

PLACER COUNTY  
OFFICE OF EMERGENCY SERVICES

MEMORANDUM

**To:** Honorable Board of Supervisors

**From:** Thomas Miller, County Executive Officer  
by: Rui Cunha, Emergency Services Program Manager

**Date:** March 25, 2008

**Subject:** **Adopt a Resolution approving the Placer Hills Fire Protection District Fire Facilities Impact Fee Study and Capital Improvement Plan for 2008 which includes a fee increase based on a newly derived computation methodology.**

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**ACTION REQUESTED**

Adopt a Resolution approving the Placer Hills Fire Protection District Fire Facilities Impact Fee Study and Capital Improvement Plan for 2008 which includes a fee increase based on a newly derived computation methodology.

**BACKGROUND**

**Legal Authority**

Government Code 66000 *et seq* (CGC 66000) allows local agencies, including fire protection districts, to *collect* development fees from new development projects to offset the impact that the new project has on the local agency's existing provision of services. The ability to *levy* fees, however, is an authority that remains, by law, with a County's Board of Supervisors. Therefore, in order to allow fire protection districts in Placer County to collect development fees, a legal requirement for new development projects to pay the fees was established by your Board on August 28, 1990 and codified as Chapter 15.36.010 of County Code.

As a condition for *collecting* mitigation fees, CGC 66000 requires a fire protection district to prepare a Capital Improvement Plan that is subject to Board of Supervisors approval. Updates of the plan are required annually.

**Capital Improvement Plans (CIP)**

A CIP, a source of historical data and plans for accommodation of future development, by law must address the following: anticipated impact of development on the provision of services, the specific proposed usage of fees, the reasonable relationship between fees and type of development, a separate accounting system for collected funds, conduct of properly noticed public hearings, and conduct of an annual plan review or update.

The Office of Emergency Services (OES) has reviewed and confirms that the 2008 Placer Hills Fire Protection District CIP meets all requirements of CGC 66000.

**Placer Hills Fire Protection District (District)**

Placer Hills Fire Protection District is a rural fire district comprising approximately 33 square miles of central Placer County. Development is primarily rural-residential with some agricultural facilities, but it also has both commercial and light industrial development. In the coming years, the District assumes that the current 9,700 service population (residents and workers) will more than double to approximately 23,400 by 2030. The District serves the communities of Meadow Vista, Applegate, Clipper gap, Eden Valley, Heather Glen, Sleepy Hollow, and Weimar.

**District Capital Improvement Plan 2008**

The District's mitigation fee structure currently in force is based solely on whether or not a facility or residence is "sprinklered." The proposed new fee structure (for 2008 and beyond) is based on the type facility and its projected "density," i.e., how many persons for residential or number of employees for nonresidential use occupy the structure. Since its existing fee structure cannot keep pace with the increasing cost of facilities, vehicles, equipment and apparatus, the District hired *MuniFinancial*, to update its plan, validate its fee calculation methodology, and set a new baseline fee structure. The *MuniFinancial* Fire Facilities Impact Fee Study concluded that the District should adopt a "type structure" versus the existing "sprinklered/non-sprinklered" fee schedule to better meet future capital needs. The magnitude of fee changes this switch entails however is not easily represented, but the tables below illustrate existing and proposed new rates.

**Current Rates  
(\$/Ft<sup>2</sup>)**

<b>Sprinklered</b>	<b>.60</b>
<b>Non-Sprinklered</b>	<b>.67</b>

**Proposed New Rates  
(\$/Ft<sup>2</sup>)**

<b>Residential</b>	<b>0.84</b>
<b>Nonresidential</b>	
<b>Commercial</b>	<b>1.21</b>
<b>Office</b>	<b>1.58</b>
<b>Industrial</b>	<b>0.59</b>

The District Board of Directors held a noticed public hearing on February 13, 2008 to review the Capital Improvement Plan and the Impact Fee Study, and adopted them with its Resolution 2008-001.

Discussions between OES and the District staff indicate that plan increases from this point on will be adjusted annually using the increase in the Consumer Price Index for all urban consumers (CPI-U) for San Francisco-Oakland-San Jose.

The District had a beginning fund balance of \$484,763 and expects to collect a total of \$45,324 in mitigation fees this year. It plans \$120,000 in expenses for construction related costs at Stations 85 and 86, and a \$350,000 payment for Engine 86. It projects additional revenues of \$106,986 in Fiscal Year 2008-2009 based on the new fee structure.

**FISCAL IMPACT**

There is no impact to the General Fund as a result of this action.

**Available for Public Review at the Office of the Clerk of the Board**

Placer Hills Fire Protection District Fire Facilities Impact Fee Study and Capital Improvement Plan 2008

**Attachments**

Resolution

Placer Hills Fire Protection District Board of Directors Resolution 2008-001

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

In the matter of:

Resol. No: \_\_\_\_\_

## A RESOLUTION APPROVING THE 2008 PLACER HILLS FIRE PROTECTION DISTRICT CAPITAL IMPROVEMENT PLAN

The following **RESOLUTION** was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held **MARCH 25, 2008** 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** Government Code 66000 *et seq* allows local agencies to collect fees from new development to offset the impacts of that development on local services, the Placer County Board of Supervisors, on August 28, 1990, created the legal framework for fire protection districts to collect fees to mitigate development impacts on services. That legal framework is codified in the Placer County Code Chapter 15.36.010; and

**WHEREAS** by law legal authority to levy fees rests with the Board of Supervisors, in order to collect mitigation fees fire protection districts must first submit for that Board's approval a Capital Improvement Plan, or its annual update, which as a minimum anticipates the impact of development on services, proposed use of fees, illustrates the relationship between fees and development, has a separate accounting system and provides for noticed public meetings; and

**WHEREAS** the 2008 plan meets all statutory requirements, and the increased mitigation fee schedule is now based on the type facility and occupancy rather than on the presence of sprinklers; and

**WHEREAS** Placer Hills Fire Protection District has a mitigation fee fund balance of \$484,763 and projected 2008 annual revenues of \$45,324, it plans expenditures of \$120,000 for building related costs for Stations 85 and 86, and \$350,000 for Engine 86; and

**WHEREAS** the Placer Hills Fire Protection District Board of Directors held a properly noticed public hearing to review the 2008 Capital Improvement Plan on February 13, 2008 and approved the Plan by Board of Directors Resolution 2008-001.

**NOW, THEREFORE, BE IT RESOLVED** by the Governing Body of the County of Placer that the 2008 Placer Hills Fire Protection District Capital Facilities Plan update is hereby approved.



BOARD OF DIRECTORS  
PLACER HILLS FIRE PROTECTION DISTRICT

Kelly Fulfer Greg Guyan Jerry Johnson Richard Rogers

RESOLUTION No. 2008-001

**RESOLUTION TO ADOPT THE CAPITAL FACILITIES PLAN AND SUPPORTING STUDIES, FOR USE BY BOTH THE FIRE DISTRICT AND THE COUNTY OF PLACER IN EVALUATING THE PLAN FOR COMPLIANCE WITH STATE GOVERNMENT CODE SECTION 66002(b)**

*Whereas*, the Board of Directors of the Placer Hills Fire Protection District engaged the services of MuniFinancial, to conduct and update the Fire Facilities Impact Fee Study for the Placer Hills Fire Protection District, and;

*Whereas*, the Board of Directors has reviewed the study and concurs with the reasonable relationship found between the fee and the cost of the public facility on which the fee is imposed, and;

*Whereas*, the Study was duly posted with the requisite notice and available for public inspection and review, and presented during a public hearing;

*Now, Therefore, Be it Hereby Resolved and Ordered*, that the Board of Directors of the Placer Hills Fire Protection District adopts the findings as set forth in the Fire Facilities Impact Fee Study dated February 13, 2008. The following fees shall be imposed on all new construction:

Residential	\$0.84 per square foot
Nonresidential	
Commercial	\$1.21 per square foot
Office	\$1.58 per square foot
Industrial	\$0.59 per square foot

*Be it Further Requested*, that the Board of Supervisors of Placer County adopt and establish the requested development fee schedule, with the district responsible for proper accounting of said fee.

**PASSED AND ADOPTED** by the Board of Directors of the Placer Hills Fire Protection District this Fifth day of March 2008, by the following vote on roll call:

AYES: FULFER, GUYAN, JOHNSON

NOES: 

ABSENT: ROGERS

ATTEST: 

