



# Development Impact Fee Study

## Board Workshop

January 8, 2020

# Presentation Agenda

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1. Project Background

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2. Project Approach

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3. Summary of Results

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4. Questions

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# Impact Fee Definition

- A Development Impact Fee (DIF) is a one-time fee
- Imposed on a Development Project as a Condition of Approval
- To pay for Capital Facilities needed to serve New Development
- Impact Fees may not be used to pay for maintenance or operations

# FP District Law of 1987

- Health and Safety Code Section 13916:
  - “A (fire protection) district board shall not charge a fee on new construction or development for the construction of public improvements or facilities or the acquisition of equipment.”

# Legal Framework

- U.S. Constitution – Supreme Court decision requires a “**Rational Nexus**” to justify impact fees
- Three elements of the Nexus:
  - Development must create a **need** for facilities funded by the fees
  - Development must receive a benefit from facilities funded by the fees
  - Fees must be **proportional** to impact

# Legal Framework

- CA Mitigation Fee Act: When enacting impact fees, an agency must make findings to:
  - Identify the purpose of the fee
  - Identify the use of the fee
  - Show a reasonable relationship between:
    - » The use of a fee and the type of project on which the fee is imposed **(Benefit)**
    - » The need for a facility and the type of project on which the fee is imposed **(Need)**
    - » The amount of a fee and the facility cost attributable to the project paying the fee **(Proportionality)**

# Fee Calculation Method

- In this study, costs for both existing and future facilities and equipment are allocated to both existing and future development so the costs are shared equitably by all development
- Costs are apportioned based on “service population”
- Costs of existing Facilities, Apparatus, Vehicles and Equipment are valued using replacement cost less depreciation
- Cost of future Facilities, Apparatus, Vehicles and Equipment based on current estimates
- Impact Fee = (Existing + Future Costs / Existing + Future Service Population) x Service Population per Unit

# Service Population Makeup

- Service Population is Used as the **Indicator of Demand** (Demand Variable) in This Study
- Population Represents Residential Development; Employees Represent Non-Residential Development
- $\text{Service Population} = \text{Population} + (\text{Employees} \times \text{Weighting Factor})$
- In This Study, Population & Employees Are Weighted Equally (Weighting Factor = 1.0)
- Residential Service Population = 85.3% of Total
- Residential Share of 2013-17 Incidents = 85.3%



# Existing and Future Development

## ■ 2019

- Single Family Dwelling Units: 36,994
- Multi-Family/Mobile Home Units: 4,106
- Population: 128,377
- Employees: 22,056
- Service Population: 150,433

## ■ 2040

- Single Family Dwelling Units: 51,851 (+40.2%)
- Multi-Family/Mobile Home Units: 11,169 (+172.0%)
- Population: 188,299 (+ 46.7%)
- Employees: 33,819 (+53.3%)
- Service Population: 222,118 (+ 47.7%)

# 2040 Development Breakdown

Land Use Category	2040 SFDU <sup>1</sup>	2040 MFDU/MH <sup>1</sup>	2040 Population <sup>2</sup>	2040 Employees <sup>3</sup>	2040 Service Population <sup>4</sup>
Brentwood	25,878	5,611	92,566	21,900	114,466
Oakley	14,964	3,836	57,817	7,950	65,767
Discovery Bay CDP	7,504	472	24,301	2,195	26,496
Other Unincorporated	3,505	1,250	13,616	1,774	15,390
<b>Totals</b>	<b>51,851</b>	<b>11,169</b>	<b>188,299</b>	<b>33,819</b>	<b>222,118</b>

# Existing & Future Facilities

Component	Impact Fee Cost Basis <sup>1</sup>
Existing and Future Fire Stations	\$ 74,023,135
Existing - Fire Apparatus and Vehicles	\$ 2,626,048
Future - Fire Apparatus and Vehicles	\$ 11,566,518
<b>Total</b>	<b>\$ 88,215,701</b>

# Cost Per Capita of Service Population

Total Impact Fee Cost Basis <sup>1</sup>	2040 Service Population <sup>2</sup>	Cost per Capita <sup>3</sup>
\$88,215,701	222,118	\$397.16

# Proposed Impact Fees per Unit

Development Type	Units <sup>1</sup>	Cost per Capita <sup>2</sup>	Svc Pop per Unit <sup>3</sup>	Cost per Unit <sup>4</sup>	2% Admin Charge <sup>5</sup>	Impact Fee per Unit <sup>6</sup>
Residential - Single-Family	DU	\$397.16	3.10	\$ 1,231.18	\$ 24.62	\$ 1,255.81
Residential - Multi-Family	DU	\$397.16	2.20	\$ 873.74	\$ 17.47	\$ 891.22
Residential - Mobile Home Park	DU	\$397.16	2.10	\$ 834.03	\$ 16.68	\$ 850.71
Residential - Age-Restricted	DU	\$397.16	1.70	\$ 675.17	\$ 13.50	\$ 688.67
Commercial	KSF	\$397.16	2.80	\$ 1,112.04	\$ 22.24	\$ 1,134.28
Office	KSF	\$397.16	2.80	\$ 1,112.04	\$ 22.24	\$ 1,134.28
Industrial	KSF	\$397.16	1.10	\$ 436.87	\$ 8.74	\$ 445.61

# Fee Comparison - Residential

EAST CONTRA COSTA FIRE PROTECTION DISTRICT				COMPARISON AGENCIES		
Land Use	Units	Current Fee	Proposed Fee	Cosumnes CSD Fire Department [1]	Contra Costa County Fire Protection District [2]	Sacramento Metropolitan Fire District [3]
<b>Single Family Residential</b>	<b>DU</b>					
City of Brentwood		\$ 880.95	\$ 1,256	\$1,771 - \$2,085	\$ 970	\$ 1,104
City of Oakley		\$ 749.00				
Unincorporated Contra Costa County - Bethel Island, East Diablo, Oakley		\$ 480.00				
<b>Multi-Family</b>	<b>DU</b>					
City of Brentwood		\$ 880.95	\$ 891	\$1,170 - \$1,373; \$819 - \$1,106 for age restricted	\$ 460	\$ 861
City of Oakley		\$ 468.00				
Unincorporated Contra Costa County - Bethel Island, East Diablo, Oakley		\$ 305.00				
<b>Secondary Dwelling Unit</b>	<b>DU</b>					
City of Brentwood		n/a	tbd	n/a	n/a	\$ 662
City of Oakley		\$ 219.96				
Unincorporated Contra Costa County - Bethel Island, East Diablo, Oakley		n/a				
<b>Mobile Home</b>	<b>DU</b>					
City of Brentwood		n/a	\$ 851	n/a	n/a	n/a
City of Oakley		\$ 452.00				
Unincorporated Contra Costa County - Bethel Island, East Diablo, Oakley		\$ 280.00				

# Fee Comparison – Non-Residential

EAST CONTRA COSTA FIRE PROTECTION DISTRICT				COMPARISON AGENCIES		
Land Use	Units	Current Fee	Proposed Fee	Cosumnes CSD Fire Department [1]	Contra Costa County Fire Protection District [2]	Sacramento Metropolitan Fire District [3]
<b>Commercial</b>	<b>SF</b>					
City of Brentwood		\$ 0.1737	\$ 1.13	\$1.36 - \$1.76	\$ 0.66	\$ 0.58
City of Oakley		\$ 0.1600				
Unincorporated Contra Costa County - Bethel Island, East Diablo, Oakley		\$ 0.0300				
<b>Office</b>	<b>SF</b>					
City of Brentwood		\$ 0.1737	\$ 1.13	\$1.36 - \$1.76	\$ 0.58	\$ 0.97
City of Oakley		\$ 0.1600				
Unincorporated Contra Costa County - Bethel Island, East Diablo, Oakley		n/a				
<b>Industrial/Institutional</b>	<b>SF</b>					
City of Brentwood		\$ 0.1737	\$ 0.45	\$0.79 - \$0.57	\$ 0.39	\$ 0.52
City of Oakley		\$ 0.1600				
Unincorporated Contra Costa County - Bethel Island, East Diablo, Oakley		n/a				

# Questions or Comments?

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