



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 2/11/2025

To: Board of Supervisors of Sonoma County

Department or Agency Name(s): County Administrator's Office, County Counsel

Staff Name and Phone Number: Maggie Luce 565-1796, Kristin Horrell 565-2421

Vote Requirement: Majority

Supervisorial District(s): Countywide

Title:

Sonoma County Fire District and Sonoma Valley Fire District Property Tax Allocation Agreement Amendments

Recommended Action:

Authorize the County Executive to execute amendments to the Sonoma County Fire District and Sonoma Valley Fire District Property Tax Allocation Agreements.

Executive Summary:

This item requests authorization to execute amendments to the property tax allocation agreements (Agreements) with Sonoma County Fire District and Sonoma Valley Fire District, from 2019 and 2020, respectively to reduce the amount of the County's discretionary funding to SCFD and SVFD by a total amount of one million dollars annually. The original Agreements were executed as part of the Fire Services Project, which seeks to facilitate the provision of more efficient, effective and sustainable fire services in Sonoma County, in part through fire agency consolidations. The original Agreements contemplated that in the event a countywide revenue measure intended to fund fire protection services was ever approved, these Agreements would be negotiated to reduce the amount of discretionary funding the County was providing for fire services. Following the passage of the Measure H in November 2024, the "Improved and Enhanced Local Fire Protection, Paramedic Services and Disaster Response" Transaction and Use Tax, the County and SCFD and SVFD desire to amend the Agreements to effectuate the reduction in County discretionary funding to the districts by a total amount of one million dollars, to begin in Fiscal Year 2025/2026.

Discussion:

The Board of Supervisors began dedicating funds in 2015 to the Fire Services Project, including a portion of the County's Proposition 172 Public Safety funds, Transient Occupancy Tax (TOT) revenue, and other discretionary funding sources, in order to enhance fire services within Sonoma County. These funds have facilitated the consolidation of County Service Area 40 (CSA-40) territories and other key fire agency consolidations through revenue sharing agreements that provide additional sources of revenue, including County discretionary funding, to stabilize newly consolidated districts.

On January 29, 2019, the County entered into an agreement with the newly created Sonoma County Fire District (SCFD) for the reorganization of territory of fire districts in the central portion of Sonoma County, which provided that the County would make an annual revenue sharing payment in perpetuity to SCFD. On

Agenda Date: 2/11/2025

February 11, 2020, the County entered into an agreement with newly created Sonoma Valley Fire District (SVFD) for the reorganization of territory of fire districts in the southeastern portion of Sonoma County, which provided that the County would make an annual revenue sharing payment in perpetuity to the Sonoma Valley Fire District. These Agreements contemplated amendments in the event the electorate voted in favor of a countywide revenue measure intended to fund fire protection services.

For the past few years, the County has oversubscribed itself in its discretionary funding to support fire agency reorganizations. The policy decision behind doing so was based on an agreement between the County and the Fire Services Working Group (FSWG), a working group made up of Fire Chiefs and a Labor representative, and which has worked closely with the County on the Fire Services Project, that any new fire sales tax effort would include funding for future consolidation costs. However, given the amount of time it takes to place a tax measure on the ballot and the timeframe within which the County and fire agencies sought consolidations, the County Board of Supervisors has previously approved revenue sharing agreements with increased discretionary funding to cover increased costs to support fire agency consolidations, with the understanding that the County would eventually reduce the amount of the discretionary funding to fire agencies in the future upon the passage of a fire tax. This understanding was memorialized in the Board item from [January 25, 2022 \("Approval of Fire Agency Consolidation /Stabilization Agreements and Update on Funding Efforts"\)](#).
[<https://sonoma-county.legistar.com/LegislationDetail.aspx?ID=5383597&GUID=48B15846-1D0D-4076-BB51-5AB07A552201&Options=&Search=>](https://sonoma-county.legistar.com/LegislationDetail.aspx?ID=5383597&GUID=48B15846-1D0D-4076-BB51-5AB07A552201&Options=&Search=>)

In March of 2024, Sonoma County Voters approved Measure H, a voter-initiated ½ cent sales tax to support fire services. Accordingly, the County, and SCFD and SVFD desire to amend the Agreements to reduce the amount of the County's discretionary revenue sharing payments to the fire districts by a total of one million dollars annually, to begin in Fiscal Year 2025/2026. SVFD's annual revenue sharing payment is being reduced to \$0.00, and SCFD's annual revenue sharing payment is being reduced by an amount that is sufficient and equal to an amount to allow County to reduce its revenue sharing payments by one million dollars annually. The annual one million dollars that the County will be saving by this reduction in discretionary funding will be considered as part of the 2025/2026 budget hearings. Staff will prioritize ensuring the sustainability of funding for the County's Fire Services Project, which may mean that some or all of the one million dollars will not be available for other purposes.

Strategic Plan:

N/A

Racial Equity:**Was this item identified as an opportunity to apply the Racial Equity Toolkit?**

No

Prior Board Actions:

[January 29, 2019 <https://sonoma-county.legistar.com/MeetingDetail.aspx?ID=707701&GUID=41B441C0-4354-4C50-A8C9-E9010E4AB194&Options=info | &Search=>](#) - Approved a Property Tax Allocation Agreement with SCFD

[February 11, 2020 <https://sonoma-county.legistar.com/LegislationDetail.aspx?ID=4328083&GUID=63CEBDB8-9822-4276-B8E9-0055FE9702A1&Options=&Search=>](#) - Approved the Property Tax Allocation Agreement

Agenda Date: 2/11/2025

with SVFD

FISCAL SUMMARY

Expenditures	FY24-25 Adopted	FY25-26 Projected	FY26-27 Projected
Budgeted Expenses	\$10,744,027	\$9,744,027	\$9,744,027
Additional Appropriation Requested			
Total Expenditures	\$10,744,027	\$9,744,027	\$9,744,027
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance	\$10,744,027	\$9,744,027	\$9,744,027
General Fund Contingencies			
Total Sources	\$10,744,027	\$9,744,027	\$9,744,027

Narrative Explanation of Fiscal Impacts:

The Fire Service Project, which enabled the consolidation of the CSA 40 Volunteer Fire Companies into existing fire protection districts and other key fire agency consolidations, is funded from a combination of sources including a portion of the County's Proposition 172 Public Safety funds, Transient Occupancy Tax (TOT) revenue, and other discretionary funding sources. The amendments to these Agreements will result in a reduction of the County's Fire Services Project's annual revenue sharing payment obligations by one million dollars annually.

The annual one million dollars that the County will be saving by this reduction in discretionary funding will be considered as part of the 2025/2026 budget hearings. For the past few years, the County has oversubscribed itself in its discretionary funding to support fire agency reorganizations. Staff will prioritize ensuring the sustainability of funding for the County's Fire Services Project, which may mean that some or all of the one million dollars will not be available for other purposes.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

Agenda Date: 2/11/2025

Attachment A: 2019 SCFD Property Tax Allocation Agreement

Attachment B: 2020 SVFD Property Tax Allocation Agreement

Attachment C: First Amendment to Property Tax Allocation Agreement with SCFD

Attachment D: First Amendment to Property Tax Allocation Agreement with SVFD

Related Items “On File” with the Clerk of the Board:

None