



## **BOARD MEETING AGENDA SUBMITTAL**

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**TO:** GCSB Board of Directors

**FROM:** Peter Kampa, General Manager

**DATE:** July 13, 2021

**SUBJECT:** Agenda Item 6Bi: Adoption of a Resolution Accepting the Development Impact Fee Report Prepared by NBS Dated June 18, 2021 and Adoption of the Development Impact Fee Schedule

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**RECOMMENDED ACTION:**

Staff recommends the following action:

*I Move to approve Resolution 21-2021 accepting the Development Impact Fee Report prepared by NBS Dated June 18, 2021, and adoption of the Development Impact Fee Schedule.*

**BACKGROUND:**

Over the past two years, the District has been preparing long range improvement and financial plans for its Fire and Park services. The District has also engaged the public to determine community needs and opportunities for improvement of the GCSB parks to enhance local recreation and tourism opportunities, as well as to provide opportunities to improve the health and wellbeing of our population. Recognizing that the Groveland Fire Department was seeing an increase in emergency call volume and increased time spent responding to emergency calls outside of the District boundaries, a Fire Department Master Plan update was completed in 2020. Both the fire and park planning efforts resulted in a clear understanding that future land development projects will place a higher level of demand and have an impact on fire and park services provided by the District.

As a result, the District retained NBS Government Finance Group to prepare a detailed study to analyze the impacts of new development on certain of the District's capital facilities and to calculate impact fees based on that analysis. The methods used in the NBS study are intended to satisfy all legal requirements of the U. S. Constitution, the California Constitution, and the California Mitigation Fee Act (Government Code Sections 66000 et seq).

Chapter 1 of the attached report provides an overview of the legal requirements for establishing and imposing Development Impact Fees (or Mitigation Fees) and methods that can be used to calculate impact fees. Chapter 2 contains data on existing and future development that is used in this report. Chapters 3 and 4 analyze the impacts of development on parks and Fire Department facilities respectively. Chapter 5 contains recommendations for adopting and implementing impact fees, including suggested findings to satisfy the requirements of the Mitigation Fee Act.

The consultant team from NBS will be in virtual attendance at the meeting to provide an overview of the report and answer questions from the Board and public. Staff recommends adoption of the attached resolution which both accepts the Impact Fee Study Report and adopts the Impact Fee Schedule as detailed in Table S-2 of the report as shown below:

**Table S.2: Summary of Impact Fees with 2% Administrative Charge Included**

Development Types	Dev Units <sup>1</sup>	Park Land Impact Fees	Park Imprvmt Impact Fees	Fire Impact Fees	Total Impact Fees
Residential (All Types)	DU	\$ 460.03	\$ 1,769.34	\$ 500.94	<b>\$ 2,730.31</b>
Hotel/B&B/RV Park	Room or Space	\$ 278.16	\$ 1,069.83	\$ 662.17	<b>\$ 2,010.16</b>
Commercial/Office/Services	KSF			\$ 1,002.88	<b>\$ 1,002.88</b>

Bottom line is that the District is responsible to set the level of service desired for the community and establishing implementation and financing plans to maintain services at the desired service level while accommodating new development and community growth. Ultimately it will be up to the Tuolumne County Board of Supervisors to decide on the amount of the impact fees to be adopted (up to the amount justified in this study) and whether or not those fees should include the 2% administrative charge.

**ATTACHMENTS:**

1. Notice of Public Hearing published in the Sonora Union Democrat
2. NBS Presentation Slides
3. Development Impact Fee Report Prepared by NBS
4. Resolution 21-2021

***GCS D Board Meeting***



***Groveland Community Services District  
Parks and Fire Impact Fee Study***

*Presented by NBS Project Team  
Joe Colgan*




 July 13, 2021

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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

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## Legal Framework – U. S. Constitution

- Supreme Court decisions require a “**Nexus**” to justify impact fees under the “Taking” Clause of the 5<sup>th</sup> Amendment
- The Nexus Must Have Three Elements:
  - 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 the impact created by the project subject to the fees



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## Legal Framework – California Law

- Under the Mitigation Fee Act, an Agency Enacting Impact Fees Must Make Findings to:
  - Identify the **Purpose** of the Fee
  - Identify the **Use** of the Fee, and
  - 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**)



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## Special Districts lack DIF Authority

- Impact Fees Are Imposed as a Condition of Development Approval by the Land Use Authority; Special Districts Do Not Have That Authority
- Fire Districts are Specifically Prohibited from Charging Impact Fees by the Fire Protection District Law of 1987 (Health and Safety Code Section 13916)
- Cities and Counties may Impose Impact Fees that Benefit Special Districts



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## The Nexus for These Fees

- **Need**: New Development in the GCSO Service Area Increases the Need for Parks and Fire Protection/Emergency Medical Facilities
- **Benefit**: New Development in the GCSO Service Area Benefits from the Availability of Parks and Fire Protection/Emergency Medical Services
- **Proportionality**: Park and Fire Impact Fees Reflect the Impact of New Development Based on Added Service Population\* for Parks and Increased Calls for Service for Fire

\*Park Service Population Includes Residents and Overnight Lodgers



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## Fee Calculation Method - Parks

- Park Impact Fees Based on the Existing Ratio of Park Acreage to Population (1.61 Acres per 1,000 Residents or **0.00161** Acres per Capita)
- Costs Used to Calculate Park Impact Fees:  
Land Cost = **\$130,000 per Acre**;  
Park Improvement Cost = **\$500,000 per Acre**
- Cost per Capita = \$630,000 X 0.00161 = **\$1,016**
- Park Impact Fee per Residential Unit = **\$2,186**
- Park Impact Fee per Hotel/B&B/RV Park Unit = **\$1,322**



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## Fee Calculation Method – Fire pt 1

- Fire Impact Fees Based Future Development's Share of Cost of Existing and Future Facilities
- Costs Allocated Based on Calls for Service per Year by Development Type
- Depreciated Cost of Existing and Future Facilities, Apparatus and Vehicles = **\$2,451,316**
- Projected Buildout Calls per Year = **512**
- Cost per Call = **\$4,788**

(Continued on Next Slide)



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## Fee Calculation Method – Fire pt 2

- Fire Impact Fees per Unit:
  - **Residential Fire Impact Fee** = \$4,788 X 0.103  
Calls per Unit per Year = **\$491 per Unit**
  - **Hotel/B&B/RV Park Fire Impact Fee** = \$4,788 X 0.136  
Calls per Unit per Year = **\$649 per Room or Space**
  - **Commercial Fire Impact Fee** = \$4,788 X 0.205  
Calls per Unit per Year = **\$983 per 1,000 Sq. Ft. (KSF)**



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## Proposed 2% Admin Charge


- Table S.1 in the Executive Summary of the Impact Fee Report Shows the Base Impact Fees Shown in This Presentation
- Table S.2 in the Executive Summary Shows the Impact Fees with a **2% Administrative Charge** Added to Cover Costs of Complying with Mitigation Fee Act Requirements
- It is Common for Local Agencies in California to Add a Small Administrative Charge to Impact Fees



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## Projected Revenue

- Projected Park Impact Fee Revenue = **\$1,659,220**  
Which Would Pay for **2.63 Acres** of New Parks
- Estimated Cost of Fire Station Expansion and New Type I Engine = **\$1,329,500**
- Projected Fire Impact Fee Revenue = **\$508,486**
- Additional Funding Needed for Fire Station Expansion and New Type I Engine = **\$821,014**

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## Questions and Comments

# Thank you! Questions?

 **Nicole Kissam**  
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GROVELAND COMMUNITY SERVICES DISTRICT

NOTICE OF PUBLIC HEARING REGARDING ADOPTION AND APPROVAL OF THE DEVELOPMENT IMPACT  
FEE STUDY FOR PARK AND FIRE SERVICES

The Groveland Community Services District has contracted with NBS for the completion of a Development Impact and Nexus Study related to Capital Fire and Park Facilities. NBS prepared a Development Impact Fee Study Report which documents their findings and recommendations related to offsetting the impact of new development and construction throughout the District's boundaries.

**Notice Is hereby given** that on July 13, 2021, at 10:00am or as soon thereafter as possible, the Groveland Community Services District Board of Directors will consider the adoption of a resolution accepting the Impact Fee Study Report and deeming the study complete. The Public Hearing will be held at 18966 Ferretti Road, Groveland.

After adopting this resolution, the Groveland Community Services District will work with the County of Tuolumne to establish new, maximum Development Impact Fees applicable to new land development projects pursuant to California Government Code sections 66000-66025, to mitigate the financial Impact of providing additional fire stations, public park facilities, fire and park equipment for the use and enjoyment of, and to safeguard the lives and property of those who occupy the new construction and development.

Ten (10) days prior to the meeting, copies of the Development Impact Fee Study Report will be available at the District Office, 18966 Ferretti Road, Groveland CA 95321. For questions, please call the Board Secretary at 209-962-7161.

# GROVELAND COMMUNITY SERVICES DISTRICT

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**Final Report**  
**Development Impact Fee Study**  
June 18, 2021

Prepared by:



**Corporate Headquarters**  
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# Executive Summary

Groveland Community Services District retained NBS Government Finance Group to prepare this study to analyze the impacts of new development on certain of the District's capital facilities and to calculate impact fees based on that analysis. The methods used in this study are intended to satisfy all legal requirements of the U. S. Constitution, the California Constitution, and the California Mitigation Fee Act (Government Code Sections 66000 *et seq.*).

## Organization of the Report

Chapter 1 of this report provides an overview of the legal requirements for establishing and imposing such fees and methods that can be used to calculate impact fees. Chapter 2 contains data on existing and future development that is used in this report.

Chapters 3 and 4 analyze the impacts of development on parks and Fire Department facilities respectively. Chapter 5 contains recommendations for adopting and implementing impact fees, including suggested findings to satisfy the requirements of the Mitigation Fee Act.

## Development Types

Because of occupancy patterns characterizing residential development in the District, this study does not distinguish among single-family, multi-family and mobile home development. All types of residential units are treated as equivalent in terms of their impact on the facility types addressed in this report.

Similarly, various types of lodging accommodations are grouped into the Hotel/B&B/RV Park category, where "B&B" stands for bed and breakfast inn. The RV park category includes camping facilities. That category is intended to include all hotels, motels, bed and breakfast inns, hostels, RV parks and camping facilities but not dwelling units offered as temporary vacation rentals through Airbnb or similar services. Other types of non-residential development are included in the Commercial/Office/Services category.

This study does not calculate impact fees for accessory dwelling units (ADUs). Recent legislation (SB 13) requires that impact fees for ADUs must be proportional to the relationship between the square footage of the ADU and the square footage of the primary unit. Consequently, the calculation of impact fees must be done on a case-by-case basis. No impact fee may be imposed on an ADU smaller than 750 square feet.

To summarize, the three categories of development defined in this study are:

- Residential (All Types)
- Hotel/B&B/RV Park (including hotels, motels, hostels and other types of lodging)
- Commercial/Office/Services

## Existing and Future Development

Future residential development forecasted in Chapter 2 would increase the District's estimated full-occupancy population by about 17% from around 7,400 in 2020 to 8,700 at buildout. Full-occupancy population is used in this study to represent the total potential demand on District facilities. It assumes that all residential units are occupied at the average population per dwelling unit estimated from Census Bureau data.

Relatively small amounts of future development are forecast for the lodging and commercial/office/services categories, although the forecasted growth in guest rooms and RV/camping spaces is about 2.5 times the number of existing rooms and spaces.

## Impact Fee Analysis

The impact fee analysis for each type of facility addressed in this report is presented in a separate chapter. In each case, the relationship between development and the need for a particular type of facility is defined in a way that allows the impact of additional development on facility needs to be quantified.

Costs used in the impact fee calculations are for capital facilities needed to mitigate the impacts of additional development. Impact fees may not be used to pay for maintenance or operating expenses.

**Park Land and Park Improvements.** Chapter 3 of this report calculates separate impact fees for park land acquisition and park improvements. The impact fees for park land and park improvements are based on the cost of maintaining the District's existing ratio of improved park acres to park service population as additional development occurs in the District. As explained in Chapter 2, park service population includes both residents of the District and overnight guests staying in lodging accommodations in the District. Overnight guests are included because the District has plans to develop park facilities that will attract those visitors.

**Fire Department Facilities.** Chapter 4 calculates impact fees for Fire Department capital facilities including fire station improvements, firefighting apparatus and vehicles. Fire Department facilities are impacted by all types of development occurring in the District. That impact is represented in the impact fee calculations by calls for service per year.

NBS analyzed a random sample of Fire Department calls for service for a three-year period to estimate calls-for-service-per-year factors for each type of development defined in this study. The cost of both existing and future Fire Department facilities was divided by the projected number of calls for service at buildout to get an average cost per call for service per year. That cost per call was then used to calculate fire impact fees per unit for each type of development using the calls per unit per year factors discussed above and shown in Table 2.1, Chapter 2.

## Recovery of Administrative Costs

The District will incur costs to comply with the accounting and reporting requirements of the Mitigation Fee Act, including capital budgeting, fee adjustments, mandated annual reports and periodic impact fee study updates. This study proposes that the District add a 2% administrative charge to all of the impact fees calculated in this report to cover those costs.

In the following section, Tables S.1 and S.2 shows the proposed impact fees without the 2% administrative charge included (Table S.1) and with the admin charge (Table S.2). Ultimately it will be up to the Tuolumne County Board of Supervisors to decide on the amount of the impact fees to be adopted (up to the amount justified in this study) and whether or not those fees should include the 2% administrative charge.

## Impact Fee Summary

Table S.1 shows the impact fees calculated in this report.

**Table S.1: Summary of Impact Fees per Unit Calculated in This Report**

Development Types	Dev Units <sup>1</sup>	Park Land Impact Fees <sup>2</sup>	Park Imprvmt Impact Fees <sup>3</sup>	Fire Impact Fees <sup>4</sup>	Total Impact Fees
Residential (All Types)	DU	\$ 451.01	\$ 1,734.65	\$ 491.12	\$ <b>2,676.78</b>
Hotel/B&B/RV Park	Room or Space	\$ 272.70	\$ 1,048.86	\$ 649.18	\$ <b>1,970.74</b>
Commercial/Office/Services	KSF			\$ 983.22	\$ <b>983.22</b>
<b>Total</b>					

<sup>1</sup> Units of development: DU = dwelling unit; Room = hotel or B&B guest room; Space = RV parking space; KSF = 1,000 gross square feet of building area

<sup>2</sup> See Table 3.4

<sup>3</sup> See Table 3.5

<sup>4</sup> See Table 4.6

Table S.2 shows the proposed impact fees from Table S.1 with a 2% administrative charge added. See the discussion above.

**Table S.2: Summary of Impact Fees with 2% Administrative Charge Included**

Development Types	Dev Units <sup>1</sup>	Park Land Impact Fees	Park Imprvmt Impact Fees	Fire Impact Fees	Total Impact Fees
Residential (All Types)	DU	\$ 460.03	\$ 1,769.34	\$ 500.94	\$ <b>2,730.31</b>
Hotel/B&B/RV Park	Room or Space	\$ 278.16	\$ 1,069.83	\$ 662.17	\$ <b>2,010.16</b>
Commercial/Office/Services	KSF			\$ 1,002.88	\$ <b>1,002.88</b>
<b>Total</b>					

Note: All impact fees shown in this table are based on the impact fees from Table S.1 with a 2% administrative charge added

## **Projected Revenue**

Projected revenue from the park land acquisition and park improvement impact fees, based on the amount of future development forecasted in this report is about \$1.69 million, which would be enough to provide about 2.6 acres of additional parks in the District, using the costs estimated in Chapter 3.

Projected revenue from the Fire Department impact fees is \$508,486. That amount is more than adequate to cover the estimated cost of a future fire station expansion but well below the cost of acquiring a single piece of new firefighting apparatus.



# Chapter 1. Introduction

## Purpose

The purpose of this study is to analyze the impacts of development on the need for parks and fire protection/emergency response facilities and equipment provided by the Groveland Community Services District, and to calculate impact fees based on that analysis. This report documents the approach, data and methodology used in this study to calculate those impact fees.

The methods used to calculate impact fees in this report are intended to satisfy all legal requirements governing such fees, including provisions of the U. S. Constitution, the California Constitution and the California Mitigation Fee Act (Government Code Sections 66000-66025).

## Legal Framework for Impact Fees

This brief summary of the legal framework for development fees is intended as a general overview. It was not prepared by an attorney and should not be treated as legal advice.

**U. S. Constitution.** Like all land use regulations, development exactions, including impact fees, are subject to the 5th Amendment prohibition on taking of private property for public use without just compensation. Both state and federal courts have recognized the imposition of impact fees on development as a legitimate form of land use regulation, provided the fees meet standards intended to protect against “regulatory takings.” A regulatory taking occurs when regulations unreasonably deprive landowners of property rights protected by the Constitution.

In two landmark cases dealing with exactions, the U. S. Supreme Court has held that when a government agency requires the dedication of land or an interest in land as a condition of development approval, or imposes ad hoc exactions as a condition of approval on a single development project that do not apply to development generally, a higher standard of judicial scrutiny applies. To meet that standard, the agency must demonstrate an “essential nexus” between such exactions and the burden created by a development project (See *Nollan v. California Coastal Commission*, 1987) and make an “individualized determination” that the exaction imposed is “roughly proportional” to that burden (See *Dolan v. City of Tigard*, 1994).

Until recently, it was widely accepted that legislatively-enacted impact fees that apply to all development in a jurisdiction are not subject to the higher standard of judicial scrutiny flowing from the Nollan and Dolan decisions. But after the U. S. Supreme Court decision in *Koontz v. St. Johns Water Management District* (2013), state courts have reached conflicting conclusions on that issue.

In light of that uncertainty, any agency enacting or imposing impact fees would be wise to demonstrate a nexus and ensure proportionality in the calculation of those fees. That is the standard used in this study.

**Defining the “Nexus.”** While courts have not been entirely consistent in defining the nexus required to justify exactions and impact fees, that term can be thought of as having the three elements discussed below. We think proportionality is logically included as one element of that nexus, even though it was discussed separately in *Dolan v. Tigard*. The elements of the nexus discussed below mirror the three “reasonable relationship” findings required by the Mitigation Fee Act for establishment and imposition of impact fees.

Need or Impact. Development must create a need for the facilities to be funded by impact fees. All new development in a community creates additional demands on some or all public facilities provided by local government. If the capacity of facilities is not increased to satisfy the additional demand, the quality or availability of public services for the entire community will deteriorate. Impact fees may be used to recover the cost of development-related facilities, but only to the extent that the need for facilities is related to the development project subject to the fees.

The *Nollan* decision reinforced the principle that development exactions may be used only to mitigate impacts created by the development projects upon which they are imposed. In this study, the impact of development on facility needs is analyzed in terms of quantifiable relationships between various types of development and the demand for public facilities based on applicable level-of-service standards. This report contains all the information needed to demonstrate compliance with this element of the nexus.

Benefit. Development must benefit from facilities funded by impact fees. With respect to the benefit relationship, the most basic requirement is that facilities funded by impact fees be available to serve the development paying the fees. A sufficient benefit relationship also requires that impact fee revenues be segregated from other funds and expended in a timely manner on the facilities for which the fees were charged. Nothing in the U.S. Constitution or California law requires that facilities paid for with impact fee revenues be available exclusively to development projects paying the fees.

Procedures for earmarking and expenditure of fee revenues are mandated by the Mitigation Fee Act, as are procedures to ensure that the fees are either expended expeditiously or refunded. Those requirements are intended to ensure that developments benefit from the impact fees they are required to pay. Thus, over time, procedural issues as well as substantive issues can come into play with respect to the benefit element of the nexus.

Proportionality. Impact fees must be proportional to the impact created by a particular development project. Proportionality in impact fees depends on properly identifying development-related facility costs and calculating the fees in such a way that those costs are allocated in proportion to the facility needs created by different types and amounts of development. The section on impact fee methodology, below, describes methods used to allocate facility costs and calculate impact fees that meet the proportionality standard.

**California Constitution.** The California Constitution grants broad police power to local governments, including the authority to regulate land use and development. That police

power is the source of authority for local governments in California to impose impact fees on development. Some impact fees have been challenged on grounds that they are special taxes imposed without voter approval in violation of Article XIII A. However, that objection is valid only if the fees charged to a project exceed the cost of providing facilities needed to serve the project. In that case, the fees would also run afoul of the U. S. Constitution and the Mitigation Fee Act.

Articles XIII C and XIII D, added to the California Constitution by Proposition 218 in 1996, require voter approval for some “property-related fees,” but exempt “the imposition of fees or charges as a condition of property development.”

**The Mitigation Fee Act.** California’s impact fee statute originated in Assembly Bill 1600 during the 1987 session of the Legislature, and took effect in January, 1989. AB 1600 added several sections to the Government Code, beginning with Section 66000. Since that time, the impact fee statute has been amended from time to time, and in 1997 was officially titled the “Mitigation Fee Act.” Unless otherwise noted, code sections referenced in this report are from the Government Code.

The Mitigation Fee Act does not limit the types of capital improvements for which impact fees may be charged. It defines public facilities very broadly to include “public improvements, public services and community amenities.” Although the issue is not specifically addressed in the Mitigation Fee Act, it is clear both in case law and statute (see Government Code Section 65913.8) that impact fees may not be used to pay for maintenance or operating costs. Consequently, the fees calculated in this report are based on the cost of capital assets only.

The Mitigation Fee Act does not use the term “mitigation fee” except in its official title, nor does it use the more common term “impact fee.” The Act simply uses the word “fee,” which is defined as “a monetary exaction, other than a tax or special assessment...that is charged by a local agency to the applicant in connection with approval of a development project for the purpose of defraying all or a portion of the cost of public facilities related to the development project ....”

To avoid confusion with other types of fees, this report uses the widely-accepted terms “impact fee” and “development impact fee” which both should be understood to mean “fee” as defined in the Mitigation Fee Act.

The Mitigation Fee Act contains requirements for establishing, increasing and imposing impact fees. They are summarized below. It also contains provisions governing the collection and expenditure of fees and requires annual reports and periodic re-evaluation of impact fee programs. Those administrative requirements are discussed in the implementation chapter of this report.

Required Findings. Section 66001 requires that an agency establishing, increasing or imposing impact fees, must make findings to:

1. Identify the purpose of the fee;

2. Identify the use of the fee; and,
3. Determine that there is a reasonable relationship between:
  - a. The use of the fee and the development type on which it is imposed;
  - b. The need for the facility and the type of development on which the fee is imposed; and
  - c. The amount of the fee and the facility cost attributable to the development project. (Applies when fees are imposed on a specific project.)

Each of those requirements is discussed in more detail below.

Identifying the Purpose of the Fees. The broad purpose of impact fees is to protect public health, safety and general welfare by providing for adequate public facilities. The specific purpose of the fees calculated in this study is to fund construction of certain capital improvements that will be needed to mitigate the impacts of planned new development on the District's facilities and to maintain an acceptable level of public services as additional development occurs in the District.

This report recommends that findings regarding the purpose of an impact fee should define the purpose broadly, as providing for the funding of adequate public facilities to serve additional development.

Identifying the Use of the Fees. According to Section 66001, if a fee is used to finance public facilities, those facilities must be identified. A capital improvement plan may be used for that purpose but is not mandatory if the facilities are identified in a General Plan, a Specific Plan, or in other public documents. In this case, we recommend that the District adopt this report as the public document that identifies the facilities to be funded by the fees.

Reasonable Relationship Requirement. As discussed above, Section 66001 requires that, for fees subject to its provisions, a "reasonable relationship" must be demonstrated between:

1. the use of the fee and the type of development on which it is imposed;
2. the need for a public facility and the type of development on which a fee is imposed; and,
3. the amount of the fee and the facility cost attributable to the development on which the fee is imposed.

These three reasonable relationship requirements, as defined in the statute, mirror the nexus and proportionality requirements often cited in court decisions as the standard for defensible impact fees. The term "dual rational nexus" is often used to characterize the standard used by courts in evaluating the legitimacy of impact fees. The "duality" of the nexus refers to (1) an impact or need created by a development project subject to impact fees, and (2) a benefit to the project from the expenditure of the fees.

Although proportionality is reasonably implied in the dual rational nexus formulation, it was explicitly addressed by the Supreme Court in the *Dolan* case, and we prefer to list it as the third element of a complete nexus.

Development Agreements and Reimbursement Agreements. The requirements of the Mitigation Fee Act do not apply to fees collected under development agreements (see Govt. Code Section 66000) or reimbursement agreements (see Govt. Code Section 66003). The same is true of fees in lieu of park land dedication imposed under the Quimby Act (see Govt. Code Section 66477).

Existing Deficiencies. In 2006, Section 66001(g) was added to the Mitigation Fee Act (by AB 2751) to clarify that impact fees “shall not include costs attributable to existing deficiencies in public facilities,…” The legislature’s intent in adopting this amendment, as stated in the bill, was to codify the holdings of *Bixel v. City of Los Angeles* (1989), *Rohn v. City of Visalia* (1989), and *Shapell Industries Inc. v. Governing Board* (1991).

That amendment does not appear to be a substantive change. It is widely understood that other provisions of law make it improper for impact fees to include costs for correcting existing deficiencies.

However, Section 66001(g) also states that impact fees “may include costs attributable to the increased demand for public facilities reasonably related to the development project in order to (1) *refurbish existing facilities to maintain the existing level of service* or (2) *achieve an adopted level of service that is consistent with the general plan.*” (Emphasis added.)

**Impact Fees for Existing Facilities.** Impact fees may be used to recover costs for existing facilities to the extent that those facilities are needed to serve additional development and have the capacity to do so. In other words, it must be possible to show that fees used to pay for existing facilities meet the need and benefit elements of the nexus.

## **Authority to Impose Impact Fees**

Impact fees are imposed as a condition of approval of a development project, so the authority to impose those fees rests with the body that controls land use permits and approvals. Special districts do not have that authority.

There is specific legislation prohibiting fire districts from charging such fees. California Health and Safety Code Section 13916, which is part of the Fire Protection District Law of 1987, states: “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.” However, as a practical matter, whether or not GCSO is considered a fire district, it cannot impose impact fees on its own.

Although the District itself may not charge impact fees, it is quite common in California for cities and counties to impose impact fees for the benefit of special districts, including fire districts and park districts, that provide services within their jurisdiction. In this case,

GCSD will require the cooperation of Tuolumne County to establish and impose the impact fees calculated in this report.

## Recent Legislation

Several new laws enacted by the State of California to facilitate development of affordable housing will affect the implementation of in-lieu fees and impact fees calculated in this study. Below are brief overviews of some key bills passed in recent years.

**SB 330 – The Housing Crisis Act of 2019.** Amendments to existing law contained in SB 330 prohibit the imposition of new approval requirements on a housing development project once a preliminary application has been submitted. That provision applies to increases in impact fees and in-lieu fees, except when the resolution or ordinance establishing the fee authorizes automatic, inflationary adjustments to the fee or exaction.

**AB 1483 – Housing Data: Collection and Reporting.** AB 1483 requires that a city, county or special district must post on its website a current schedule of its fees and exactions, as well as associated nexus studies and annual reports. Updates must be posted within 30 days.

**SB 13 – Accessory Dwelling Units.** SB 13 prohibits the imposition of impact fees on accessory dwelling units (ADUs) smaller than 750 square feet and provides that impact fees for ADUs of 750 square feet or more must be proportional to the square footage of the primary dwelling unit. In our opinion, the proportionality requirement means that impact fees for ADUs of 750 square feet or more must be calculated on a case-by-case basis during the approval process because the sizes of the ADU and the primary unit will be different in each case. The calculation is quite simple, as shown in the following formula: **(ADU Square Feet / Primary Unit Square Feet) X Impact Fee for a Single-Family Residential Unit.** So, for example, if the ADU is 1,000 square feet and the primary unit is 2,000 square feet, the impact fee for the ADU would be 0.5 times the impact fee for a single-family residential unit.

Previously, the law required a water or sewer connection fee or capacity charge for an accessory dwelling unit requiring a new or separate utility connection to be based on either the accessory dwelling unit's size or the number of its plumbing fixtures. SB 13 revises the basis for calculating the connection fee or capacity charge to either the accessory dwelling unit's square feet or the number of its drainage fixture units.

## Impact Fee Calculation Methodology

Any one of several legitimate methods may be used to calculate impact fees. The choice of a particular method depends primarily on the service characteristics of, and planning requirements for, the facility type being addressed. Each method has advantages and disadvantages in a particular situation. To some extent they are interchangeable, because they all allocate facility costs in proportion to the needs created by development.

Allocating facility costs to various types and amounts of development is central to all methods of impact fee calculation. Costs are allocated by means of formulas that quantify the relationship between development and the need for facilities. In a cost allocation formula, the impact of development is measured by some attribute of development such as added population or added vehicle trips that represent the impacts created by different types and amounts of development.

**Plan-Based or Improvements-Driven Method.** Plan-based impact fee calculations are based on the relationship between a specified set of improvements and a specified increment of development. The improvements are typically identified in a facility plan, while the development is identified in a land use plan that forecasts potential development by type and quantity.

Using this method, facility costs are allocated to various categories of development in proportion to the service demand created by each type of development. To calculate plan-based impact fees, it is necessary to determine what facilities will be needed to serve a particular increment of new development.

With this method, the total cost of eligible facilities is divided by the total units of additional demand to calculate a cost per unit of demand (e.g. a cost per capita for parks). Then, the cost per unit of demand is multiplied by factors representing demand per unit of development (e.g. population per unit) to arrive at a cost per unit of development.

This method is somewhat inflexible in that it is based on the relationship between a specific facility plan and a specific land use plan. If either plan changes significantly the fees will have to be recalculated.

**Capacity-Based or Consumption-Driven Method.** This method calculates a cost per unit of capacity based on the relationship between total cost and total capacity of a system. It can be applied to any type of development, provided the capacity required to serve each increment of development can be estimated and the facility has adequate capacity available to serve the development. Since the cost per unit of demand does not depend on the particular type or quantity of development to be served, this method is flexible with respect to changing development plans.

In this method, the cost of unused capacity is not allocated to development. Capacity-based fees are most commonly used for water and wastewater systems, where the cost of a system component is divided by the capacity of that component to derive a unit cost. However, a similar analysis can be applied to other types of facilities. To produce a schedule of impact fees based on standardized units of development (e.g. dwelling units or square feet of non-residential building area), the cost per unit of capacity is multiplied by the amount of capacity required to serve a typical unit of development in each of several land use categories.

**Standard-Based or Incremental Expansion Method.** Standard-based fees are calculated using a specified relationship or standard that determines the number of service units to be provided for each unit of development. The standard can be established as a matter

of policy or it can be based on the level of service being provided to existing development in the study area.

Using the standard-based method, costs are defined on a generic unit-cost basis and then applied to development according to a standard that sets the number of service units to be provided for each unit of development.

Park and impact fees are commonly calculated this way. The level of service standard for parks is typically stated in terms of acres of parks per thousand residents. A cost-per-acre for park land or park improvements can usually be estimated without knowing the exact size or location of a particular park. The ratio of park acreage to population and the cost per acre for parks is used to calculate a cost per capita. The cost per capita can then be converted into a cost per unit of development based on the average population per dwelling unit for various types of residential development.

**Buy-In or Recoupment Impact Fees.** Buy-in fees can be used to recover some portion of the cost of existing facilities, provided those facilities have capacity available to serve additional development. This is not a completely separate fee calculation method but can be used as a variation of one of the other methods described above. It is particularly applicable when there is outstanding debt related to an existing facility.

### **Facilities Addressed in this Study**

Impact/in-lieu fees for the following types of facilities are addressed in this report:

- Park Land Acquisition and Park Improvements (Chapter 3)
- Fire Department Facilities and Equipment (Chapter 4)



## Chapter 2. Development Data

This chapter presents data on existing and future development that will be used to calculate impact fees in subsequent chapters of this report.

The information in this chapter may be used to establish levels of service, analyze facility needs, and/or allocate the cost of capital assets between existing and future development and among various types of new development.

### Study Area

The study area for this impact fee study is the area within the boundaries of the Groveland Community Services District (GCSD or the District).

### Time Frame

No time frame is assumed for the buildout of future development projected in this study. The methods used to calculate impact fees in this study do not require assumptions regarding the rate or timing of development.

### Development Types

The development types for which impact fees are calculated in this report are listed below.

- Residential (All Types)
- Hotel/B&B/RV Park
- Commercial/Office/Services

Because of occupancy patterns characterizing residential development in the District, this study does not distinguish among single-family, multi-family and mobile home development. All types of residential units are treated as equivalent in terms of their impact on the facility types addressed in this report.

Similarly, various types of lodging accommodations are grouped into the Hotel/B&B/RV Park category, where “B&B” stands for bed and breakfast inn. The RV park category includes camping facilities. That category is intended to include all hotels, motels, bed and breakfast inns, hostels, RV parks and camping facilities but not dwelling units offered as temporary vacation rentals through Airbnb or similar services. Other types of non-residential development are included in the Commercial/Office/Services category.

Note: This study does not calculate impact fees for accessory dwelling units (ADUs). Recent legislation (SB 13) requires that impact fees for ADUs must be proportional to the relationship between the square footage of the ADU and the square footage of the primary unit. Consequently, the calculation of impact fees must be done on a case-by-case basis. No impact fee may be imposed on an ADU smaller than 750 square feet.

It should be noted that the proportionality requirement written into SB 13 tends to favor ADUs associated with larger primary units, because the larger the ADU, the smaller the ADU in proportion to the primary unit. One way of addressing that issue is to adopt a minimum size for primary units used to calculate the ADU impact fees.

## **Demand Variables**

To calculate impact fees, the relationship between facility needs and development must be quantified in cost allocation formulas. Certain measurable attributes of development (for example, added population) are used as “demand variables” in those formulas to represent the impact of different types of development on various types of capital assets.

Demand variables are selected either because they directly measure the service demand created by various types of development, or because they are reasonably correlated with that demand. The demand variables used to calculate impact fees in this report are discussed below.

**Park Service Population.** This study defines a park service population that is used to calculate park impact fees. That population has two components: residents of the District and overnight visitors staying in all types of lodging including hotels, motels, bed-and-breakfast inns, hostels, RV parks or camping facilities. Unless otherwise indicated, where the term “population” is used in this study, it means park service population. The population per unit factor for lodging facilities is based on the average daily population for all types of lodging.

The residential population component is defined as “full-occupancy” population, meaning the number of persons that would reside in the District if all residential units were occupied, with each unit housing the average population per unit shown in Table 2.1. Although many dwelling units in the District are occupied only seasonally, that could change, and the full-occupancy population reflects the fact that once a dwelling unit is constructed the District is responsible for providing services to the occupants of that unit. The use of full-occupancy population is conservative in the sense that it tends to reduce the amount of the impact fees calculated in this report.

**Fire Department Calls for Service per Year.** Demand for fire protection and other emergency response services provided by GCSO is impacted by both residential and non-residential development in the District. In this study, the number of calls for service per unit per year is used to represent the demand for those services by various types of development. The calls-for-service-per-year factors used in this study are based on analysis by NBS of a random sample of calls for service for the three-year period 2016 through 2018.

For that period, the GCSO Fire Department logged a total of 1,543 calls for service, of which 1,361 were from within the District boundaries. Another 182 calls were from locations outside the District boundaries. For this study, NBS analyzed a large random sample of 655 calls, or approximately half of the calls originating within the District, to determine the percentage of calls generated by different types of development.

Next, those percentages were applied to all calls within the District for the three-year period to determine the number of calls generated by each type of development. The resulting numbers were divided by three to get the number of calls for one year. Finally, the number of calls generated by each category of development was divided by the number of existing units in that category to arrive at a calls-per-unit-per-year factor. Those factors are shown in Table 2.1.

**Table 2.1: Demand Factors Used in This Study**

Development Type	Dev Units <sup>1</sup>	Population per Unit <sup>2</sup>	Fire Calls per Unit <sup>3</sup>
Residential (All Types)	DU	2.15	0.103
Hotel/B&B/RV Park	Room or Space	1.30	0.136
Commercial/Office/Services	KSF		0.205

<sup>1</sup> Units of development: DU = dwelling unit; Room = hotel or B&B guest room; Space = RV parking space; KSF = 1,000 gross square feet of building area

<sup>2</sup> Population per unit for residential development is a weighted average for all types of residential development based on U. S. Census Bureau American Community Survey (ACS) 2013 estimates (the most recent available data); population per unit for the Hotel/B&B/RV Park category is based on an estimated two people per room or space and a 65% occupancy rate.

<sup>3</sup> Estimated average fire calls for service per unit per year based on analysis by NBS of a random sample of calls for the three-year period from 2016-2018; see discussion in text

## Existing and Forecasted Development

Tables 2.2 through 2.4, below, show existing development and forecasted future and buildout development by development type for the District. Table 2.2 shows estimated existing development for GCSD as of January 1, 2021, in terms of units, park service population and fire calls for service per year.

**Table 2.2: Existing Development - January, 2021**

Development Types	Dev Units <sup>1</sup>	Existing Units <sup>2</sup>	Park Svc Pop <sup>3</sup>	Fire Calls per Year <sup>4</sup>
Residential (All Types)	DU	3,451	7,420	354
Hotel/B&B/RV Park	Room or Space	118	153	16
Commercial/Office/Services	KSF	175.3		36
<b>Total</b>			<b>7,573</b>	<b>406</b>

<sup>1</sup> Units of development: DU = dwelling unit; Room = hotel, motel or B&B guest room; Space = RV parking space or campsite; KSF = 1,000 gross square feet of building area

<sup>2</sup> Existing residential units based on data from Groveland CSD, the 2010 Census, 2013 American Community Survey and Tuolumne County Assessor data; where necessary, data have been updated to 2021

<sup>3</sup> Park service population = existing residential units X population per unit from Table 2.1 + existing Hotel/B&B/RV Park units X population per unit from Table 2.1

<sup>4</sup> Fire calls per year based on analysis by NBS of a random sample of GCSD Fire Department calls for the three year period 2016 through 2018

Table 2.3 shows forecasted future development in the District to buildout. The number of future units shown in Table 2.3 is based on information from the sources listed in footnote 2.

**Table 2.3: Forecasted Future Development from 2021 to General Plan Buildout**

Development Types	Dev Units <sup>1</sup>	Added Units <sup>2</sup>	Added Park Svc Pop <sup>3</sup>	Added Fire Calls <sup>4</sup>
Residential (All Types)	DU	585	1,258	60
Hotel/B&B/RV Park	Room or Space	288	374	39
Commercial/Office/Services	KSF	34.8		7
<b>Total</b>			<b>1,632</b>	<b>106</b>

<sup>1</sup> Units of development: DU = dwelling unit; Room = hotel, motel or B&B guest room; Space = RV parking space or campsite; KSF = 1,000 gross square feet of building area

<sup>2</sup> Forecasted future development units based on 531 available residential lots in the Pine Mountain Lake community plus an analysis of land designated for future development in the 2020 GCSD Water Master Plan Plan Technical Memorandum No. 1 by Wood Rogers and current development project applications submitted to Tuolumne County

<sup>3</sup> Added park service population = added residential units X population per unit from Table 2.1 + added Hotel/B&B/RV Park units X population per unit from Table 2.1

<sup>4</sup> Added fire calls = added units X fire calls per unit from Table 2.1

Table 2.4 shows total development in the District at buildout.

**Table 2.4: Forecasted Total Development at General Plan Buildout**

Development Types	Dev Units <sup>1</sup>	Buildout Units <sup>2</sup>	Buildout Park Svc Pop <sup>3</sup>	Buildout Fire Calls <sup>4</sup>
Residential (All Types)	DU	4,036	8,678	414
Hotel/B&B/RV Park	Room or Space	406	528	55
Commercial/Office/Services	KSF	210		43
<b>Total</b>			<b>9,206</b>	<b>512</b>

<sup>1</sup> Units of development: DU = dwelling unit; Room = hotel, motel or B&B guest room; Space = RV parking space or campsite; KSF = 1,000 gross square feet of building area

<sup>2</sup> Buildout units = existing units from Table 2.2 + forecasted future units from Table 2.3

<sup>3</sup> Buildout park service population = buildout residential units X population per unit from Table 2.1 + buildout Hotel/B&B/RV Park units X population per unit from Table 2.1

<sup>4</sup> Buildout fire calls = existing fire calls from Table 2.2 + future fire calls from Table 2.3

The numbers presented in Tables 2.2 through 2.4 indicate that the District is about 82% built out in terms of park service population. Existing Fire Department calls for service represent about 79% of the forecasted total calls at buildout.

## Chapter 3. Park Land and Park Improvements

This chapter calculates impact fees for park land acquisition and park improvements. At present, Groveland Community Services District (GCSD or the District) owns two community parks which are listed in Table 3.1 on the next page. The impact fees calculated in this chapter are based on the District's current level of service in terms of improved park acres per capita of park service population.

### Service Area

The park impact fees calculated in this chapter are intended to apply to all residential and lodging development within the District. Lodging includes hotels, motels, bed and breakfast inns, hostels and commercial recreational vehicle and camping facilities.

### Methodology

This chapter calculates impact fees using the standard-based method discussed in Chapter 1. Standard-based fees are calculated using a specified relationship or standard that determines the number of service units to be provided for each unit of development. The next two sections discuss the demand variable and level-of-service standard used to calculate the park impact fees.

### Demand Variable

A "demand variable" is a quantifiable attribute of development that is used in impact fee calculation formulas to represent the impact of development. The demand variable used to calculate park impact fees in this chapter is park service population. As discussed in Chapter 2, park service population consists of full-occupancy residential population plus the estimated average daily population of guests staying at hotels, motels, bed-and-breakfast inns, hostels and RV/camping facilities in the District.

Because park service population, as defined above, is associated with residential and lodging development, the impact fees calculated in this chapter apply only to those types of development.

### Existing Level of Service

The level-of-service standard used to calculate impact fees in this chapter is the existing ratio of developed park acreage to park service population in the District. Park service population is defined in Chapter 2 and discussed above. Table 3.1 on the next page lists the District's existing parks and shows the total acres and improved acres of park land.

**Table 3.1: Existing GCS D Parks**

Park Name	Park Type	Total Acres	Improved Acres
Mary Laveroni Park	Community	23.00	11.00
Leon Rose Ballpark	Community	1.22	1.22
<b>Total</b>		<b>24.22</b>	<b>12.22</b>

Source: GCS D 2017 Parks Master Plan and communication with GCS D staff

Table 3.2 calculates the existing level of service for the District’s parks in terms of acres per capita and acres per 1,000 park service population. Only about half of Mary Laveroni Park is fully improved, and only improved park acreage is used to calculate the park impact fees.

**Table 3.2: GCS D Parks - Existing Level of Service**

Existing Acres <sup>1</sup>	Existing Park Service Pop <sup>2</sup>	Acres per Capita <sup>3</sup>	Acres per 1,000 <sup>4</sup>
12.22	7,573	0.00161	1.61

<sup>1</sup> See Table 3.1

<sup>2</sup> Existing park service population; see Table 2.2

<sup>3</sup> Acres per capita = existing improved park acres / existing park service population

<sup>4</sup> Acres per 1,000 population = acres per capita X 1,000

In the next section, the existing level of service is converted into a cost per capita for park land acquisition and for park improvements.

### Cost Per Capita

Table 3.3, below, shows the cost per capita for park land acquisition and park improvements based on the existing level of service from Table 3.2 and the estimated cost per acre for park land acquisition and park improvements.

**Table 3.3: Cost per Capita**

Fee Type	Cost per Acre <sup>1</sup>	Acres per Capita <sup>2</sup>	Cost per Capita <sup>3</sup>
Park Land Acquisition	\$ 130,000	0.00161	\$ 209.77
Park Improvements	\$ 500,000	0.00161	\$ 806.81

<sup>1</sup> Park land acquisition cost per acre and park improvement cost per acre estimated by GCS D

<sup>2</sup> See Table 3.2

<sup>3</sup> Cost per capita = cost per acre X acres per capita

In the next section, the per-capita costs from Table 3.3 are used to calculate impact fees per unit of development for park land acquisition and park improvements.

### Impact Fees per Unit

Table 3.4 shows the calculation of park land impact fees per unit of development. Those fees are calculated using the per-capita cost of park land from Table 3.3 and the population per unit from Table 2.1.

**Table 3.4: Park Land Impact Fees per Unit**

Development Type	Units <sup>1</sup>	Cost per Capita <sup>2</sup>	Population per Unit <sup>3</sup>	Impact Fee per Unit <sup>4</sup>
Residential (All Types)	DU	\$209.77	2.15	\$451.01
Hotel/B&B/RV Park	Room/Space	\$209.77	1.30	\$272.70

<sup>1</sup> Units of development: DU = dwelling unit; Room = hotel, motel or B&B guest room; Space = RV parking space or campsite

<sup>2</sup> See Table 3.3

<sup>3</sup> See Table 2.1

<sup>4</sup> Impact fee per unit = cost per capita X population per unit

Table 3.5 shows the calculation of park improvement impact fees per unit of development. Those fees are calculated using the per-capita cost of park improvements from Table 3.3 and the population per unit from Table 2.1.

**Table 3.5: Park Improvement Impact Fees per Unit**

Development Type	Units <sup>1</sup>	Cost per Capita <sup>2</sup>	Population per Unit <sup>3</sup>	Impact Fee per Unit <sup>4</sup>
Residential (All Types)	DU	\$806.81	2.15	\$1,734.65
Hotel/B&B/RV Park	Room/Space	\$806.81	1.30	\$1,048.86

<sup>1</sup> Units of development: DU = dwelling unit; Room = hotel, motel or B&B guest room; Space = RV parking space or campsite

<sup>2</sup> See Table 3.3

<sup>3</sup> See Table 2.1

<sup>4</sup> Impact fee per unit = cost per capita X population per unit

Table 3.6 shows the combined total impact fees for park land acquisition and park improvement, which is the sum of the impact fees from Tables 3.4 and 3.5.



**Table 3.6: Total Park Land and Improvement Impact Fees per Unit**

Development Type	Units <sup>1</sup>	Cost per Capita <sup>2</sup>	Population per Unit <sup>3</sup>	Total Impact Fees per Unit <sup>4</sup>
Residential (All Types)	DU	\$1,016.59	2.15	\$2,185.66
Hotel/B&B/RV Park	Room/Space	\$1,016.59	1.30	\$1,321.56

<sup>1</sup> Units of development: DU = dwelling unit; Room = hotel, motel or B&B guest room; Space = RV parking space or campsite

<sup>2</sup> Sum of costs per capita from Tables 3.4 and 3.5

<sup>3</sup> See Table 2.1

<sup>4</sup> Total impact fees per unit = sum of the impact fees per unit from Tables 3.4 and 3.5

## Projected Revenue

Table 3.7 on the next page shows projected revenue to buildout from the combined park land acquisition and park improvement impact fees. Based on the per-acre costs shown in Table 3.3, that revenue could be used to acquire and improve about 2.6 acres of additional parks in the District.

**Table 3.7: Projected Revenue from Park Impact Fees**

Development Type	Units <sup>1</sup>	Total Impact Fees per Unit <sup>2</sup>	Future Units <sup>3</sup>	Projected Revenue <sup>4</sup>
Residential (All Types)	DU	\$2,185.66	585	\$ 1,278,610
Hotel/B&B/RV Park	Room/Space	\$1,321.56	288	\$ 380,610
<b>Total</b>				<b>\$ 1,659,220</b>

## Updating the Fees

The impact fees calculated in this chapter are based the current estimated cost of park land and improvements. We recommend that the fees be reviewed annually and adjusted as needed using local cost data or an index such as the *Engineering News Record* Construction Cost Index (CCI). See the Implementation Chapter for more on indexing of fees.

## Nexus Summary

As discussed in Chapter 1 of this report, Section 66001 of the Mitigation Fee Act requires that an agency establishing, increasing or imposing impact fees must make findings to:

Identify the purpose of the fee;

Identify the use of the fee; and,

Determine that there is a reasonable relationship between:

- a. The use of the fee and the development type on which it is imposed;

- b. The need for the facility and the type of development on which the fee is imposed; and
- c. The amount of the fee and the facility cost attributable to the development project.

Satisfying those requirements also ensures that the fees meet the “rational nexus” and “rough proportionality” standards enunciated in leading court decisions bearing on impact fees and other exactions. (For more detail, see “Legal Framework for Impact Fees” in Chapter 1.) The following paragraphs explain how the impact fees calculated in this chapter satisfy those requirements.

**Purpose of the Fee:** The purpose of the impact fees calculated in this chapter is to mitigate the impact of new development on the need for parks in the District.

**Use of the Fee.** Impact fees calculated in this chapter will be used to provide additional parks and park improvements to mitigate the impact of new development on the need for parks in the District.

**Reasonable Relationship between the Use of the Fee and the Development Type on Which It Is Imposed.** The impact fees calculated in this chapter will be used to provide additional parks to serve the needs of added park service population associated with new residential and lodging development in the District.

**Reasonable Relationship between the Need for the Facilities and the Type of Development on Which the Fee Is Imposed.** New development increases the need for parks to maintain the existing level of service, as described earlier in this chapter. Without additional parks, the increase in park service population associated with new residential and lodging development would result in a reduction in the level of service provided to all residents of the District.

**Reasonable Relationship between the Amount of the Fee and the Facility Cost Attributable to the Development Project.** The amount of the park impact fees charged to a development project will depend on the increase in park service population associated with that project. The fees per unit of development calculated in this chapter are based on the estimated park service population per unit of for residential and lodging development in the District. Thus, the fee charged to a development project reflects the impact of that project on the need for parks in the District.

## Chapter 4. Fire Department Facilities/Equipment

This chapter calculates impact fees for fire protection and emergency response facilities, apparatus and equipment needed to serve future development in the Groveland Community Services District (GCSD or the District). Where the general term “facilities” is used in this chapter, it is intended to include all types of capital assets needed by the GCSD Fire Department to carry out its mission.

GCSD contracts with the California Department of Forestry and Fire Protection (CAL FIRE) to staff the GCSD fire station in Groveland.

### Service Area

The impact fees calculated in this chapter are intended to apply to all future development within the District.

### Demand Variable

A “demand variable” is a quantifiable attribute of development that is used in fee calculation formulas to represent the impact of development on a certain type of capital facilities. The demand variable used to calculate impact fees for GCSD facilities in this chapter is calls for service per year.

As explained in Chapter 2, NBS analyzed a large random sample of the calls for service received by the GCSD Fire Department from 2016 through 2018 to estimate the number of calls per unit per year generated by each type of development defined in this study. Table 2.1 shows the calls-per-unit-per-year factors derived from that analysis. Those factors are used to calculate impact fees per unit later in this chapter.

### Methodology

This chapter calculates impact fees using the plan-based method discussed in Chapter 1. Plan-based fees allocate costs for a specific set of facilities to a specific increment of development.

In this case, the costs for all existing and future GCSD fire protection and emergency response facilities, apparatus and equipment are allocated to all existing and future development, so that impact fees charged to future development will pay future development’s proportionate share of the overall cost of those assets.

### Facilities, Apparatus and Equipment

Table 4.1 on the next page shows the impact fee cost basis used in this study for the existing GCSD fire station and a planned expansion of that station. The value of the existing fire station is estimated using depreciated replacement cost plus the value of the land on which the station is sited. The cost of the planned fire station expansion is based

on the current estimated cost of that expansion. No additional land is required for the expansion.

**Table 4.1: Existing and Future Fire Stations**

Facility	Constr Date <sup>1</sup>	Site Acres	Land Value <sup>2</sup>	Bldg Sq Ft <sup>1</sup>	Building Repl Cost <sup>3</sup>	Useful Life <sup>4</sup>	Depreciated Bldg Cost <sup>4</sup>	Impact Fee Cost Basis <sup>5</sup>
GCSO Fire Station	1988	0.35	\$45,500	5,172	\$ 2,198,100	50	\$ 791,316	\$ 836,816
Fire Station Addition	Future			500	\$ 322,500		\$ 322,500	\$ 322,500
<b>Total</b>			<b>\$45,500</b>		<b>\$ 2,520,600</b>		<b>\$ 1,113,816</b>	<b>\$ 1,159,316</b>

<sup>1</sup> Construction date and building square feet from the GCSO property inventory

<sup>2</sup> Land value for existing fire station based on \$130,000 per acre

<sup>3</sup> Estimated replacement cost for the existing fire station based on \$425.00 per square foot; estimated cost for future fire station addition based on \$645.00 per square foot; estimated cost includes soft construction costs, utilities, site development and furniture, fixtures and equipment

<sup>4</sup> Estimated useful life of buildings in years

<sup>5</sup> Depreciated building replacement cost for existing fire station using straight-line depreciation over the useful life of the asset; no depreciation applies to future building costs

<sup>6</sup> Impact fee cost basis = depreciated building replacement cost + estimated land value

Table 4.2 on the next page lists GCSO 's existing firefighting apparatus and other vehicles. Costs for all vehicles and equipment shown in the far-right column of Table 4.2 are depreciated replacement costs based on the useful life shown in that table. Vehicles and equipment are assumed to have a residual value of at least 15% of replacement cost, regardless of age.

**Table 4.2: Existing Fire Apparatus and Vehicles**

Quantity	Model Year	Description	Useful Life (Yrs)	Unit Repl Cost <sup>1</sup>	Depreciated Repl Cost <sup>2</sup>	Impact Fee Cost Basis <sup>3</sup>
1	2009	Type I Engine (Pierce Contender)	10	\$ 750,000	\$ 112,500	\$ 112,500
1	2000	Type II Engine (Freightliner)	10	\$ 600,000	\$ 90,000	\$ 90,000
1	1984	Type II Engine (Grumman GMC)	10	\$ 450,000	\$ 67,500	\$ 67,500
1	2009	Silverado 2500 Utility Vehicle	10	\$ 50,000	\$ 7,500	\$ 7,500
1	2009	Silverado 2500 Utility Vehicle	10	\$ 50,000	\$ 7,500	\$ 7,500
<b>Total</b>				<b>\$1,900,000</b>	<b>\$ 285,000</b>	<b>\$ 285,000</b>

<sup>1</sup> Replacement cost provided by GCSO

<sup>2</sup> Depreciated replacement cost using straight-line depreciation over the useful life of the asset; minimum depreciated value = 15% of replacement cost

<sup>3</sup> Impact fee cost basis = depreciated replacement cost

Table 4.3 lists the future apparatus and equipment that will be needed to serve the District at buildout.

**Table 4.3: Future Fire Apparatus, Vehicles and Equipment**

Description	No. of Units <sup>1</sup>	Cost per Unit <sup>2</sup>	Impact Fee Cost Basis <sup>3</sup>
Future Type I Engine (incl Equipt)	1	\$1,007,000	\$ 1,007,000

<sup>1</sup> Equipment needs provided by GCSD

<sup>2</sup> Cost per unit provided by GCSD

<sup>3</sup> Impact fee cost basis = number of units X cost per unit

Table 4.4 summarizes the costs from the preceding three tables.

**Table 4.4: Impact Fee Cost Basis - Existing and Future Assets**

Component	Impact Fee Cost Basis <sup>1</sup>
Existing and Future Fire Stations	\$ 1,159,316
Existing - Fire Apparatus and Equipment	\$ 285,000
Future - Fire Apparatus Equipment	\$ 1,007,000
<b>Total</b>	<b>\$ 2,451,316</b>

<sup>1</sup> See Tables 4.1, 4.2 and 4.3

### Cost per Call for Service

Table 4.5 calculates the cost per call for service for GCSD Fire Department facilities, apparatus and equipment using the total cost from Table 4.4 and the projected number of calls for service per year at buildout.

**Table 4.5: Cost per Call for Service**

Impact Fee Cost Basis <sup>1</sup>	Buildout Calls per Year <sup>2</sup>	Cost per Call per Year <sup>3</sup>
\$2,451,316	512	\$4,787.73

<sup>1</sup> See Table 4.4

<sup>2</sup> Projected buildout calls per year for GCSD; see Table 2.4

<sup>3</sup> Cost per call per year = impact fee cost basis / buildout calls per year

### Impact Fees per Unit

Table 4.6 shows the calculation of GCSD Fire Department impact fees per unit of development by development type. Those fees are calculated using the cost per call for service from Table 4.5 and the calls-per-unit-per-year factors from Table 2.1.

**Table 4.6 Impact Fee per Unit**

Development Type	Units <sup>1</sup>	Cost per Call per Year <sup>2</sup>	Calls per Unit per Year <sup>3</sup>	Impact Fee per Unit <sup>4</sup>
Residential (All Types)	DU	\$4,787.73	0.103	\$ 491.12
Hotel/B&B/RV Park	Room/Space	\$4,787.73	0.136	\$ 649.18
Commercial/Office/Services	KSF	\$4,787.73	0.205	\$ 983.22

<sup>1</sup> Units of development: DU = dwelling unit; Room = hotel or B&B guest room; Space = RV parking space; KSF = 1,000 gross square feet of building area

<sup>2</sup> Cost per call per year; see Table 4.5

<sup>3</sup> Calls per unit per year; see Table 2.1

<sup>4</sup> Impact fee per unit = cost per call per year X calls per unit per year

## Projected Revenue

Potential revenue from the impact fees calculated in this chapter can be estimated by applying the fees per unit from Table 4.6 to forecasted future units from Table 2.3. Table 4.7 on the next page shows the projected revenue to buildout from the impact fees shown in Table 4.6.

**Table 4.7 Projected Revenue**

Development Type	Units <sup>1</sup>	Future Units <sup>2</sup>	Impact Fee per Unit <sup>3</sup>	Projected Revenue <sup>4</sup>
Residential, Single-Family	DUs	585	\$ 491.12	\$ 287,305
Hotel/B&B/RV Park	Room/Space	288	\$ 649.18	\$ 186,965
Commercial/Office/Services	KSF	35	\$ 983.22	\$ 34,216
<b>Total</b>				<b>\$ 508,486</b>

<sup>1</sup> Units of development: DU = dwelling unit; Room = hotel or B&B guest room; Space = RV parking space; KSF = 1,000 gross square feet of building area

<sup>2</sup> Future units; see Table 2.3

<sup>3</sup> Impact fee per unit; see Table 4.6

<sup>4</sup> Projected revenue = future units X impact fee per unit

The total revenue projected in Table 4.7 is substantially less than the cost of the fire station addition shown in Table 4.1 plus the additional fire engine shown in Table 4.3, so additional funding will be required to cover the entire cost of acquiring those assets.

## Updating the Fees

The impact fees calculated in this chapter are based the current estimated costs. We recommend that the fees be reviewed and adjusted annually using local cost data or an index such as the *Engineering News Record* Building Cost Index. See the Implementation Chapter for more on indexing of fees.

## Nexus Summary

As discussed in Chapter 1 of this report, Section 66001 of the Mitigation Fee Act requires an agency establishing, increasing or imposing impact fees to make findings to:

Identify the purpose of the fee;

Identify the use of the fee; and,

Determine that there is a reasonable relationship between:

- a. The use of the fee and the development type on which it is imposed;
- b. The need for the facility and the type of development on which the fee is imposed; and
- c. The amount of the fee and the facility cost attributable to the development project.

Satisfying those requirements also ensures that the fees meet the “rational nexus” and “rough proportionality” standards enunciated in leading court decisions bearing on impact fees and other exactions. (For more detail, see “Legal Framework for Impact Fees” in Chapter 1.) The following paragraphs explain how the impact fees calculated in this chapter satisfy those requirements.

**Purpose of the Fee:** The purpose of the impact fees calculated in this chapter is to mitigate the impact of new development on the need for fire protection and emergency response facilities apparatus and equipment provided by the Groveland Community Services District (GCSD).

**Use of the Fee.** Impact fees calculated in this chapter will be used to provide additional capital assets to mitigate the impact of new development on the need for those facilities in the District. As provided by the Mitigation Fee Act, revenue from impact fees may also be used for temporary loans from one impact fee fund or account to another.

**Reasonable Relationship between the Use of the Fee and the Development Type on Which It Is Imposed.** The impact fees calculated in this chapter will be used to provide additional facilities and apparatus to serve the added demand for fire protection and other emergency services associated with new development in the District.

**Reasonable Relationship between the Need for the Facilities and the Type of Development on Which the Fee Is Imposed.** New development increases the demand for fire protection and other emergency services provided by GCSD. Without additional facilities, apparatus and equipment, the increase in demand associated with new development would negatively impact the ability of the District to provide services efficiently and effectively to all development in its service area.

**Reasonable Relationship between the Amount of the Fee and the Facility Cost Attributable to the Development Project.** The amount of the GCSD Fire Department impact fees charged to a development project will depend on the increase in calls for service associated with that project. The fees per unit of development calculated in this

chapter for each type of development are based on the estimated calls for service per unit per year for that type of development in in the GCSO service area. Thus, the fee charged to a development project reflects the impact of that project on the overall need for facilities, apparatus and equipment used by GCSO to provide fire protection and emergency response services to development in the District.



## Chapter 5. Implementation

This chapter of the report contains recommendations for adoption and administration of impact fees, and for the interpretation and application of the development impact fees calculated in this study. It was not prepared by an attorney and is not intended as legal advice.

Statutory requirements for the adoption and administration of fees imposed as a condition of development approval (impact fees) are found in the Mitigation Fee Act (Government Code Sections 66000 *et seq.*).

### Adoption

As discussed in Chapter 1, the District does not have the authority to adopt impact fees. GCSD must depend on Tuolumne County to establish and impose the impact fees calculated in this report.

The form in which development impact fees are enacted should be determined in consultation with the County Attorney. Procedures for adoption of fees subject to the Mitigation Fee Act, including notice and public hearing requirements, are specified in Government Code Sections 66016 and 66018. It should be noted that Section 66018 refers to Government Code Section 6062a, which requires that the public hearing notice be published at least twice during the required 10-day notice period. Government Code Section 66017 provides that fees subject to the Mitigation Fee Act do not become effective until 60 days after final action by the governing body.

Actions establishing or increasing fees subject to the Mitigation Act require certain findings, as set forth in Government Code Section 66001 and discussed below and in Chapter 1 of this report.

**Establishment of Fees.** Pursuant to the Mitigation Fee Act, Section 66001(a), when an agency establishes fees to be imposed as a condition of development approval, it must make findings to:

1. Identify the purpose of the fee;
2. Identify the use of the fee; and
3. Determine how there is a reasonable relationship between:
  - a. The use of the fee and the type of development project on which it is imposed; and,
  - b. The need for the facility and the type of development project on which the fee is imposed

Examples of findings that could be used for impact fees calculated in this study are shown below. The specific language of such findings should be reviewed and approved by the

attorney for the agency adopting the fees. A more complete discussion of the nexus for the proposed impact fees can be found in Chapters 3 and 4 of this report.

**Sample Finding: Purpose of the Fee.** The Board of Supervisors finds that the purpose of the impact fees hereby enacted is to protect the public health, safety and welfare by requiring new development to contribute to the cost of parks and fire protection and emergency response facilities needed to mitigate the impacts created by that development.

**Sample Finding: Use of the Fee.** The Board of Supervisors finds that revenue from the impact fees hereby enacted will be used to provide public facilities needed to mitigate the impacts of new development. Those facilities are identified in the 2021 Groveland Community Services District Impact Fee Study by NBS.<sup>1</sup>

**Sample Finding: Reasonable Relationship:** Based on analysis presented in the 2021 Groveland Community Services District Impact Fee Study by NBS, the Board of Supervisors finds that there is a reasonable relationship between:

- a. The use of the fees and the types of development projects on which they are imposed; and,
- b. The need for facilities and the types of development projects on which the fees are imposed.

## Administration

The California Mitigation Fee Act (Government Code Sections 66000 et seq.) mandates procedures for administration of impact fee programs, including collection and accounting, reporting, and refunds. References to code sections in the following paragraphs pertain to the California Government Code.

**Interagency Coordination.** It will be necessary for GCSD to reach an agreement with the County regarding the transmittal of impact fees to the District, as well as the responsibility for complying with the administrative procedures and reporting requirements established by the Mitigation Fee Act. The Executive Summary in this report discusses the option of adding an administrative charge to the fees to cover the cost of complying with those requirements.

**Imposition of Fees.** Pursuant to the Mitigation Fee Act, Section 66001(a), when an agency imposes an impact fee upon a specific development project, it must make essentially the same findings adopted upon establishment of the fees to:

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<sup>1</sup> According to Gov't Code Section 66001 (a) (2), the use of the fee may be specified in a capital improvement plan, the General Plan, or other public documents that identify the public facilities for which the fee is charged. The findings recommended here identify this impact fee study as the source of that information.

1. Identify the purpose of the fee;
2. Identify the use of the fee; and
3. Determine how there is a reasonable relationship between:
  - a. The use of the fee and the type of development project on which it is imposed;
  - b. The need for the facility and the type of development project on which the fee is imposed

Per Section 66001 (b), at the time when an impact fee is imposed on a specific development project, the agency is also required to make a finding to determine how there is a reasonable relationship between:

- c. The amount of the fee and the facility cost attributable to the development project on which it is imposed.

In addition, Section 66006 (f) provides that a local agency, at the time it imposes a fee for public improvements on a specific development project, "... shall identify the public improvement that the fee will be used to finance." The required notification could refer to the improvements identified in this study.

Section 66020 (d) (1) requires that the agency, at the time it imposes an impact fee, provide the applicant with a written statement of the amount of the fee and written notice of a 90-day period during which the imposition of the fee can be protested. Failure to protest imposition of the fee during that period may deprive the fee payer of the right to subsequent legal challenge.

Section 66022 (a) provides a separate procedure for challenging the establishment of an impact fee. Such challenges must be filed within 120 days of enactment.

**Collection of Fees.** Section 66007 (a) provides that a local agency shall not require payment of fees by developers of residential projects prior to the date of final inspection, or issuance of a certificate of occupancy, whichever occurs first.

However, "utility service fees" (not defined) may be collected upon application for utility service. In a residential development project of more than one dwelling unit, Section 66007 (a) allows the agency to choose to collect fees either for individual units or for phases upon final inspection, or for the entire project upon final inspection of the first dwelling unit completed.

Section 66007 (b) provides two exceptions when the local agency may require the payment of fees from developers of residential projects at an earlier time: (1) when the local agency determines that the fees "will be collected for public improvements or facilities for which an account has been established and funds appropriated and for which the local agency has adopted a proposed construction schedule or plan prior to final inspection or issuance of the certificate of occupancy" or (2) the fees are "to reimburse the local agency for expenditures previously made."

These statutory restrictions on the time at which fees may be collected do not apply to non-residential development.

In cases where the fees are not collected upon issuance of building permits, Subsections 66007 (c) (1) and (2) provide that the agency may require the property owner to execute a contract to pay the fee, and to record that contract as a lien against the property until the fees are paid.

**Earmarking and Expenditure of Fee Revenue.** Section 66006 (a) mandates that fees be deposited “with other fees for the improvement in a separate capital facilities account or fund in a manner to avoid any commingling of the fees with other revenues and funds of the local agency, except for temporary investments, and expend those fees solely for the purpose for which the fee was collected.” Section 66006 (a) also requires that interest earned on the fee revenues be placed in the capital account and used for the same purpose.

The language of the law is not clear as to whether depositing fees "with other fees for the improvement" refers to a specific capital improvement or a class of improvements (e.g., street improvements).

We are not aware of any agency that has interpreted that language to mean that funds must be segregated by individual projects. And, as a practical matter, that approach would be unworkable because it would mean that no pay-as-you-go project could be constructed until all benefiting development had paid the fees. Common practice is to maintain separate funds or accounts for impact fee revenues by facility category (e.g., fire protection or park improvements), but not for individual projects.

**Impact Fee Exemptions, Reductions, and Waivers.** In the event that a development project is found to have no impact on facilities for which impact fees are charged, such project must be exempted from the fees.

If a project has characteristics that will make its impacts on a particular public facility or infrastructure system significantly and permanently smaller than the average impact used to calculate impact fees in this study, the fees should be reduced accordingly. Per Section 66001 (b), there must be a reasonable relationship between the amount of the fee and the cost of the public facility attributable to the development on which the fee is imposed. The fee reduction is required if the fee is not proportional to the impact of the development on relevant public facilities.

In some cases, the agency may desire to voluntarily waive or reduce impact fees that would otherwise apply to a project as a way of promoting goals such as affordable housing or economic development. Such a waiver or reduction may not result in increased costs to other development projects, so the effect of such policies is that the lost revenue must be made up from other fund sources.

**Credit for Improvements Provided by Developers.** If an agency requires a developer, as a condition of project approval to dedicate land or construct facilities or improvements for which impact fees are charged, the agency should ensure that the impact fees are

adjusted so that the overall contribution by the developer does not exceed the impact created by the development.

In the event that a developer voluntarily offers to dedicate land, or construct facilities or improvements in lieu of paying impact fees, the agency may accept or reject such offers and may negotiate the terms under which such an offer would be accepted. Excess contributions by a developer may be offset by reimbursement agreements.

**Credit for Existing Development.** If a project involves replacement, redevelopment or intensification of previously existing development, impact fees should be applied only to the portion of the project that represents a net increase in demand for relevant facilities, applying the demand factors used in this study to calculate that particular impact fee.

**Annual Reports.** Section 66006 (b) (1) requires that once each year, within 180 days of the close of the fiscal year, the local agency must make available to the public the following information for each separate account established to receive impact fee revenues:

1. A brief description of the type of fee in the account or fund;
2. The amount of the fee;
3. The beginning and ending balance of the account or fund;
4. The amount of the fees collected and interest earned;
5. Identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the percentage of the cost of the public improvement that was funded with fees;
6. Identification of the approximate date by which the construction of a public improvement will commence, if the agency determines sufficient funds have been collected to complete financing of an incomplete public improvement;
7. A description of each inter-fund transfer or loan made from the account or fund, including interest rates, repayment dates, and a description of the improvement on which the transfer or loan will be expended;
8. The amount of any refunds or allocations made pursuant to Section 66001, paragraphs (e) and (f).

The annual report must be reviewed by the governing body at its next regularly scheduled public meeting, but not less than 15 days after the statements are made public, per Section 66006 (b) (2).

**Fifth Year Reports on Unexpended Funds.** Prior to 1996, the Mitigation Fee Act required that a local agency collecting impact fees was required to expend or commit impact fee revenue within five years or make findings to justify a continued need for the money. Otherwise, those funds had to be refunded. SB 1693, adopted in 1996 as an amendment to the Mitigation Fee Act, changed that requirement in material ways.

Now, Section 66001 (d) requires that, for the fifth fiscal year following the first deposit of any impact fee revenue into an account or fund as required by Section 66006 (b), and every five years thereafter, the local agency shall make all of the following findings for any fee revenue that remains unexpended, whether committed or uncommitted:

1. Identify the purpose to which the fee will be put;
2. Demonstrate the reasonable relationship between the fee and the purpose for which it is charged;
3. Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements for which impact fees are to be used;
4. Designate the approximate dates on which the funding necessary to complete financing of those improvements will be deposited into the appropriate account or fund.

Those findings are to be made in conjunction with the annual reports discussed above. If such findings are not made as required by Section 66001, the local agency could be required to refund the moneys in the account or fund, per Section 66001 (d).

Once the agency determines that sufficient funds have been collected to complete financing on incomplete improvements for which impact fee revenue is to be used, it must, within 180 days of that determination, identify an approximate date by which construction of the public improvement will be commenced (Section 66001 (e)).

*Note: Because impact fees for the Groveland Community Services District must be adopted by other agencies as discussed above, the District and those agencies should agree on which agency will be responsible for annual reporting and the fifth year review required by the Mitigation Fee Act, and should develop procedures to ensure that the requirements of the Act are satisfied.*

**Annual Update of the Capital Improvement Plan.** Section 66002 (b) of the Mitigation Fee Act provides that if a local agency cites a capital improvement plan to identify the use of impact fees, that plan must be adopted and annually updated by a resolution of the governing body at a noticed public hearing. The alternative, per Section 66001 (a) (2) is to identify improvements by applicable general or specific plans or in other public documents.

In most cases, the CIP identifies projects for a limited number of years and may not include all improvements needed to serve future development covered by the impact fee study. We recommend that this impact fee study be cited as the public document identifying the use of the fees.

**Indexing of Impact Fees.** Where impact fees calculated in this report are based on current costs, those costs should, if possible, be adjusted periodically to account for changes in the cost of facilities or other capital assets that will be funded by the impact fees. That adjustment is intended to account for escalation in costs for land, construction, vehicles

and other relevant capital assets. For general construction, we recommend using the Engineering News Record Building Cost Index (20-Cities Average) which is published monthly in ENR. For land costs, local data, including appraisals is the best source. For other assets such as firefighting apparatus, recent bids can be used.

## Recent Legislation

As discussed in Chapter 1 (pages 1-5 and 1-6), recently passed legislation imposes additional requirements on agencies imposing impact fees on new development.

- SB 330 prohibits the imposition of new approval requirements on a housing development project once a preliminary application has been submitted.
- AB 1483 requires that a city, county or special district must post on its website a current schedule of its fees and exactions as well as associated nexus studies and annual reports. Updates must be posted within 30 days.
- SB 13 prohibits the imposition of impact fees on accessory dwelling units (ADUs) smaller than 750 square feet and provides that impact fees for ADUs of 750 square feet or more must be proportional to the square footage of the primary dwelling unit. The proportionality requirement means that impact fees for ADUs of 750 square feet or more must be calculated on a case-by-case basis during the approval process because the sizes of the ADU and the primary unit will be different in each case. The calculation is quite simple, as shown in the following formula: **(ADU Square Feet / Primary Unit Square Feet) X Impact Fee for a Single-Family Residential Unit**. So, for example, if the ADU is 1,000 square feet and the primary unit is 2,000 square feet, the impact fee for the ADU would be 0.5 times the impact fee for a single-family residential unit.

This area of state law is evolving rapidly and it is likely that future legislation will place additional requirements on the establishment and imposition of impact fees.

## Training and Public Information

Effective administration of an impact fee program requires considerable preparation and training. It is important that those responsible for collecting the fees, and for explaining them to the public, understand both the details of the fee program and its supporting rationale.

Before fees are imposed, a staff training workshop is highly desirable if more than a handful of employees will be involved in collecting or accounting for fees.

It is also useful to pay close attention to handouts that provide information to the public regarding impact fees. Impact fees should be clearly distinguished from other fees, such as user fees for application processing, and the purpose and use of impact fees should be made clear.

Finally, anyone responsible for accounting, capital budgeting, or project management for projects involving impact fees must be fully aware of the restrictions placed on the expenditure of impact fee revenues and should refer to this report for a list of the facilities and on which the impact fee calculations are based.



## RESOLUTION 21-2021

### A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GROVELAND COMMUNITY SERVICES DISTRICT ACCEPTING THE FINAL REPORT- DEVELOPMENT IMPACT FEE STUDY AND ADOPTING THE PARK AND FIRE SERVICE IMPACT FEES

**WHEREAS**, the Groveland Community Services District (herein referred to as District) is a local government agency formed and operating in accordance with Section §61000 et seq. of the California Government Code; and

**WHEREAS**, the District provides fire protection, emergency medical and related services to persons and properties within its boundaries and under mutual aid response areas, and desires to enhance and expand its facilities and equipment to respond to an increasing emergency call volume; and

**WHEREAS**, the District provides park facilities and services for the benefit of community residents and visitors and desires to expand, reconfigure and improve its park facilities to provide functional, safe and engaging public parks as the population and park use increases with population growth; and

**WHEREAS**, The District desires to establish a Capital Fire and Park Facilities/Equipment Fee program to recover the capital costs to provide service to new development; and

**WHEREAS**, the Fee schedule is intended to be updated on an annual basis to account for inflationary costs and/or as updates are needed based upon updated services master plans and the current/actual costs of construction, expansion and equipping parks and fire stations; and

**WHEREAS**, a development impact fee study is required when the Fee Schedule is established and amended; and

**WHEREAS**, The District held a legally noticed public hearing on this date to receive public input and comment on the Development Impact Fee Study and Fee Schedule; and

**WHEREAS**, the District expects to enter into agreement in the future with the County of Tuolumne to administer the Capital Fire and Park Facilities Fee program on its behalf.

**THEREFORE, BE IT RESOLVED**, that the Groveland Community Services District, a public entity established under the laws of the State of California, does hereby:

1. Accept the Development Impact Fee Study dated June 18, 2021 and associated Fee Schedule as detailed in Table S-2 of said Report; and
2. Authorize the General Manager or designee to engage the County of Tuolumne to implement the Development Impact Fee Schedule.

**WHEREFORE**, this Resolution is passed and adopted by the Board of Directors of the Groveland Community Services District on July 13, 2021, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

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Rachel Pearlman, Board Secretary

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Janice Kwiatkowski, President - Board of Directors

**CERTIFICATE OF SECRETARY**

I, Rachel Pearlman, the duly appointed and acting Secretary of the Board of Directors of the Groveland Community Services District, do hereby declare that the foregoing Resolution was duly passed and adopted at a Regular Meeting of the Board of Directors of the Groveland Community Services District, duly called and held on July 13, 2021.

DATED: \_\_\_\_\_