

**PLACER COUNTY
OFFICE OF EMERGENCY SERVICES**

M E M O R A N D U M

To: Honorable Board of Supervisors

From: David Boesch
by: John McEldowney, Emergency Services Program Manager

Date: October 20, 2015

Subject: Northstar Community Services District 2015/16 Capital Facilities and Mitigation Fee Expenditure Plan for Fire Service

ACTION REQUESTED

Adopt a resolution approving the Northstar Community Services District 2015/16 Capital Facilities and Mitigation Fee Expenditure Plan for Fire Service that contains a 2.8% fee increase.

BACKGROUND

Legal Authority

Government Code 66000 *et seq* (CGC 66000) allows local agencies to collect fees from new development to offset the impacts of that development on local services. On August 28, 1990, the Placer County Board of Supervisors created the legal framework for fire districts to collect, but not to levy, development fees and codified it in Placer County Code (Chapter 15.36.010).

As noted above, fire districts do not have the legal authority to *levy* fees, which is a legal authority retained by the Placer County Board of Supervisors. Therefore, in order to *collect* mitigation fees, and as a requirement of CGC 66000, a fire protection district must complete a Capital Facilities Plan (or Capital Improvement Plan) which is subject to Board of Supervisors approval.

Capital Facilities Plans

The law requires a Capital Facilities Plan to address: anticipated development impacts, proposed usage of fees, establishment of a reasonable relationship between fees and type of development, accounting for funds separately, holding properly noticed public hearings, and conducting an annual program review and update. The North Tahoe Fire Protection District (District) plan addresses these legal requirements and incorporates them as a part of the required annual plan update.

Northstar Community Services District

The Northstar Community Services District comprises 5 square miles on the eastern slope of the Sierra Nevada mountain range, north of Lake Tahoe, in unincorporated Placer County. Northstar's residential and commercial development is projected to continue to grow for the immediate future. This projected growth will impact service levels, to include staffing, equipment and facilities. The community is a classic Wildland/Urban Interface area, which adds responsibility and demands to both structural and wildland fighting. If the District experiences multiple calls, its limited resources are severely taxed.

District Capital Facilities Plan 2014/15

The District's current mitigation fee structure is based on "type structures." This type of schedule helps to best meet future capital needs of the District. In the District's last 5 year plan, approved by your Board in July 2009, the District indicated that it would adjust fees each year based on the percent change in construction costs as defined in the Construction Cost Index (CCI) published by the *Engineering News-Record*. The CCI rate of change for the period March, 2014 (CCI 9702) through March, 2015 (CCI 9972) rose by 2.8%. The table below illustrates existing and proposed rates:

Existing and Proposed Rates
(\$/Ft²)

	Existing	Proposed
Residential	\$1.02	\$1.05

The District Board of Directors held a properly noticed special meeting on September 16, 2015, and reviewed the Northstar Fire Department Capital Facilities Plan Update for Fiscal Year 2015/16. The District Board unanimously adopted the plan by Resolution 15-21 (Attached).

The District collected \$24,475 in mitigation fees in Fiscal Year 2014/2015.

FISCAL IMPACT

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

Attachments

Resolution

Northstar Community Services District Resolution 15-21

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

Northstar Fire Department Capital Facilities Plan Update Fiscal Year 2015/2016

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

In the matter of: **A RESOLUTION APPROVING THE
NORTHSTAR COMMUNITY SERVICES DISTRICT
2015/16 CAPITAL FACILITIES AND MITIGATION FEE
EXPENDITURE PLAN.**

Resol. No: _____

The following **RESOLUTION** was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held **OCTOBER 6, 2015** by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chair, 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 stems from the police power of the County and rests with the Board of Supervisors, the fire protection districts in and of themselves do not have direct legal authority to levy fees. Therefore, in order to collect mitigation fees on new construction, a district must prepare and submit to the Board of Supervisors a Capital Facilities (or Capital Improvement) Plan that delineates a proposed fee schedule; and

WHEREAS the Board of Directors of the Northstar Community Services District held a regular meeting to review its plan on September 16, 2015 and adopted it by passing Resolution 15-21. The District used the 2.8% increase in the Construction Cost Index for the period March 2014 - March 2015 to determine its proposed annual fee increase; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of County of Placer that the Northstar Community Services District 2015/16 Capital Facilities and Mitigation Fees Expenditure Plan is hereby approved.



N.C.S.D.

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Board of Directors

JEANN GREEN
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DARRELL SMITH
CATHY STEWART

General Manager

MICHAEL STAUDENMAYER

BOARD OF DIRECTORS
NORTHSTAR COMMUNITY SERVICES DISTRICT

RESOLUTION NO. 15-21

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE NORTHSTAR COMMUNITY SERVICES DISTRICT ADOPTING THE DISTRICT FIRE CAPITAL FACILITIES PLAN UPDATE, AND ESTABLISHING THE CAPITAL ASSETS MITIGATION FEE FOR THE 2015-2016 FISCAL YEAR

WHEREAS, the Board of Directors (the "Board") of the Northstar Community Services District (the "District") has previously adopted and periodically updated a Capital Facilities Plan (sometimes previously referred to as a "Capital Improvements Plan") in connection with fire protection purposes under Government Code section 66000 and following; and

WHEREAS, the Board has commissioned and been presented an updated Capital Facilities Plan (the "2015 CFP") in connection with the fire protection services of the District; and

WHEREAS, the Board has considered the adoption of the 2015 CFP for fire protection purposes; and

WHEREAS, the 2015 CFP supports a Mitigation Fee in the amount of \$1.05 per square foot of new enclosed/habitable construction of over 500 square feet in size, including commercial, residential, miscellaneous buildings and garages, which represents an approximate 2.8% increase of the current Mitigation Fee; and

WHEREAS, Government Code Section 66002(b) requires that the Mitigation Fee and 2015 CFP be adopted only after a duly noticed public hearing; and

WHEREAS, the 2015 CFP was available for public inspection and review, and was presented during a public hearing on September 16, 2015, after the requisite published and posted notice; and

WHEREAS, after the public hearing and upon due consideration of the 2015 CFP, it appears that new development within the Northstar area will adversely impact and degrade the level of fire protection services in the District unless the recommended Mitigation Fee continues and that the established Mitigation Fee at the rate of \$1.05 per

square foot is necessary for new development to pay its proportionate share of capital facilities for fire protection services; and

WHEREAS, the 2015 CFP reflects the requisite relationship between the intended purpose of the fee and its rate, and the recommended fee is reasonably calculated not to exceed the cost of capital improvements or services required by such new development, in compliance with Government Code Section 66000 *et seq.*; and,

WHEREAS, the area within the District's Community Facilities District No. 1 (the "CFD") is contributing substantial revenues and infrastructure to offset the impact of the CFD on the District's fire protection services, and so the CFD should continue to be excluded from payment of the Mitigation Fee.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors that the District hereby approves and adopts the 2015 CFP with a Mitigation Fee for all new construction in the District (but excluding areas within the CFD), as follows:

1. A Mitigation Fee equal to \$1.05 per square foot of new enclosed/habitable construction of over 500 square feet in size, including commercial, residential, miscellaneous buildings and garages.
2. The Mitigation Fee may be increased annually at the beginning of each fiscal year to reflect the current cost of the proposed capital facilities projects. The annual increase, if any, shall be established using the then most current *Engineering News-Record* Construction Cost Index.
3. Pursuant to Government Code Section 66002(b), the 2015 CFP shall be annually updated by resolution after a noticed public hearing.
4. The Board requests that the Placer County Board of Supervisors adopt and establish the Mitigation Fee set forth in Section 1.
5. The 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 or damages related to the Mitigation Fee, including any challenge to the validity, implementation or use thereof.

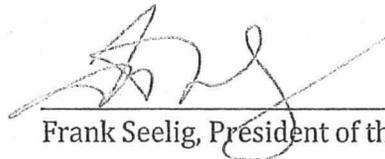
ADOPTED AND APPROVED by the Board of Directors of the Northstar Community Services District on September 16, 2015, by the following vote:

AYES: Ives, Green, Stewart, Smith, Seelig

NOES: None

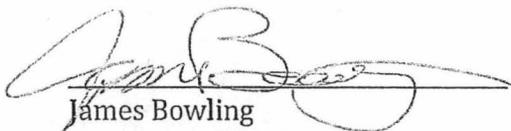
ABSTAIN: None

ABSENT: None



Frank Seelig, President of the Board

Attest:



James Bowling
Secretary of the Board