FIRE IMPACT FEE PROGRAM
Ordinance No. 791

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OCTOBER 30, 2017

Impact Fee Authority

- Shoreline Fire Department is not authorized to directly impose an impact fee to address impacts on fire protection facilities
- RCW 82.02 authorizes only cities and counties planning under the Growth Management Act to impose impact fees on new growth and development
- Since adequate fire protection facilities are within the public interest, the City of Shoreline can serve as a conduit for securing impact fees

Process for Implementing Fire Impact Fee Program

- Step 1: Incorporation of Shoreline Fire Department's Capital Facilities and Equipment Plan within the City's Comprehensive Plan – Ordinance No. 802

- **Step 2: Adoption of regulations to administer the impact fee program – Ordinance No. 791**

- Step 3: Execution of an Interlocal Agreement between the Shoreline Fire Department and the City

Fire Impact Fee Overview

- What is the impact mitigation fee?
- What is the basis for the fee?
- What are the capital needs?
- How is the fee calculated?

What is the Impact Fee?

- The underlying premise of this program is that as the community continues to grow, additional resources will be required to adequately meet the growing demand for services.
- It is assumed that a direct relationship exists between population and demand for services which directly links to a need for resources. To determine future resource needs, this program utilizes 20 year growth predictions in six year increments.

What is the Impact Fee?

- Authorized under RCW 82.02 and the Growth Management Act (GMA), RCW 36.70A, with a capital facilities plan per RCW 36.70A.070(3):

"A capital facilities plan element consisting of:

(a) An inventory of existing capital facilities owned by public entities, showing the locations and capacities of the capital facilities;

(b) a forecast of the future needs for such capital facilities;

(c) the proposed locations and capacities of expanded or new capital facilities;

(d) at least a six-year plan that will finance such capital facilities within projected funding capacities and clearly identifies sources of public money for such purposes; and

(e) a requirement to reassess the land use element if probable funding falls short of meeting existing needs and to ensure that the land use element, capital facilities plan element, and financing plan within the capital facilities plan element are coordinated and consistent."

What is the Impact Fee?

- Requires developers to pay a fee for new structures being built
- Can only be used for capital costs
- Used to cover financial shortfalls in capital projects
- Fees are decreased or eliminated as performance improves
- Mitigation Plan is serving as Fire Department's SEPA and GMA policy

What is the basis for the fee?

- The fee is used for future capital purchases to mitigate the negative impact that development has on fire department performance
- Two types of incidents are identified as critical responses where time is of the utmost importance:
  - Cardiac Arrest
  - Structure Fire
- Performance measures

What is the basis for the fee?

- Level of Service Performance Measures and Definitions:
  - **Response:** Response refers to the movement of firefighters and fire apparatus to the scene of an emergency request for fire or emergency medical services. The request for response is generally issued through North East King County Regional Public Safety Communication Agency (NORCOM), the 9-1-1 answering point for SFD.
  - **Reliability:** Refers to the use of fire resource capacity. For a resource to be reliable, it must be available to answer emergency calls as least as often as the service expectation placed upon that resource. For instance, if a fire resource is expected to deliver service at the adopted standard 90% of the time, then that resource should be available to respond to an emergency incident from its assigned fire station at least 90% of the time. Reliability levels below the adopted performance expectation indicate resource exhaustion.

What is the basis for the fee?

- Level of Service Performance Measures and Definitions:
  - **Effective Response Force:** Refers to the number of resources and personnel needed to effectively provide fire or emergency medical services. The number of resources making up an effective response force varies by type of emergency.
  - **Standard of Cover:** Refers to the in-depth process developed by the Center for Public Safety Excellence in their accreditation process for the strategic planning of fire station and fire resource deployment. Standard of Cover is the "**Standard**" to which the fire department will deliver service based upon community descriptions and the risks within those community types.

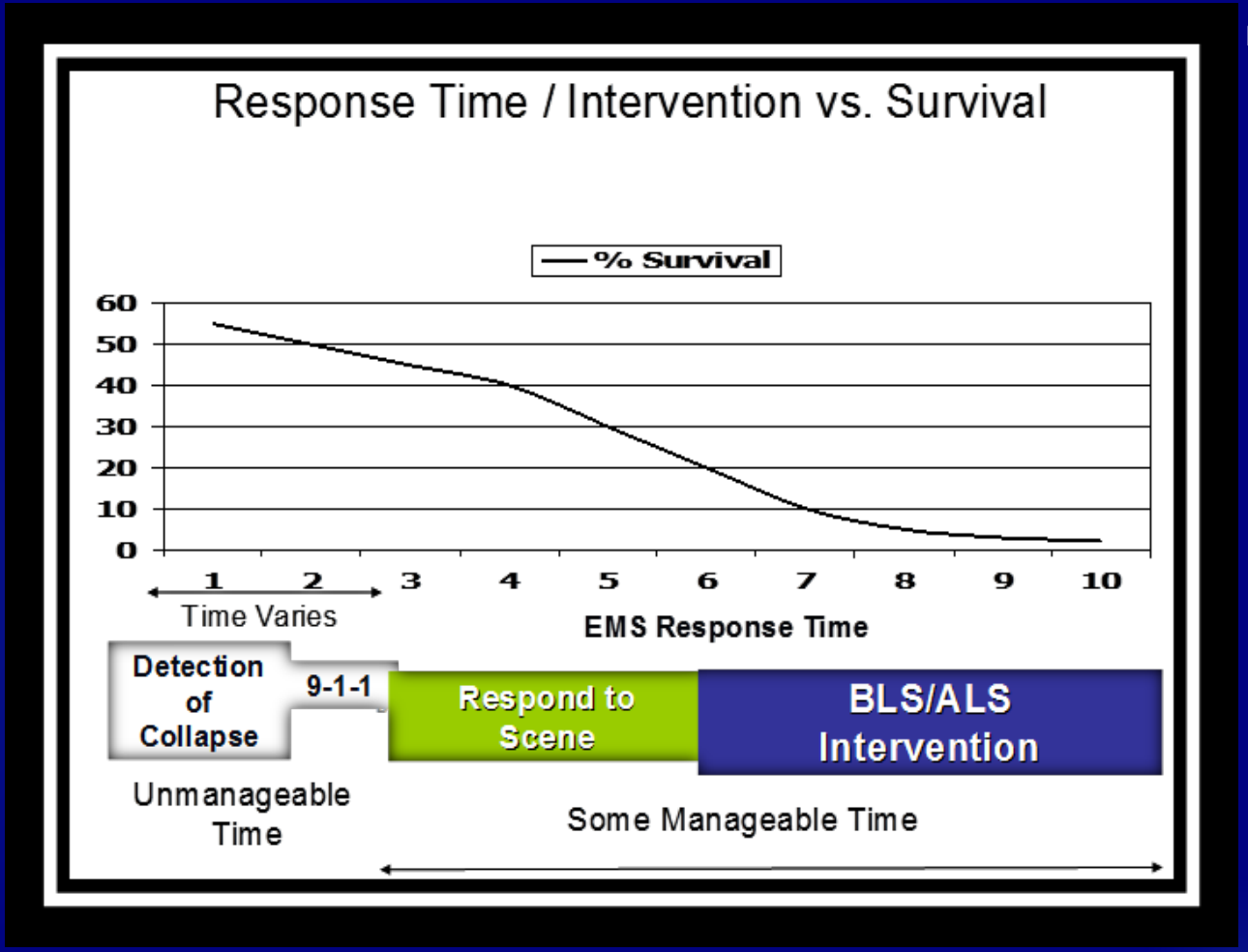
FIRE SHORELINE DEPT.

CITY OF SHORELINE

What is the basis for the fee?

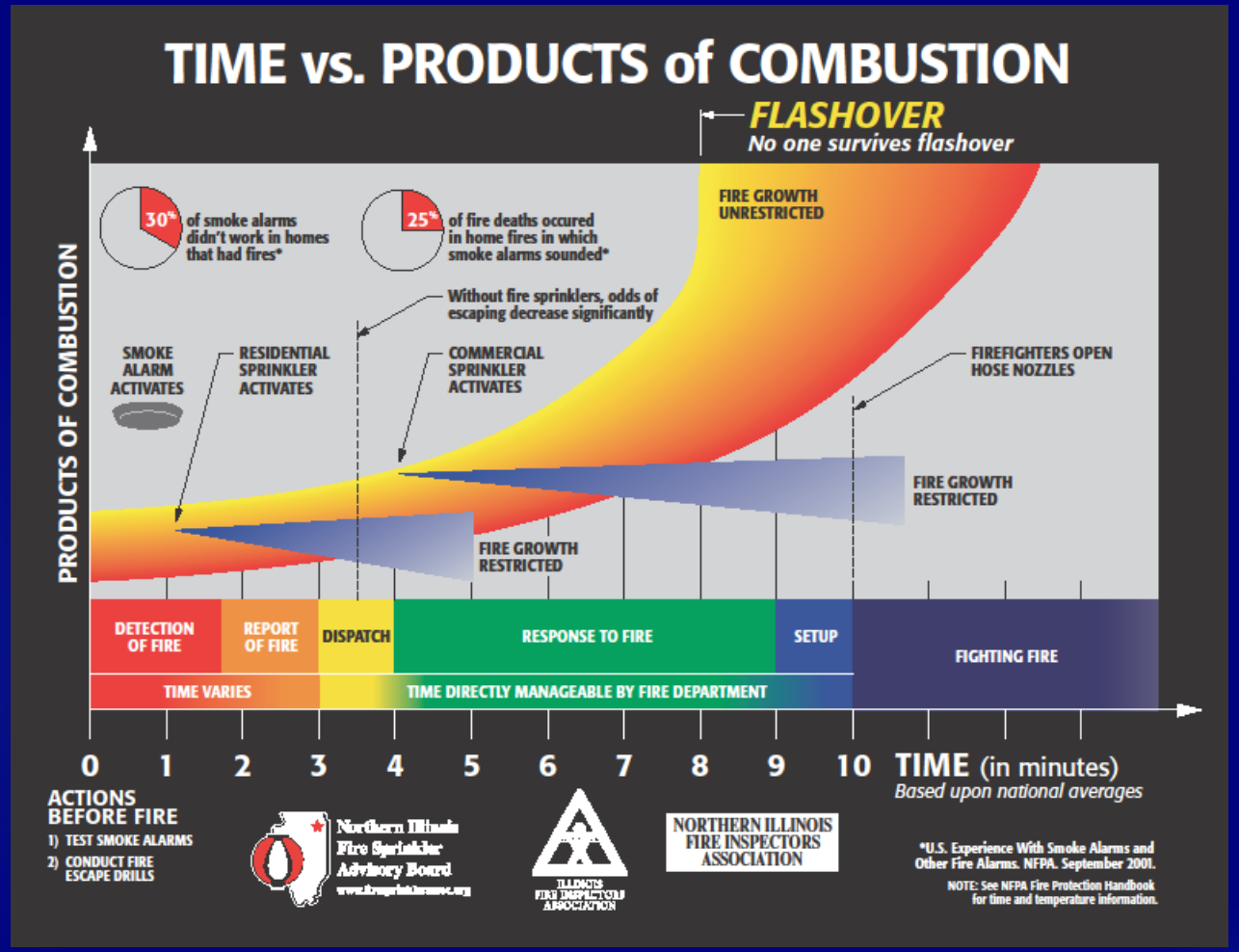
- Cardiac arrest: response time and resources

LOSC Page 13



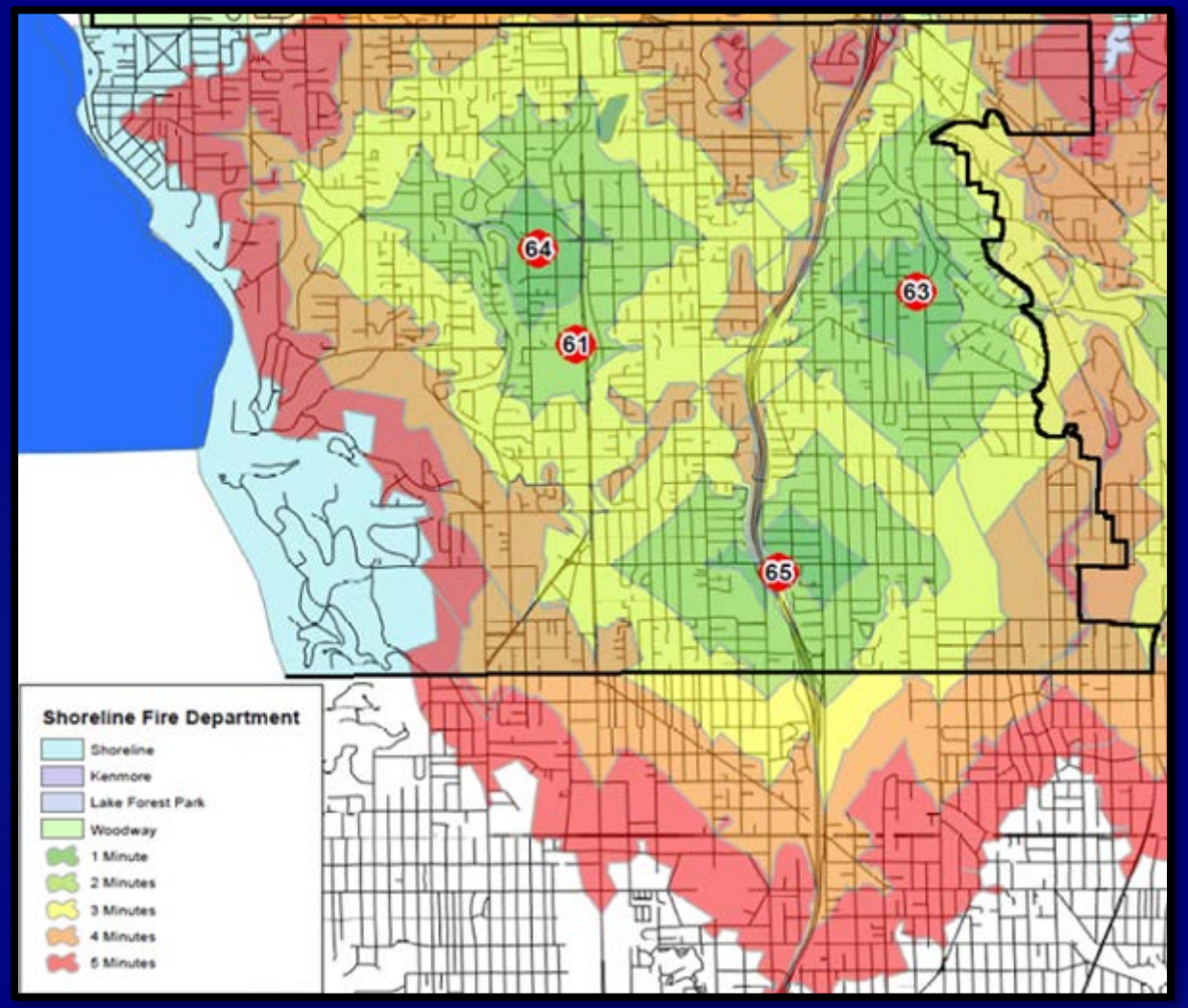
What is the basis for the fee?

- Structure fire/flashover: response time and resources



What is the basis for the fee?

Response Times



What is the basis for the fee?

Staff Dedicated Apparatus (2014)				
Unit	Incidents	Time on Task	Reliability	Condition
A64	2877	111,076.67	78.87%	Red
E64	1561	32,500.68	93.82%	Yellow
A65	1598	58,482.83	88.87%	Red
E65/L61	1716	34,787.75	93.38%	Yellow
E63/A63	2218	59,875.85	88.61%	Red
If Unit is under 90% reliability then considered Red, between 90 and 95% then Yellow, if greater than 95% then Green.				

Staff Dedicated Apparatus (2015)				
Unit	Incidents	Time on Task	Reliability	Condition
A64	2958	118,428.42	77.47%	Red
E64	1655	35,369.02	93.27%	Yellow
A65	1476	56,860.62	89.18%	Red
E65/L61	1856	35,871.70	93.18%	Yellow
E63/A63	2002	58,125.20	88.94%	Red

Staff Dedicated Apparatus (2016)				
Unit	Incidents	Time on Task	Reliability	Condition
A64	3048	118,791.75	77.40%	Red
E64	1748	36,930.43	92.97%	Yellow
A65	1765	64,282.97	87.77%	Red
E65/L61	1057	33,482.12	93.63%	Yellow
E63/A63	1279	52,932.80	89.93%	Red

CIP Page 21-22

What is the basis for the fee?

Drive Times

Staff Dedicated Apparatus				
		2014	2015	2016
Unit	Urban	Drive Time	Drive Time	Drive Time
A64	4:00	3:50	4:06	4:01
E64	4:00	3:58	4:21	4:15
A65	4:00	4:11	4:16	4:11
E65/L61	4:00	4:21	4:22	4:35
E63/A63	4:00	3:59	4:03	4:24

Station				
		2014	2015	2016
Station	Urban	Drive Time	Drive Time	Drive Time
63	4:00	3:59	4:03	4:24
64	4:00	3:53	4:11	4:05
65	4:00	4:16	4:19	4:21

What are the capital needs?

Six (6) Year Capital Needs							
All Costs in thousands based on 2017 dollars							
	2018	2019	2020	2021	2022	2023	6 Year Total
Station Construction	$8,145	$5,430	$0	$0	$0	$0	$13,575
Asset Preservation & Fixtures	$315	$170	$10	$60	$76	$27	$658
Equipment	$746	$47	$108	$5	$48	$80	$1,034
Apparatus	$0	$1,359	$0	$38	$225	$0	$1,622
Total	$9,206	$7,006	$118	$103	$349	$107	$16,889

Table 16 - CIP Page 33

What are the capital needs?

Six (6) Year Capital Needs From New Development							
All Costs in thousands based on 2017 dollars							
	2018	2019	2020	2021	2022	2023	6 Year Total
Station Construction	$4,614	$3,093	$52	$52	$52	$52	**$7,915**
Asset Preservation & Fixtures	$14	$1	$1	$1	$1	$6	**$24**
Equipment	$246	$16	$36	$2	$16	$26	**$342**
Apparatus	$0	$231	$0	$38	$68	$0	**$337**
Total	$4,874	$3,341	$89	$93	$137	$84	**$8,618**

Table 18 CIP Page 35

What are the capital needs?

20 Year Cost/Funding Sources for Capital Needs									
Costs in thousands based on 2017 dollars									
Cost/Funding Source	2018	2019	2020	2021	2022	2023	6 Year Total	2024 +	20 Year Total
Expense Sources									
Station Construction & Land Purchase	$8,145	$5,430	$0	$0	$0	$0	$13,575	$8,589	$22,164
Asset Preservation & Fixtures	$315	$170	$10	$60	$76	$27	$658	$2,001	$2,659
Equipment	$746	$47	$108	$5	$48	$80	$1,034	$2,096	$3,130
Apparatus	$0	$1,359	$0	$38	$225	$0	$1,622	$7,755	$9,377
Debt Interest	$97	$97	$97	$97	$97	$97	$582	$3,305	$3,887
Revenue Sources									
SFD-Annual Operational Revenue to Capital	$1,870	$500	$0	$0	$50	$0	$2,420	$1,350	$3,770
SFD-Taxpayer Bond Funds	$7,233	$6,303	$0	$0	$0	$0	$13,536	$10,411	$23,947
SFD-Sale of Surplus Property	$0	$0	$0	$0	$0	$0	$0	$1,000	$1,000
Developer-Impact/LOS Fees (residential)	$100	$150	$115	$100	$200	$104	$769	$6,400	$7,169
Developer-Impact/LOS Fees (commercial)	$100	$150	$100	$100	$196	$100	$746	$6,400	$7,146
Summary of Revenues less Expenses									
Expense	$9,303	$7,103	$215	$200	$446	$204	$17,471	$23,746	$41,217
Revenue	$9,303	$7,103	$215	$200	$446	$204	$17,471	$25,561	$43,032
Balance	$0	$0	$0	$0	$0	$0	$0	$1,815	$1,815
Ending Taxpayer Bond Fund Balance									
Taxpayer Bond fund balance	$6,303	$0	$0	$0	$0	$0	$0	$0	$0

Table 19 CIP Page 36

How is the fee calculated?

- Financing Plan:
  - Previous table includes four revenue sources:
    - Annual general funds
    - Capital bonds
    - Sale of surplus property
    - Impact/level of service fees
  - Annual operating funds and bonds will cover approximately 65% of the 20 year capital needs, with impact and level of service fees estimated to provide about 35 percent of the funding required.

How is the fee calculated?

20 Year Capital Needs From New Development																				
Costs in thousands based on 2017 dollars																				
Expense	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**	**2035**	**2036**	**2037**	**Total**
Station Constr	$4,614	$3,093	$52	$52	$52	$52	$52	$52	$52	$52	$5,153	$2,577	$859	$0	$0	$0	$0	$0	$0	$0	$16,715
Preserv & Fixtures	$14	$1	$1	$1	$1	$6	$1	$4	$3	$1	$6	$0	$0	$1	$0	$8	$0	$0	$0	$0	$48
Equip	$246	$16	$36	$2	$16	$26	$13	$15	$142	$2	$22	$42	$37	$3	$0	$284	$24	$15	$69	$0	$1,011
Apparatus	$0	$231	$0	$38	$68	$0	$135	$30	$255	$0	$7	$304	$0	$777	$1,335	$20	$7	$0	$356	$16	$3,579
Annual Total	$4,874	$3,341	$89	$93	$137	$85	$202	$102	$453	$55	$5,188	$2,923	$896	$782	$1,335	$312	$31	$15	$425	$16	$21,354

Notes on Adjustments to 20 Year Capital Needs	
Station Construction	56% of new station 63 (increase in size over staffed station 63) including LTGO interest, and 100% of new station 62 (currenntly not staffed or functional station).
Preserv & Fixtures	36% of fixtures specific to expansion of facilities and staffing requirements such as Training AV, physical fitness equipment, and some appliances.
Equipment	33% of equipment needs due to resource expansion and staffing requirements.
Apparatus	A 30% decrease of life cycle for EMS vehicles, 17% decreased life cycle for suppression vehicles. Addition of staff car, aid car, fire engine, and ladder truck.

Table 17 – CIP Page 34

Of the approx. **$41.2 million** in system-wide C&E costs,
approx. **$21.4 million is attributable to new growth and development**

How is the fee calculated?

Land Use Type	System-Wide C&E	New Dev C&E	Res/Com Share	Res/Com Split	Projected Development 2018 - 2037	Cost Per Unit	Measure of Impact by Development	Adjustment	Impact & LOS Contribution Fee Amount
Residential									
Residential 1 (Low Risk)	$41,217,424	$21,354,000	64%	$13,666,560	5,000 units	$2,733.31	100%	20%	$2,187 per dwelling unit
Residential 2 (High Risk)	$41,217,424	$21,354,000	64%	$13,666,560	5,000 units	$2,733.31	87%	20%	$1,895 per dwelling unit
Commercial									
Commercial 1 (Low Risk)	$41,217,424	$21,354,000	36%	$7,687,440	1,500,000 sq ft	$5.12	66%	20%	$2.69 per sq ft
Commercial 2 (Medium Risk)	$41,217,424	$21,354,000	36%	$7,687,440	1,500,000 sq ft	$5.12	42%	20%	$1.73 per sq ft
Commercial 3 (High Risk)	$41,217,424	$21,354,000	36%	$7,687,440	1,500,000 sq ft	$5.12	132%	20%	$5.42 per sq ft

- **Land Use Type:** Defines the land use types and structure uses upon which Impact and Level of Service Fees are assessed.
- **System-Wide C&E:** The construction and equipment costs for the 20 year time span of SFD's Capital Improvement Plan
- **New Dev C&E:** The construction and equipment costs for the 20 year time span of SFD's Capital Improvement Plan specific to the impacts of new development.
- **Res/Com Share:** Percentage of annual emergency responses by property type; Residential = 64%, Commercial = 36%
- **Res/Com Split:** The corresponding amount of the New Development Construction and Equipment to the Residential/Commercial share.
- **Projected Development:** Defines the number of new units or square feet projected to be constructed within the SFD service area between 2018 and 2037.
- **Cost Per Unit:** Is the cost per dwelling unit or square footage associated with residential or commercial land use.
- **Measure of Impact By Development:** Index to compare emergency response shares, usage factor, and effective response force requirements for each type of development, using Residential 1 as the reference point. This variable accounts for the proportionate impact each type of development has on the system.
- **Adjustment:** Adjustment to account for the fact that you cannot rely solely on impact fees for the cost of development
- **Impact and LOS Contribution Fee Amount:** This amount represents the maximum fee to be paid by new development for each specific property type. This fee might be reduced if existing fire service capacity is adequate to serve the new development.

How is the fee calculated?

Land Use Category/Description	ERF
Residential 1	**1.0**
Single family house (includes townhouse and duplex)	
Mobile home park	
Residential 2	**1.3**
Apartment (includes accessory dwelling unit)	
Condominium	
Hotel/Motel	
Commerical 1	**2.0**
Light industrial	
Manufacturing	
Mini-warehouse	
General office	
State motor vehicles dept	
United States post office	
General retail & personal services (includes shopping center)	
Car sales	
Supermarket	
Convenience market-24 hr	
Discount supermarket	
Pharmacy/drugstore	
Bank	
Restaurant	
Fast food restaurant	
Coffee/donut shop	
Quick lube shop	
Gas station	
Automated car wash	

Land Use Category/Description	ERF
Commerical 2	**2.5**
Movie theater	
Warehouse	
Health/fitness club	
School (public or private)	
Junior/community college	
Church	
Day care center	
Library	
Medical office	
Commerical 3	**3.0**
Senior housing	
Continuing care retirement	
Hospital	
Industrial	

Service Capacity Credits

Criteria	Single Family	Multi-Family/ Commercial
Historical data shows first in station response area meets LOS	15%	15%
Historical data shows F-Box of development meets first in LOS	10%	15%
First in station reliability data meets peak hour standard	15%	10%
If fire flow is ≥ 1,500 GPM or spacing between structures is > 15 feet	15%	0%
Historical data shows full first alarm reliability meets peak call volume standard	15%	15%
Automatic sprinkler system installed (single-family only)	30%	0%
Historical data shows full first alarm ERF meets LOS standard to F-Box	40%	50%

Next Steps

- Ordinance No. 802 Comprehensive Plan scheduled for adoption November 13, 2017
- Ordinance No. 791 Fire Impact Fee Regulations scheduled for adoption November 20, 2017
- Interlocal Agreement execution prior to December 31, 2017
- Impact fees become effect January 1, 2018

Questions?

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