

Attachment B
Supplemental Report #1
Chapter 5 – Infrastructure Element

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Chapter 5 – Community Infrastructure and Services Element

Legal basis or requirements

This Element covers issues relating to the capacity and funding for infrastructure and service systems such as roads, water, wastewater, fire protection, and other types of systems serving the unincorporated area, as well as interagency coordination required for comprehensive planning. The Community Infrastructure and Services Element is not one of the seven required elements; however, many of the topics covered in the proposed element are required to be covered as part of the land use, circulation, and safety elements (Government Code §65302(a), (b), and (g)). In addition, other parts of local planning law require coordinated infrastructure planning in conformity with the general plan (Government Code §§65401-3).

The OPR General Plan Guidelines suggest that a “Capital Improvements/Public Facilities Element” is appropriate to address infrastructure and service capacity, demand, and financing options, as well as acceptable levels of service, funding priorities, and the timing of facility or service availability (General Plan Guidelines Chapter 6: Optional Elements, pages 104-107)

Key Planning Issues

There are three (3) Key Planning Issues addressed by the proposed Community Infrastructure and Services Element: (1) Adequate Infrastructure and Services; (2) Funding for Services and Construction and Maintenance of Infrastructure; and (3) Coordination with Service Providers, each of which are discussed below. These issues arose from the 2001 Critical Choices Report (fire protection- page 26-27; water- pages 21 and 24; transportation funding- page 18); and GPU technical background documents the Urban Study Areas Report, 2005; Master Fire Protection Plan, 2006; and the Community Infrastructure and Services Technical Report and Water Resources Technical Report, 2008.

Key Planning Issue #1 - Adequate Infrastructure and Services

Adequate public infrastructure and services throughout the County provide a foundation for growth and are essential for community health, safety, and quality of life. Should the County base land use planning decisions on minimum levels of service for infrastructure and services and condition project approval according to such requirements?

A) How/where addressed in the 1984 Framework Plan

The Framework Plan does not establish minimum levels of service for any type of service nor does it establish programs to develop service levels. The following are references to Framework Plan policies that relate to adequate infrastructure and services (Note, all page references to page numbers are to the printed version of the Humboldt County Volume I Framework Plan, printed 1998):

- **Rural Land 2523.8** (page 2-27) requests that LAFCo use the General Plan in advising the County on the appropriate levels of service in unincorporated areas.
- **Development Timing 2633.14** (page 2-51) indicates that service availability and fiscal impacts should be assessed as part of urban development proposals.
- **Water and Wastewater Facilities 4512.3** (page 4-20) ensures the intensity and timing of new development is consistent with the capacity of water supplies.

- **Water and Wastewater Facilities 4531.1** (page 4-22) indicates that General Plan demographic information should be used to size wastewater treatment facilities and the extent of service provided.
- **Fire Protection 4720.1** (page 4-36) specifies that proposed development shall be adequately serviced by water supplies for fire protection.

B) How/where addressed in the Planning Commission Draft Plan

The Planning Commission Approved Draft Plan (Draft Plan) requires that adequate service levels be available for the type of development proposed:

- **IS-P4 Requirements for Discretionary Development**, Requires findings that adequate services are available when approving new development.
- **IS-S1 Adequate Public Infrastructure and Services Ordinance**, Calls for the appropriate level of service standards by ordinance.

C) Reason for the changes

Roadway condition assessment and capital improvement planning by the County Public Works staff and findings from the Community Infrastructure and Services Technical Report indicate that the accumulated deferred maintenance costs for infrastructure in the County are substantial. In addition, costs to expand roadway, water, and wastewater systems to accommodate the full buildout of planned land uses in the unincorporated area are also significant. Addressing infrastructure and service capacity issues is challenging and requires a range of tools, including standards for development.

D) Notable items from the Planning Commission discussions

The Planning Commission approved policies and standards relating to infrastructure and services standards by consensus. Commissioners discussed the use of some of the tools to achieve the standards, placing emphasis on new development paying only its proportionate share of capacity improvements and not bearing the burden of existing deficiencies.

E) Consequences - intended/unintended

The policies, standards, and programs contained in the Draft Plan are intended to ensure that new development that is served by adequate infrastructure and services. The establishment of clear adequate infrastructure and services standards would add a level of certainty to project review, especially in regards to CEQA analysis, and remove a great deal of interpretation and subjectivity.

Establishing new standards may increase the cost of new construction. Demonstrating availability of adequate services may involve engineering and report preparation not presently required by the County. While these costs may be justified and recoverable through increased market value of the new development, if the standards are set at unnecessarily high levels, they could unintentionally suppress new development.

Key Planning Issue #2 - Funding for Services and Construction and Maintenance of Infrastructure

Funding for existing services and infrastructure is inadequate and new programs may be required in order to bring existing services up to standard, or maintain them at current levels as well as to support new development. Should the County establish development impact fees to

fund new infrastructure demanded by development and establish tax or assessment funding programs to support service levels?

A) How/where addressed in the 1984 Framework Plan

The Framework Plan does not establish a comprehensive funding program for infrastructure and services and only has limited references to identifying and establishing funding sources to support infrastructure and services. The following are references to Framework Plan policies that relate to adequate infrastructure and services:

- **4231.4 Roads** (page 4-7) Humboldt County supports the need for additional State revenue from sources such as State Gas Tax for the maintenance and reconstruction of County roads that carry heavy commercial truck traffic.
- **4231.5 Roads** (page 4-7) Humboldt County shall take action to support the increase of gas tax revenues to a level adequate for local street and road maintenance.
- **4231.9 Roads** (page 4-8) All circulation planning shall be based on the County's very limited ability to construct new projects. To the maximum extent feasible, necessary circulation routes and facilities shall be obtained as a condition of approval for land development projects.
- **4430.5 County Parks and Recreation** (page 4-19) The County shall pursue all feasible sources of funding for the maintenance, development or acquisition of recreational facilities and programs consistent with this plan.
- **Trails County Parks and Recreation** (page 5-36 through 5-41) There are several implementation measures in Sections 5-4300 Trails, and 5-4400 County Parks and Recreation that reference seeking funding for trails and county parks and recreation from Federal, State, and County Government, trail user fees, and public donations.

Community Plans:

- **McKinleyville Community Plan Urban Land Use 2602.5** The costs of expansion of urban services shall be borne by new development..
- **McKinleyville Community Plan Circulation 4230.17** A funding mechanism should be provided for the design of improved public pathways.
- **McKinleyville Community Plan Circulation 4230.22** New subdivisions and other major developments shall provide rights-of-way for pathways consistent with the adopted Trails Plan.
- **McKinleyville Community Plan Circulation 4250.3** Investigate road improvement assessment districts as a means of funding priority improvements to new and existing roads including non-vehicular travelways.
- **Eureka Community Plan Urban Land Use 2620.1.2 Improvement Costs** Revenue to pay for services needed by new development shall come from the new development.
- **Eureka Community Plan Parks and Recreation 4420.1 & 4420.8.** Calls for a Parkland Dedication fee and other mechanisms to fund development maintenance, administration and operation of new parks. .
- **Eureka Community Plan Educational Facilities 4820 1.** Integrate the planning efforts of the County and the school districts.

B) How/where addressed in the Planning Commission Draft Plan

The Draft Plan includes a broad range of policies and programs to address funding for services and construction and maintenance of infrastructure:

- **IS-P6, Fair Share Cost Allocation** requires that new development pay its fair share of the infrastructure and service costs that are necessary to serve the development.
- **IS-P5, Fiscal Impact Assessment** and its accompanying Implementation Measure **IS-IM5**, requires that the fiscal, or service, and facility impacts of discretionary development be evaluated during project review and establishes the guidelines for such review.
- **IS-IM3, Comprehensive Fiscal Impact Study** would result in a regularly updated comprehensive study that quantifies the relationship between new development and the need for additional public facilities and services and that would ultimately make recommendations for infrastructure and services funding sources through **IS-IM8, Infrastructure and Services Funding Sources**.
- Following the completion of appropriate studies and a determination that funding programs are feasible, the Draft Plan would establish programs such as development impact fees for facilities such as road and drainage systems (**IS-IM 4 Impact Fees for New Development; IS IM 14 Storm Drainage Impact Fees; IS-IM16 Sheriff's Office Funding Sources; Impact Fees for New Development; IS-IM 18, Fire Impact Fees**)
- The Draft Plan would also establish a framework for the formation of special tax and assessment districts to fund new infrastructure and its ongoing maintenance (IS-IM66, Mello Roos Community Facilities Districts/Special Assessment District Formation Procedures).
- The Draft Plan acknowledges that fees, taxes, and assessments will not address all system deficiencies, and includes programs such as **IS-IM10, State and Federal Legislation, Appropriations, and Grant and Loan Programs** and **IS-IM11, State and Federal Advocacy**, where the County would advocate for state and federal funding for community infrastructure.

C) Reason for the changes

The most significant finding of the Community Infrastructure and Services Technical Report, 2008, and the Master Fire Protection Plan, 2006, were that the County and local service providers lacked adequate funding to provide adequate services. Without a substantial reduction in the cost of providing these facilities and services or new revenue sources, these funding gaps will continue to increase into the future. For example, most fire departments indicate that their year-to-year revenue significantly lags behind department needs and 16 fire departments operate without benefit of property tax or assessments to provide a stable source of ongoing funding.

The passage of Proposition 13 in 1978 resulted in a significant reduction in the amount of local property tax revenue available for cities and counties. Since that time, cities and counties in California have used various types of fees, special assessments, and taxes to supplement property tax revenues. Assessments, taxes, and fees are commonly used by cities and counties, but have their limitations. With minor exceptions, Humboldt County has not used these funding methods to fund facilities and services.

D) Notable items from the Planning Commission discussions

As noted above, Commissioners discussed the use of some of the tools to achieve the standards, placing emphasis on new development paying only its proportionate share of capacity improvements and not bearing the burden of existing deficiencies.

E) Consequences - intended/unintended

The intent of the policies and programs contained in the Daft Plan relating to funding is to create programs to support the infrastructure and services necessary to accommodate existing and planned development and to establish long-term sustainable funding sources for local service providers. The funding programs described above would address some or all of the costs associated with providing facilities and services to new development. CEQA review of discretionary projects involves the review of the affect of the project on the level of service of public service providers. Having funding programs, such as impact fees, would serve as a ready mitigation for potential impacts to levels of service.

However, the funding programs would likely increase the cost of new development, which may translate into higher costs for new homes and other types of development.

The preparation of reports and studies needed to establish new funding programs would result in staff related costs and consultant costs to public agencies.

Key Planning Issue #3 - Coordination with Service Providers

Effective land use planning requires close coordination with municipal service providers. What are the County's coordination obligations for delivery and funding of services that the County does not directly provide?

A) How/where addressed in the 1984 Framework Plan

The Framework Plan references coordination with LAFCo, wastewater providers, and supports the implementation recommendations of the Humboldt County Fire Chief's Association. Several community plans contain references to coordination with agencies to address specific issues. The following are references to Framework Plan policies that relate to adequate infrastructure and services:

- **Spheres of Influence 2622.3** (page 2-49) The Planning Department shall coordinate with LAFCo to ensure adequate service availability for new development.
- **Urban Development 2633.15** (page 2-52) The County shall review public works projects for conformity with the adopted General Plan or part thereof.
- **Urban Development 2633.16 and 2634.8** (beginning on page 2-52) The County shall encourage the preparation of Capital Improvement Programs.
- **Water Facilities 4512.3** (page 4-20) Ensure that the intensity and timing of new development will be consistent with the capacity of water supplies.
- **Wastewater Facilities 4531.1** (page 4-22) Wastewater disposal treatment facilities, and the extent of services provided should be based on population projections.
- **Wastewater Facilities 4531.2** (page 4-22) Coordinate with special districts in maintaining data on wastewater facility capacity.
- **Fire Protection 4752.1** (page 4-36) Proposed development shall be adequately serviced by water supplies for fire protection.

- **Fire Protection 4752.5** (page 4-37) Actively support and pursue the implementation recommendations of the Humboldt County Fire Chief's Association.

Community Plans:

- **Eureka Community Plan Public Services and Facilities-Circulation 4220.1** The County shall continue to coordinate with the California Department of Transportation, the Humboldt County Association of Governments, and the City of Eureka in implementing future transportation and circulation improvements.
- **Eureka Community Plan Public Services and Facilities- Water and Wastewater Facilities 4220.1 5** Projects requiring public wastewater disposal shall receive public sewer commitments from the appropriate district or agency prior to receiving tentative approval.
- **Eureka Community Plan Public Services and Facilities- Fire Protection Facilities 4720.1** Proposed development shall be adequately serviced by water supplies for fire protection. HFPD protection adequacy (maximum response time, etc.) shall be determined by HFPD's General Plan policies.
- **Fortuna Community Plan Urban Land Use 2622.1** The Fortuna Area Community Plan should be adopted by the City of Fortuna. The County shall coordinate with the City of Fortuna in review of new development in the planning area.
- **Jacoby Creek Community Plan Timing of Urban Development 2432.1** The County, the City and the District shall adopt an Urban Limit Line to designate areas which can be feasibly provided with urban services.
 - **Jacoby Creek Community Plan Public Facilities-Fire Services 4502.1** The County shall encourage the maintenance of mutual aid agreements among Fire Districts.

B) How/where addressed in the Planning Commission Draft Plan

The Draft Plan includes a broad range of policies and programs relating to coordination with service providers:

- **IS-G3, Interagency Coordination** indicates that coordination with other service providers is among the highest priorities of this element. Policy **IS-P1, Coordination with Service Providers**, directs that Count to work cooperatively with service providers to identify needs and to implement facilities and services consistent with the Draft Plan.
- The Draft Plan acknowledges that some smaller service providers may lack capacity to plan and finance facility improvements to serve the General Plan on their own and offers support to ensure such planning occurs (**IS-P19, Water and Wastewater System Capital Improvement Programs**; and **IS-IM1, Coordination with Service Providers; IS-IM25. Organization of Water and Wastewater Providers**).
- Several policies and programs in the Draft Plan provide for regular consultation with service providers (**IS-P8, Infrastructure and Services Capacity; IS-P10, Infrastructure and Service Inadequacies, IS-IM24, Monitor Infrastructure and Services Capacity; and IS-IM27, Coordination with Water and Wastewater Service Providers**).

C) Reason for the changes

Many essential community services are provided by other agencies in the unincorporated area and successful implementation of the General Plan requires coordination and cooperation with these service providers at the minimum. The Community Infrastructure and Services Technical Report and the Master Fire Protection Plan found that many small water, wastewater, and fire service providers lack adequate funding as well as technical, managerial, and financial

capacity. Those reports recommended greater coordination with and support for service providers.

D) Notable items from the Planning Commission discussions

Most, if not all, of the Planning Commission's votes regarding coordination with service providers were by consensus or unanimous. There was discussion relating to IS-IM19, Pooled Costs/Shared Resources for Fire Districts, where one Commissioner questioned whether Community Development Services should be involved in such matters. However when they were informed that such coordination is being done currently (e.g. workman's compensation insurance pool) which has made it cheaper for small districts to operate, this measure then received unanimously support.

E) Consequences - intended / unintended

The intent of these policies and programs is to ensure that the County is kept apprised of updated facility and service improvement plans and changes in service capacity, especially where such changes might limit development potential, and to support or assist service providers where feasible. There is cost associated with implementing a program of close coordination with service providers and there will be costs associated with County staff exploring cost saving or capacity building programs for small service providers, such as the workers compensation program. However, the overall service improvements or costs savings may outweigh the direct cost to the County.

What are the Board's options?

Since the Community Infrastructure and Services Element is an Optional Element of the General Plan, the Board could chose not to adopt it as a separate Element, and place all or some of the policies, standards and implementation measures in the Land Use or Circulation Elements.

There was discussion by the Planning Commission regarding the use of impact fees and concern that new development would be asked to pay for existing infrastructure deficiencies. While the state laws regarding the adoption of development fees prohibit this and only allow local agencies to charge new development the portion of the cost of public facilities related to the development project, the Board may decide these requirements are too onerous, or not strong enough, and make refinements as necessary. Plan Alternative C is an option that reduces the number of policies and programs, and generally offers less strict wording where a distinct choice is given.