



**Clark-Cowlitz Fire Rescue
Board of Fire Commissioners
City of Ridgefield Joint Workshop Minutes
510 Pioneer Street (Columbia Assembly Room), Ridgefield**

September 13, 2023

Present for CCFR:

Commissioners Stanley Chunn, David Town, Ken Ayers, Larry Bartel, Jade Bourke.
Chief John Nohr.

Present for the City of Ridgefield (CoR):

Mayor Jennifer Lindsay, Mayor Pro Tem Rob Aichele, Councilor Ron Onslow, Councilor Clyde Burkle, Councilor Lee Wells, Councilor Matt Cole, Councilor Judy Chipman. City Manager Steve Stuart, Finance Director Kirk Johnson. Consultant Nick Popenuk.

Tax Increment Financing workshop called to order by Council Chair Lindsay at 5:00 p.m.

Flag Salute. Introductions. Workshop ground rules. Agenda.

TIA CONCERNS

Commissioner Chunn shared CCFR's concern that the proposed plan will divert vital funding from the department, which is needed to provide and maintain services in the district. Noted that there appears to be a flaw in the calculations, which show the fire district's levy rate dropping to a little over \$0.50 per thousand after 25 years, which is not realistic.

CoR consultant Nick Popenuk explained that the tax rate forecasting is a complicated analysis and based on the rules of the State of Washington tax rate calculation formula. If the district's rate is higher, both the district and the TIA will be collecting more money. Stated that the percentage of funds applied to the tax increment area is anticipated to be small in comparison to the tax levy district wide. The percentage is zero today, but they expect the percentage to increase over time. At 6% the city may consider closer review.

Chief Nohr advised that fire district's tend to keep their levy rates close to \$1.50 using the lid lift process. This would increase the revenue generated by the TIA. The projection appears artificially low. If enough funds come in to pay off the debt early, would the TIF sunset.

Commissioner Bartel asked what options the City may have to mitigate the impacts to the district. Concern about the ability having multiple TIAs implemented in the district.

Mayor Lindsay asked about the proportion of commercial calls verses residential. Chief Nohr and Commissioner Chunn advised that particular data isn't readily available, but may be pulled from the database. Discussion regarding an independent living facility that has gone through plan review within the TIA. Advised it is permitted, but on hold. Councilor Onslow advised he personally knows the individual who submitted the independent living facility and doesn't anticipate the project moving forward in the next few years, if ever. Commissioner Chunn shared out that, on average, independent living

facilities generate approximately 1 call per room per year. He is also concerned that the RCW indicates that entities have 30 days following implementation of a TIA to discuss mitigation. There is no provision to go back and mitigate years down the road; it needs to be done in advance.

Councilor Cole commented that 31% of the district's tax revenue appears to come from Ridgefield, which only has 20% of the call volume. Asked if those numbers change with the development of the TIA. Will the numbers even out or will Ridgefield continue to pay extra into the system. Commissioner Chunn advised that all citizens in CCFR pay the same rate and the system is treated as a whole. Councilor Aichele advised that the senior living facility is a 55 and over apartment living site, which has retail space on the ground floor. It is not a traditional care facility with memory care and on-site services.

Commissioner Bourke asked about the specific commercial mix that will be developed to be able to provide an accurate call comparison. Light industrial? Retail? Will that change the response dynamic. Bringing or keeping more people in the area will increase call volume. Agreed that initially there is very little financial impact. Will see the impact in 3-4 or as much as 10 years into the project to see the impact.

Councilor Burkle asked how many calls annually are there at the Dollar Tree and UNFI. Chief Nohr explained that fire departments operate and staff based on risk. Adding commercial and light industrial will create less frequent, but higher risk incidents. Councilor Cole appreciated the chief's comments, and that public safety is important to the city. Improved infrastructure such as roads and communication will improve access and response times. Asked if this has been factored into the district's calculations and will it improve or impact the ability to respond to the area. Noted that they are using a funding mechanism approved by the State legislators to pay for the infrastructure improvements. Commissioner Chunn shared that the district's sole responsibility is fire and EMS services and is virtually solely funded by property taxes. He remarked that a TIF is a funding option, but not the only method. Chief Nohr agreed that roads are important, but not if there is no one to respond to the call. At some point another unit and station will be needed for Ridgefield. Busier roads increase response time. There was a plan to build a station on the West side of Ridgefield, but funding may no longer be available. Stations and units are placed where there is demand for services.

Mayor Lindsay asked about the levies and voter approved tax rates. Citizens of Ridgefield are paying more of the bills – needs are not matching up. If the city is already paying for more service than they are receiving, how will this even out. Chief Nohr stated that all citizens are paying the same rate for the ability to receive service. He shared that the fire agencies and associations throughout the state are gathering to enact change in the TIF process to change the law to ensure there is mitigation. Noted that fire districts are the biggest cash cow for any municipality that wishes to implement a TIA. If fire districts are taken out the plan doesn't work. Funding is part of an overall system to protect the district. Individual responses don't take into account if multiple units are dispatched. Simply dividing the budget by the number of calls and applying that as the contribution doesn't provide the full picture. The city would like to know the kinds of resources applied to the city and what the impacts will be.

Councilor Cole pointed out that the levy in the TIA is 0.8% of the district's tax revenue. Focused on the position that the city is paying almost 11% more for service than they are receiving. The city is not required to mitigate until the impact is at least 6%. Chief Nohr advised that, yes. The property has little value as it's now just dirt, but as more

structures are built and people are drawn to the area, this will create calls without the funding to support them and the value will become a greater part of the district's overall value. The district is concerned as there are 7 jurisdictions within it's boundaries that are eligible to create 2 TIAs each. Theoretically, there are billions of dollars of AV that may be diverted. Discussed possible sales tax revenues from adding a Costco and Home Depot. Not expected to be made whole,

Councilor Cole advised the district will continue to collect the same revenue it receives today from the TIA. Discussion on how to grow the city without cutting services. Councilor Onslow was surprised and does not believe that the district data would not contain commercial verses residential responses. He will not vote for a formula and lock them into a position that will cause the city trouble years down the road. He was insulted that a group of people would think he would take money away from people that deserve it, that the city doesn't care about public safety, and wouldn't work to be fair with CCFR.

Discussion opened on mitigation options. Commissioner Bartel wants to ensure there is something in place for the long term. Not everyone present will still be around. Desire for more certainty is the agreement. Suggestions range from sharing of sales tax, a fire station in Ridgefield. Mayor Lindsay stated the project list could include property or assistance in constructing a fire station. The impacts just aren't known at this time. Will need to discuss the impacts and financial mitigation at a later date. Going forward the city requires data demonstrating the financial impacts before they can discuss mitigation. There is flexibility by including mitigation discussion in the ordinance, but not any financial guarantees as no one has any idea what they are. Commissioner Bourke advised the main concern the district has is the ability to mitigate. Including language providing for future mitigation is important. Creating a review and timeline, possibly on an annual basis. Need something with teeth – that will hold the city accountable to mitigate. Need to determine a time or value threshold. Commissioner Chunn shared that no one even knows how to calculate the levy allocation let alone whether we are still allowed to mitigate after the 30-day window. The legislation is vague. Noted the commercial verses residential responses isn't in readily available, but it can be pulled from the data. Chief Nohr added the district is looking for a commitment to mitigate down the road. Would like Mr. Stuart to set up a meeting so he can review the calculations with him, the consultant(s), and the city's and district's finance people to better understand how the data was developed. If this proposal is remarkably successful, when will the TIF sunset? One of the concerns is, comments made in the prior workshop implied that should the TIA collect taxes from the other jurisdictions beyond the amount forecasted, it would continue to divert those funds for the full 25-years and the city would reallocate its other proposed contributions to other projects.

Commissioner Chunn shared that CCFR wants the city to be successful, but not to the detriment of the district.

No further discussion. Workshop adjourned by Mayor Lindsay at 6:00 p.m.



Attest, John Nohr
District Secretary/Fire Chief