



MEMORANDUM
OFFICE OF THE
COUNTY EXECUTIVE
COUNTY OF PLACER

TO: Honorable Board of Supervisors
FROM: Thomas M. Miller, County Executive Officer
Submitted by: Leslie Hobson, Senior Management Analyst
DATE: December 5, 2006
SUBJECT: Public Hearing and Adoption of Capital Facility Impact Fees for Animal Services

ACTION REQUESTED

It is requested that the Board:

1. Conduct a public hearing to consider adoption of a new Capital Facilities Impact Fee for Animal Services facilities, and
2. Make findings relative to implementation of the fee and adopt the attached resolutions implementing the addition of an Animal Services Impact Fee to the Capital Facility Impact Fee Program, and
3. Make a formal request to Placer County city/town councils to adopt the new Animal Services impact fee in their jurisdictions. The cities/town include: Auburn, Colfax, Lincoln, Loomis, and Rocklin.

BACKGROUND

The Countywide General Plan Policy Document adopted by your Board on August 18, 1994 provides that new development will pay its fair share of the cost for facilities attributable to growth in the County. Since Plan adoption, Placer County's population has grown significantly, a trend that is expected to continue into the future. Based on California Department of Finance, Sacramento Area Council of Governments (SACOG) projections and estimates from the City of Lincoln, it is forecast that new development will bring 136,147 new residents between 2007 and 2025¹. This figure represents a 64% growth over the current service population of 212,000. Most of the growth is expected to occur within incorporated cities however whether the growth is in a city or in the unincorporated area of the county, growth increases the demand for services. While Placer County has no control over growth within cities, the County is mandated to provide a range of services that benefit new residents in cities and the unincorporated area. Collection of a fee countywide to mitigate the impacts of new development is critical to meet the demand for facilities that house the function of Animal Services.

¹ Projections for population growth exclude the City of Roseville. The city of Roseville will not collect the proposed Animal Service fee as they work cooperatively with the Society for the Prevention of Cruelty to Animals (SPCA) for these services for their residents.

Prior to 2006, the capacity of County facilities did not increase significantly. When new construction did occur, the focus was on criminal justice related facilities² and prior to that the last general government facility to be constructed was "the domes" in 1966. More recently, construction of the Community Development Resource Center was completed earlier this calendar year and the Auburn Justice Center is expected to be ready for occupancy in 2007.

In 1992 your Board directed that the County analyze impacts of growth on county services and facilities and, as a result, the 1994 study *County Facilities Needed to Serve Growth*, prepared by Hausrath Economics Group (HEG) documented and measured the impact of growth on county services and facilities. This study identified the need for new/expanded Animal Services facilities and estimated a fee to impose on new residential development that would support future facility construction needs. When adopted by the Board in 1996, the Animal Service fee was excluded from the Capital Facility Impact Fee Program. Over the last few years the growing demand for animal services, as well as facility deficiencies identified in Auburn and Tahoe, have prompted the County to reconsider adoption of a capital facility impact fee for Animal Services. On July 11, 2006 the Board of Supervisors directed staff to prepare a nexus study and begin work with the cities to justify and gain support for an Animal Services impact fee. The Board also supported construction of an Animal Services Shelter in South/West Placer County and future expansion of the Animal Shelter located in Auburn as affirmed in the Capital facilities Financing Plan approved by the Board of Supervisors on July 24, 2006.

Nexus Study

Government Code 66000 et seq requires that the local agency demonstrate a reasonable relationship between the amount of the fee and the cost of the public facility, or portion of the public facility attributable to the type of development on which the fee is imposed. Consistent with Government Code 66000, the HEG study served as the original nexus study for the existing Capital Facility Impact Fee Program. An updated study, the *Capital Facility Impact Fee for Animal Services in Placer County* prepared by the County Executive Office and HEG, addresses the nexus requirements under Government Code 66000. This new study identifies the purpose of the Animal Services fee, describes how the fee will be used, and demonstrates the relationship between the need for the facility and the type of development project on which the fee is to be imposed.

The fee program for new development cannot and does not include the cost of replacing existing space or funding expansions to remedy existing deficiencies. The studies identified above provides for the establishment of the general nexus require by law and demonstrate that the services for which the fee is imposed is proportionate to the fee to be imposed.

This action is statutorily exempt from the California Environmental Quality Act pursuant to Title 14 California Code of Regulations Section 15273 (A)(4) and Public Resources Code Section 21080 (B)(8) as it establishes rates and charges for the purpose of obtaining funds for capital projects necessary to maintain service within the County.

² Includes a new jail, a jail expansion, and kitchen largely funded through the use of bonds.

Animal Services Capital Facility Fees

Consistent with the Capital Facility Impact Fee Program, Animal Services impact fees are based on the amount and cost of building space, vehicles, equipment and other specialized capital items required to serve the projected increase in service population. The cost of new facilities and the amount of the fee is based on a measure of facility space or facility investment per unit of service population. The County's public facilities are essentially population-serving. Therefore, per capita measures of facilities are a reasonable means of quantifying the relationship between service population growth and the need for expanded public facilities.

There are two options for measuring future facility needs associated with growth. The first option uses existing facility standards which is the ratio of existing building space or capital investment to existing service population. Under this option existing facility standards are maintained, and fee levels are based on the presumption that existing levels of service are adequate, and new development provides for increases in facilities sufficient to maintain that standard. The second, and recommended option, is based on capital improvement plans and uses planning standards which are expressed as the ratio of planned future building space or capital investment to future service population with a planning horizon of about 20 years. The planning standard represents an increase in the level of service and capital investment per capita to be enjoyed by both the existing service population and the growth in the service population due to new development.

To impose fees at the higher planning standard, the County would have to commit to raising the standard for the existing service population using other sources of funding. The cost to remedy the existing deficiency for Animal shelter facilities is estimated to be \$6.8 million. Placer County's current Capital Improvement Financing Plan includes a new shelter in South/West Placer (29,000 square feet) and the expansion of the Animal Service shelter in Auburn (10,000 square feet) that are estimated to cost \$20 million. To build both shelters will require a commitment of funds unrelated to new development as the Animal Services facility fees are estimated to provide about 35% of the total cost. The balance will be funded by the County General Fund and contributions from the cities. As such, the County may substitute the higher planned facility standard for the existing facility standard.

The impact fee calculation for Animal Services was based upon estimated costs associated with facility construction and capital equipment needed to serve a projected increase in service population. The fee assumes a specific service "standard" and identifies future needs by projecting the impact of future County development on the current services. Proposed fees for residential development are noted in the following table.

Land Use Category	Occupancy per Resident Unit	Cost per Capita	Residential Fee Amount (excludes Roseville)
Single Family Dwelling Unit	2.60	\$51	\$133
Multi-Family Dwelling	1.16	\$51	\$59
Age Restricted Senior	1.67	\$51	\$85

Placer County Capital Facilities Impact Fee Schedule

As required under state law, on November 7, 2006 the Board received and accepted the Placer County Capital Facilities Impact Fee Annual Report for fiscal year 2005-06. As provided for in

Current Fee Schedule (effective October 1, 2006)

Land Use Categories	Lincoln and Roseville (Cities without County Libraries)	Auburn, Colfax, Loomis & Rocklin (Cities with County Libraries)	Unincorporated
Single Family Dwelling	1,717.54	2,193.40	3,329.57
Multi Family Dwelling	1,251.71	1,597.32	2,426.56
Age Restricted Sr. Citizens	1,129.24	1,442.12	2,189.13
Office Space/sq. feet	.42	.42	.74
Retail Space/sq. feet	.27	.27	.47
Industrial Space/sq. feet	.21	.21	.38
Warehouse Space/sq. feet	.06	.06	.11

in County Code section 15.30.090(B), the fee schedule was automatically adjusted by an annual, cost of living increase that was effective October 1, 2006. The Placer County fee schedule for non-residential development tends to be lower, which is attributed to the assumption that non-residential growth (as estimated by employment) does not have the same service impact as residential.

The nexus study, noted previously, outlines increases to the current fee schedule for residential development projects. New Capital Facility Fee Schedule rates are noted in the following table. If the Animal Services fee is approved, the result is an increase of between 4 and 7.7% for single family dwelling; 2.4 and 4.7% for multi family; and 3.9 and 7.5% for age restricted. Proposed fees for Animal Services will not be assessed on businesses or on development within the city of Roseville.

Proposed Fee Schedule (adjustment effective February 5, 2006)

Land Use Categories	Lincoln (without County Library)	Roseville (without County Library)	Auburn, Colfax, Loomis & Rocklin (Cities with County Libraries)	Unincorporated
Single Family Dwelling	1,850.54	1,717.54	2,326.4	3,462.57
Multi Family Dwelling	1,310.71	1,251.71	1,656.32	2,485.56
Age Restricted Sr. Citizens	1,214.24	1,129.24	1,527.12	2,274.13
Office Space/sq. feet	.42	.42	.42	.74
Retail Space/sq. feet	.27	.27	.27	.47
Industrial Space/sq. feet	.21	.21	.21	.38
Warehouse Space/sq. feet	.06	.06	.06	.11

City/Town Participation

Your Board is aware that Placer County has worked with the cities to implement the Capital Facilities Impact Fee in each jurisdiction and every effort has been made to maintain equitable application of the Fee. As directed by your Board, staff met extensively with representatives of all the cities to discuss the construction of a replacement shelter in Auburn and a new Animal Services facility to be located in South Placer. Those discussions included an outline of the proposed fee program and city representatives have expressed interest in adopting the Animal Services facilities fee as a means of offsetting obligations that would be required due to new development. The study before you today reflects the fee assuming our existing partners:

Auburn, Colfax, Lincoln, Loomis, and Rocklin. Our city partners are expected to respond back to the County in January to confirm their participation in construction of new shelters and potential adoption of the proposed Animal Services impact fee program.

Staff will continue to work with the cities to show that adoption of the fee is an important element in retaining a safe and healthy community and is in the best interest of all county residents. Placer County provides Animal Services countywide³ and all of the populations within Placer County's cities benefit from these services. With this Board action, staffs request that the Board of Supervisors encourage participating jurisdictions to adopt the new Animal Services Capital Facility Impact Fee. Absent city participation, the Board may wish to consider other measures to assure that new development pays its fair share for the cost of providing mandated county services. In the event that one or more cities choose not to participate in the Animal Services fee, staff would need to re-evaluate the facility projects currently under discussion. In effect, while the amount of the proposed fee to be collected would not change, the size of the facility proposed for Animal Services would need to be reduced as less funding would be available to support the project.

CONCLUSION

A capital facilities fee program mitigates the adverse impacts of growth on county facilities and fulfills policies set forth in the General Plan. It should be noted that the program does not remedy deficiencies caused by past growth but would allow the county to maintain a standard as new growth occurs. Impact fees are used in most cities to build public facilities for general government purposes, and by counties to fund infrastructure expansion. The study entitled *County Facilities Needed to Serve Growth* quantified the impact of new residents and businesses on county facilities, estimated the cost to expand those facilities in order to accommodate that growth, and outlined a fee program that allocates this cost to specific types of land use. The nexus study furthers this work by updating the five findings from the 1994 study to comply with Government Code 66001.

The proposed resolution would impose a new fee on residential development for the purpose of constructing Animal Services capital facilities that are needed due to growth. Consistent with the Comprehensive Facility Master Plan adopted by the Board in 1996, and the Capital Facilities Financing Plan affirmed on July 24, 2006, costs for construction of new/expanded Animal Service facilities, attributable to growth through the year 2016, are estimated at \$20 million. The cost for Capital Facilities allocated to new development assuming a planned facility standard is \$6.9 million, (\$51 per capita for residential population).

FISCAL IMPACT

Placer County and its residents would ultimately subsidize the Animal Service facility impacts associated with new development if the costs for service facilities are not funded by that development. The County's growing population base is causing increased demand for Animal Services and a greater than before need for larger/expanded facilities to meet residents' needs. The growing demand places an even greater burden on limited County resources and, in the absence of a

³ The City of Roseville works cooperatively with the Society for the Prevention of Cruelty to Animals (SPCA) to provide some animal services.

new funding source, development impact fees offer a comprehensive solution to mitigating the impacts of population growth on Animal Services by funding capital facilities.

As identified in the nexus study, the proposed Animal Services component of the Capital Facility Impact Fee will range from \$59 for a multi-family dwelling to \$133 for a single family dwelling. Based on projected growth through the year 2025, approximately \$6.9 million would be generated for construction over the next 19 years, assuming that the cities for which the County currently provides services, all adopt this impact fee for Animal Services. Essentially, the proposed fee would result in an increase of between 2.4 and 7.7% for residential development in the cities and unincorporated areas of Placer County. Proposed fees for Animal Services will not be assessed on businesses or on development within the city of Roseville.

Attachments:

A. Resolutions:

1. Resolution to Approve Related Documents which Provide the Basis for the Animal Services Capital Facility Impact Fee Program
2. Resolution Setting Animal Services Capital Facility Impact Fees within Placer County

B. *Capital Facility Impact Fee for Animal Services in Placer County*

**Before the Board of Supervisors
County of Placer, State of California**

In the matter of:

Resol. No: _____

A RESOLUTION TO APPROVE RELATED DOCUMENTS
WHICH PROVIDE THE BASIS FOR THE ANIMAL
SERVICE CAPITAL FACILITY IMPACT FEE PROGRAM

Ord. No: _____

First Reading: _____

The following Resolution was duly passed by the Board of Supervisors of the County
of Placer at a regular meeting held on December 5, 2006,

by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chairman, Board of Supervisors

Attest:
Clerk of said Board

WHEREAS, the county formally adopted the study entitled *County Facilities Needed to Serve Growth (August, 1994)*, in order to provide documentation of the need for additional County facilities needed to serve new development and apportion the cost to various land use categories; and

WHEREAS the county formally adopted the *Comprehensive Facilities Masterplan (1996)* which forecast space requirements for the provision of general county services for existing and future development, and documents existing facility conditions, project space requirements, evaluate alternative sites, estimate facility costs, and recommend a space planning

strategy; and has updated the Capital facilities Financing Plan in July 2006 which addressed facilities for Animal Services, and

WHEREAS, the county has completed a study entitled *Capital Facility Impact Fee for Animal Services in Placer County (November, 2006)* which documents Animal Services facilities needed to serve additional development within the county exclusively and apportions the cost to various residential land use categories; and

WHEREAS, these documents provide the basis for development of the Animal Services impact fee proposed and document the general nexus between the fee that would be applied and the cost of facilities needed to serve new development; and

NOW THEREFORE BE IT RESOLVED that the study entitled *Capital Facility Impact Fee for Animal Services in Placer County* referenced above is hereby adopted and approved by the Placer County Board of Supervisors as the basis for increasing the Capital Facility Impact Fee Program for the addition of an impact fee for Animal Services.

Before the Board of Supervisors County of Placer, State of California

In the matter of:

Resol. No: _____

RESOLUTION SETTING ANIMAL SERVICES
CAPITAL FACILITY IMPACT FEES WITHIN
PLACER COUNTY

The following Resolution was duly passed by the Board of Supervisors of the County
of Placer at a regular meeting held on December 5, 2006

by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chairman, Board of Supervisors

Attest:
Clerk of said Board

WHEREAS, the board of Supervisors of the County of Placer has adopted Chapter 15 Article 30
Public Facilities Fees into the Placer County Code creating and establishing the authority for
imposing and charging a Public Facilities Fee; and,

WHEREAS, notice of the public meeting and a general explanation of the matter to be considered
were duly published two times within 10 days according to California Government Code Section
6062a; and

WHEREAS, following a public hearing, at which oral and/or written presentations were made as
part of a regularly scheduled meeting; and

WHEREAS, a detailed fiscal and public facilities study of the impacts of contemplated future
development on existing public facilities in Placer County through the year 2010, along with an
analysis of the need for new public facilities and improvements required to serve future
development, was completed by Recht Hausrath and Associates entitled *County Facilities*

Needed to Serve Growth, based on the *Comprehensive Facilities Master Plan* both of which were adopted November 8, 1994; and

WHEREAS, in August, 1999 the Board of Supervisors amended the Capital Facility Impact Fee program to suspend the portion of the fee related to the Courts since changes in State law provided that the State was responsible for new Court facilities, and added a new fee category for Age Restricted Senior Housing to take into account the lower density.

WHEREAS, the report, *Capital Facility Impact Fee for Animal Services in Placer County*, prepared in November 2006 by the County and Hausrath Economics Group, documents the relationship between existing Placer County Animal Services facilities and the appropriate service populations and the need for additional facilities associated with growth accommodated by various types of development through the year 2025; and

WHEREAS, these reports were available for public inspection and review for more than ten (10) days prior to this public hearing; and

WHEREAS, California Government Code Section 66000, et seq., requires the local agency to demonstrate a reasonable relationship between the amount of the Animal Services fee and the cost of the Animal Services facility or portion of the Animal Services facility attributable to the type of development on which the fee is imposed;

THEREFORE, THE BOARD OF SUPERVISORS hereby RESOLVES and makes the following findings:

- A. That, in order to meet the requirements of Government Code Section 66000, et seq., and to establish the nexus as provided by law, a methodology similar to the original impact fee study was used. The methodology as set forth in the report, *Capital Facility Impact Fee for Animal Services in Placer County*, and discussed in the accompanying staff report, is consistent with Government Code Section 66000, et seq. The Board further finds that the report determines Animal Services facilities exclusively needed to serve new development in the county and proposes an Animal Services impact fee, based on residential densities, to allocate the cost to new development, and how the impacts are allocated to residential development, using forecasts of new residents to predict the demand for additional facilities.
- B. The purpose of the Animal Services fee is to finance Animal Services facilities to reduce the impact caused by future development in Placer County. Such improvements include the expansion and construction of new Animal Services facilities to provide Animal Services as set forth in the report.
- C. The fees collected pursuant to this resolution shall be used to finance the construction of Animal Services facilities identified in the report, and as set forth in greater detail in the report and in Exhibit A, attached hereto, and incorporated by reference herein.
- D. After considering the studies and analysis prepared by the County and Hausrath Economics Group, and the testimony received at the public hearing, the Board of Supervisors approves and adopts said report by reference herein, and further finds that the future development in Placer County will in fact generate said additional demands on Animal Services facilities.

- E. As future development occurs, such development will create a need in Placer County for expanded, improved or newly constructed Animal Services facilities. Said facilities have been called for in, and are consistent with the County's General Plan, and are variously referenced in the General Plan at several points, including but not limited to, General Plan Goal 4.B. and the General Plan Policy 4.7.
- F. The studies noted above and the testimony received, both written and oral, establish:
- (1) that, as more particularly described and set forth in the reports, there is a reasonable relationship between the need for Animal Services facilities designated in the reports and the impacts on the categories of residential development for which the corresponding fee is charged, based upon the studies included in the reports;
 - (2) that, as demonstrated in the supporting studies and the reports, there is a reasonable relationship between the use proposed for the Animal Services fees collected and the categories of residential development for which the fee is charged, in that the uses identified will address the demands created by said new development on Animal service facilities;
 - (3) that, as documented in the supporting studies and the reports, there is a reasonable relationship between the amount of the Animal Services fee and the cost of the Animal Services facility or portion of the Animal Services facility attributable to that type of residential development on which the fee is imposed, and
 - (4) that, the Animal Services fee estimates set forth in Exhibit A, which fee estimates are based upon the supporting studies and the reports and which exhibit has been attached hereto, are reasonable fee estimates for constructing these facilities, based upon the supporting studies and the reports, and
 - (5) that, the Animal Services fees expected to be generated by future developments will not exceed the pro-rata share attributable to new development of the total costs of constructing the Animal Services facilities identified in the reports.
 - (6) that, the fee schedule set forth in Exhibit A applies the appropriate Animal Services fees based upon the anticipated residential occupancy of the various categories of anticipated new development, and this fee schedule incorporating the Animal Services fees does not include the cost of replacing existing space or funding expansions to remedy existing deficiencies.
- G. The *Capital Facility Impact Fee for Animal Services in Placer County* described in the reports and as referenced above, is a detailed analysis of how animal services will be affected by development within Placer County, that it properly differentiates between the existing deficiencies, and the projected deficiencies that will be caused by new development, and the Animal Services facilities required to accommodate that new development.
- H. The method of allocation of the Animal Services facilities fee to a particular category of residential development bears a fair and reasonable relationship to that type of development and to the development projects within each residential category and that the apportionment among and within said categories is fair and reasonable, and is appropriate for the type of facilities to be funded by the Animal Services fees.

- I. That these Animal Services Facilities Fees are necessary to mitigate impacts caused by new development within the County and that the fees are needed to finance Animal Services Facilities necessitated by that new development and to assure that new development pays its fair share for these improvements;
- J. That the California Constitution Article 11, Section 7, empowers the County of Placer to carry out its services through its entire geographical boundary to the extent it is required to do so as an extension of the State Legislature and a political subdivision of the State of California, and to the extent that such powers do not duplicate or interfere with similar powers which are exclusively those of the incorporated cities within the jurisdiction of the County of Placer, and further finds that it is right and proper under the police powers for the County to provide such services and to charge reasonable fees for doing so, and that therefore such Animal Services Facilities Fees may be enacted and imposed on development projects;
- K. That the Board of Supervisors finds that the public health, safety, peace, morals, convenience, comfort, prosperity and general welfare will be promoted by the adoption of Animal Services Facilities fees for construction expansion or improvement of Animal Facilities necessitated by new development.
- L. That failure to enact Animal Services Facility fees will subject County residents to conditions adverse to their health, safety, and welfare.
- M. The standards upon which the needs for the Animal Services facilities are based are the standards of the County of Placer. The County has undertaken an extensive capital improvement program to implement these standards and the County will remedy existing deficiencies without using proceeds of the Animal Services Facilities fee.
- N. That pursuant to Title 14 California Code of Regulations, §15273 (a) (4), this action is statutorily exempt from the California Environmental Quality Act, as it establishes rates and charges for the purpose of obtaining funds for capital projects necessary to maintain service within the County. Further, for any specific project subject to the requirements of this resolution and the related ordinance, and for any project proposed to be built with funds raised pursuant to this enactment, environmental review will occur at the time the specific project is proposed. Further, since the construction of each Animal Services facility will be subject to CEQA review, it is, therefore, reasonably certain that this resolution which establishes Animal Services facilities fees will not, by itself, have possibility of causing significant effect on the environment, and this action is also therefore exempt pursuant to Title 14 California Code of Regulations §15061 (b) (3), and also pursuant to Chapter 18, Section 18.360.010 (H) of the Placer County Code.

NOW, THEREFORE, BE IT HEREBY FURTHER RESOLVED AND ORDERED, by the Board of Supervisors of Placer County that:

1. Pursuant to county ordinance and this resolution, an Animal Services Facilities Fee shall be charged and paid at the time of issuance of a building permit for development or as otherwise provided in the enabling ordinance. The fee shall be determined by the fee schedule in effect on the date the vesting tentative map or vesting parcel map is approved, or the date a permit is issued. The increased fee schedule is set forth on Exhibit A attached hereto and incorporated by reference

herein. The increased fee shall not be levied upon any building permit application, submitted and deemed complete on or before the effective date of this resolution.

2. This Animal services fees shall be used to pay for design and construction of designated Animal Services facilities and reasonable cost of outside consultant studies related thereto; and, when appropriate,
3. Fees in the Public Facilities Accounts shall be expended only for those facilities listed in the reports and only for the purpose for which the fee was collected.
4. This resolution is statutorily and categorically exempt from CEQA as more specifically set forth in paragraph N, above;
5. Annual Review of Fee. The Animal Services fee established herein is adopted and implemented by the Board in reliance on the comprehensive studies that have been prepared by the County. Annually the County executive Officer shall review the estimated costs of the described Animal Services facilities, the continued need for those improvements, and the reasonable relationship between such need and the impacts of residential development pending or anticipated for which the fee is charged. The County executive Officer shall report his or her findings to the Board and recommend any adjustment in this increased fee or other actions as may be needed.
6. Effective Date of Animal Services Facilities Fee. This resolution is effective sixty (60) days after passage.

**Placer County Capital Facilities Impact Fee Schedule
Effective February 5, 2007 Including the Animal Services Fee**

Land Use Categories	Animal Services Fee at the Planning Standard	Lincoln (without County Library)	Roseville (without County Library)	Auburn, Colfax, Loomis & Rocklin (Cities with County Libraries)	Unincorporated
Single Family Dwelling	<u>133.00</u>	<u>1,850.54</u>	1,717.54	2,326.40	3,462.57
Multi Family Dwelling	<u>59.00</u>	<u>1,310.71</u>	1,251.71	1,656.32	2,485.56
Age Restricted Sr Citizens	<u>85.00</u>	<u>1,214.24</u>	1,129.24	1,527.12	2,274.13
Office Space/sq.ft.		0.42	0.42	0.42	0.74
Retail Space/sq.ft.		0.27	0.27	0.27	0.47
Industrial Space/sq.ft.		0.21	0.21	0.21	0.38
Warehouse Space/sq.ft.		0.06	0.06	0.06	0.11

Notes:

1. Fees include a 2.5% administrative charge.
2. Original Data Source: Table III-10, Hausraath and Associates Report (1994).
3. The Age-Restricted Senior Citizen occupancy level is based on an average of 1.67 persons per dwelling, compared to 2.54 persons per Single-Family dwelling and 1.85 persons per Multi-Family dwelling.
4. Fees include a CPI (Consumer Price Index) increase of 4.8% as of October 1, 2006.
5. Excludes court related space.
6. Fees may be adjusted from time to time according to Chapter 15 of the Placer County Code.
7. Animal Services Fees were adopted by the Board of Supervisors on December 5, 2006 and effective February 5, 2007.

CAPITAL FACILITY IMPACT FEE FOR ANIMAL SERVICES IN PLACER COUNTY

The 1994 study, *County Facilities Needed to Serve Growth*, prepared for Placer County by Hausrath Economics Group (HEG) identified the relationship between residential population and the corresponding need for Placer County Animal Services facilities. The study calculated a fee for new residential development to provide funding for expansion of Animal Services facilities necessary due to service population growth. At the time of adoption in 1996, the fee for Animal Services was excluded from the final Capital Facility Impact Fee Program schedule that was adopted by the Board of Supervisors. In 1999, the Board of Supervisors amended the Capital Facilities Impact Fee program to suspend the portion of the fee related to the Courts since changes in State law provided that the State was responsible for new Court facilities, and added a new fee category for Age Restricted Senior Housing to take into account the lower density.

This report, prepared by the County Executive Office and HEG, updates the original study and identifies the purpose of the Animal Services fee, describes how the fee will be used, and demonstrates the relationship between the need for the facility and the type of development project on which the fee is to be imposed. The growing demand for animal services especially in the South portion of Placer County, and facility deficiencies identified in existing Animal Services facilities in Auburn and Tahoe, prompted the County to reconsider adopting a Capital Facility Impact Fee for Animal Services facilities. To justify the impact fee, the following documents the nexus findings required by Government Code 66001: facility standards and needs, costs, existing deficiencies, and sources of funding.

I. FINDINGS REQUIRED BY GOVERNMENT CODE 66001

California Government Code 66001 et seq. (AB 1600) governs impact fees (also referred to as “public facilities fees”) imposed by all public agencies. In particular, these statutes delineate an agency’s documentation requirements for imposing fees, as well as requirements related to the administration of fee revenues. In cooperation with HEG, the County Executive Office updated the five findings from the 1994 study to comply with Government Code 66001¹.

Finding #1: Purpose of the Placer County Public Facilities Impact Fees

The purpose of the Placer County Animal Services Facilities Impact Fee is to provide funding for expansion and new construction of the County Animal Services facilities required to serve the needs of population growth resulting from new development. The Capital Facilities Impact Fee Program implements Placer County General Plan policies related to public facilities and services. Specifically, Plan Goal 4.A ensures the timely development of public facilities and the maintenance of specified service levels for these facilities and Goal 4.B ensures that adopted facility and service standards are achieved and maintained through the use of equitable funding methods.

¹ Referred to as the “nexus study” for Animal Services facility fees.

Finding #2: Use of the Placer County Public Facilities Impact Fees

Proceeds from the impact fee for Animal Services will be used by the County to support funding for a new 29,000 square feet facility in South Placer County and expand the existing Auburn facility to about 10,000 square feet.

Finding #3: Relationship Between the Use of Public Facilities Impact Fees and the Type of New Development

Animal Services impact fees will be used to pay for facilities required to meet the needs generated by new development and population growth in Placer County. Generally, impact fees are calculated on the basis of the specific service population that uses or benefits from a given service. The population served by Animal Services is residential and the service is currently provided countywide except for the City of Roseville which operates their own Animal Services shelter.

Finding #4: Relationship Between the Need for County Facilities and Type of New Development

County facility planning documents such as the *Capital Improvement Plan* and the *Capital Project 10 Year Plan* identify the need for County facilities. Currently, there is little or no excess shelter capacity to accommodate the increased service demands associated with new development. As a result, the level of service for all residents of the County declines as the increased activity associated with growth and new development occurs within the confines of constrained existing facilities. Based on California Department of Finance, Sacramento Area Council of Governments (SACOG) projections and estimates from the City of Lincoln, we forecast that new development will bring 136,000 new residents to the county between 2007 and 2025, excluding projected growth for the City of Roseville. The detailed analyses that follows documents the existing relationship between Placer County Animal Services facilities and the appropriate service populations and the need for additional facilities associated with growth accommodated by various types of new development.

Finding #5: Relationship Between the Amount of County Public Facilities Fee Payments and Cost of Public Facilities

Capital Facility Impact fees are based on the amount and cost of building space, vehicles, equipment, and other specialized capital items required to serve the projected increase in service population. The cost of new facilities and the amount of the fee is based on a measure of facility space or facility investment per unit of service population. The County's public facilities are essentially population-serving. Therefore, per capita measures of facilities are a reasonable means of quantifying the relationship between service population growth and the need for expanded public facilities.

There are two options for measuring future facility needs associated with growth. The first option uses existing facility standards which is the ratio of existing building space or capital investment to existing service population. Under this option, existing facility standards are maintained, and fee levels are based on the presumption that existing levels of service are adequate, and new development provides for increases in facilities

sufficient to maintain that standard. The second option is based on capital improvement plans and uses planning standards which are expressed as the ratio of planned future building space or capital investment to future service population. A planning horizon of about 20 years is appropriate for developing these planning standards. Under this option, the planning standard may be higher than the existing standard, representing an increase in the level of service and capital investment per capita to be enjoyed by both the existing service population and the growth in the service population due to new development. The County can impose impact fees based on a higher planning standard only if other funds unrelated to new development are invested to increase the facility standard for the base service population. This is referred to as "correcting an existing deficiency".

The following documentation identifies existing facility standards, planned facilities, future facility standards based on the planned facilities, and existing deficiencies for Animal Services. The documentation presents two sets of fees: the first fee is based on maintaining existing facility standards and the second fee is based on planning standards, assuming the County commits to funding expansion of facilities serving the existing population to meet that desired standard. In all cases, the facility costs reflect recent County experience with facility development and are based on estimates of replacement costs for existing facilities developed by the Placer County Facility Services Department.

II. METHODOLOGY

The following steps outline the methodology used to calculate the Animal Services Capital Facility Impact fee:

- Identify facilities expected to require expansion to accommodate the needs associated with growth;
- Determine the relevant existing and future service population;
- Determine existing facility standards;
- Identify planned facilities and planned facility standards;
- Identify existing deficiencies;
- Project facilities needed to accommodate growth and their costs;
- Credit new development for other funding sources; and
- Allocate unfunded costs and calculate fee amounts.

1. Fee Calculated Assuming Existing Facility Standard for Animal Services

The existing Animal Services facility standard is based on two factors:

- Existing shelter and barn facilities and animal control vehicle investment
- An existing 2006 service population of 212,000 residents excluding Roseville

The existing inventory of Animal Services facilities consists of shelters in Auburn and Tahoe totaling 8,222 square feet, barns totaling 642 square feet, and thirteen vehicles with a replacement cost of \$310,500. The facility standard is expressed as a ratio of facility square feet or vehicle investment per capita. For Animal Services facilities, the existing facility standards are 39 sq. ft. of shelter space per 1,000 capita, 3 sq. ft. of barn space per 1,000 capita, and \$1,444 of vehicle investment per 1,000 capita.

To calculate the a facility impact fee using these existing standards, the existing facility standard is multiplied by the growth in service population, and the costs for the resultant facility need are estimated using current construction cost and vehicle investment factors. To maintain existing standards, the Animal Services facility need associated with growth is estimated to cost about \$2.6 million in 2006 dollars. This estimate assumes the service population grows by 135,000 and that animal shelter space costs \$438 per square foot to construct and animal control barn space costs \$153 per square foot to construct. Vehicle investment would be maintained at the level of \$1,444 per 1,000 capita.

There are currently no other sources of County funding associated with new development that are available to offset this cost, therefore the entire cost is allocated to new development in the form of a capital facility impact fee. To calculate a fee, the total cost is divided by the increase in service population, resulting in a per capita cost of \$19. Capital facility impact fees would be applied to new residential development accommodating this population growth, so this per capita cost translates to Capital Facility Impact Fees of \$49 per single family dwelling, \$22 per multifamily dwelling and \$32 for an age restricted senior dwelling.

2. Fees Calculated Assuming Planned Facility Standard

Placer County's current Capital Improvement Financing Plan includes a new shelter in West Placer and a replacement Animal Services shelter in Auburn. To build both shelters will require a commitment of funds unrelated to new development. Therefore, the County may substitute the higher planned facility standard described above for the existing facility standard.

The planned standard for animal shelter space is based on two factors:

- Planned shelter facilities including new facilities in West Placer and expanded facilities in Auburn.
- A 2025 service population of 347,000 forecast based on growth countywide excluding the City of Roseville.

The planned facility standard for animal shelter space is calculated by dividing total planned shelter facilities (39,000 square feet of new and expanded shelter space) by the future service population. The higher planning standard would be 112 sq. ft. per 1,000 capita. No change is planned in the facility standard for animal control barns and vehicle investment.

Substituting the higher planned facility standard for animal shelter facilities results in a higher cost for facilities associated with growth. The costs for shelter facilities (at the planned standard), and for barns and vehicles (at the existing standard) would be \$6.9 million in 2006 dollars.

There are currently no other sources of County funding associated with new development that are available to offset this cost, therefore the entire cost is allocated to new development in the form of a capital facility impact fee. To calculate a fee, the total cost is divided by the increase in service population, resulting in a per capita cost of \$51.

Capital facility impact fees would be applied to new residential development accommodating this population growth, so this per capita cost translates to Capital Facility Impact Fees of \$133 per single family dwelling, \$59 per multifamily dwelling and \$85 for an age restricted senior dwelling.

As noted above, to impose fees at this higher planning standard, the County would have to commit to raising the standard for the existing service population using other sources of funding. The cost to remedy the existing deficiency for Animal shelter facilities is estimated to be \$6.8 million (2006 dollars).

Capital Facility Impact Fees for Animal Services at the Existing and the Planning Standard(fee per dwelling unit in 2006 dollars)			
	Dwelling Type		
	Single Family	Multifamily	Age Restricted
Per unit fee at Existing standard	\$49	\$22	\$32
Per unit fee at Planning standard	\$133	\$59	\$85

Tables VIII.1 to VIII.7 in the Appendix present details on existing inventories, service populations, cost assumptions, and the two sets of impact fee calculations.

**TABLE VIII.1
EXISTING INVENTORIES AND FACILITY STANDARDS**

ANIMAL SERVICES

2006

Facility Type	Inventory (sq. ft. or dollars) ¹	Existing Facility Standard ²
Animal Control Shelter	8,222	38.81 Sq. Ft. per 1,000 capita
Animal Control Barns	642	3.03 Sq. Ft. per 1,000 capita
Vehicles	\$306,000	\$1,444 Dollars per 1,000 capita

¹ The dollar values represent replacement costs in 2005 dollars. Vehicles still in use following a seven-year replacement cycle and leased vehicles are not included in the inventory for the purpose of the facility impact fee documentation

² Based on a 2006 service population of 212,000 (accounting for all county residents except those in the City of Roseville)

SOURCES: Placer County Executive Office; Hausrath Economics Group

Existing Service Population (2006)	211,853	Excluding Roseville	Total in 2025
Increase in Service Population (2007-2025)	136,147	Excluding Roseville	348,000
Planned Animal Shelter Facilities (max of 29,000 sf in W. Placer + 10,000 sf expanded facility in Auburn)	39,000		

Existing Pop = DOF 2006 pop 316,508 less Roseville @ 104,655 and Tahoe @ 15,000. Increase in pop= SACOG 422,741 less 196,853, less 111,258 for Roseville and 450 for Tahoe Plus 20,789 for Lincoln. 11/14/06: Tahoe added back in to existing and growth.

**TABLE VIII.2
EXISTING DEFICIENCIES**

ANIMAL SERVICES

Animal Shelter Space

Existing Facility Standard	39	sq. ft. per 1,000 capita
Planned Facility Standard	112	sq. ft. per 1,000 capita
Difference in Standards	73	sq. ft. per 1,000 capita
Amount of Deficiency ¹	15,520	sq. ft.
Cost to Remedy Deficiency (2006 dollars) ²	\$6,798,000	

¹ The difference between the planned facility standard and existing facility standard multiplied by the 2006 service population. Provides an estimate of the degree to which the existing level of service would be improved assuming planned facilities were built as currently proposed.

² The amount of the deficiency multiplied by the cost per unit for animal shelter space. See Table I.4.

SOURCES: Placer County Department of Facilities Services and Hausrath Economics Group.

**TABLE VIII.3
COST OF FACILITIES NEEDED TO SERVE GROWTH ASSUMING EXISTING FACILITY STANDARDS**

2007 - 2025

ANIMAL SERVICES

(2006 dollars)

Facilities	Cost per Unit ¹	Facility Standards ²	Facility Need ³	Facility Cost ⁴
Animal Control Shelter	\$438.00	39	5,284	\$2,314,329
Animal Control Barns	\$153.00	3	413	63,125
Vehicles	n/a	\$1,444	\$196,650	196,650
Total				\$2,574,104

n/a = not applicable

¹ Unit costs are in 2006 dollars and include land, site preparation, construction, and furnishings. The cost factors for animal control shelters include costs for office space as well as shelter space. Costs are measured per square foot of building or yard space.

² Standards expressed in square feet per 1,000 capita or current dollar investment per 1,000 capita.

³ Amount indicates the facilities needed to serve the service population increase of 136,000.

⁴ Facility cost equals the projected space need times the unit cost, or, for vehicles, the inventory replacement value, per the existing inventory standard. Costs associated with growth are expressed in 2006 dollars.

SOURCES: Placer County Executive Office; Hausrath Economics Group

TABLE VIII.4

CAPITAL FACILITY FEE COST ALLOCATION ASSUMING EXISTING FACILITY STANDARDS

ANIMAL SERVICES
(2006 dollars)

Total Cost of Facilities	\$2,574,000
Subtract: Contribution of Other Funding Sources	-
Net Cost Allocated to New Development	\$2,574,000
Increase in Service Population 2003 - 2025	116,000
Per Capita Net Cost	
Cost Per Capita for Resident Population	\$19
Cost Per Capita for Worker Population	n/a

SOURCE: Hausrath Economics Group

TABLE VIII.5

CAPITAL FACILITY FEE SCHEDULE ASSUMING EXISTING FACILITY STANDARDS

ANIMAL SERVICES
(2006 dollars)

Land Use Categories	Occupancy per		
	Unit ¹	Cost per Capita	Fee Amount ²
Single Family	2.60	\$19	\$49
Multifamily	1.16	\$19	\$22
Age Restricted Senior	1.67	\$19	\$32

- 1 Residents per dwelling unit
- 2 Per dwelling unit for residential land uses. Applies to development throughout the county, except in the City of Roseville.

SOURCE: Hausrath Economics Group

TABLE VIII.6

CAPITAL FACILITY FEE COST ALLOCATION ASSUMING PLANNED FACILITY STANDARDS¹

ANIMAL SERVICES
(2006 dollars)

Total Cost of Facilities	\$6,935,000
Subtract: Contribution of Other Funding Sources	-
Net Cost Allocated to New Development	\$6,935,000
Increase in Service Population 2007 - 2025	116,000
Per Capita Net Cost	
Cost Per Capita for Resident Population	\$51
Cost Per Capita for Worker Population	n/a

- 1 Animal shelter space is the only facility for which there is a higher standard for planned facilities.

SOURCE: Hausrath Economics Group

TABLE VIII.7

CAPITAL FACILITY FEE SCHEDULE ASSUMING PLANNED FACILITY STANDARDS¹

ANIMAL SERVICES
(2006 dollars)

Land Use Categories	Occupancy per		
	Unit ²	Cost per Capita	Fee Amount ³
Single Family	2.60	\$51	\$133
Multifamily	1.16	\$51	\$59
Age Restricted Senior	1.67	\$51	\$85

- 1 Animal shelter space is the only facility for which there is a higher standard for planned facilities.
- 2 Residents per dwelling unit.
- 3 Per dwelling unit for residential land uses. Applies to development throughout the county, except in the City of Roseville.

SOURCE: Hausrath Economics Group

