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CITY OF LONG BEACH

PUBLIC SAFETY IMPACT FEE STUDY

AUGUST 18, 2006

MuniFinancial

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Table of Contents

Executive Summary

This report summarizes an analysis of the need for public safety facilities and capital improvements to support future development within the City of Long Beach through 2025. It is the City's intent that the costs representing future development's share of these facilities and improvements be imposed on that development in the form of a development impact fee, also known as a public facilities fee. The public facilities and improvements included in this analysis of the City's public facilities fee program are divided into the fee categories listed below.

- Fire Protection Facilities
- Police Facilities

Background and Study Objectives

The primary policy objective of a public facilities fee program is to ensure that new development pays the capital costs associated with growth. The primary purpose of this report is to complete a comprehensive fee study and determine the maximum justified public facilities fee levels to impose on new development to maintain the City's facilities standard. The City should review and update this report and the calculated fees once every five years to incorporate the best available information.

The City imposes public facilities fees under authority granted by the *Mitigation Fee Act*, contained in *California Government Code* Sections 66000 *et seq.* This report provides the necessary findings required by the *Act* for adoption of the public facilities fees presented in the fee schedules contained herein.

Demographic Assumptions

To estimate facility needs, this study uses residential and household population data provided by the California Department of Finance and the U.S. Census. The population projection for 2025, an expected increase of roughly 56,000 residents, is from the Southern California Association of Governments (SCAG). Current and future employment estimates are also from SCAG. Current and future dwelling unit estimates, categorized by single and multi-family units, are from a land use model generated by the Los Angeles Metropolitan Transit Authority. The development projections used in this analysis are summarized in **Table E.1.**

Table E.1: Demographic Assumptions

	2005	2025	Increase	% Increase
Residents[1]	491,600	547,900	56,300	11%
Dwelling Units[2]				
Single Family	78,600	80,100	1,500	2%
Multi-family	93,100	97,900	4,800	5%
Total	171,700	178,000	6,300	4%
Employment[3]	192,600	238,400	45,800	24%

[1] 2005 estimate is from the California Department of Finance. 2025 estimate is from the Southern California Association of Governments (SCAG).

[2] Los Angeles Metropolitan Transportation Authority, 2005 Development Impact Fee Study.

[3] Southern California Association of Governments (SCAG).

Sources: California Department of Finance; Southern California Association of Governments (SCAG); Los Angeles Metropolitan Transportation Authority; MuniFinancial.

Facility Standards and Costs of Growth

This fee analysis uses standards based on the City's policy to determine the cost of facilities required to accommodate growth for public facilities. A standard for each facility category considered in this study is derived from the City's existing inventory of facilities as well as the City's capital facility plans for 2025, where available. Depending on the facility standard, the City currently may or may not have sufficient facilities to serve existing development. If the City's existing facilities are below standard, a deficiency exists. In this case, the portion of the cost of planned facilities associated with correcting the deficiency must be allocated to non-fee funding sources. Public facilities fees can only fund future facilities needed to accommodate new development at the adopted standard.

Therefore, this study distinguishes between the share of future facilities needed to accommodate growth and the share that serves existing residents and businesses. New development can only fund its fair share of planned facilities. To ensure compliance with the law, this study ensures that there is a reasonable relationship between new development, the amount of the fee, and facilities funded by the fee.

Fee Schedule Summary

Table E.2 summarizes the schedule of maximum justified public safety fees based on the analysis contained in this report. The City may adopt any fee up to those shown in the table. If the City elects to adopt a lower fee, it should consider reducing the fee for each land use by the same percentage. This approach would ensure that each new development project would fund the same proportionate share of public facilities costs.

Table E.2: Proposed Public Facilities Fee Summary

Land Use	Fire Protection	Police	Total
Residential (per dwelling unit)			
Single Family Unit	$ 496	$ 703	**$ 1,199**
Multi-family Unit	378	537	**915**
Nonresidential (per thousand square feet)			
Commercial	$ 267	$ 442	**$ 709**
Office	325	538	**863**
Industrial	132	218	**350**

Sources: Tables 3.6 and 4.6.

1. Introduction

This report presents an analysis of the need for public facilities to accommodate new development in the City of Long Beach. This chapter explains the study approach and summarizes results under the following sections:

- Background and study objectives;
- Public facilities financing in California;
- Public facilities planning and financing in Long Beach;
- Organization of the report; and
- Facility standards approach.

Background and Study Objectives

The primary policy objective of a public facilities fee program is to ensure that new development pays the capital costs associated with growth. The primary purpose of this report is to complete a comprehensive fee study and determine the maximum justified public facilities fee levels to impose on new development to maintain the City's facilities standard. The City should review and update this report and the calculated fees once every five years to incorporate the best available information.

The City imposes public facilities fees under authority granted by the *Mitigation Fee Act*, contained in *California Government Code* Sections 66000 *et seq.* This report provides the necessary findings required by the *Act* for adoption of the public facilities fees presented in the fee schedules contained herein.

Public Facilities Financing In California

The changing fiscal landscape in California during the past 30 years has steadily undercut the financial capacity of local governments to fund infrastructure. Three dominant trends stand out:

- The passage of a string of tax limitation measures, starting with Proposition 13 in 1978 and continuing through the passage of Proposition 218 in 1996;
- Declining popular support for bond measures to finance infrastructure for the next generation of residents and businesses; and
- Steep reductions in federal and state assistance.

Faced with these trends, many cities and counties have adopted a policy of "growth pays its own way." This policy shifts the burden of funding infrastructure expansion from existing taxpayers onto new development. This funding shift has been accomplished primarily through the imposition of assessments, special taxes, and development impact fees also known as public facilities fees. Assessments and special taxes require approval of property owners and are appropriate when the funded facilities are directly related to

the developing property. Development fees, on the other hand, are an appropriate funding source for facilities that benefit all development jurisdiction-wide. Development fees need only a majority vote of the legislative body for adoption.

Public Facilities Planning and Financing In Long Beach

The City of Long Beach will need to construct and acquire additional public safety infrastructure and facilities to meet the demands of community growth. The Long Beach Fire Department, in 2002, commissioned a Facilities Assessment Report, prepared by 3D/International which details the state of existing facilities and provides some general information of future needs. The police department has no such planning document at this time but has identified a need to construct new East Division and Fifth District Patrol buildings to replace facilities that are presently leased by the Department. Preliminary facility needs are described in the "Facility Inventories, Plans & Standards" section of each chapter.

A suggested use of initial fee revenues would be to fund master planning to more specifically identify capital facilities necessary to serve new development. Fee revenues can fund the portion of master plan costs associated with facilities to serve growth. Upon completion of the master planning effort and the identification of capital facilities needed to accommodate growth, the City should update its public facilities fee program to include these new projects and any financing costs that may be required to construct facilities when needed.

Through the process of preparing master plans, the City may choose to raise its facilities standards above the existing levels. These increased facility standards would then be documented in the fee update. In this situation, new development would pay a fee based on this higher standard. However, using a facility standard that is higher than the existing inventory standard creates a deficiency for existing development. The City would have to secure non-fee funding for that portion of planned facilities required to correct the deficiency caused by this higher standard.

By nature, cash flow from public facilities fee revenues are constrained by rates of growth and the timing of revenue collection. Since public facilities fees represent a pay-as-you-go system, cities may confront the problem of only being able to partially fund large projects with fee revenues at the time of project implementation. Therefore, facilities needs may require alternative financing options in order to implement projects in a timelier manner. The cost of financing (e.g. interest payments) can legitimately be included into the public facilities fee.

By using fee revenues to fund a master planning effort and updating the fee to reflect the identified projects and possible financing costs, the City will maximize its ability to maintain its facilities standard and fund the capital facilities necessary to serve new development.

Finally, all fee-funded capital projects should be programmed through a 5-year Capital Improvement Plan (CIP). Using a CIP can help the City of Long Beach identify and direct its fee revenue to public facilities projects that will accommodate future growth.

By programming fee revenues to specific capital projects, the City of Long Beach can identify the use for fee revenues as expressly required by the *Mitigation Fee Act.*

Organization of the report

The determination of a public facilities fee begins with the selection of a planning horizon and development of projections for population and employment. These projections are used throughout the analysis of both fire protection and police facilities, and are summarized in Chapter 2.

Chapters 3 and 4 are devoted to documenting the maximum justified public facilities fee for the following facility categories:

- Fire Protection Facilities
- Police Facilities

Chapter 5 details the procedures that the City must follow when implementing a development impact fee program. Impact fee program adoption procedures are found in *California Government Code* Section 66016.

The five statutory findings required for adoption of the proposed public facilities fees in accordance with the *Mitigation Fee Act* (codified in *California Government Code* Sections 66000 through 66025) are summarized in Chapter 6.

Facility Standards Approach

A facility standard is a policy that indicates the amount of facilities required to accommodate service demand. Examples of facility standards include building square feet per capita and park acres per capita. Standards also may be expressed in monetary terms such as the replacement value of facilities per capita. The adopted facility standard is a critical component in determining new development's need for new facilities and the amount of the fee. Standards determine new development's fair share of planned facilities and ensure that new development does not fund deficiencies associated with existing development.

Types of Facility Standards

Facility standards can be categorized into three main "types": demand, design, and cost standards. The following describes each of these types.

- *Demand standards* determine the amount of facilities required to accommodate growth – for example, park acres per 1,000 residents, traffic level of service, and gallons of water per day per dwelling unit
- *Design standards* determine how a facility should be designed to meet expected demand – for example park improvement requirements, street intersection design, and water storage needs.

- *Cost standards* determine the cost per unit of demand based on the estimated cost of facilities – for example cost per capita, cost per vehicle trip, or cost per gallon of water per day.

Determining Facility Standards

The most commonly accepted approaches to determining a facility standard are described below.

- The **existing inventory method** uses a facility standard based on the ratio of existing facilities to the existing development. Under this approach new development funds the expansion of facilities at the same rate that existing development has provided facilities to date. By definition, the existing inventory method does not consider facility deficiencies attributable to existing development. To increase facility standards the jurisdiction must secure funding in addition to development fees.
- The **system plan method** calculates the standard based on the ratio of all existing plus planned facilities to total future demand (existing and new development). This method is used when (1) the local agency anticipates increasing its facility standard above the existing inventory standard discussed above, and (2) planned facilities are part of a system that benefit both existing and new development. Using a facility standard that is higher than the existing inventory standard creates a deficiency for existing development. The jurisdiction must secure non-fee funding for that portion of planned facilities required to correct the deficiency.
- The **planned facilities method** calculates the standard solely based on the ratio of planned facilities to the increase in demand associated with new development. This method is appropriate when planned facilities only benefit new development, such as a sewer trunk line extension to a previously undeveloped area.

The Types and Approaches Used In This Study

The type of facility standard calculated in this study is primarily the cost standard. This study uses the existing inventory approach to determine facility standards for fire protection facilities. Under the existing inventory approach, new development would contribute to the cost of improvements in proportion to the level of investment made to date by existing development for facilities.

Police fees are based on the system plan method. The fees, therefore, are based on the projected facility standard for the year 2025. Because the facility standard for police facilities is projected to increase, a component of the cost of planned facilities has been identified as existing development's fair-share responsibility.

2. Demographic Assumptions

To assist in determining the appropriate fee structure, exiting development estimates and new development growth projections are used. Projected new development is estimated using the existing service population in 2005 as a base year with a planning horizon through the year 2025.

Service Population

Different types of new development use public facilities at different rates in relation to each other, depending on the services provided. In Chapters 3 and 4, a specific service population is identified for each facility category to reflect total demand. The service population weights residential land use types against nonresidential land uses based on the relative demand for services between residents and workers.

Land Use Types

To ensure a reasonable relationship between each fee and the type of development paying the fee, growth projections distinguish between different land use classifications. The land use types used in this analysis are defined below.

- **Single family:** Attached and detached one-family dwelling units; and
- **Multi-family:** All attached single family dwellings such as duplexes and condominiums, plus mobile homes, apartments, and dormitories.
- **Commercial:** All commercial, retail, educational, and hotel/motel development.
- **Office:** All general, professional, and medical office development.
- **Industrial:** All manufacturing and warehouse development.

Some developments may include more than one land use type, such as an industrial warehouse with living quarters (a live-work designation) or a planned unit development with both single and multi-family uses. In these cases the public facilities fee would be calculated separately for each land use type.

The City should have the discretion to impose the public facilities fee based on the specific aspects of a proposed development regardless of the zoning designation where project will be located. Should the project be located in an area that is not zoned as any of the above stated land use types, the guideline to use is the probable occupant density of the development, either residents per dwelling unit or workers per building square foot, to determine which fee will be charged. The fee imposed should be based on the land use type that most closely represents the probable occupant density of the development.

Occupant Densities

Occupant densities ensure a reasonable relationship between the increase in service population and amount of the fee. Developers pay the fee based on the number of additional housing units or building square feet of nonresidential development, so the fee schedule must convert service population estimates to these measures of project size. This conversion is done with average occupant density factors by land use type, shown in **Table 2.1**.

The residential occupant density factors are derived from the 2000 U.S. Census Bureau's Tables H-31 through H-33. Table H-31 provides vacant housing units data, while Table H-32 provides information relating to occupied housing. Table H-33 documents the total 2000 population residing in occupied housing. The US Census numbers are adjusted by using the California Department of Finance (DOF) estimates for January 1, 2005, and the most recent State of California data available. The nonresidential density factors are based on the *Employment Density Study Summary Report*, prepared for the Southern California Association of Governments, October 2001 by The Natelson Company. For example, the industrial density factor represents an average for light industrial, heavy industrial, and warehouse uses likely to occur in the City.

Table 2.1: Occupant Density

Residential		
Single Family	3.17	Residents Per Single Family Unit
Multi-family	2.43	Residents Per Multi-family Unit
Nonresidential		
Commercial	2.01	Employees per 1,000 square feet
Office	2.45	Employees per 1,000 square feet
Industrial	1.00	Employees per 1,000 square feet

Sources: United States 2000 Census (Tables H-31, H-32, H-33); California State Department of Finance E-5 report for City of Long Beach Jan. 1, 2005; The Natelson Company, Inc., Employment Density Study Summary Report, Los Angeles County Region, prepared for the Southern California Association of Governments, October 31, 2001; MuniFinancial.

Demographic Assumptions for City of Long Beach

Table 2.2 summarizes the demographic assumptions used in this analysis. The base year for this study is the year 2005, which represents the latest year for which detailed

statistics were available at the time the research for the study was conducted. The existing facilities in 2005 are used to calculate the existing facilities standard in our study.

The base year residential estimate is calculated using the California Department of Finance (DOF) January 1, 2005 estimates. The population projection for 2025, an expected increase of roughly 56,000 residents, is from the Southern California Association of Governments (SCAG). Current and future employment estimates are also from SCAG. Current and future dwelling unit estimates, categorized by single and multi-family units, are from a land use model generated by the Los Angeles Metropolitan Transit Authority.

Table 2.2: Demographic Assumptions

	2005	2025	Increase	% Increase
Residents[1]	491,600	547,900	56,300	11%
Dwelling Units[2]				
Single Family	78,600	80,100	1,500	2%
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[1] 2005 estimate is from the California Department of Finance. 2025 estimate is from the Southern California Association of Governments (SCAG).

[2] Los Angeles Metropolitan Transportation Authority, 2005 Development Impact Fee Study.

[3] Southern California Association of Governments (SCAG).

Sources: California Department of Finance; Southern California Association of Governments (SCAG); Los Angeles Metropolitan Transportation Authority; MuniFinancial.

3. Fire Protection Facilities

The purpose of the fee is to ensure that new development funds its fair share of fire protection facilities. A fee schedule is presented based on the existing standard of fire protection facilities in the City of Long Beach facilities to ensure that new development provides adequate funding to meet its needs.

Service Population

Fire protection facilities serve both residents and businesses. Therefore, demand for services and associated facilities are based on the City's service population including residents and workers.

Table 3.1 shows the estimated service population in 2005 and 2025. To calculate service population for fire protection facilities, residents are weighted at 1.00. The use of a worker demand factor of 0.85 for workers in the City of Long Beach is based on a MuniFinancial analysis of calls for service, categorized by land use, in the City during the 2005 calendar year. MuniFinancial divided total calls to residential areas by the residential population to yield an annual calls-per-capita factor. Dividing total calls to nonresidential areas by total employment in the City yielded a comparable per-capita factor. The ratio of the worker per capita factor to the resident per capita factor is the worker demand factor shown in Table 3.1.

Table 3.1: Fire Facilities Service Population

	A Residents	B Workers	C Worker Demand Factor[1]	D = A+(B*C) Service Population
Existing (2005)	491,600	192,600	0.85	655,300
New Development (2005-2025)	56,300	45,800	0.85	95,200
Total (2025)	547,900	238,400	0.85	750,500

[1] Based on MuniFinancial analysis of Long Beach Fire Department call data by zoning type for the 2005 calendar year.

Sources: Table 2.2; City of Long Beach Fire Department; MuniFinancial.

Facility Inventories, Plans & Standards

This study uses the existing facilities standard to calculate fees for fire protection facilities. Fire protection services in the City of Long Beach are presently based out of an Emergency Communications and Operations Center (ECOC), which was constructed in

2003 and is jointly operated by both the police and fire departments. The Fire Department also operates 21 additional stations and several supplementary facilities including an extensive training center.

The unit value for land in Long Beach was provided by the City of Long Beach Property Bureau Manager. The unit costs for most buildings are based on a Risk Management insurance valuation completed on January 23, 2006 and provided by City staff. The unit value for the ECOC is based on actual costs.

Table 3.2 shows the existing building and land values by facility. The ECOC is assumed by the City to be evenly split between the Fire and Police departments and land and building square footage have been allocated accordingly. For facilities are located on land owned by the Port of Long Beach. Because the department controls the facilities in but does not own the land, only the buildings have been valued in this inventory.

Table 3.2: Existing Inventory - Fire Facilities Land & Buildings

Facility	Address	Land			Buildings		
		Sq. Ft.	Unit Cost	Value	Sq. Ft.	Unit Cost	Value
Emerg. Comm. Op. Center[1]	2290 Redondo Ave.	45,000	$ 22.50	$ 1,012,500	21,000	$ 456	$ 9,580,000
Fire Station 2	1645 E. 3rd St.	10,733	22.50	241,500	4,932	156	769,000
Fire Station 3	1222 Daisy Ave.	12,410	22.50	279,200	6,214	202	1,255,000
Fire Station 4	411 Loma Ave.	14,174	22.50	318,900	5,864	156	915,000
Fire Station 5	7575 E. Wardlow Rd.	56,000	22.50	1,260,000	4,221	164	692,000
Fire Station 6 (POLB)[2]	330 Windsor Way	-	22.50	-	2,160	117	253,000
Fire Station 7	2295 Elm Ave.	12,022	22.50	270,500	6,183	147	909,000
Fire Station 8	5365 E. 2nd St.	8,015	22.50	180,300	5,229	183	957,000
Fire Station 9	3917 Long Beach Blvd.	5,919	22.50	133,200	5,548	148	821,000
Fire Station 10 (+ Equip Bldg)	1417 Peterson Ave.	44,801	22.50	1,008,000	9,182	138	1,267,000
Fire Department Museum[3]	1445 Peterson Ave.	-	22.50	-	6,000	120	720,000
Storage Shed #1[3]	1465 Peterson Ave.	-	22.50	-	4,780	181	865,000
Fire Alarm Building[3]	1475 Peterson Ave.	-	22.50	-	4,770	151	720,000
Fire Station 11	160 E. Market St.	18,750	22.50	421,900	7,135	133	949,000
Fire Station 12	6509 Gundry Ave.	12,000	22.50	270,000	3,879	151	586,000
Fire Station 13	2475 Adriatic Ave.	10,402	22.50	234,000	6,214	202	1,255,000
Fire Station 14	5200 Elliot St.	29,000	22.50	652,500	7,481	160	1,197,000
Fire Boat Station 15 (POLB)[2]	Pier F Ave., Berth 202F	-	22.50	-	2,010	56	113,000
Fire Station 16	2890 E. Wardlow Ave.	33,000	22.50	742,500	8,932	221	1,974,000
Fire Station 17	2241 Argonne Ave.	16,000	22.50	360,000	6,214	202	1,255,000
Fire Station 18	3361 Palo Verde Ave.	16,000	22.50	360,000	2,251	187	421,000
Fire Station 19	3559 Clark Ave.	21,000	22.50	472,500	5,262	165	868,000
Fire Station Boat 20 (POLB)[2]	1980 Pier D St.	-	22.50	-	2,010	103	207,000
Fire Boat Station 21[4,5]	225 Marina Way	10,831	22.50	243,700	2,412	103	248,000
Fire Station 22	6340 Atherton St.	23,958	22.50	539,100	5,216	110	574,000
Fire Station 24 (POLB)[2]	611 Pier T Ave.	-	22.50	-	1,440	117	168,000
Department Training Center	2249 Argonne Ave.	197,000	22.50	4,432,500	7,856	111	872,000
Fire Training Drill Tower	2249 Argonne Ave.	-	22.50	-	3,200	464	1,485,000
Search and Rescue Facility[6]	2241 Argonne Ave.	-	22.50	-	5,280	95	502,000
Beach Operations	2100 E. Ocean Blvd.	4,000	22.50	90,000	2,000	-	-
Warehouse/Workshop[4,5]	6204 E. 2nd St.	39,093	22.50	879,600	8,706	72	627,000
Marine Safety Division	72 Place	2,600	22.50	58,500	1,200	220	264,000
Total		642,708		**$ 14,460,900**	174,781		**$ 33,288,000**

Note: All cost estimates based on RM insurance valuations updated 1/23/06 unless otherwise noted.
[1] Building value based on actual construction costs, less the remaining principal owed ($1,991,000) and does not include the cost of financing. Jointly owned by Police and Fire departments. Square footage assumed split 50/50. Includes Fire Station #1.
[2] Located on land owned by the Port of Long Beach.
[3] Same land parcel as 1417 Peterson.
[4] Located on land owned by the Long Beach Marina.
[5] Exact square footage of land parcel unknown. Value used is an estimate based on average floor area ratio of known fire facilities.
[6] Same land parcel as 2249 Argonne.

Sources: City of Long Beach; Long Beach Fire Department; MuniFinancial.

Because the fire fees are based on the existing facility standard, the value shown for the ECOC in Table 3.2 represents only the portion of the total ECOC value that has been paid off thus far. This ensures that the inventory accurately accounts for the present investment that has been made in fire protection facilities.

The Facilities Assessment Report prepared for the Department by 3D/International identified 11 stations that will need to be replaced in the coming years. Overall, the Fire Department's stock of facilities is quite dated, with a number of stations that are several decades old. While the replacement of existing facilities is not, on its own, a legitimate use of impact fee revenues, a portion of the project costs may be eligible for impact fee contributions if they expand or intensify the current facility service levels. For example, if a replacement station is built larger than the original to accommodate additional vehicles and/or staff to serve a growing service population, the portion of the project costs

devoted to the expansion can be funded with fee revenues. This type of expansion will likely be a significant use of fee revenues through 2025. Additionally, fee revenues can be used to fund new stations, along with any associated equipment and apparatus.

Table 3.3 details the current inventory of vehicles used for fire protection services. Where appropriate, vehicle and equipment values have been accounted for separately. For the remainder of the vehicles there either is no additional equipment, or it was not possible to separate the vehicle and equipment costs.

Table 3.3: Existing Inventory - Fire Apparatus

Description	Qty.	Vehicle Cost[1]	Equipment Cost	Replacement Cost
Vehicles				
Sedan CNG	1	$ 25,000	$ -	$ 25,000
Electric Cart	2	10,000	-	20,000
Fire Solids	15	29,000	-	435,000
Utility Vehicle - Large	7	68,000	-	476,000
Beach Pickup	4	26,000	-	104,000
Utility Vehicle - Compact	16	21,000	-	336,000
Step Van	2	22,000	-	44,000
Mini Van	9	27,000	-	243,000
Van 3/4 Ton	1	23,000	-	23,000
Van 1 Ton CNG	3	24,000	-	72,000
Mini Pickup	1	14,000	-	14,000
Pickup 1/2 Ton	5	24,000	-	120,000
Pickup 3/4 Ton	1	26,000	-	26,000
Pickup 3/4 Ton CNG	1	26,000	-	26,000
Pickup 1 Ton	1	28,000	-	28,000
3/4 Ton Service Truck	1	35,000	-	35,000
Flat-bed Diesel	1	68,000	-	68,000
Truck - Tractor	3	175,000	-	525,000
Forklift - Light	1	47,000	-	47,000
Forklift - Heavy	1	68,000	-	68,000
Paramedics	19	110,000	-	2,090,000
Aerial Ladder (Tiller and Platform Trucks)	9	700,000	145,000	7,605,000
Pumper	47	335,000	140,000	22,325,000
Airport Crash 1 Ton	1	100,000	-	100,000
Airport Crash Rescue Unit	4	900,000	-	3,600,000
Fire Rescue Boat	5	350,000	-	1,750,000
Rescue Boat	3	350,000	-	1,050,000
Trailer	7	15,000	-	105,000
Generator	6	18,000	-	108,000
Misc. Construction	1	15,000	-	15,000
Search and Rescue Unit	10	52,000	-	520,000
Total	188			**$ 42,003,000**

[1] The unit replacement cost is an average cost based on the most recent replacements in FY 2006 dollars.

Sources: City of Long Beach Fire Department; MuniFinancial.

Table 3.4 lists additional fire protection equipment owned by the Department and used in the ECOC. Where appropriate, an allocation factor is used to allocate value between the Fire and Police departments.

Table 3.4: Fire Equipment Inventory

Description	Replacement Cost[1]	Fire Dept. Share[2]	Fire Dept. Value
Joint ECOC Equipment			
System Monitor	$ 634,444	50%	$ 317,222
Nortel Option 11- PD Switch	1,132,797	0%	-
Nortel Option 11- FD Switch	1,132,797	100%	1,132,797
Equipment Room Cabinets	191,016	50%	95,508
Stratus Computer CAD	1,930,254	50%	965,127
Stratus Extension Cabinet CAD	1,031,378	50%	515,689
1 Lot of Keyboard Arbitrators (44 Units-31 PD, 13 FD)	110,252	30%	32,574
1 Lot of Watson Console Furn. (52 Units-37 PD, 15 FD)	835,030	29%	240,874
Building Cable	225,581	50%	112,791
1 Lot of Dispatcher Chairs (57 UNITS-37 PD, 20 FD)	43,775	35%	15,360
Audio Visual Equipment (LG Displays & Projectors)	1,708,706	50%	854,353
Communications Tower	242,634	50%	121,317
Logging Recorder	322,369	50%	161,184
Dispatch Radios	1,055,426	50%	527,713
ECOC Radio System	422,969	50%	211,484
Voting Comparator	159,884	50%	79,942
Plasmon G238 Series Optical Jukebox Library	79,557	50%	39,779
ECOC-Misc Equip/Computers & Furn.	3,956,225	50%	1,978,113
ECOC-Misc Equip/Computers & Furn.	195,086	50%	97,543
ECOC-Misc Equip/Computers & Furn.	56,037	50%	28,018
Nortel Option 11- Admin Switch	360,036	50%	180,018
LAN/WAN	316,804	50%	158,402
Master Time Base	177,158	50%	88,579
Fire Station Alerting	148,416	100%	148,416
Notification System	145,092	50%	72,546
Mapping - ECOC	591,119	50%	295,560
Subtotal, ECOC Equipment			8,470,900
Additional Fire Equipment			
Self-contained Breathing Apparatus/Air Tanks			$ 1,400,000
Zoll Monitors			312,000
Defibrillators			127,800
Subtotal, Additional Fire Equipment			1,839,800
Total Equipment Value			**$ 10,310,700**

[1] The unit replacement cost is an average cost based on the most recent replacements in FY 2006 dollars.

[2] Replacement costs for ECOC equipment assumed to be split evenly in value between Fire and Police Department unless specified otherwise.

Sources: City of Long Beach; MuniFinancial.

The existing per capita standard for fire facilities is detailed in **Table 3.5**. These values are calculated by dividing the total value of current facilities inventories by the current service population shown in Table 3.1.

Table 3.5: Fire Facilities Standards

	A	B	C = A/B	D	E = C x D
	Facilties	**Service Population**	**Cost per Resident**	**Worker Demand Factor**	**Cost per Worker**
Existing Inventory Facilities					
Land	$ 14,460,900				
Buildings	33,288,000				
Apparatus	42,003,000				
Equipment	10,310,700				
Total	$ 100,062,600	655,300	**$ 153**	0.85	**$ 130**

Sources: Tables 3.1-3.4; MuniFinancial.

Fee Schedule

Table 3.6 shows the fire protection facilities fee schedule. The cost per capita is converted to a fee per unit of new development based on dwelling unit and building space densities (persons per dwelling unit ("DU") for residential development and workers per 1,000 square feet ("KSF") of building space for non-residential development).

Table 3.6: Fire Facilities Fee Schedule

Land Use	A Per Capita Cost	B Occupancy[1]	C = A x B Base Fee	D = C x 0.02 Admin. Charge[2]	E = C + D Total Fee[3]
Residential (per dwelling unit)					
Single Family	$ 153	3.17	$ 486	$ 10	$ 496
Multi-family	153	2.43	371	7	378
Nonresidential (per 1,000 sq. ft.)					
Commercial	$ 130	2.01	$ 262	$ 5	$ 267
Office	130	2.45	319	6	325
Industrial	130	1.00	129	3	132

[1] Persons per dwelling unit or employees per 1,000 square feet.

[2] 2% Development Impact Fee Program administration costs including: A standard overhead charge for legal, accounting, and other departmental and citywide administrative support; Capital planning, programming, project management costs associated with the share of projects funded by the impact fee; and Impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, public hearings, and fee justification analyses.

[3] Fee per dwelling unit or per 1,000 square feet.

Sources: Tables 2.1 and 3.5; MuniFinancial.

4. Police Facilities

The purpose of the fee is to ensure that new development funds its fair share of police facilities. A fee schedule is presented based on the planned standard of police facilities in the City of Long Beach to ensure that new development provides adequate funding to meet its needs.

Service Population

Police facilities serve both residents and businesses. Therefore, demand for services and associated facilities are based on the City's service population including residents and workers.

Table 5.1 shows the estimated service population in 2005 and 2025. To calculate service population for police facilities, residents are weighted at 1.00. The use of a worker demand factor of 0.99 for workers in the City of Long Beach is based on a MuniFinancial analysis of calls for service, categorized by land use, in the City during the 2005 calendar year. MuniFinancial divided total calls to residential areas by the residential population to yield an annual calls-per-capita factor. Dividing total calls to nonresidential areas by total employment in the City yielded a comparable per-capita factor. The ratio of the worker per capita factor to the resident per capita factor is the worker demand factor shown in Table 4.1.

Table 4.1: Police Facilities Service Population

	A Residents	B Workers	C Worker Demand Factor[1]	D = A+(B*C) Service Population
Existing (2005)	491,600	192,600	0.99	682,300
New Development (2005-2025)	56,300	45,800	0.99	101,600
Total (2025)	547,900	238,400	0.99	783,900

[1] Based on MuniFinancial analysis of Long Beach Police Department call data by zoning type and priority for the 2005 calendar year.

Sources: Table 2.2; City of Long Beach Police Department; MuniFinancial.

Facility Inventories, Plans & Standards

This study uses the planned 2025 facilities standard to calculate fees for police facilities. Police services in the City of Long Beach are based out of the Emergency Communications and Operations Center (shared with the Fire Department), three

division substations, and a Public Safety Building. **Table 4.2** shows the existing building and land values for police facilities in Long Beach.

The unit value for land in Long Beach was provided by the City of Long Beach Property Bureau Manager. The unit costs for most buildings are based on a Risk Management insurance valuation completed on January 23, 2006 and provided by City staff. The unit value for the ECOC is based on actual costs.

The value shown for the ECOC in Table 4.2 represents only the portion of the total ECOC value that has been paid off thus far. This ensures that the inventory accurately accounts for the present investment that has been made in fire protection facilities. The full value of the facility is reflected in the 2025 facility standard shown later in this chapter.

Table 4.2: Existing Inventory - Police Facilities Land and Buildings

		Land			Buildings		
Facility	**Address**	**Sq. Ft.**	**Unit Cost**	**Value**	**Sq. Ft.**	**Unit Cost**	**Value**
Emerg. Comm. Op. Center[1]	2290 Redondo Ave.	45,000	$ 22.50	$ 1,012,500	21,000	$ 456	$ 9,580,000
Public Safety Building	400 W. Broadway	123,000	22.50	2,767,500	121,878	599	72,944,000
North Division	4891 Atlantic Blvd.	116,895	22.50	2,630,100	21,505	465	10,000,000
East Division[2]	4800 Los Coyotes	-	22.50	-	7,500	-	-
Firearms Training Facility	7380 E. Carson	386,000	22.50	8,685,000	1,548	164	254,000
West Division	1835 Santa Fe Ave.	108,838	22.50	2,448,900	24,084	212	5,103,000
Police Helo Facility[2]	3501 Lakewood Blvd.	-	22.50	-	24,068	-	-
Police Evidence Storage[2]	1400 Canal St.	-	22.50	-	17,400	-	-
Police Athletic League Bldg.[3]	1205 Freeman	17,900	22.50	402,800	3,780	153	578,000
Police Athletic League Bldg.[3,4]	1401 W. 9th St.	142,200	22.50	3,199,500	30,000	47	1,404,000
Police Athletic League Bldg.[2]	2311 South St.	-	22.50	-	25,640	-	-
Youth Services Facility[2]	1957 Pacific Ave.	-	22.50	-	11,073	-	-
3 Leased Warehouses[2]	1439 Cota Ave.	-	22.50	-	12,832	-	-
Total		939,833		**$ 21,146,300**	322,308		**$ 99,863,000**

Note: All cost estimates based on RM insurance valuations updated 1/23/06 unless otherwise noted.

[1] Building value based on actual construction costs, less the remaining principal owed ($1,991,000) and does not include the cost of financing. Jointly owned by Police and Fire departments. Square footage assumed split 50/50.

[2] Facility is leased, not owned, by the Department.

[3] Exact square footage of land parcel unknown. Value used is an estimated based on average floor area ratio of known police facilities.

[4] Located on land owned by the Port of Long Beach. Police department has a revocable permit to use the land at no charge and assumes all liability.

Sources: City of Long Beach Police Department; MuniFinancial.

Because the facility standard is based only on the facilities that are owned by the City of Long Beach, leased facilities are listed in Table 4.2 but not valued. The sole exception to this rule is a Police Athletic League facility located on land owned by the Port of Long Beach. Because the Department has an agreement to use the land for an indefinite time period, pays all property taxes for the parcel, and provides all necessary maintenance, this parcel is assumed to be essentially "owned" by the Police Department for the purposes of this study.

Table 4.3 details the current inventory of vehicles used for police services. Because the Department has outstanding debt on two helicopters, their value has been discounted accordingly.

Table 4.3: Existing Inventory - Police Apparatus

Description	Qty.	Vehicle Replacement Cost[1, 2]	Total Replacement Cost
Motorcycle	50	$ 15,600	$ 780,000
All Terrain Vehicle	8	4,000	32,000
3 Wheel Truckster	13	21,000	273,000
Sedan	5	25,000	125,000
Sedan CNG	1	25,000	25,000
Police Solids	148	29,000	4,292,000
Park-Marine Patrol Solids	4	32,000	128,000
Police Black & Whites Dual Fuel	12	32,000	384,000
Police Black & Whites	176	32,000	5,632,000
Police Black & Whites K9	9	36,000	324,000
Utility Vehicle - Large	3	68,000	204,000
Police Utility Vehicle - Large Police	11	46,000	506,000
Police Utility Vehicle - Ex-Large Police	2	46,000	92,000
Utility Vehicle - Compact	7	21,000	147,000
Step Van	3	22,000	66,000
Mini Van	11	27,000	297,000
Van 1/2 Ton	1	22,000	22,000
Van 3/4 Ton	2	23,000	46,000
Van 3/4 Ton CNG	1	23,000	23,000
Van 1 Ton	5	24,000	120,000
Van 1 Ton CNG	7	24,000	168,000
Pickup 1/2 Ton	3	24,000	72,000
Pickup 1 Ton Crew-cab	2	30,000	60,000
3/4 Ton Service Truck	1	35,000	35,000
Forklift - light	3	47,000	141,000
Paramedics PD	1	65,000	65,000
Patrol Boat	2	158,800	317,600
Trailer	12	15,000	180,000
Generator	5	18,000	90,000
EC-130B4 Helicopter[3]	2	1,800,000	2,136,700
L-Car	144	21,000	3,024,000
Total	654		**$ 19,807,300**

[1] The unit replacement cost is an average cost based on the most recent replacements in FY 2006 dollars.
[2] Vehicle costs include installed equipment.
[3] Total value has been reduced by the remaining principal ($1,463,000) owed on the helicopters.

Sources: City of Long Beach Police Department; MuniFinancial.

Table 4.4 lists capital equipment owned by the Police Department. This includes communications equipment associated with the ECOC.

Table 4.4: Police Department Equipment Inventory

Description	Replacement Cost[1]	Police Dept. Share[2]	Police Dept. Value
Joint ECOC Equipment			
System Monitor	$ 634,444	50%	$ 317,222
Nortel Option 11- PD Switch	1,132,797	100%	1,132,797
Nortel Option 11- FD Switch	1,132,797	0%	-
Equipment Room Cabinets	191,016	50%	95,508
Stratus Computer CAD	1,930,254	50%	965,127
Stratus Extension Cabinet CAD	1,031,378	50%	515,689
1 Lot of Keyboard Arbitrators (44 Units-31 PD, 13 FD)	110,252	70%	77,678
1 Lot of Watson Console Furn. (52 Units-37 PD, 15 FD)	835,030	71%	594,156
Building Cable	225,581	50%	112,791
1 Lot of Dispatcher Chairs (57 UNITS-37 PD, 20 FD)	43,775	65%	28,415
Audio Visual Equipment (LG Displays & Projectors)	1,708,706	50%	854,353
Communications Tower	242,634	50%	121,317
Logging Recorder	322,369	50%	161,184
Dispatch Radios	1,055,426	50%	527,713
ECOC Radio System	422,969	50%	211,484
Voting Comparator	159,884	50%	79,942
Plasmon G238 Series Optical Jukebox Library	79,557	50%	39,779
ECOC-Misc Equip/Computers & Furniture	3,956,225	50%	1,978,113
ECOC-Misc Equip/Computers & Furniture	195,086	50%	97,543
ECOC-Misc Equip/Computers & Furniture	56,037	50%	28,018
Nortel Option 11- Admin Switch	360,036	50%	180,018
LAN/WAN	316,804	50%	158,402
Master Time Base	177,157.89	50%	88,579
Fire Station Alerting	148,415.89	0%	-
Notification System	145,092	50%	72,546
Mapping - ECOC	591,119	50%	295,560
Subtotal, ECOC Equipment			$ 8,733,900
Additional Police Equipment			
Communication Console 911 Comm Ctr			$ 11,206
Recorder, Magnasync 40 CH			19,700
Reproducer, Magnasync Portable 40 CH			5,897
Holga Smart Space Decking, Overhead Anti-Tip Device			6,085
Crimescope 400			10,746
Crimescope 400			10,746
Computer Processor XA/R 911Communication Ctr			25,416
Proxima 9250 XGA Projector			7,031
Employee Risk Management System Software			62,083
Police Crime Lab Information Management System			42,000
RMS/CMS Software (fed grant funded)[3]			-
RMS/CMS Software W/TSR 36217 Web-browser Enhancement			76,935
Mobile Command Trailer 30 FT, Model #26			23,482
225 Horsepower Outboard Engine (4 x $18,541 each)			74,164
Boat Trailer			6,766
Police Channel Equipment (Video)			21,210
Subtotal, Additional Police Equipment			$ 403,500
Total Equipment Value			**$ 9,137,400**

[1] The unit replacement cost is an average cost based on the most recent replacements in FY 2006
[2] Replacement costs for ECOC equipment assumed to be split evenly in value between Fire and Police Department unless specified
[3] Funded by a federal grant.

Sources: City of Long Beach; MuniFinancial.

Two planned police facilities are shown in **Table 4.5**. Though the new East Division and Fifth District Patrol buildings will be replacing existing facilities, they are treated as essentially new in this report because they will be replacing facilities that are currently leased. Both new facilities are expected to be fully owned by the Department. Size and cost assumptions have been modeled after the recently completed North Division building.

Table 4.5: Planned Inventory - Police Facilities Land and Buildings

	Land			Buildings		
Facility	Sq. Ft.	Unit Cost	Value	Sq. Ft.	Unit Cost	Value
New East Division Facility	116,895	22.50	2,630,100	21,505	465	10,000,000
Fifth District Patrol Facility	116,895	22.50	2,630,100	21,505	465	10,000,000
Total, Planned Facilities	233,790		**$ 5,260,200**	43,010		**$ 20,000,000**

Note: Both planned facilities will be modeled after the recently constructed North Division facility.

Sources: City of Long Beach Police Department; MuniFinancial.

Table 4.6 shows the existing and planned facility standards for police facilities in the City of Long Beach. Because the ECOC and the Department's two helicopters will be fully paid off by 2025, the full value of these facilities is reflected in the 2025 standard. The amount that has been paid thus far is reflected in the existing inventory and the remaining debt service is presented as planned projects.

Table 4.6: Police Facilities Standards

	A	B	C = A/B	D	E = C x D
	Facilties	Service Population	Cost per Resident	Worker Demand Factor	Cost per Worker
Planned Facilities					
Land	$ 5,260,200				
Buildings	20,000,000				
Debt Service for ECOC	2,150,200				
Debt Service for Helicopters	1,540,900				
Subtotal, Planned Facilities	$ 28,951,300				
Existing Inventory Facilities					
Land	$ 21,146,300				
Buildings	99,863,000				
Vehicles	19,807,300				
Equipment	9,137,400				
Subtotal, Existing (2005) Facilities	$ 140,816,600	682,300	$ 206	0.99	$ 204
Total 2025 Facility Inventory	$ 169,767,900	783,900	**$ 217**	0.99	**$ 215**

Sources: Tables 4.1-4.5; MuniFinancial.

As shown in Table 4.6, the per capita value of police facilities is projected to increase by 2025.New development, therefore, cannot be held responsible for the entirety of the costs of planned facilities. In addition to providing the necessary capacity to serve new development, the new police facilities will provide a higher level of service to existing residents and workers. **Table 4.7** details the portion of planned facility costs that must be funded through non-fee revenue sources.

Table 4.7: Allocation of Planned Police Facility Costs To New Development

	Total
2025 Facilities Value per Capita	$ 215
Service Population Growth (2005-2025)	101,600
New Development Contribution to Planned Facilities	$ 21,844,000
Total Cost of Planned Facilities	28,951,300
Non-Fee Revenues to be Identified	$ 7,107,300

Sources: Tables 4.1 and 4.6; MuniFinancial.

Fee Schedule

Table 4.6 shows the police facilities fee schedule. The cost per capita is converted to a fee per unit of new development based on dwelling unit and building space densities (persons per dwelling unit ("DU") for residential development and workers per 1,000 square feet ("KSF") of building space for non-residential development).

Table 4.8: Police Facilities Fee

Land Use	A Per Capita Cost	B Occupancy[1]	C = A x B Base Fee	D = C x 0.02 Admin. Charge[2]	E = C + D Total Fee[3]
Residential (per dwelling unit)					
Single Family	$ 217	3.17	$ 689	$ 14	$ 703
Multi-family	217	2.43	526	11	537
Nonresidential (per 1,000 sq. ft.)					
Commercial	$ 215	2.01	$ 433	$ 9	$ 442
Office	215	2.45	527	11	538
Industrial	215	1.00	214	4	218

[1] Persons per dwelling unit or employees per 1,000 square feet.

[2] 2% Development Impact Fee Program administration costs including: A standard overhead charge for legal, accounting, and other departmental and citywide administrative support; Capital planning, programming, project management costs associated with the share of projects funded by the impact fee; and Impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, public hearings, and fee justification analyses.

[3] Fee per dwelling unit or per 1,000 square feet.

Sources: Tables 1.1 and 4.6; MuniFinancial.

5. Implementation

The City should implement the following in establishing a public facilities fee program:

Impact Fee Program Adoption Process

Impact fee program adoption procedures are found in the *California Government Code* section 66016. Adoption of an impact fee program requires the City Council to follow certain procedures including holding a public meeting. Fourteen day mailed public notice is required for those registering for such notification. Data, such as an impact fee report, must be made available at least 10 days prior to the public meeting. Legal counsel can inform the City of any other procedural requirements and provide advice regarding adoption of an enabling ordinance and/or a resolution. After adoption there is a mandatory 60-day waiting period before the fees go into effect. This procedure must also be followed for fee increases.

Identify Non-Fee Revenue Sources

The use of the system plan method for calculating facility standards can identify revenue deficiencies attributable to the existing service population. As fees are only imposed under the Act to fund new development's fair portion of facilities, the City should consider how deficiencies might be supplemented through the use of alternative funding sources. This applies to police facilities for the City of Long Beach because these fees were calculated using the system plan standard. Potential sources of revenue include existing or new general fund revenues or the use of existing or new taxes. Any new tax would require two-thirds voter approval, while new assessments or property-related charges would require majority property-owner approval.

Inflation Adjustment

Appropriate inflation indexes should be identified in a fee ordinance including an automatic adjustment to the fee annually. Separate indexes for land and construction costs should be used. Calculating the land cost index may require the periodic use of a property appraiser. The construction cost index can be based on the City's recent capital project experience or can be taken from any reputable source, such as the *Engineering News-Record.* To calculate prospective fee increases, each index should be weighed against its share of total planned facility costs represented by land or construction, as appropriate. Each update requires adoption by the City Council.

Reporting Requirements

The City should comply with the annual and five-year reporting requirements of the Act (*California Government Code* 66001 (d) (1) through (4)). For facilities to be funded by a

combination of public fees and other revenues, identification of the source and amount of these non-fee revenues is essential. Identification of the timing of receipt of other revenues to fund the facilities is also important.

Fee Accounting

The City should deposit fee revenues into separate restricted fee accounts for each of the fee categories identified in this report. Fees collected for a given facility category should only be expended on new facilities of that same category.

Programming Revenues and Projects with the CIP

The City should consider adopting a Capital Improvements Program (CIP) to adequately plan for future infrastructure needs. The CIP should also identify fee revenue with specific projects. The use of the CIP in this manner documents a reasonable relationship between new development and the use of those revenues. Fee revenues can legitimately be used to fund master planning to further identify needed facilities.

With or without a CIP, the City may decide to alter the scope of the planned projects or to substitute new projects as long as those new projects continue to represent an expansion of the City's facilities. If the total cost of facilities varies from the total cost used as a basis for the fees, the City should consider revising the fees accordingly.

For the five-year planning period of the fee program, the City should consider allocating existing fund balances and projected fee revenue to specific projects. The City can hold funds in a project account for longer than five years if necessary to collect sufficient monies to complete a project.

6. Mitigation Fee Act Findings

Fees are assessed and typically paid when a building permit is issued and imposed on new development projects by local agencies responsible for regulating land use (cities and counties). To guide the imposition of facilities fees, the California State Legislature adopted the Mitigation Fee Act with Assembly Bill 1600 in 1987 and subsequent amendments. This chapter does not apply to the parkland dedication fees, which are imposed under the Quimby Act. The Mitigation Fee Act, contained in *California Government Code* §§66000 – 66025, establishes requirements on local agencies for the imposition and administration of fees. The Act requires local agencies to document five statutory findings when adopting fees.

The five findings in the Act required for adoption of the maximum justified fees documented in this report are: 1) Purpose of fee, 2) Use of fee Revenues, 3) Benefit Relationship, 4) Burden Relationship, and 5) Proportionality. They are each discussed below and are supported throughout the rest of this report.

Purpose of Fee

- *Identify the purpose of the fee (§66001(a)(1) of the Act).*

We understand that it is the policy of the City that new development will not burden the existing service population with the cost of facilities required to accommodate growth. The purpose of the fees proposed by this report is to implement this policy by providing a funding source from new development for public safety capital improvements to serve that development. The fees advance a legitimate City interest by enabling the City to provide municipal services to new development.

Use of Fee Revenues

- *Identify the use to which the fees will be put. If the use is financing facilities, the facilities shall be identified. That identification may, but need not, be made by reference to a capital improvement plan as specified in §65403 or §66002, may be made in applicable general or specific plan requirements, or may be made in other public documents that identify the facilities for which the fees are charged (§66001(a)(2) of the Act).*

Fees proposed in this report, if enacted by the City, would be available to fund expanded public safety facilities to serve new development. Facilities funded by these fees are designated to be located within the City. Fees addressed in this report have been identified by the City to be restricted to funding fire protection facilities and police facilities.

Benefit Relationship

- *Determine the reasonable relationship between the fees' use and the type of development project on which the fees are imposed (§66001(a)(3) of the Act).*

We expect that the City will restrict fee revenue to the acquisition of land, construction of facilities and buildings, and purchase of related equipment, furnishings, vehicles, and services used to serve new development. Facilities funded by the fees are expected to provide a citywide network of facilities accessible to the additional residents and workers associated with new development. The fees calculated in this report will fund only the expansion of fire protection and police facilities similar to those currently owned by the City and listed in Chapters 3 and 4. Under the Act, fees are not intended to fund planned facilities needed to correct existing deficiencies. Thus, a reasonable relationship can be shown between the use of fee revenue and the new development residential and nonresidential use classifications that will pay the fees.

Burden Relationship

- *Determine the reasonable relationship between the need for the public facilities and the types of development on which the fees are imposed (§66001(a)(4) of the Act).*

Facilities need is based on a facility standard that represents the demand generated by new development for those facilities. The service populations are established based upon the number of residents and workers, which correlates to the demand for public safety facilities.

For both fire protection and police facilities, demand is measured by a single facility standard that can be applied across land use types to ensure a reasonable relationship to the type of development. Service population standards are calculated based upon the number of residents associated with residential development and the number of workers associated with non-residential development. To calculate a single, per capita standard, one worker is weighted less than one resident based on an analysis of the relative use demand between residential and nonresidential development.

Chapter 2, Demographic Assumptions provides a description of how service population and growth projections are calculated. Facility standards are described in the *Facility Inventories, Plans & Standards* sections of in each facility category chapter.

Proportionality

- *Determine how there is a reasonable relationship between the fees amount and the cost of the facilities or portion of the facilities attributable to the development on which the fee is imposed (§66001(b) of the Act).*

The reasonable relationship between each facilities fee for a specific new development project and the cost of the facilities attributable to that project is based on the estimated

new development growth the project will accommodate. Fees for a specific project are based on the project's size or increases in service population. Larger new development projects can result in a higher service population resulting in higher fee revenue than smaller projects in the same land use classification. Thus, the fees can ensure a reasonable relationship between a specific new development project and the cost of the facilities attributable to that project.

See *Chapter 2, Demographic Assumptions,* or the *Service Population* section in each facility category chapter for a description of how service population is determined for different types of land uses. See the *Fee Schedule* section of each facility category chapter for a presentation of the proposed facilities fees.