



REPORT TO CITY COUNCIL

DATE: JANUARY 22, 2014

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: GREG RAMIREZ, CITY MANAGER 

BY: AMIR HAMIDZADEH, BUILDING OFFICIAL 

SUBJECT: APPROVE RESOLUTION NO. 14-1740; TERMINATING THE AGREEMENT BETWEEN THE CITY OF AGOURA HILLS AND THE CONSOLIDATED FIRE PROTECTION DISTRICT REGARDING THE COLLECTION OF DEVELOPER FEE FOR THE PURPOSE OF CONSTRUCTING AND EQUIPPING FIRE STATIONS WHICH SERVE THE CITY OF AGOURA HILLS AND THE NEIGHBORING COMMUNITIES

The request before the Council is to approve the attached Resolution No. 14-1740 terminating the agreement between the Consolidated Fire Protection District and the City of Agoura Hills.

This Agreement was to charge a Developer Fee from all new development projects for the purpose of acquisition, construction, installation, and equipping of fire stations. Areas benefiting from this plan include the Malibu/Santa Monica Mountains Region, Santa Clarita Valley and Antelope Valley. Included within the project list is Fire Station No. 89, on Canwood Street, that was opened in June of 2006.

Pursuant to the Developer Fee Agreement between the Fire District and the City in 1993, the City annually adopted the updated Fire Station Plan and Development Fee, subsequent to the Los Angeles County Board of Supervisor's adoption of the updated fee each year.

On July 2013, staff received a letter from Los Angeles County Fire Department which or indicating that the costs incurred by the Fire District for the development of Fire Station 89 have been fully reimbursed and that the City's obligation for its share of the cost has been fulfilled. The City acknowledges that and pursuant to Section VII of the Agreement between the City and the Fire District, the City wishes to terminate the agreement.

RECOMMENDATION

Staff recommends the City Council approve Resolution No. 14-1740 and terminate the agreement between the City of Agoura Hills and the Consolidated Fire Protection District pursuant to Section VII of the Agreement and the letter from Fire Department received on July 12, 2013.

Attachments: Resolution No. 14-1740
Fire Department Letter dated July 12, 2013
L.A. County Fire Department and City of Agoura Hills Agreement

RESOLUTION NO. 14-1740

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AGOURA HILLS, CALIFORNIA, TERMINATING THE AGREEMENT BETWEEN THE CITY OF AGOURA HILLS AND THE CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS ANGELES COUNTY FOR THE PURPOSE OF CONSTRUCTING AND EQUIPPING FIRE STATIONS

WHEREAS, on July 12, 1990, the Board of Supervisors of the County of Los Angeles adopted a Developer Fee Program for the benefit of the Consolidated Fire Protection District of Los Angeles County ("Developer Fee Program") Area of Benefit 1, Malibu/Santa Monica Mountains, effective August 1, 1990, which was updated annually thereafter; and

WHEREAS, the City receives fire protection and emergency medical services from the Consolidated Fire Protection District of Los Angeles County ("District") pursuant to a contract between the City and the District; and

WHEREAS, the City of Agoura Hills is designated in the Los Angeles County General Plan as an urban expansion area, and developments in the City required additional fire protection resources to maintain service; and

WHEREAS, on February 16, 1993, the City and the County entered into that agreement entitled, "Agreement between the Consolidated Fire Protection District of Los Angeles County and the City of Agoura Hills Regarding the Consolidation of a Developer Fee by the City and the Transfer of Funds to the District for the Purpose of Constructing and Equipping Fire Stations" ("February 16, 1993 Agreement").

WHEREAS, pursuant to the February 16, 1993 Agreement, on July 26, 1993, the City adopted and implemented a Developer Fee Program which included the District's Developer Fee within the territorial limits of the City, and thereafter, the District's Developer Fees were imposed on new development within the City, collected by the City, and forwarded to the District to provide fire protection facilities to serve new residential, commercial, industrial, and other development within the City; and

WHEREAS, each year thereafter, the Board of Supervisors of the County of Los Angeles and the City of Agoura Hills approved and adopted an annual update to the Developer Fee Program; and

WHEREAS, in a letter dated July 12, 2013, the District informed the City that the costs associated with the implementation of Fire Station 89 have now been fully reimbursed and there is no longer a need for the City to collect the District's Developer Fee.

Section 1. The City Council of the City of Agoura Hills hereby adopts and approves the findings set forth above, in support of this Resolution.

Section 2. The City Council of the City of Agoura Hills hereby rescinds the District's Developer Fee, in the amount of \$0.9223 per square foot of new development, to the extent it was previously adopted by this Council, and directs staff to cease collecting the District's Developer Fee immediately.

PASSED, APPROVED, AND ADOPTED this 22nd day of January 2014, by the following vote to wit:

AYES: (
NOES: (
ABSTAIN: (
ABSENT: (
)

William D. Koehler, Mayor

ATTEST:

Kimberly M. Rodrigues, City Clerk



COUNTY OF LOS ANGELES

FIRE DEPARTMENT

1320 NORTH EASTERN AVENUE
LOS ANGELES, CALIFORNIA 90063-3294
(323) 881-2401

DARYL L. OSBY
FIRE CHIEF
FORESTER & FIRE WARDEN

July 12, 2013

Greg Ramirez, City Manager
City of Agoura Hills
30001 Ladyface Court
Agoura Hills, CA 91301

Dear Mr. Ramirez:

Pursuant to our Developer Fee Agreement with the City of Agoura Hills, for the past several years we have been billing the City for developer fee revenue collected in the City for reimbursement for the site acquisition and development costs incurred by the Fire District for the implementation of Fire Station 89 which became operational in June 2006.

The costs associated with the implementation of the station have now been fully reimbursed through a combination of developer fee revenues collected by the Fire District and developer fee revenues collected by the City and reimbursed to the Fire District. Consequently, we will cease billing the City for developer fee revenue until such time as costs are incurred by the Fire District in the future for any additional facilities and/or equipment placed in service which would serve the City. Any such future facility or equipment needs would be included in our annual Developer Fee Detailed Fire Station Plan updates which are provided to the City each year for review and approval.

We are greatly appreciative of the City's continued cooperation in funding essential public safety facilities. If you have any questions, you may contact me at (323) 881-2404, or Assistant Fire Chief Anthony Whittle at (310) 317-1802.

Very truly yours,


DEBBIE AGUIRRE, CHIEF
PLANNING DIVISION

DA:cn

c: Assistant Fire Chief Anthony Whittle

SERVING THE UNINCORPORATED AREAS OF LOS ANGELES COUNTY AND THE CITIES OF:

AGOURA HILLS	CALABASAS	DIAMOND BAR	HIDDEN HILLS	LA MIRADA	MALIBU	POMONA	SIGNAL HILL
ARTESIA	CARSON	DUARTE	HUNTINGTON PARK	LA PUENTE	MAYWOOD	RANCHO PALOS VERDES	SOUTH EL MONTE
AZUSA	CERRITOS	EL MONTE	INDUSTRY	LAKELAND	NORWALK	ROLLING HILLS	SOUTH GATE
BALDWIN PARK	CLAREMONT	GARDENA	INGLEWOOD	LANCASTER	PALMDALE	ROLLING HILLS ESTATES	TEMPLE CITY
BELL	COMMERCE	GLENDALE	IRVINDALE	LAWDALE	PALOS VERDES ESTATES	ROSEMead	WALNUT
BELL GARDENS	COVINA	HAWAIIAN GARDENS	LA CANADA FLINTRIDGE	LDMITA	PARAMOUNT	SAN DIMAS	WEST HOLLYWOOD
BELLFLOWER	CUDAHY	HAWTHORNE	LA HABRA	LYNWOOD	PICO RIVERA	SANTA CLARITA	WESTLAKE VILLAGE
BRADBURY							WHITTIER

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AGREEMENT BETWEEN THE CONSOLIDATED FIRE PROTECTION DISTRICT
OF LOS ANGELES COUNTY AND THE CITY OF AGOURA HILLS
REGARDING THE CONSIDERATION OF A DEVELOPER FEE
BY THE CITY OF AGOURA HILLS AND THE TRANSFER OF FUNDS TO
THE CONSOLIDATED FIRE PROTECTION DISTRICT FOR THE
PURPOSE OF CONSTRUCTING AND EQUIPPING FIRE STATIONS

This Agreement is made and entered into this 16th day of
February, 199³2, between the CITY OF AGOURA HILLS, hereinafter
referred to as "City", and the CONSOLIDATED FIRE PROTECTION DISTRICT OF LOS
ANGELES COUNTY, hereinafter referred to as "District".

WITNESSETH:

WHEREAS, the City is currently annexed to the District and receives fire protection
and emergency medical services from the District through the allocation of a portion of
its property tax revenue; and

WHEREAS, the revenue available to the District through existing property tax
revenues is insufficient to acquire, construct, and operate fire stations to adequately
address the need for expanded fire protection and emergency medical services resulting
from new development within the City; and

WHEREAS, the City and District are separate and independent legal entities
desiring to coordinate the fire protection needs resulting from new development within
the City; and

WHEREAS, the City desires to assist and support the District by financing the
construction of fire stations to address the need for expanded fire protection and
emergency medical services resulting from new development within the City; and

WHEREAS, the City under its police power may impose fees on new construction
and development subject to the provision of Government Code Section 66000, et seq., in
order to finance the construction of public improvements and facilities and the acquisition
of equipment required by such development; and

1 WHEREAS, the District is authorized by statute to accept revenues from a local
2 agency for any lawful purpose of the District, including the construction of public
3 improvements and facilities and the acquisition of equipment; and

4 WHEREAS, the District has submitted a report to the City demonstrating the fire
5 station costs resulting from new development.

6 NOW, THEREFORE, IN CONSIDERATION of the promises, covenants,
7 representations and agreements set forth herein, the parties mutually agree as follows:

8 I. CITY CONSIDERATION OF DEVELOPER FEE PROGRAM

9 A. The City Council, after hearing evidence for and against such proposal,
10 shall consider adoption of a developer fee for the purpose of financing fire
11 stations, equipment, and apparatus (hereinafter referred to as "Developer
12 Fee") in coordination with the County of Los Angeles Developer Fee
13 Program for the benefit of the District (hereinafter referred to as "District's
14 Developer Fee").

15 B. The City Council, after hearing evidence for and against such proposal,
16 shall consider adopting the Developer Fee amount proposed by the District
17 in the Report of a Developer Fee Plan (hereinafter referred to as "Report")
18 attached hereto as Exhibit A and incorporated herein by this reference.
19 The proposed fee amount will be updated annually by the City in
20 coordination with the District's Developer Fee.

21 C. Subsequent to the implementation of a Developer Fee, should the City
22 annex additional territory which boundaries are located in an area which the
23 District currently serves, the territorial limits of the City in the Area of Benefit
24 designated as Area 1 in the Report shall be revised, if necessary, and the
25 City shall consider appropriate action so that the newly annexed territory
26 shall be bound by the provisions as set forth in this Agreement.

27 D. If the City adopts a Developer Fee, the City shall deposit the funds from
28 such Developer Fee into a separate capital facilities account, which may or

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may not be interest bearing, to avoid any commingling of such funds with other revenues and funds of the City.

E. If the City adopts a Developer Fee, the City shall transfer to the District revenues from the account established pursuant to this Section I within thirty (30) days of written notice by the District. Revenues, which include any interest accrued to the account, shall be transferred in the amount necessary to finance the acquisition, construction, improvement, and equipping of fire stations necessary for the District to deliver fire protection and emergency medical services to new development within the City. The City shall not transfer any revenue retained pursuant to Section IV of this Agreement.

II. CAPITAL IMPROVEMENTS

A. Developer Fee revenues transferred from the City to the District pursuant to this Agreement shall be used to fund the acquisition, construction, improvement, and equipping of fire station facilities necessary for the District to deliver fire protection and emergency medical services to new development within the City.

B. The District shall retain authority for the placement and scheduling of fire stations constructed, and equipment and apparatus funded, with Developer Fee revenues transferred from the City. Annually, fire protection and emergency medical service requirements shall be reviewed and the capital improvement plan provided in the Report shall be adjusted as necessary to address changing requirements for the forthcoming five (5) years. Prior to any adjustment in the capital improvement plan, the City and District shall meet and consult regarding the scheduling and placement of fire stations within Area 1 to address the needs and concerns of the City. As part of the placement of fire stations, the City and District shall consider the amount of Developer Fees to be collected and the rate and location of urban

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development both within the City and within Area 1.

C. Title to all land, facilities, and equipment financed with Developer Fee revenue shall be held by the District. In the event that the District ceases to provide fire protection services to the City, title to all stations located within the City's boundaries financed solely with Developer Fee revenue shall be transferred to the City.

III. IN-KIND CONSIDERATION AND OTHER CREDITS

A. In-kind consideration may be accepted by the City, with District approval, in lieu of all or a portion of a Developer Fee requirement placed on a development. The District shall participate in any negotiations between the City and a developer regarding the acceptability or value of such in-kind consideration.

B. Appropriate in-kind consideration may include, but shall not be limited to, an improved lot, construction of a fire station, fire apparatus, or other infrastructure improvements directly necessary for the establishment of a fire station.

C. The City, with concurrence of the District, may also grant a credit against a developer's Developer Fee obligation if the developer demonstrates that there is no reasonable relationship between the impact of the development on fire protection facilities or the need for new fire protection facilities and the amount or use of the Developer Fee.

IV. ADMINISTRATIVE FEE

The City may retain five (5) percent of the amount of the Developer Fees collected by the City. This amount shall offset the City's administrative costs to establish and collect the Developer Fee.

V. ACCOUNTING

A. The District shall report to the City on a quarterly basis the monies transferred from City to District and expended in Area 1. Additionally, the

1 District shall prepare an annual report of monies transferred and expended
2 in Area 1 and make such report available to the City for review at least thirty
3 (30) days before the close of the City's fiscal year. The report shall include
4 information regarding the amount of funds transferred to the District from
5 the City and the manner and location in which such funds were expended.
6 B. The City shall report to the District on a quarterly basis the monies collected
7 in the City, the monies retained by the City for administrative costs, and the
8 monies transferred to the District. The City shall also prepare an annual
9 report of monies collected in the City, retained by the City, and transferred
10 to the District and make such report available to the District for review at
11 least thirty (30) days before the close of the District's fiscal year.

12 VI. ANNUAL REVIEWS/UPDATES OF DEVELOPER FEE

- 13 A. The District shall be responsible for making annual adjustments, if
14 necessary, to the capital improvement plan and the Developer Fee amount
15 as provided for in the Report for County and City consideration. The
16 District's adjusted Developer Fee amount shall include the amount to be
17 retained by the City for administrative costs.
18 B. The proposed adjustments to the capital improvement plan and the
19 Developer Fee amount shall be submitted to the City at least thirty (30)
20 days before the close of the City's fiscal year.
21 C. In the event that an ordinance and capital improvement plan have not been
22 adopted by the City within sixty (60) days after the City receives written
23 notification of adoption of the updated Developer Fee amount and capital
24 improvement plan by the Board of Supervisors of the County of Los
25 Angeles (suspension date), the Developer Fee Program in the City will be
26 suspended. Upon suspension, the District will immediately return to the
27 City all funds which have been transferred by the City to the District which
28 have not been expended on the acquisition, construction, improvement, or

1 equipping of fire stations necessary for the District to deliver fire protection
2 and emergency medical services to development within the City, except as
3 provided for in paragraph VII.C herein.

4 D. In the event that a good faith effort has been made by the District and the
5 City, but unanticipated delays preclude adoption within the time frames as
6 set forth in this Section VI, the City may, by written notification to the
7 District, extend the Developer Fee Program in the City for thirty (30) days
8 from the suspension date to allow for appropriate and necessary approval
9 by the City.

10 VII. TERMINATION

11 A. The City retains the right to terminate this Agreement within thirty (30) days
12 after the start of the City's fiscal year upon thirty (30) days written notice to
13 the District. The City retains the right to terminate this Agreement at any
14 other time, upon sixty (60) days written notice. Upon notice of termination,
15 the District will immediately return to the City all funds which have been
16 transferred by the City to the District which have not been expended on the
17 acquisition, construction, improvement, or equipping of fire stations
18 necessary for the District to deliver fire protection and emergency medical
19 services to development within the City, except as provided for in
20 paragraph VII.C herein.

21 B. The District retains the right to terminate this Agreement at any time upon
22 sixty (60) days written notice. In such event, the District shall immediately
23 return to the City all funds which have been transferred by the City to the
24 District and which have not been expended on the acquisition, construction,
25 improvement, or equipping of fire stations necessary for the District to
26 deliver fire protection and emergency medical services to development
27 within the City, except as provided for in paragraph VII.C herein.

28 C. In the event that the District has previously entered into any good faith

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commitments towards the construction of a fire station facility, the City understands that the District may be contractually or otherwise legally required, which requirement shall be solely determined by the District, to liquidate such good faith commitments and such liquidation costs may be paid from the Developer Fees received from the City, as determined by the District, to the date of termination of this Agreement.

D. Neither termination by the City, nor by the District pursuant to this Section VII, nor any other termination or cancellation of this Agreement, shall terminate the City's or District's obligations under Section VIII of this Agreement.

VIII. INDEMNIFICATION

A. By District

1. In the event of a suit, claim, or action brought by any person or entity claiming that the Developer Fee is a special tax or challenging the use of the Developer Fees transferred to the District by the City, or the legality, validity, or sufficiency of any provision of Sections I through III, Section V.A, or Section VI of this Agreement, or the legality or validity or sufficiency of the resolution establishing the amount of the Developer Fee subject to this Agreement, of the Report, the District resolution establishing the amount of the Developer Fee, the imposition of the Developer Fee, the District capital improvement plan, or the adequacy of the provisions of the ordinance imposing the Developer Fee that relate to the required findings for imposing a Developer Fee, the District shall indemnify, hold harmless, and defend the City, the City Council, and each member thereof, and every officer, employee and agent of the City from any liability or financial loss resulting from any such suit, claim, loss, or action brought by any person or persons and from all costs and expenses resulting from the above actions.

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- 2. The City shall give written notice to the District of any such suit, claim, or action within fifteen (15) days after service of process upon the City.
- 3. If any court of competent jurisdiction issues an order, ruling, or judgment, which includes a requirement that the City pay or reimburse to any party the Developer Fee paid to the City, the District hereby agrees to pay or reimburse the portion of such Developer Fee that has been transferred to the District by the City. The District shall pay or reimburse such Developer Fee notwithstanding the expenditure of such Developer Fee.
- 4. If any court of competent jurisdiction issues an order, ruling, or judgment which includes a requirement that the City pay or reimburse any party for legal fees or costs incurred in connection with any action described in Paragraph VIII.A.1 hereinabove, the District hereby agrees that it will pay such fees and costs.
- 5. The District shall retain the authority to reject any compromise or settlement by the City of any claim for which the City seeks indemnification.
- 6. Sections 1, 2, 4, and 5 of this Section VIII.A do not apply to suits, claims, or actions arising out of the negligent or wrongful administration of the collection of the Developer Fee by the City or to the negligent or wrongful administration of the procedures necessary to adopt and implement the Developer Fee by the City. This Section VIII.A does apply to any suits, claims, or actions challenging, directly or indirectly, the sufficiency of, or support for, findings necessary to adopt the Developer Fee.

B. By City

- 1. In the event of any suit, claim, or action brought by any person or entity challenging any act by the City or any officer, employee or agent

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thereof, arising out of the negligence or wrongful administration of the collection of the Developer Fee by the City or procedural actions by the City in adopting and implementing a parallel developer fee program, or the legality, validity, or sufficiency of Section V.B of this Agreement, the City shall indemnify, hold harmless, and defend the County of Los Angeles, the District, and each member thereof, and every officer, employee and agent of the County and District from any liability or financial loss resulting from any such suit, claim, loss, or action brought by any person or persons and from all costs and expenses resulting from the above actions.

- 2. Notwithstanding paragraph VIII.B.1 hereinabove, nothing in this Section VIII.B will invalidate the duty of the District to comply with paragraph VIII.A.3 in the event that a court of competent jurisdiction, for any reason, orders the City, the County, or the District to reimburse to any party the Developer Fee paid to the City. Similarly, to the extent that the City has not transferred to the County the Developer Fee to be reimbursed, the City shall reimburse such Developer Fee to the developer notwithstanding anything in Section VIII.A hereinabove.
- 3. The District shall give written notice to the City of any such suit, claim, or action within fifteen (15) days after service or process upon the District.
- 4. If any court of competent jurisdiction issues an order, ruling, or judgment which includes a requirement that the District pay or reimburse any party for legal fees or costs incurred in connection with an action challenging any acts or omissions of the City described in paragraph VIII.B.1 hereinabove, the City hereby agrees that it will pay such fees and costs.

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1 5. The City shall retain the authority to reject any compromise or
2 settlement by the District of any claim for which the District seeks
3 indemnification.

4 IX. EXTENT OF AGREEMENT

5 This Agreement represents the entire and integrated Agreement of the parties and
6 supersedes any and all prior negotiations, representations, or agreements, either
7 written or oral. This Agreement may be amended only by written instrument
8 signed by both parties.

9 X. NOTICES

10 All notices pertaining to this Agreement shall be in writing, delivered personally or
11 by United States mail, postage prepaid, and addressed as follows:

12 If to District: Consolidated Fire Protection District
13 of Los Angeles County
14 1320 North Eastern Avenue
15 Los Angeles, CA 90063-3294
16 Attn.: John Gee, Planning Division

17 If to City: City of Agoura Hills
18 30101 Agoura Court, Suite 102
19 Agoura Hills, CA 91301
20 Attn.: David Garmany

21 XI. EFFECTIVE DATE OF THIS AGREEMENT

22 This Agreement is entered into as of the day and year first written above.

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1 IN WITNESS WHEREOF, the City of Agoura Hills has caused this Agreement to be
2 executed by its duly authorized officer; and the Board of Supervisors of the County of
3 Los Angeles, as the governing body of the Consolidated Fire Protection District of Los
4 Angeles County, has caused this Agreement to be executed by its Chairman and
5 attested by its Clerk, on the day, month, and year noted hereinbelow.

6 CITY OF AGOURA HILLS

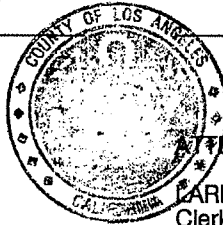
7 CONSOLIDATED FIRE PROTECTION
8 DISTRICT OF LOS ANGELES COUNTY

9 Ed Kurtz
EDMUND KURTZ, MAYOR

10 Leon D. Edinger
CHAIRMAN, BOARD OF SUPERVISORS

11 January 4, 1993
DATE

12 FEB 16 1993
DATE



13 ATTEST:

14 ATTEST:

15 Patricia Manning
16 CITY CLERK

17 LARRY J. MONTEILH, Executive Officer,
18 Clerk of the Board of Supervisors

19 By Sybil J. Villalobos
DEPUTY

20 APPROVED AS TO FORM:

21 APPROVED AS TO FORM:

22 John Westlund
CITY ATTORNEY

23 DE WITT W. CLINTON, County Counsel

24 By Eric Young
DEPUTY

25 (COUNTY SEAL)

26 **ADOPTED**
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

27 14

FEB 16 1993

28 Larry J. Monteilh
LARRY J. MONTEILH
EXECUTIVE OFFICER