

ATTACHMENT 1

CARPINTERIA – SUMMERLAND FIRE PROTECTION DISTRICT

Annual Review of Fire Protection Mitigation Fees



CARPINTERIA~SUMMERLAND FIRE PROTECTION DISTRICT

STAFF REPORT

AUGUST 1, 2018

TO: CHIEF NAVARRO / BOARD OF DIRECTOR
FROM: E. FOSTER, FIRE MARSHAL
STAFF: FIRE PREVENTION BUREAU
SUBJECT: STATUS REPORT FIRE PROTECTION MITIGATION FEES
DATE: JULY 17, 2018

ANNUAL REVIEW OF FIRE PROTECTION MITIGATION FEES

BACKGROUND

AB 1600, passed into law in 1989, allows for government agencies to impose Development Impact Fees (DIF). The law was codified in Government Code section 66000 et seq., also referred to as the Mitigation Fee Act. In 2003, the City of Carpinteria and the County of Santa Barbara adopted ordinances imposing Fire Protection Mitigation Fees on any new development within the Carpinteria – Summerland Fire Protection District. The mitigation fees are imposed by the City and County for the benefit of the District. *(It is important to note that these impact fees are levied by one of the two land use agencies within the Fire District; either the City of Carpinteria or the County of Santa Barbara).* The City ordinance is codified in Chapter 8.26 of the Carpinteria Municipal Code. The County ordinance is codified in Chapter 15, Article IIIA, of the County Code.

AB 1600 requires that projects to be financed with DIF must be identified in a Master Facilities Plan. Periodic review and adjustment to the DIF is appropriate and warranted in order to insure that the District collects sufficient funds to construct and purchase additional facilities and equipment to serve new residential and commercial development. In 2008, the District hired Revenue and Cost Specialist LLC to prepare an updated Development Impact Fee Nexus Calculation Report. This was the first update of the original 2003 study. More recently a new report was produced in 2016. This report includes an update of the cost associated with construction and apparatus as recalculated to reflect the 2017 construction market prices. The law also requires that a portion of the Nexus Report be developed which identifies the proportion of the improvement cost related to the new development and the existing community known as a proportional analysis. *(For example, proportional analysis means that a new fire station that serves an existing population could not be attributed totally to new development.)* The 2016 report identified additional development types and this Nexus Report also took into account the total available land for development, what demand for service would be at total build out, and factors those numbers into the cost of each project.

DISCUSSION

Government Code Section 66002 requires that an annual report be prepared that reviews the District's Master Facilities Plan and the estimated costs for constructing the public facilities that are contained therein. The estimated costs for constructing these facilities are adjusted each year by the Engineering News Record Construction Cost Index which was 3.5 % for this reported year. In accordance with Carpinteria Municipal Code 8.26.040 and Santa Barbara County Code 15-67 the fees are automatically adjusted.

A brief description of the type of fee in the account or fund.

Development Impact Fees or Mitigation Fees are intended to assist local fire agencies in delivering the increasing service demand caused by additional development. In the 2017-2018 Fiscal Year, the fund revenue was \$ 16,615.68 due to various new estate and ocean front developments; interest generated was \$ 4,711.67. The expenditures during this period were dedicated for Professional Services for a property appraisal and alternate locations for Station 2. Total expenditures were \$ 29,023.00 leaving the fund balance of \$ 242,304.35.

The specific reporting requirements for this year are contained below:

The amount of the fee. (See Exhibit A)

The beginning and ending balance of the account or fund as well as the amount of the fees collected and the interest earned. (See Exhibit B)

Identity of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees. (See Exhibit C)

Identifies an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement, as identified in paragraph (2) of subdivision (a) of Section 66001, and the public improvement remains incomplete.

The Fire District approved Master Facility Plan presents a 20-year vision. Since the plan is dependent on development fees, it is extremely difficult to forecast completion dates for the listed projects. However, the Fire District expects to complete all of the projects within the 20-year span of the plan or by 2029. (See Exhibit C)

Gives a description of each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned fee will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid and the rate of interest that the account or fund will receive on the loan.

No inter fund loans were made from or to the Development Impact fund during this reporting period.

The amount of refunds made pursuant to subdivision (e) of Section 66001 and any allocation pursuant to subdivision (f) of Section 66001.

No refunds or allocations have been made.

Recommendations

Approve the 2018 Annual Review of the Fire Protection Mitigation Fees and direct the Fire Chief to forward the report to the Santa Barbara County and Carpinteria City as required by County Code Section 15-67 (a) and Municipal Code Section 8.26.040.

Financial Impact: none

Staff Assigned: Ray Navarro, Fire Chief / Ed Foster, Fire Marshal

EXHIBIT A**DEVELOPMENT IMPACT FEES****Current Fees**

2017-2018 Fire Protection Development Impact Fee Schedule	
Type of Development	
Estate Residential Dwelling	\$1,867.84 First 2,700 Sq. Ft. (1)
Detached Residential Dwellings	\$1,906.32 Per Unit
Attached Multiple Residential	\$1,652.56 Per Unit
Mobile Homes	\$3,396.64 Per Unit
Senior Assisted Living Units	\$2,373.28 Per Unit
Commercial Lodging	\$1,604.72 Per Unit
Retail/Service/Office Uses	\$3.599 Per Sq. Ft.
Industrial/Manufacturing Uses	\$0.442 Per Sq. Ft.
Institutional Uses	\$0.254 Per Sq. Ft.
Notes: (1) Plus \$0.444/Sq. Ft. Beyond 2,700 Sq. Ft	
Source: Carpinteria-Summerland Fire Protection District-Development Impact Fees Nexus Calculation Report and Revised Master Facilities Plan, February 2009	
Engineering News Record Construction Cost Index 2016-2017 4 %	

Proposed Fee schedule effective September 1, 2018

2018-2019 Fire Protection Development Impact Fee Schedule	
Type of Development	
Estate Residential Dwelling	\$1,933.21 First 2,700 Sq. Ft. (1)
Detached Residential Dwellings	\$1,973.04 Per Unit
Attached Multiple Residential	\$1,710.40 Per Unit
Mobile Homes	\$3,515.52 Per Unit
Senior Assisted Living Units	\$2,456.34 Per Unit
Commercial Lodging	\$1,660.88 Per Unit
Retail/Service/Office Uses	\$3.714 Per Sq. Ft.
Industrial/Manufacturing Uses	\$0.457 Per Sq. Ft.
Institutional Uses	\$0.263 Per Sq. Ft.
Notes: (1) Plus \$0.444/Sq. Ft. Beyond 2,700 Sq. Ft	
Source: Carpinteria-Summerland Fire Protection District-Development Impact Fees Nexus Calculation Report and Revised Master Facilities Plan, February 2009	
Engineering News Record Construction Cost Index 2017-2018 3.5%	

EXHIBIT B**Carpinteria Summerland FPD Fund 3633****Fire Protection District Development Impact Fees – Ledger FY 2016-/2017***

	Ledger @				Ledger@
	July 1, 2016	Credits	Interest	Debits	June 30, 2017
Fund 3633 Fire Protection Capital Improvements	\$175,751.31	\$116,779.77	\$1,149.06	\$20,317.50	\$273,362.64

Fire Protection District Development Impact Fees – Ledger FY 2017-/2018*

	Ledger @				Ledger@
	July 1, 2017	Credits	Interest	Debits	June 30, 2018
Fund 3633 Fire Protection Capital Improvements	\$250,000.00	\$16,615.68	\$4,711.67	\$29,023.00	\$242,304.35

These numbers require a review and validation before the final report is completed.

*Totals of Exhibit "B" are unaudited

EXHIBIT C

	2017-2018	% from Fee	Total Dollar Cost from Fee	\$ From Other Resources	Project Build-Out (+2.1%)
Carpinteria-Summerland Fire Protection District Master Suppression Facilities Plan Fire Suppression Facilities, Vehicles and Equipment					
FD-01	\$29,023.00	25	\$1,180,251	\$3,540,754	\$4,721,005
FD-02	0	100	\$1,845,676	0	\$1,845,676
FD-03	0	25	\$1,325,854	\$3,977,563	\$5,303,417
FD-04	0	25	\$273,912	\$821,738	\$1,095,650
FD-05	0	25	\$422,861	\$1,268,583	\$1,691,444
FD-06	0	75	\$581,165	\$193,722	\$744,887
FD-07	0	100	\$354,176	0	\$354,176
FD-08	0	25	\$64,574	\$193,722	\$258,296
FD-09	0	25	\$5,740	\$17,219	\$22,959

TOTAL:

\$16,067,510