

1996 FIRE PROTECTION MITIGATION FEE REPORT

SANTA BARBARA COUNTY FIRE DEPARTMENT

A. PURPOSE

The purpose of this report is: (1) to set forth the amount of the Fire Protection Mitigation Fees collected in accordance with Government Code section 66000 et seq., from October 16, 1993 to June 3, 1996, which will be allocated and distributed by resolution of the Board of Supervisors; (2) to evaluate the anticipated fire protection needs of future development within the Santa Barbara County Fire Protection District and analyze how those needs will impact County Fire; and (3) to review the proposed amendments to the fire protection mitigation fee program.

B. BACKGROUND

The Santa Barbara County Board of Supervisors, in April 1987, adopted a Fire Protection Mitigation Fee Ordinance (County Code, Article III, sections 15 – 48, et seq.) for the unincorporated area of the County, excluding the special fire districts of Orcutt and Montecito, and federal lands.¹ The mitigation fee is used to mitigate the impacts imposed by development on fire protection. The mitigation fee has been tied to the capital needs of the County Fire Department, identified in the 1986 Capital Improvement Plan, as amended. The program is administered in accordance with Government Code section 66000 et seq.

Mitigation fees were last allocated by the Board of Supervisors to specific capital projects on October 16, 1993.

C. ALLOCATION OF FEES

Since October 16, 1993, mitigation fees of \$270,431 have been collected and deposited in a North County trust fund, and mitigation fees of \$128,902 have been collected and deposited in a South County trust fund. It is requested that these fees be allocated as follows:

¹ Initially, the Carpinteria-Summerland Fire Protection District was covered by Article III. However, in 1990, at the request of Carpinteria-Summerland Fire Protection District, the Board of Supervisors deleted Carpinteria-Summerland from Article III and adopted County Code, Article IIIA, entitled "Carpinteria-Summerland Fire Protection District Fire Protection Mitigation Fee Ordinance."

FUND (Fire Protection Mitigation Fees collected from October 16, 1993 to June 3, 1996, plus accumulated interest)

1130	North County Trust Fund	\$270,431
1131	South County Trust Fund	<u>128,902</u>
	Total	\$399,333

Allocation of North County Trust Fund

<u>Project</u>	<u>Cost</u>	<u>Prior Allocation</u>	<u>Current Allocation</u>
Station 23	\$700,000	\$181,931	\$ 63,101
Station 32	\$1,900,000	\$491,889	\$171,273
Admin. Center	<u>\$400,000²</u>	<u>-0-</u>	<u>\$ 36,057</u>
	\$3,000,000	\$673,820	\$270,431

Allocation of South County Trust Fund

<u>Project</u>	<u>Cost</u>	<u>Prior Allocation</u>	<u>Current Allocation</u>
Station 12	\$1,900,000	<u>-0-</u>	\$ 58,313
Station 19	\$1,900,000	\$359,888	\$ 58,313
Admin. Center	<u>\$400,000</u>	<u>\$154,237</u>	<u>\$ 12,276</u>
	\$4,200,000	\$514,125	\$128,902

If approved by the Board of Supervisors, the allocated fees plus interest would be transferred to the Santa Barbara County Fire Protection District Capital Trust Fund 2281.

² The Administrative Center fulfills a countywide function, with a portion of its cost allocated to the North and South County Trust Funds. However, prior allocations only came from the South County Trust Fund.

D. AMENDMENT OF FIRE PROTECTION MITIGATION FEE PROGRAM

1. Impacts on Fire Protection. The projected growth rate for new development within the County Fire District has been revised downward. Projected growth will still adversely impact County Fire. New development will generate a corresponding increase in emergency responses and other fire-related activity such as fire inspections, training and pre-fire planning. The increased activity will accelerate the wear and tear of the Department's fire apparatus and equipment.³

Under the amended fire protection mitigation fee program, future development will pay its proportional share of County Fire's replacement costs of apparatus and equipment attributable to that new development. The fire protection mitigation fee will be imposed on a square foot basis.

2. Calculation of New Fire Protection Mitigation Fee. To calculate the fire protection mitigation fee, County Fire estimated the current building space square footage within the Fire District and then estimated the expected growth over the next 15 years.

The building space square footage within the Fire District is currently estimated to be 75,000,000 square feet.⁴ This estimate was calculated as follows:

- a. There is approximately 18,000,000 square feet of non-residential building space within the Fire District;
- b. There are approximately 40,548 residential units within the Fire District.

³ "Apparatus" includes, but is not limited to, fire engines, brush engines, utility vehicles, staff vehicles, water tenders, bulldozers, paramedic rescue vehicles and paramedic ambulances. "Equipment" includes, but is not limited to, ladders, fittings, hoses, radios, cellular telephones, tools, safety clothing, breathing apparatus, hazardous materials equipment and medical and rescue equipment. Such items have a depreciable life of approximately five or more years.

⁴ Statistical information provided by the Santa Barbara County Planning and Development Department.

Goleta	23,881 units
Orcutt	10,943 units
Santa Ynez	2,224 units
Lompoc	1,000 units approximately
Buellton	2,000 units approximately
Los Alamos	500 units approximately
Cuyama	<u>500</u> units approximately
Total	40,548 residential units

c. Assuming that the average size of a residential unit is 1,400 square feet, there is approximately 56,767,200 square feet of residential building space. $[1,400 \text{ (average square footage)} \times 40,548 \text{ (total residential units)} = 56,767,200 \text{ (square feet of residential building space).}]$

County Fire arrived at the projected growth rate by reviewing the Santa Barbara County Association of Governments' regional growth forecast, the 1995 Supplemental Environmental Impact Report for the Proposed Amendments to the Goleta Growth Management Ordinance, and the July 1995 Draft Environmental Impact Report for the Orcutt Community Plan,⁵ and consulted with the Santa Barbara County Planning and Development Department. It is estimated that building square footage will expand at a rate of 1% per year over the next 15 years. The 15% increase equates to approximately 11,250,000 square feet of building space. $(75,000,000 \text{ square feet} \times 15\% = 11,250,000 \text{ square feet.})$

The number of emergency calls and other fire related activities is correlated with the size and number of structures within the District. County Fire experiences a proportional increase in its workload when the built environment expands. The projected growth over the next 15 years will increase the number of fire emergency calls and other fire related activities by approximately 15%. The increase in fire activity will accelerate the wear and tear on the Fire Department's apparatus and equipment by approximately 15%, which translates to a 15% increase in the related depreciation budget.

⁵ Most growth information includes municipalities as well as other fire districts, so it is difficult to project actual growth within the County Fire District. The two greatest areas of growth within the district are Goleta and Orcutt. An additional 5,470 residential units and 1,570,000 square feet of commercial development are projected for the Goleta and Orcutt areas within the next 10 years. This equates to approximately 9,000,000 square feet of new development. Considering that this growth projection is for 10 years and does not include other areas of the County Fire District, the Fire Department's projection of 11,250,000 square feet of development for the next 15 years is a conservative estimate.

The projected 15-year budget for the replacement of apparatus and equipment is \$17,468,500, 15% of which is attributed to the increased wear and tear associated with the provision of fire protection services to future development. The financial impact equates to \$2,278,500. ($\$15,190,000 \times 1.15 = \$17,468,500$; $\$17,468,500 - \$15,190,000 = \$2,278,500$.)

The mitigation fee is calculated by dividing the related replacement costs attributed to new development by the projected increase in building square footage: $\$2,278,500 \div 11,250,000 \text{ square feet} = \$0.20 \text{ per square foot}$.

3. Application of New Fee. Under the amended fire protection mitigation program, the \$.20 per square foot charge will be applied universally to residential and non-residential development with the following limitations:

- a. The fee only will be assessed on the construction of new residential buildings, including additions which add more than 1,000 square feet of floor area;
- b. The fee will be assessed upon mobile home spaces within a mobile home park.
- c. The fee only will be assessed on the construction of new non-residential buildings and on additions which add more than 500 square feet;
- d. The fee shall not be assessed on structures that replace a structure that was destroyed by fire or other calamity, provided that the replacement structure is the same size or smaller than the original structure;
- e. A fee reduction of 50% will be allowed on buildings fully protected by an automatic fire suppression system which is approved by County Fire.

4. Justification for Fee Reduction for Sprinklers. Simply stated, the justification for the fire protection mitigation fee is that each additional square foot of the built environment incrementally increases the burden on the existing community fire protection delivery system generally, and increases the cost of replacing apparatus and equipment particularly.

Review of department records contrasted and compared with California (State Fire Marshal, California Fire Incident Reporting System – CFIRS, 1995) and U.S. (National Fire Protection Association) data indicated that approximately one-half of the cost of the response effort is expended on responding to, attacking, and extinguishing fires within residential, commercial, and industrial structures.

California and U.S. statistical correlations between unprotected risks and those protected by automatic fire sprinkler systems indicate less than one percent likelihood of a large (dollar) loss incident, or fatality, in a fully sprinklered structure. Insurance companies' experience and resulting data support this finding. The Insurance Services Office (ISO), which classifies cities and counties in 49 of the 50 states with respect to community fire conflagration defense competence for rate setting purposes, views sprinklered structures as requiring no property protection fire response capability.

The increased burden on the Fire Department imposed by new development is, therefore, significantly reduced when fire sprinklers are installed. The reduced mitigation fee would be applied toward ancillary incidents related to the people and processes associated with additional structures, or increased size of existing structures, such as medical calls, exterior fires, vehicle fires and hazardous materials events, and the physical emergencies within the structures unaffected by the fire extinguishing systems such as earthquakes and floods.

It is, therefore, appropriate to reduce the amount of the mitigation fee by 50% for all new construction provided with such protection.

5. The New Mitigation Fee Will Be Deposited in a Countywide Trust Fund. Use of the mitigation fee to partially offset the cost of replacing fire apparatus and equipment negates the need to have separate trust accounts for North and South Santa Barbara County.

Under the existing mitigation fee program, the fee is imposed to partially fund the cost of constructing fire facilities. The fee collected in the North County is placed in a North County Trust Fund, and the same procedure is used in the South County. The trust accounts are then expended exclusively on facilities located in the part of the county where the fee was generated or expended on facilities which serve a county-wide purpose, such as the fire administration center.

Under the new mitigation fee program, each station, with its assigned apparatus and equipment, is part of the countywide fire protection system. When an incident of considerable consequence occurs in the North, units from the South are dispatched to support or cover behind those units committed to the incident. When the incident is South, units from the North are dispatched South. There are also those incidents that involve both North and South units from the onset and there are Chief Officer and Staff Officer vehicles that respond countywide. The fees collected under the new plan will be deposited in a single trust fund and allocated to replace fire apparatus and equipment on a countywide basis.