

## SPECIAL TAX

A new revenue source will be required to support the Beckwourth Peak FPD'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 Beckwourth Peak FPD boundary, based on land use types provided by the Assessor's Office. The following table shows the division of land use types along with base rates and maximum rates.

Table 9: Proposed Special Tax Fees by Property Type

	Rate ID	Base Rate	% of A	SF incl	Acre incl	Units incl	\$/add SF	\$/Add AC	\$/add Unit	Max Rate
<b>Residential Improved</b>	A	\$110.00		1,800			\$0.02			\$200
<b>Unimproved Land</b>	B	\$55.00	50%		2			\$1.00		\$75
<b>Ag &amp; Timber</b>	C	\$55.00	50%		80			\$0.05		\$75
<b>Multi Residential Improved</b>	D	\$82.50	75%			1		\$82.50		\$3,500
<b>Commercial Improved</b>	E	\$165.00	150%	2,700			\$0.06			\$1,500
<b>Industrial Improved</b>	F	\$192.50	175%	3,150			\$0.07			\$1,500
<b>Religious</b>	G	\$137.50	125%	2,250			\$0.05			\$250
<b>Recreational Improved</b>	H	\$220.00	200%	2,700			\$0.08			\$3,500
<b>Non-Taxable/Exempt</b>	X	\$0								

- A. Residential Improved** – All residential single-family homes and ancillary residential uses will be allocated a base rate of \$110.00 for structures 1,800 square feet or less, with additional \$0.02 cents per square foot charged thereafter, with a maximum not to exceed \$200.00 per parcel.
- B. Unimproved Land** – All vacant/unimproved land will be allocated a base rate of \$55.00 for the first 2 acres, with \$1.00 charged for each acre thereafter, with a maximum not to exceed \$75.00 per parcel.
- C. Ag & Timber** – All agriculture and timber land will be allocated a base rate of \$55.00 for the first 80 acres, with \$0.05 cents charged for each acre thereafter, with a maximum not to exceed \$75.00 per parcel.
- D. Multi Residential Improved** – All multi-family, mobile home, manufactured homes, duplexes, condos, and ancillary residential uses will be allocated a base rate of \$82.50 per unit, with each additional unit charged \$82.50 thereafter, with a maximum not to exceed \$3,500.00 per parcel.
- E. Commercial Improved** – All commercial buildings will be allocated a base rate of \$165.00 for buildings 2,700 square feet or less, with additional \$0.06 cents per square foot charged thereafter, with a maximum not to exceed \$1,500.00 per parcel.
- F. Industrial Improved** - All industrial buildings will be allocated a base rate of \$192.50 for buildings 3,150 square feet or less, with additional \$0.07 cents per square foot charged thereafter, with a maximum not to exceed \$1,500.00 per parcel.
- G. Religious** - All improved religious land will be allocated a base rate of \$137.50 for buildings 2,250 square feet or less, with additional \$0.05 cents per square foot charged thereafter, with a maximum not to exceed \$250.00 per parcel.

- H. Recreational Improved** - All Recreational Improved land will be allocated a base rate of \$220.00 for buildings 2,700 square feet or less, with additional \$0.08 cents per square foot charged thereafter, with a maximum not to exceed \$3,500.00 per parcel.
- I. Non-Taxable/Exempt** – Exempt parcels include public owned parcels (United States of America and State of California, other local governmental agencies) and non-taxable parcels as determined by various statutes including, but not limited to, Disabled Veterans, Welfare Exemptions, Cemetery Exemptions, and Low Value exemptions, will not have the special tax imposed.

To support a baseline budget, the proposed special tax will raise approximately \$405,000 annually to plan, finance, implement, manage, own, and operate a regional Fire Protection District to provide community fire and emergency medical response services. The new special tax must be approved by two-thirds of the votes cast by registered voters residing within the proposed Beckwourth Peak FPD boundary.

If approved, the tax amount will be included on property owners' annual property tax bill distributed by the County. Although these taxes are collected by the County, they do not go to the state like property taxes; they will be deposited in a fund for the sole use of the Beckwourth Peak FPD (nominal processing and administration fees are charged by the County).

Three special tax provisions are proposed for the Beckwourth Peak FPD as follows:

- **Low Income Exemption** - 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 Beckwourth Peak FPD shall 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.
- **Contiguous Parcel Exemption** - The Beckwourth Peak FPD shall establish procedures for implementing a Contiguous Parcel Exemption to allow Assessors Parcels which are categorized as Rate ID "C" under provisions of the special tax, and contiguous, undeveloped, held under identical ownership, shall upon approval of an application of the owners thereof to the District Board, be treated as a single parcel for purposes of this special tax.
- **Inflationary Adjustment** - The proposed special tax will also include an inflationary adjustment to account for the ever-increasing costs of fire equipment, apparatus, diesel fuel, and insurance which typically increase at rates that exceed average inflation. 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 year<sup>ii</sup> 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.

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, Beckwourth FPD, and Gold Mountain CSD would terminate and no longer be levied. Gold Mountain CSD will continue to levy a reduced special tax to support wildland fire response and hazardous fuels reduction.