1,288,780.04            | 331,647.54                                       | 2,562,909.39                                      | 12.94%                                    |
| <b>Total Contra Costa County<br/>Fire Protection District</b> | <b>14,311,701.03</b>      | <b>2,636,580.12</b>              | <b>11,675,120.91</b>    | <b>2,009,919.77</b>                              | <b>13,272,749.64</b>                              |   |
| Brentwood   | 360,510.70                | 209,109.59                       | 151,401.11              | 33,714.48  | 509,997.09  | 6.61%                                     |
| Oakley  | 133,943.34                | 0.00                             | 133,943.34              | 9,624.88   | 190,415.61  | 5.05%                                     |
| <b>Total East Conta Costa<br/>Fire Protection District</b>    | <b>494,454.04</b>         | <b>209,109.59</b>                | <b>285,344.45</b>       | <b>43,339.36</b>                                 | <b>700,412.70</b>                                 |   |
| Hercules  | 756,938.10                | 0.00                             | 756,938.10              | 0.00   | 0.00  | 0.00%                                     |
| Unincorporated  | 218,868.36                | 228,492.97                       | -9,624.61               | 40,494.34  | 2,562,909.39                                      | 1.58%                                     |
| <b>Total Rodeo-Hercules<br/>Fire Protection District</b>      | <b>975,806.46</b>         | <b>228,492.97</b>                | <b>747,313.49</b>       | <b>40,494.34</b>                                 | <b>2,562,909.39</b>                               |   |
| Danville  | 434,006.70                | 84,541.62                        | 349,465.08              | 186,072.43                                       | 1,059,198.79                                      | 17.57%                                    |
| San Ramon   | 1,133,106.56              | 0.00                             | 1,133,106.56            | 62,353.43  | 464,331.18  | 13.43%                                    |
| <b>Total San Ramon Valley<br/>Fire Protection District</b>    | <b>1,567,113.26</b>       | <b>84,541.62</b>                 | <b>1,482,571.64</b>     | <b>248,425.86</b>                                | <b>1,523,529.97</b>                               |   |