

**PLACER COUNTY  
OFFICE OF EMERGENCY SERVICES**

**MEMORANDUM**

**TO:** Honorable Board of Supervisors

**FROM:** Thomas Miller, County Executive Officer  
By Rui Cunha, Program Manager, Office of Emergency Services

**DATE:** December 8, 2009

**SUBJECT:** Direct staff to review the Goals, Policies and Implementation Measures currently contained in the Sunset Industrial Area Plan (SIAP) and provide for a mechanism to equitably finance ongoing operations and maintenance of the existing fire services by new development.

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**ACTION REQUESTED**

Direct staff to:

1. Review the current Sunset Industrial Area Plan Goals, Policies and Implementation Measures and consider update needs relative to fire protection facilities and services
2. Return to your Board with: (a) proposed amendments that more accurately reflect the existing facilities and available level of service within the Sunset Industrial Area and (b) details regarding a financing mechanism for ongoing operations and maintenance of existing fire services by new development.

**BACKGROUND**

The Sunset Industrial Area (SIA) was first established in 1980 by the Sunset General Plan to promote industry and jobs in Placer County. As the SIA developed, fire service was a major weakness.

In 1997, the County prepared the Sunset Industrial Area Plan (SIAP) as an update to the 1980 Sunset General Plan. The primary goal of the SIAP is "To improve the opportunities for industrial and other employment based development in the Sunset Industrial Area (SIA) in order to attract new industries, retain existing industries, to allow existing industries to expand, and to provide the necessary public and private sector services and facilities for all area employers, businesses and patrons." The SIAP further states that an objective of the plan is to "Improve the SIA infrastructure with an emphasis on circulation improvements, fire protection and the extension of public sewer and water into areas without these services."

In recognition of the unique service demands required by the industrial development envisioned by the SIAP, specific goals, policies and implementation measures were devised to ensure that appropriate public facilities and services were developed over the life of the SIAP. The SIAP recognized that structure and yard fires in an area developed with industrial land uses may pose unique safety threats. The Safety Section of the SIAP states: "Structures, materials stored in structures, and materials stored in yard areas have the potential to be highly flammable in an industrial environment. Additionally, some of the materials stored may be

hazardous or may emit hazardous gases when ignited. As a consequence, it is important to have fire protection services for the Sunset Industrial Area that are capable of appropriately responding to the type of fires that could be associated with development in the Plan Area." To

address this need, goals, policies and implementation measures related to the provision of fire service and the funding of that service were developed in the Public Facilities and Services chapter of the Plan, which are set forth in Exhibit A to this memo.

**ANALYSIS:**

Since the adoption of the SIAP in 1997, the County has worked toward the achievement of the goals and the implementation of the policies and programs that are contained within the SIAP. Initial firefighting capabilities were inadequate to accommodate the industrial growth occurring within the Plan Area. The primary Placer County firefighting resources available to the SIA were stationed at the volunteer fire station at Paige, the staffed fire station on Lone Tree Lane (moving to Eden Lane), east of the City of Lincoln, or from the staffed fire station located on Cook Riolo Road in the Dry Creek area. In all cases, the engine companies that responded to calls for service from the SIA had an extended response time (in excess of 15 minutes) and in many cases did not have the required specialized equipment. This condition resulted in the SIA being classified with an ISO rating of 10 (the lowest possible rating).

With the addition of the Thunder Valley Casino (Casino) in 2003, firefighting capabilities in the SIA dramatically changed. The Casino, owned by the United Auburn Indian Community (UAIC), fully funded a fire station for a three-person engine company and an additional two-person seasonal brush engine company which serves the Casino as well as the SIA. The subsequent expansion of the Casino and the addition of a hotel and parking structure, currently under construction, generated a need for enhanced fire protection capabilities. This added capability, a four person truck company, will be fully operational this month and is primarily funded by the UAIC. All of these firefighting resources have been and will continue to be available to respond to service calls initiating from within the SIA as well as to calls for mutual aid from the surrounding cities. These facilities bring fire service within the SIA to an industry accepted standard. Existing businesses within the area are expected to enjoy a reduced insurance rate due to a lower ISO rating.

Many of the goals, policies and implementation measures identified in Exhibit A, envision the capital improvements and expanded service capabilities that will be available in the near future once the truck company is fully operational. Missing, however, is the component to provide for an equitable funding plan whereby the costs of operation and maintenance are shared by all benefitting parties.

While the UAIC and the County have reached an agreement that the UAIC would provide majority funding for the capital facilities and annual firefighting capability to serve the entire SIA, there is no funding program in place to equitably distribute the costs of ongoing operations between the UAIC and the properties within the SIA.

In recognition of this need, Placer County staff has examined different courses of action to apportion fire service costs for current and future operations and maintenance of the firefighting services of the Sunset Station. One possibility is to form a zone of benefit within County Service Area 28 to impose assessments for this purpose. Any such process must comply with Proposition 218. Pursuant to Proposition 218, the properties to be assessed must receive a

special benefit provided by the provision of a new service or enhanced services. An engineer's report must be prepared to support the proposed assessment showing the costs and the

proportionate benefit to each property. If a majority of the property owners subject to the assessment protest, the assessment cannot be imposed.

County staff has also considered the formation of a Mello-Roos Community Facilities District (CFD). California Government Code §53313 (b) specifies that "fire protection and suppression services, and ambulance and paramedic services" are among those types of services appropriately funded by a CFD.

The formation of a CFD and the imposition of a special tax requires approval by the property owners (or if inhabited, voters) within the proposed CFD boundaries. Unlike a ZOB, however, the formation of a CFD may be initiated with a single property owner proposing a new development and does not require the preparation of an engineers report. A future annexation area can be defined as part of the newly formed CFD, but property owners within the annexation area would not financially participate in the CFD until such time as development occurs. Instead, new discretionary development projects and existing development proposing expansions to an existing facility or proposing a significant change in the use of the property could be required to annex to the CFD as part of the County's normal approval process if the property was within the delineated future annexation area (Exhibit B).

#### **RECOMMENDATION:**

While the capital improvements required for fire service have been constructed by the UAIC, it is staff's belief that a Mello-Roos Community Facilities District may present the most feasible approach to ensure that the necessary service costs that directly benefit the SIA in the future are appropriately distributed to all businesses that benefit from that service. The goal would be to require such fire service funding support as a condition of approval for all new development, including expanded facilities or facilities proposing the modification of use that require a use permit on all parcels within the entire Sunset Industrial Area (Exhibit B).

Staff recommends that the goals, policies and implementation measures related to fire service contained in the SAIP (Exhibit A) be reviewed and amendments prepared to reflect current conditions within the SIA as it relates to existing capital facilities. Further, the amendments would establish that it is the Board's intent to utilize a CFD within the SIA to equitably fund ongoing operations and maintenance of fire protection services, consistent with the original goals, policies and implementation measures contained within the adopted SIAP.

#### **FISCAL IMPACT**

There is no immediate impact to the General Fund. The future operation of a CFD will depend upon the amount of the funding which can be collected from benefiting property owners to cover the cost of the identified fire services. However, at the time of CFD formation, the County may need to provide some of the initial costs associated with the formation, as it may be inequitable for a single discretionary development project to bear the entirety of those costs.

#### **Attachments**

Exhibit A: SIAP, Fire Service Goals, Policies and Implementation Measures  
Exhibit B: SIA Proposed Mello-Roos Community Facilities District Boundaries

## Exhibit A: SIAP, Fire Service Goals, Policies and Implementation Measures

Goal 3.B: "To ensure that adopted facility and service standards are achieved and maintained through the use of equitable funding methods."

Policy 3.B.3: "The County shall require, to the extent legally possible, that new development pay the cost of providing public services that are needed to serve the new development; exceptions may be made when new development generates significant public benefits (e.g., a large percentage of a project's workforce is paid at primary wage earner levels of income) and when alternative sources of funding have been identified to offset foregone revenues."

Goal 3.H: "To provide fire protection capabilities suitable to serve the demands of the industrial, commercial, professional, and agricultural land uses in the Sunset Industrial Area."

Policy 3.H.1: "The County shall seek to improve the fire protective service level for the Sunset Industrial Area by constructing facilities within the Plan Area boundaries."

Policy 3.H.2: "The County shall assist in the development of fire protection services which includes equipment and training capable of serving the unique needs of the Sunset Industrial Area, including, but not limited to, hazardous materials response, chemical fires and wildland fires."

Policy 3.H.3: "The County shall evaluate a variety of funding sources to pay for operations, maintenance, training and personnel costs associated with a fire station located within the Sunset Industrial Area boundaries."

Policy 3.H.4: "The County shall insure that fire protective services for the Sunset Industrial Area include emergency medical response capabilities suitable to an industrial park environment."

Implementation Program 3.15: "The County shall implement a funding program, to supplement existing revenue sources, in order to develop and operate a new fire station within the Sunset Industrial Area Plan boundaries. The program shall fund the facilities, equipment, operations, training, maintenance and personnel costs for the fire station. The funding program shall include an analysis which determines the fair share cost of the provision of these facilities and services for the land uses within the Sunset Industrial Area."

In addition, goals, policies and implementation measures related to fire protection were incorporated within the Safety chapter of the Plan, including:

Goal 7.D: "To protect employees, employers, farm operators, and patrons of the Sunset Industrial Area from injury and loss of life and to protect property and watershed resources from fires."

Policy 7.D.1: "The County shall seek to provide the highest practical level of fire protection and emergency services in the Sunset Industrial Area."

Policy 7.D.2: "The County shall seek to improve the local fire protection standard in the area (expressed as Insurance Service Organization (ISO) ratings) to an ISO rating of 4 for urban uses and an ISO rating of 8 for rural areas."

Policy 7.D.3: "The County shall implement a program to improve the local fire protection agency's average response time to emergency calls to four minutes for urban uses and a maximum of 10 minutes for the rural areas of the Sunset Industrial Area Plan."

Policy 7.D.4: "The County shall require new development to develop and fund fire protection facilities, personnel, and operations and maintenance that, at a minimum, maintains the above service level standards."

Policy 7.D.5: "The County shall maintain and strengthen automatic aid agreements to maximize efficient use of available resources."

Policy 7.D.6: "The County shall seek to insure that the local fire protection agency provides fire services which are prepared to address wildland fires, chemical fires, structural fires, and large-scale evacuations resulting from fire events."

Policy 7.D.7: "The County shall insure that a new fire station is constructed and manned within the boundaries of the Sunset Industrial Area and that such a station be capable of responding to a wide range of urban and rural emergencies."

Implementation Program 7.6: "The County in coordination with the local fire protective service shall develop a reliable long-range funding program to meet the needs of fire/EMS operations - both capital and operating and maintenance. Such a program shall include procedures for equitably allocating the costs of providing fire and emergency services in the SIA, with consideration given to:

1. current levels of built-in protection;
2. current in-house brigades;
3. current in-house prevention and education programs;
4. demand for fire, EMS, and hazardous materials services;
5. existing facilities.



# Proposed SIA Mello-Roos Community Facilities District Boundaries

**LEGEND**

- PROPOSED FUTURE CFD BOUNDARY
- CITY LIMITS
- HIGHWAY
- MAJOR THOROUGHFARE
- ROAD

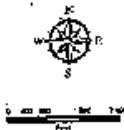


Exhibit B

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