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Esparto Fire District

Final Development Impact Fee Study

February 1, 2018

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John Stotts, Chief
Esparto Fire District
16960 Yolo Avenue
Esparto, CA 95627

Dear Chief Stotts:

Enclosed please find the Final Impact Fee Study for the Esparto Fire District. Thank you for assisting with gathering the necessary information for the study. Please let me know if you have any questions.

Sincerely,

Matt Kowta, MCP
Managing Principal

Table of Contents

INTRODUCTION

This document serves as an impact fee study to provide the basis for Yolo County Board of Supervisors to establish an impact fee ordinance on behalf of the Esparto Fire District. The purpose of the impact fee program is to allow the County to collect impact fees on behalf of the District. The fees are calculated to offset the cost of the equipment and facilities that the District requires in order to provide fire protection, emergency medical services, and related services to new development within its service area. The impact fee program will cover a 19-year period, from 2018 through 2036; however, it is anticipated that the District will update the fee study and adjust fee levels approximately every five years.

Yolo County, in coordination with the Yolo County fire districts retained BAE Urban Economics, Inc., to assist the fire districts in preparing impact fee studies or updating previously completed fee studies. BAE provided the districts personnel with information regarding impact fee procedures and requirements, and guided them in conducting their own assessments of their existing facilities and equipment and their future needs, considering projected population and employment growth. After identifying the needed facilities that could be attributed to new development, the fire districts then estimated the cost of the new facilities and equipment attributable to new growth. Then, following a methodology developed by BAE, and using service activity data unique to each, the districts calculated the appropriate impact fee levels for the range of residential and non-residential land use types.

This report documents the research, analysis, findings, and calculations completed by the Esparto Fire District as part of this process.

FIRE DISTRICT SERVICES AND FACILITIES

The Esparto Fire District serves an approximately 74 square mile service area in northern Yolo County, providing fire suppression and emergency medical services to the mostly rural area. As of 2017, the existing service population within the district included an estimated 1,143 housing units, 2,874 residents, and business enterprises employing approximately 909 persons.

The Fire District staffing includes a full-time paid Firefighter, a part time clerk, and a contingent of 14 volunteer firefighters. The Firefighter works a 40-hour schedule during normal work hours, and is on-call the remainder of the week.

The District's single fire station and headquarters is located at 16960 Yolo Avenue, in the central part of the unincorporated town of Esparto.

Fire District apparatus housed at the Esparto Station includes:

1 rescue squad

1 Type I engine

1 Type II/III engine

1 Type III engine

1 water tender

2 pick-ups (1 command vehicle, 1 utility)

With anticipated future growth, the District does not anticipate needing another station or additional apparatus or equipment; however, the District will need to plan for periodic replacement of existing apparatus and equipment over time. In addition, the existing station structure is approximately 65 years old and in need of substantial renovation or reconstruction. With anticipated increases in service population and call volumes over the next 20 years, the District expects that it will need to convert to full-time firefighters. This would require that the district upgrade the fire station, to provide sleeping and living quarters for paid firefighters who will staff the station during the day and overnight, on 'round the clock shifts. This type of station occupancy will trigger various facility upgrade needs, to bring the building up to current codes and ensure its long-term serviceability.

The District's funding for capital facilities and equipment and maintenance and operations comes from a combination of a share of the annual ad-valorem property tax collected from real estate within the District, proceeds from an annual fire service assessment collected from properties within the District, and an annual mitigation payment received from the Yocha Dehe tribe (owners of the Cache Creek Casino, located in Capay Valley, west of Esparto on Highway 16).

The District owns the Esparto Fire Station property. The District typically funds new capital expenditures on a pay-as-you-go basis, meaning it accumulates necessary funds and then pays cash, rather than financing its purchases.

IMPACT FEE CALCULATIONS

The purpose of this section of the fee study is to establish the "nexus" or relationship between the impact fees to be charged, the types of new development upon which the fees will be levied, the amount of the fees, and the use of the fees to mitigate the impacts of the new development. This relationship is documented in Tables 1 through 6. Supporting background information is included as Appendix A of this study.

The Purpose of the Program

The purpose of the Esparto Fire District Impact Fee program is to collect funds to offset the cost of equipment and facilities that are necessary to provide fire and emergency medical services to new development that is anticipated within the District.

The Use to Which the Fees Are to Be Put

Funds collected through this impact fee program will be used to pay for the capital costs of qualifying equipment and facilities, the need for which is attributable to the new development from which the fees are collected. These funds may be combined with other funds that may be available to the district to pay for the required equipment and facilities. State law dictates that development impact fees may only be collected from new development to pay for the impacts created by new development. Impact fee proceeds may not be used to pay to correct existing deficiencies. As such, proceeds from the Esparto Fire Impact Fee will only be used to pay for the portion of the District's new capital equipment and facilities requirements that is attributable to new development. The District's other funding sources, including property tax, fire services assessment proceeds, tribal mitigation payments, grant proceeds (to the extent available) and other sources that may be identified in the future will fund the share of share of new capital costs attributable to existing development within the District.

Data contained in the upper part of Table 1 summarize the District's estimated existing service population. In keeping with common industry practice, service population is defined as the resident population, plus one-half of the local employee population. Employees are discounted by 50 percent to acknowledge that they are typically present within the community for fewer hours per day than residents, and they typically create reduced demand for public services, as compared to full-time residents. As indicated in Table 1, the District's estimated 2017 service population is 3,328.

Yolo County Building Department provided data for building permits issued for projects within the Esparto Fire District, during the period January 1, 2007 through January 19, 2018, an approximately 11-year period. During this time, the County permitted 146 new housing units, including 80 apartment units, 58 single-family dwellings, three duplexes, and five manufactured homes, for an average of just over thirteen units per year. For non-residential development types, the building permit data do not readily identify the square footage of all new buildings for which permits were issued for the time period; however, the permit data do identify a range of non-residential development projects, including conversion of an existing building to Ace Hardware, various commercial additions and storage buildings, modular building installations, the new Dollar General Store (9,297 total square feet), a new warehouse, and new greenhouses (permits for three greenhouses ready to issue and a permit for a fourth under review).

Table 1: Esparto Fire District, Existing Development and Projected Growth

Existing Development Within District

	Housing Units (a)				Population				Total Employment (a)				2017 Service Population (b) (c)
	2012	2017	2020	2036	2012	2017	2020	2036	2012	2017	2020	2036	
Esparto Fire District	1,143	1,143	1,215	1,580	2,653	2,874	3,015	4,055	799	909	982	1,827	**3,328**

Development Trend Last 11 Years

Development Type	Average Annual	
Residential	13.3	units per year
Commercial/Industrial	(actual square footage not available, see text)	

Development Projection, 2017 to 2036 (d)

Development Type	Total New Development		Population (c)	Employees (c)	Service Population (b)
Single-Family	326	units	904		
Multifamily	20	units	48		
Mobile Homes	5	units	13		
Retail	25,000	square feet		45	
Industrial	10,000	square feet		10	
Office	5,000	square feet		55	
Total			965	110	1,020

New Development as Percent of Future Development

Unincorporated Area Only Share	Svc. Pop.	Percent
Existing Development in District	3,328	76.5%
Growth in District Service Population, 2017 to 2036	1,020	23.5%
Projected 2036 Districtwide Service Population	4,348	100.0%

Notes:
(a)
(b) Service population = residents + (employees * 0.5).
(c) Assumes:

Housing Vacancy Rate	4.06%	
Average Household Size (Single-Family Units)	2.89	persons
Average Household Size (Multifamily Units)	2.52	persons
Average Household Size (Mobile Home Units)	2.61	persons
Average Single Family Home Size	2,000	square feet
Average Multifamily Home Size	1,000	square feet
Average Mobile Home Size	1,200	square feet
Square Feet per Retail Employee	550	square feet
Square Feet per Office Employee	300	square feet
Square Feet per Industrial/Manufacturing Employee	1,000	square feet

(d) Based on approved residential subdivisions, proposed commercial projects, and recent development trends in Esparto.

Sources: Esparto Fire District; 2017; Sacramento Area Council of Governments Projections, 2012-2036, Yolo County Building Department, 2018.

Reliable growth projections are not typically available for rural areas that have limited growth. Growth in an area like the Esparto Fire District can be inconsistent from year to year, and past trends are not necessarily indicative of future growth patterns. Although the

Sacramento Area Council of Governments produces sub-county growth projections for the five-county (Sacramento, Yolo, El Dorado, Placer, and Yuba Counties) region as part of its regional planning activities; however, the projections for the Esparto area do not appear representative of the development anticipated in Esparto, based on review of recent development activity in the District and currently approved and proposed development projects. Alternatively, BAE and the Fire District developed a set of development projections that represent an approximately 30 percent increase in the District's service population over the next 20 years, from 2018 through 2036. These development assumptions are shown in Table 1, including approximately 326 new single-family residential units, which represents the total housing units in three approved subdivisions. In addition, this study assumes construction of approximately 20 multifamily housing units, five mobile home units, 25,000 square feet of retail space, 10,000 square feet of industrial space, and 5,000 square feet of office space.

Based on the assumptions shown in the notes section of Table 1, this new development would translate to an estimated 965 new residents and 110 new employees within the district, for a service population increase of 1,020 persons, bringing the District's total service population to 4,348 by 2036. The service population associated with the estimated new development would represent approximately 23.5 percent of the District population by 2036. This calculation provides the basis to identify the portion of new capital facilities and equipment expenditures that can be assigned to new development, for expenditures on items that would benefit both existing and new development. Including only 23.5 percent of such costs in the development impact fee program will ensure that new development only pays its fair share of the costs. The District will need to use its other funding sources to pay the remaining 76.5 percent of costs that are assigned as existing development's share of the expenditures.

Relationship Between the Need for the Fees to Be Collected and the Type of Development Projects on Which the Fees Are to Be Imposed

The Esparto Fire District has developed an inventory of the capital facilities improvements and equipment purchases that it will need to fund in the next 19 years. These improvements and equipment purchases represent the District's needs to maintain service levels over the next twenty years, considering the need to maintain and improve the District's existing facilities, and the need to periodically replace equipment over the next twenty years, due to age and wear from use.

Table 2 details the District's 19-year capital facilities and equipment expenditure needs. It also includes a line item for the cost of preparing this study. Other than the cost of the study, which is 100 percent attributable to new development, Table 2 shows that this study is assigning new development only its 23.5 percent pro-rata share of costs for the identified expenditures. Table 2 shows a total of $2.2 million in expenditures needed, with $528,026 of that cost allocated to new development.

Table 2: Esparto Fire Protection District Capital Facility and Equipment Plan to 2036

Name of Item	Description	Units	Estimated Cost Per Unit	Total Item Cost	% Allocation to New Development	$ Allocation to New Development
PLANNING COSTS						
Fee Study	District Share of Consultant Contract	1	lump sum	$7,500	100.0%	$7,500
subtotal, facility costs				**$7,500**		**$7,500**
FACILITY NEEDS						
Name of Facility	Description	Units	Estimated Cost Per Unit	Total Item Cost	% Allocation to New Development	$ Allocation to New Development
Esparto Fire Station	Reconstruction to accommodate full-time staff and address code deficiencies.	1	$1,000,000	$1,000,000	23.5%	$234,577
subtotal, facility costs				**$1,000,000**		**$234,577**
EQUIPMENT NEEDS						
Name of Equipment	Description	Units	Estimated Cost Per Unit	Total Item Cost	% Allocation to New Development	$ Allocation to New Development
Replacement Engines	Type I and Type II replacement engines	2	$500,000	$1,000,000	23.5%	$234,577
Structure Fire Turnout Gear	20 sets replaced tw o times during fee study period	40	$2,300	$92,000	23.5%	$21,581
Wildland Turnout Gear	20 sets replaced tw o times during fee study period	40	$450	$18,000	23.5%	$4,222
Self Contained Breathing Apparatus	15 sets replaced once during fee study period	15	$5,600	$84,000	23.5%	$19,704
Defibrilators	Five sets replaced during fee study period.	5	$2,000	$10,000	23.5%	$2,346
Hose	1,000 ft. 1 3/4 inch hose and 500 ft. of 4 1/2 inch hose, replaced once.	l.s.	$15,000	$15,000	23.5%	$3,519
subtotal, equipment costs				**$1,219,000**		**$285,949**
GRAND TOTAL FACILITY AND EQUIPMENT COSTS				**$2,226,500**		**$528,026**

Source: Esparto Fire District, 2017.

Relationship Between the Use of the Fees and the Types of Development Projects from Which the Fees Are Collected

There are several steps involved in establishing the nexus between the use of the fees and the types of development projects from which the impact fees will be collected. The first is to allocate new development's share of totals to the Fire District's two main functions: Fire Protection and "Other". The "Other" functions including medical aid, traffic accidents, etc. The allocation of costs for these two functions is done based on annual calls for service, personnel used, and time per call, reported by the Fire District, and shown on Table 3. As shown on Table 3, with about 439 annual calls for service, the District spends approximately 5,639 annual person-hours responding to calls for service. Of this, approximately 35 percent is involved with Fire Protection calls, and 65 percent is involved with "Other" calls.

Table 3: Esparto Fire Protection District New Development Cost Allocation by Call Activity Type			
Impact Fee Costs to Be Spread to New Development Through 2036	$528,026		
Total Cost of Equipment and Facilities Needed to Serve New Development	**$528,026**		
Fire District Workload Indicators			
	Fires	**Medical Aid, Traffic Collisions, Other**	**Total**
Total Annual Calls for Service	63	376	439
Average Personnel Per Call	4.33	4.30	
Average Time Per Call (hours)	7.16	2.28	
Estimated Annual Person-Hours	1,953	3,686	5,639
% of Total District Workload	35%	65%	
Share of Impact Fee Costs	**$182,876**	**$345,150**	

Sources: BAE, Esparto Fire District, 2017.

The next step in the process is to allocate costs for Fire Protection and “Other” across the different types of new development that the Fire District anticipates serving. This is done in Tables 4 and 5, for Fire Protection and “Other”, respectively.

Impact Fee Component for Fire Protection Costs

As shown in Table 4, new development’s Fire Protection costs are then spread across the projected new development according to the relative valuation of each type of development on the theory that the more valuable a piece of development is, the greater need it has for fire protection. The relative valuation of each type of development is based on the building valuation tables that the Yolo County Planning and Building Department uses when calculating the fees charged for building permits. The County uses per square foot building valuation tables published by the International Codes Council. Appendix A summarizes the current valuation estimates for the different building types covered in this study. Based on the new development assumptions, times the applicable building valuation assumptions, the estimated value of anticipated new development by 2036 is approximately $80.3 million.

As shown in the middle of Table 4, new development’s share of Fire Protection costs is calculated to average $2.28 per $1,000 in new building valuation. This cost factor can then be applied to the estimated valuation of new development, to calculate the impact fee that should be charged to each new residential unit, or each 1,000 square feet of new non-residential development, to fully recover the Fire Protection costs attributable to new development.

As shown in Table 4, the Fire Protection fee components for the different development types are as follows:

Residential (per square foot)

Single-Family	$0.26
Multifamily	$0.24
Mobile Homes	$0.26

Note that these fees are related to the building valuation assumptions shown in Appendix A. To the extent that a given residential development project involves construction valuation that is substantially more or less than the per square foot valuation figures shown in Appendix A, the District should consider calculating the Fire fee component on the basis of $2.28 per $1,000 in construction valuation.

Non-Residential (per 1,000 square feet of building space)

Retail	$234.55
Industrial	$174.20
Office	$320.43

As with the residential fee calculations, the non-residential fees per 1,000 square feet of new construction are based on the building valuation assumptions shown in Appendix A. If a new non-residential development project will involve construction valuation that varies substantially from the corresponding figures in Appendix A, the District should consider calculating the Fire fee component on the basis of $2.28 per $1,000 in construction valuation.

Table 4: Esparto Fire Protection District Fire Protection Cost Component Calculation

Share of Impact Fee Costs Attributable to New Development	**$182,876**		
Projected District Growth			
	Growth	**Average Bldg.**	**Total**
Housing Units	**2017-2036**	**Value/Unit (a)**	**Value**
Single-Family	*326*	$225,300	$73,447,800
Multifamily	*20*	$106,660	$2,133,200
Mobile Homes	*5*	$135,180	$675,900
Sub-total housing	351		$76,256,900
	Growth	**Average Bldg.**	**Total**
Non-Residential (Square Feet)	**2017-2036**	**Value/1,000 Sq. Ft.**	**Value**
Retail	*25,000*	$102,990	$2,574,750
Industrial	*10,000*	$76,490	$764,900
Office	*5,000*	$140,700	$703,500
Sub-total non-residential	40,000		$4,043,150
TOTAL GROWTH			**$80,300,050**
Average Cost Share for $1,000 valuation			**$2.28**
Cost Share Per Housing Unit		**Fee Per Sq. Ft.**	**Total Fees**
Single-Family		$0.26	$167,271
Multifamily		$0.24	$4,858
Mobile Homes		$0.26	$1,539
Cost Share Per 1,000 Sq. Ft. Bldg.		**Fee Per 1,000 Sq. Ft.**	**Total Fees**
Retail		$234.55	$5,864
Industrial		$174.20	$1,742
Office		$320.43	$1,602
TOTAL COSTS ALLOCATED			**$182,876**

Notes:
(a) 2,000 square feet per unit for single family, 1,000 square feet per unit for multifamily, and 1,200 square feet per unit for mobile homes. BAE used the 2016 Yolo County Building Valuation tables and assumed Type III construction for non-residential buidings and Type V construction for residential buildings. See Appendix A for detail on building valuation.

Sources: BAE, Yolo County Building Department, Esparto Fire District, 2017.

Impact Fee Component for "Other" Costs

Costs Attributable to the Fire District's "Other" functions are spread across the projected development according to the relative density of population present in each development type on the theory that these "Other" types of service calls tend to involve assistance to people, rather than to protection of property, as in the case of the Fire Protection costs. For the purposes of these calculations, shown in Table 5, employees have been discounted to the equivalent of one-half the value of a resident, consistent with the service population concept. Again, this recognizes that workers are not present within the community for as much time each day as residents and therefore do not demand as much service as residents (unless they live within the community, in which case they are counted as both a resident and as an employee). "Other" costs are calculated to average $331.14 per person. As shown in Table 5, the "Other" fee components for the different development types are as follows:

Housing (per unit)	
Single-Family	$957.64
Multifamily	$834.79
Mobile Homes	$864.48

Non-Residential (per 1,000 square feet of building space)	
Retail	$301.04
Industrial	$165.57
Office	$551.90

As with the Fire Protection fee component, if a given development project varies significantly from the population or employment density factors (i.e., persons per housing unit, or employees per 1,000 square feet of building space) shown on Table 5, the District should consider calculating the "Other" fee component on the basis of $331.14 per person, discounting employees by 50 percent.

Table 5: Esparto Fire District "Other" Calls Cost Component Calculation

Share of Impact Fee Costs Attributable to New Development	**$345,150**				
Projected District Growth					
Housing Units	**Growth 2017-2035**	**Average Persons/Unit (a)**			**Total Persons**
Single-Family	326	2.89			943
Multifamily	20	2.52			50
Mobile Homes	5	2.61			13
Commercial	**Growth 2017-2036**	**Estimated Bldg. Sq. Ft./Employee**	**Total Employees**	**Average Wt. Per Employee vs. Resident**	**Total Persons (Discounted)**
Retail	25,000	550	45	0.5	23
Industrial	10,000	1,000	10	0.5	5
Office	5,000	300	17	0.5	8
TOTAL GROWTH					**1,042**
Average Cost Share Per Person					**$331.14**
Cost Share Per Housing Unit		**Persons/Housing Unit**	**Fee Per Unit**	**Total Fees**	
Single-Family		2.89	$957.64	$312,190	
Multifamily		2.52	$834.79	$16,696	
Mobile Homes		2.61	$864.48	$4,322	
Cost Share Per 1,000 Sq. Ft. Bldg.		**Employees/1,000 Sq. Ft.**	**Fee Per 1,000 Sq. Ft. (Incl. Discount for Weighting)**	**Total Fees**	
Retail		1.82	$301.04	$7,526	
Industrial		1.00	$165.57	$1,656	
Office		3.33	$551.90	$2,760	
TOTAL COSTS ALLOCATED				**$345,150**	

Note:
(a) Average for occupied housing units in Yolo County, 2015 American Community Survey, 1-Year Estimates.

Sources: American Community Survey; Esparto Fire District, BAE, 2017.

Combined Fire Protection and "Other" Impact Fee

Table 6 summarizes the combined Fire Impact Fee components for each land use type.

Table 6: Esparto Fire Protection District Summary of Impact Fees

Residential	**Fire Component Per Sq. Ft.**	**Medical Aid, Traffic, Other Component Per Unit**	
Single-Family	$0.26	$957.64	
Multifamily	$0.24	$834.79	
Mobile Homes	$0.26	$864.48	
Non-Residential	**Fire Component Per 1,000 Bldg. Sq. Ft.**	**Medical Aid, Traffic, Other Component Per 1,000 Bldg. Sq. Ft.**	**Total Fees Per 1,000 Sq. Ft.**
Retail	$234.55	$301.04	$535.59
Industrial	$174.20	$165.57	$339.77
Office	$320.43	$551.90	$872.33

Note: District will charge residential units a flat fee per unit for the "Other" component, plus a per square foot fee for the "Fire" component.

Source: BAE, 2017.

APPENDIX A: BUILDING VALUATION BY LAND USE

Land Use	Valuation	Type of Construction
Single Family	$112.65	R-3 Residential One and Two Family, Type VB
Multifamily	$106.66	R-2 Residential Multifple Family, Type VA.
Mobile Home	$112.65	R-3 Residential One and Two Family, Type VB
Retail	$102.99	M Mercantile, Type IIIB
Office	$140.70	B Business, Type IIIB
Medical	$140.70	B Business, Type IIIB
Educational	$152.55	E Educational, Type IIIB
Manufacturing	$80.36	F-1 Factory and Industrial, Moderate Hazard, Type IIIB
Other	$72.62	S-1 Storage, Moderate Hazard, Type IIIB

Source: Yolo County Planning and Public Works Department, "International Codes Council, Building Valuation Data - August 2016.