

**PLACER COUNTY
OFFICE OF EMERGENCY SERVICES**

M E M O R A N D U M

To: Honorable Board of Supervisors

From: David Boesch, County Executive Officer
by: John McEldowney, Program Manager of Emergency Services

Date: August 26, 2014

Subject: Newcastle Fire Protection District 2014 Impact Fee Study

ACTION REQUESTED

Adopt a resolution approving the 2014 Newcastle Fire Protection District *Fire Facilities Impact Fee Study* which includes a new capital mitigation fee for fire service with the new fee being set at \$0.64, \$0.64, \$0.61, \$0.33 and \$0.29 per square foot of new residential, commercial, office, industrial and agricultural development respectively, and identifies an annual fee increase methodology based on the Construction Cost Index as reported in the *Engineering News Record*.

BACKGROUND

The focus of the Newcastle Fire Protection District's (NFPD) Fire Facilities Impact Fee Study is to provide funding for fire facilities and contribution to the Countywide Interoperable Communication System that are required as a result of the increase in fire service demand brought on by new development. New development must pay for its fair share of system enhancements required due to increased demand for service. Because the base property tax and special assessment revenue accruing to NFPD is devoted to current operations, fire facilities impact fees are needed to provide the funding needed for planned fire facilities and equipment.

Legal Authority/Guidelines

California Government Code 66000 *et seq* (CGC 66000) provides the authority and conditions by which local agencies may collect fees from new development to offset the impact of that new development on local services such as fire protection. In establishing a new Capital Mitigation Fee for Fire Service, CGC 66001 provides requirements and guidelines related to the imposition of a fee, to include the preparation of a capital improvement plan (CIP). Some of the requirements of the CIP are to:

- Identify the purpose of the fee.
- Identify the specific use to which the fee is to be put
- Determine a reasonable relationship between the fee's use and the type of development on which the fee is imposed.
- Determine a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed.
- Determine a reasonable relationship between the fee and the cost of the public facilities (or portion) attributable to the development.

NFPD Fire Facilities Impact Fee Study

NFPD retained the services of *Wildan Financial Services*, an experienced public sector financial consulting firm, to produce the NFPD Fire Facilities Impact Fee Study. The Study addresses all legal requirements as established in CGC 66000-08.

Study Scope:

The Study covers the entire area within the NFPD boundaries. NFPD provides fire protection services, such as fire, rescue, and pre-hospital emergency medical services, to residents and employees within the District out of one fire station. The NFPD currently serves approximately 4,400 residents and employees. The study projects the service population will grow to 5,000 by 2040.

Study Summary:

The Study supports a mitigation fee of \$0.64, \$0.64, \$0.61, \$0.33 and \$0.29 per square foot of new residential, commercial, office, industrial and agricultural development respectively.

**Existing and Proposed Rates
(\$/Ft²)**

	Existing	Proposed
Residential	0.43	0.64
Nonresidential		
• <i>Commercial</i>	0.43	0.64
• <i>Office</i>	0.43	0.61
• <i>Industrial</i>	0.43	0.33
• <i>Agricultural</i>	0.43	0.29

The study further identifies the current summary of existing facilities of \$2,373,000, with planned system enhancements totaling \$1,650,000.

Newcastle Fire Protection District Board Action:

The Board of the Newcastle Fire Protection District held a noticed public hearing to review the study on July 16, 2014. At that meeting the district performed a review of the study resulting in its adoption by passage of the District's Board Resolution Number 2014 8.

FISCAL IMPACT

There is no net County cost to the General Fund as a result of this action.

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

2014 Willdan Financial Services Fire Facilities Impact Fee Study

Attachments:

- Resolution
- NFPD Board of Directors Resolution 2014 8
- Proof and Statement of Publication

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

In the matter of:
**A RESOLUTION APPROVING THE
NEWCASTLE FIRE PROTECTION DISTRICT
FIRE FACILITIES IMPACT FEE STUDY**

Resol. No: _____

The following **RESOLUTION** was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held **AUGUST 26, 2014** 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 the legal authority to levy fees rests with the Board of Supervisors, in order to collect mitigation fees fire protection districts must submit for Board of Supervisors approval an *Impact Fee Study* and/or *Capital Improvement Plan* that among other things anticipates the impact of development on services, proposes use of fees, illustrates the relationship between the fees and the development, has a separate accounting system and an annual update, as well as noticed public meetings; and

WHEREAS the Newcastle Fire Protection District contracted the firm of *Willdan Financial Services* to update its fee calculation methodology and set a new baseline fee structure; and

WHEREAS, the Newcastle Fire Protection District Board of Directors held a public hearing on July 16, 2014 at which meeting the Board adopted the Fire Facilities Impact Fee Study by passing Resolution Number 2014 8. The plan adopts a rate of \$0.64, \$0.64, \$0.61, \$0.33 and \$0.29 per square foot of new residential, commercial, office, industrial and agricultural development respectively. Increases in future years will be based on the Consumer Price Index as reported in the *Engineering News Record*; and

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the County of Placer that the 2014 Fire Facilities Impact Fee Study for the Newcastle Fire Protection District is hereby approved.



**BOARD OF DIRECTORS
OF THE
NEWCASTLE FIRE PROTECTION DISTRICT,
PLACER COUNTY, CALIFORNIA**

RESOLUTION 2014 8

**A RESOLUTION ADOPTING THE NEWCASTLE FIRE PROTECTION DISTRICT
CAPITAL IMPROVEMENT PLAN AND MITIGATION FEE STUDY FOR 2014**

WHEREAS, Government Code Section 66000 *et. seq.* (CGC 66000) requires that a Capital Improvement Plan (CIP) be prepared by a fire protection district prior to requesting adoption of fire mitigation fees; and

WHEREAS, *Willdan Financial Services*, a private financial consulting firm, at the request of the Board, prepared a Fire Facilities Impact Fee Study and CIP (collectively, the "2014 CIP") dated March 31, 2014; and

WHEREAS, the 2014 CIP supports the need for a mitigation fee in the amount of \$0.64/ft² Residential, \$0.64/ ft² Commercial, \$0.61/ft² Office, \$0.29/ft² Agricultural and \$0.33/ft² Industrial for new enclosed/habitable construction including miscellaneous buildings and garages; and

WHEREAS, the Board of Directors have reviewed the 2014 CIP and confirms that it contains all required elements of a capital improvement plan as called for in CGC 66000.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of Newcastle Fire Protection District does hereby approve and adopt the 2014 CIP and establishes Mitigation Fees for new development in the Newcastle Fire Protection District, as follows:

1. A Mitigation Fee equal to \$0.64/ ft² Residential, \$0.64/ft² Commercial , \$0.61/ft² Office, \$0.29/ft² Agricultural and \$0.33/ft² Industrial for new enclosed/habitable construction including miscellaneous buildings and garages, effective 60 days from final approval of this resolution by the Placer County Board of Supervisors.
2. The Mitigation Fee may be increased annually to reflect the impacts of inflation on the cost of the proposed capital projects, beginning upon final approval of this resolution by the Placer County Board of Supervisors.
3. The Newcastle Fire Protection District Board of Directors directs the Fire Chief to forward this plan to the Board of Supervisors of the County of Placer for approval and formal adoption of the mitigation fees recommended in the Plan.
4. The Newcastle Fire Protection District shall be responsible for the proper accounting for and expenditure of the Mitigation Fee and further agrees to hold the County of Placer harmless from and defend it against any action, claim of damages related to the Mitigation Fee, including any challenge to the validity, implementation or use thereof.



**BOARD OF DIRECTORS
OF THE
NEWCASTLE FIRE PROTECTION DISTRICT,
PLACER COUNTY, CALIFORNIA**

ADOPTED AND APPROVED this ¹⁶~~21~~ day of ^{July}~~May~~ 2014, at a regular meeting of the Board of Directors duly called and held by the following vote:

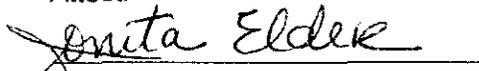
<u>Board Member:</u>	<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
Jim Jordan	<u>X</u>	<u> </u>	<u> </u>
Eric Sprouse	<u> </u>	<u> </u>	<u>X</u>
Jonita Elder	<u>X</u>	<u> </u>	<u> </u>
Isaak Egge	<u>X</u>	<u> </u>	<u> </u>
Robin Enos	<u>X</u>	<u> </u>	<u> </u>

APPROVED:



Jim Jordan, Chair

Attest:



Jonita Elder, Board Secretary

PUBLIC NOTICE

16551579

PUBLIC NOTICE

NOTICE IS HEREBY GIVEN that on July 16, 2014, the Newcastle Fire Protection District will recommend adoption of a procedure and fee schedule for the mitigation of impacts to fire protection and prevention services that are due to new development within the unincorporated areas served by Newcastle Fire Protection District. These procedures and fees will be subject to approval of the Placer County Board of Supervisors per Chapter 15.36.010 of Placer County Code which provides the authority and process for imposing, charging and setting fire mitigation fees. The Newcastle Fire Protection District Fire Fee Impact Study and Capital Improvement Plan are available for public review on the website: newcastlefire.org.

NOTICE IS FURTHER GIVEN that a public hearing on the adoption of the recommended procedures and fee schedule, pursuant to Chapter 5 of Division 1 of Title 7 of the California Government Code, will be held on July 23, 2014 at 7pm at 1588 Lisa Dr. Newcastle, CA 95658 at which time any and all interested parties may appear and be heard thereon.

M. Higgins, Fire Chief, Newcastle Fire Protection District
PUBLISHED IN AUBURN JOURNAL: JULY 6, 2014

The above space is reserved for Court/County Filed Date Stamp

**PROOF OF PUBLICATION
(2015.5 C.C.P.)**

**STATE OF CALIFORNIA
County of Placer**

I am a citizen of the United States and employed by a publication in the County aforesaid. I am over the age of eighteen years, and not a party to the mentioned matter. I am the principal clerk of **The Auburn Journal**, a newspaper of general circulation, in the **City of Auburn**, which is printed and published in the **County of Placer**. This newspaper has been judged a newspaper of general circulation by the Superior Court of the State of California, in and for the **County of Placer**, on the date of May 26, 1952 (Case Number 17407). The notice, of which the attached is a printed copy (set in type not smaller than nonpareil) has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

JULY 6

I certify, under penalty of perjury, that the foregoing is true and correct.



Terry Clark

Dated in Auburn, California

JULY 6, 2014

**PROOF OF PUBLICATION
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