Exhibit 'A'

"North Central"

MEMORANDUM OF UNDERSTANDING
BETWEEN NORTH CENTRAL FIRE PROTECTION DISTRICT
AND THE CITY OF KERMAN PERTAINING TO FIRE SERVICES
AND DEVELOPMENT IMPACT FEES FOR FIRE PROTECTION
FACILITIES AND EQUIPMENT

WHEREAS, North Central Fire Protection District (District) provides fire protection facilities and services in portions of Fresno County, California, including the City of Kerman (City); and

WHEREAS, pursuant to the requirements of Government Code Sections 66000 through 66009, the District has had a Fire Suppression Facilities Development Impact Fee Report (Report) prepared by a qualified third party dated May 5, 2008, a copy of which is attached hereto as Exhibit "A" and incorporated herein by this reference; and

WHEREAS, said Report identifies the needed Fire Suppression facilities and equipment for City and the calculated Development Impact Fee (DIF) to be charged; and

WHEREAS, based upon said Report, City shall implement, charge and collect such DIF's on all new development within City; and

WHEREAS, said funds collected shall be ultimately utilized by District, consistent with said Report, to provide new Fire Suppression Facilities and equipment to service City;

NOW, THEREFORE, it is agreed as follows:

1. City shall adopt, implement, charge and collect DIF's for Fire Suppression facilities and equipment pursuant to and consistent with the Report, or mutually agreed revisions to the Report which may be necessary to reflect changing circumstances.

2. City shall account for said funds collected in an identified and separate fund account for the purpose of making said funds available to District for the development and construction of Fire Suppression facilities by District and purchase of equipment as and when required consistent with the provisions of this MOU and said Report, or mutually agreed revisions to the Report which may be necessary to reflect changing circumstances. All interest earned on said funds shall inure to the benefit of said account and shall be added to the principal thereof.

3. District shall develop and construct such facilities as and when required pursuant to the provisions of this MOU and said Report, or mutually agreed revisions to the Report, which may be necessary to reflect changing circumstances, *provided District has adequate funding available to staff a new facility.* District shall notify City, at least six (6) months in advance, in writing of its intent to proceed with such construction projects

and its timetable for the need for the DIF funds. District shall *use its best efforts* to secure funds equal to the difference between the City's Fair Share and the total construction budget (the "District Share"). Examples of such "best efforts" shall include but not be limited to: establishing a separate capital facilities building fund reserve, establishing DIFs similar to City's in the un-incorporated areas of the District through cooperative efforts with the County Board of Supervisors , pursuit of applicable grants, or proposing ballot measures for the establishment by voters of appropriate assessments or taxes for the support of funding for staffing, equipment and facilities for adequate fire prevention and protection. At the time of giving notice to City, District shall confirm that District has available funds to pay the District Share, and shall demonstrate to the extent reasonably possible that necessary funding for at least one year of staffing and operations is allocated. The parties acknowledge that it is critical to City that the Fire Suppression facilities discussed in the Report be located in or adjacent to the City so that the Emergency Response Times are maintained at, or better than, the current times identified in the Report as 5 minutes or less.

4. District shall further agree to provide staffing of said facilities, including management and supervision, consistent with the Report, *provided District has adequate funding available. District shall begin long-range budget planning for capital facilities and adequate staffing and operational funds and shall publicly report on such planning efforts annually.*

5. Upon such notification, and consistent with the timetable provided, City shall make available to District said funds exclusively for the planning, design and construction of aid facilities and the purchase of equipment, provided that District has demonstrated the availability of the District Share and necessary funding for at least one year of staffing and operations .

6. City and District shall review said Report, the Fire Suppression facilities and equipment needs of City, the DIF's and this MOU at least every five (5) years and make such revisions thereto as are deemed necessary and mutually agreeable

7. This MOU shall be effective upon the date when representatives of each party have completed execution of this Agreement after having received proper authorization from their respective governing bodies. This MOU shall terminate 25 years from the effective date and shall be binding upon and inure to the benefit of the successors or assigns of the parties.

IN WITNESS WHEREOF, the parties hereto have caused their names to be affixed by their authorized representatives, on the day herein written.

CITY OF KERMAN (City)

By: _____

CITY MANAGER

Attest: _____

Approved as to form:

_____

City Attorney

NORTH CENTRAL FIRE PROTECTION DISTRICT (District)

By: _____

Attest: _____

Approved as to form:

_____

Attorney for District

wp\nj\NCFPD\mou\508

Exhibit "A"

Fire Suppression Facilities et. al. Development Impact Fee Calculation and Nexus Report and Master Facilities Plan for the North Central Fire Protection District May, 2008

Revenue & Cost Specialists, L.L.C.
2545 East Chapman Avenue, Suite 103
Fullerton, CA 92831
(714) 992-9020

May 5, 2008

Honorable District Board
Via Mr. Randy R. Bruegman, Fire Chief
North Central Fire Protection District
911 H Street
Fresno, CA 93721-3083

RE: *2007-08 Development Impact Fee (DIF) Calculation and Master Facilities Plan (MFP)*

Honorable Chairperson, District Board and Chief Bruegman:

The District experiences private development of vacant parcels and continuously absorbs the demands for service created by that development and will continue to do so for some time. Revenue and Cost Specialists, L.L.C., was contracted to undertake a comprehensive identification of the capital projects and capital acquisitions necessary to preserve the existing ***Levels of Service (LOS)*** currently offered to and enjoyed by (after having have been paid for by) the existing community. The construction of these additional projects is necessary to eliminate the eventual diminution of the existing ***Levels of Service*** due to the addition of new residential and business development in the North Central Fire Protection District. The Report also calculates the development impact fees (DIFs) necessary to fund those required projects.

The District staff and Board, responsible for providing services to a continually expanding residential and business community, must recognize that the magnitude of the impact fees is **a direct function** of the net $6,950,549 District-wide cost of the capital projects identified in the *Master Facilities Plan* as capacity increasing. It is incumbent upon this Report to convince the District Board (and ultimately the Kerman City Council and Fresno County Board of Supervisors) of the extraordinary need for and justification of the proposed development impact fees.

Adoption of the maximum-supported development impact fees contained herein and imposition upon the remaining development opportunities in the City of Kerman community, could generate approximately $4,329,455 in revenues for use on the proposed fire suppression system capital expansion projects deemed as development generated (defined as one additional two-bay station and response fleet). While it is difficult to estimate the amount that would be collected from the unincorporated areas, the fee revenue would be proportional to the additional calls-for-service generated by new development in the unincorporated area and would be, over time, adequate to raise the $2.6 necessary for the unincorporated portion of the proposed station (defined as one additional bay and response fleet). The identification of the net $6,950,549 in required capital

infrastructure needs generated by District-wide new development ($7,060,549 total capital needs less the $110,000 in the City's existing Fire Suppression System DIF fund balance) is not taken lightly, but must be examined in relation to the cost of the District's existing inventory of fire suppression facilities, vehicles, and equipment that a new development project will share in and benefit from, upon approval, construction and finally, occupancy.

To offer such a perspective, a major element in this Report is a *proportional analysis*, or comparison of what is being asked of future residents, in the form of dedicated public improvements or an in-lieu (impact fee) payment, with the cost of the District's existing infrastructure (land, facilities, and equipment), contributed by the existing population and business community. The dedications, taxes and assessments contributed to date by the existing community over numerous decades of development have generated (or committed to) just over $19.5 million (at current replacement costs) in the form of capital facilities, vehicles, and equipment improvements from within the District service boundary.

It is not intended for the recommended development impact fees to address all of the District's capital needs, especially replacement of aging facilities, vehicles and equipment. As per California Government Code 66000 et. seq. and common fairness, development impact fees cannot address existing capital deficiencies. The proposed fees will recognize and meet the needs of the District's growing population and business community. However, with the adoption of impact fees, other District discretionary revenue resources that may have been used to meet growth-generated needs for expanded services and facilities will now be available for those accumulating replacement and rehabilitation projects.

The information required to develop the District's capital costs and existing equity data was generated by the North Central Fire Protection District staff, without whose help and cooperation, this Report would have been impossible to complete. I would like to highlight the significant efforts invested by Joe Barcelos, NCFPD Finance Director, that were highly instrumental in generating the information and data critically necessary for calculation of legally- supportable development impact fees. Without all of their hard work and willingness to provide the best data available, this Report could not have been completed to the degree of accuracy and completeness that it has. We would also like to thank the City of Kerman and City Manager Ron Manfredi and his staff for their assistance in compiling the City's land-use database.

The Development Impact Fee Calculation Report is now submitted for your review and consideration. RCS staff is prepared to assist in increasing the Board's and community's understanding of this very significant part of the District's revenue structure.

Sincerely,

Scott Thorpe

NORTH CENTRAL
FIRE PROTECTION DISTRICT

DEVELOPMENT IMPACT FEE
CALCULATION/NEXUS REPORT

TABLE OF CONTENTS

Chapter One

Background and Introduction

The North Central Fire Protection District has retained Revenue & Cost Specialists[1] (henceforth referred to as RCS) to calculate the District's Development Impact Fees (henceforth referred to as DIFs). The DIF study area is split between two areas: the first is the area of the District that matches the City of Kerman's boundaries (or urban service area) and the second is the unincorporated area of Fresno County within the District's boundaries. The District Board and staff has determined that development impact fees are likely an important part of capital financing and should be calculated and that all efforts be undertaken to support the amount of the impact fees to allow for proper consideration of their adoption. If adopted, a periodic review and adjustment of the District's DIFs would be appropriate and warranted to insure that the District collects sufficient monies over time to construct or acquire the additional infrastructure needed to serve all of the new residential dwellings and business development at the level of service similar to the way existing development is served now. The DIFs contained in this Report will serve the District well for a number of years with periodic *Engineering News Record* Building Cost Index increases.

This DIF Calculation Report includes a complete list of all projects to be financed by development impact fees[2] and current service demands by land use. The *Development Impact Fee Calculation Report* and the *Master Facilities Plan* (included as Appendix A) offers information to support future Board policy decisions and increases the understanding by the development community One important component of this Report is that it includes a ***proportional analysis*** of the infrastructure needs required to support continued development of the District as compared to the existing infrastructure. The addition of the proportional analysis will assist the District Board in adopting a fee structure that recognizes inter-generational equity and increase the lay-person's understanding of what is *fair*. The proposed DIFs and related information can be found in Chapter 3 and are supported by Appendices A and B of this Report.

Based upon District staff input, RCS prepared the nexus calculation of the DIFs. In order to fully finance the required fire suppression capital improvements, the resulting impact fees will need to be adopted by each of the two agencies responsible for land-use agency decisions within the District's boundaries, that would be the Kerman City Council for areas within the City's corporate boundaries and the Fresno County Board of Supervisors for areas within the unincorporated areas.

Inclusion of the "Proportional Analysis." As stated earlier, this Report includes a *proportional analysis*. This analysis is intended to recognize and reconcile the difference between the Board's desired level of service required of new development, per statements in the various General Plan elements, with that of the *de-facto* or actual level of service provided to the existing community.

This addition will assist the Board in making the difficult policy decisions regarding the required additions of new development.

Development Impact Fee Structure. A municipal General Plan usually provides for a range of potential densities for residential development, the DIFs for residential uses need to be calculated on a per (type of) dwelling unit basis to reflect the specific impacts from a proposed development more accurately. For example, a property zoned as residential detached dwelling development may contain from two to four units per acre. If fees are calculated on an acreage basis, the developer proposing two units per acre will pay the same amount as a developer constructing four units per acre. Similarly, fees for commercial and industrial properties are calculated on a square footage basis to reflect the impacts of different building intensities for this type of development.

A second reason for the proposed DIF fee structure recommended in this Report involves the issue of building expansion or intensification of commercial and industrial areas. For example, if a property owner of commercial or industrial property proposes an expansion to his building, the question exists about how to charge this proposed expansion for its impact on the agency's streets, storm drainage system, and other infrastructures. A fee calculated on the building structure square footage basis will simplify this calculation.

However, all detached residential dwellings will be treated the same as there is no set of records kept to indicate that a larger detached dwelling, say 4,000 square foot or larger, is more or less likely to generate a call-for-service than a smaller, say 2,000 square foot, detached dwelling.

CALCULATION OF DEVELOPMENT IMPACT FEES

In California, State legislation sets certain legal and procedural parameters for the charging of DIFs. This legislation was passed as AB1600 by the California Legislature and is now codified as California Government Code Sections 66000 through 66009. This State law went into effect on January 1, 1989.

AB1600 requires documentation of projects to be financed by Development Impact Fees prior to their levy and collection, and that the monies collected actually be committed within five years to a project of "direct benefit" to the development which paid the fees. Many states have such controlling statutes.

Specifically, AB1600 requires the following:

1. Delineation of the **PURPOSE** of the fee.

2. Determination of the **USE** of the fee.

3. Determination of the **RELATIONSHIP** between the use of the fee and the type of development paying the fee.

4. Determination of the relationship between the **NEED** for the facility and the type of development project. **NOTE: Numbers 3 & 4 will be reversed throughout the chapters in this Report in a recognition that *need* should be identified before *use*.**

5. Determination of the relationship between the **AMOUNT** of the fee and the **COST** of the portion of the facility attributed to the specific development project.

This Report, with some additions, utilizes the basic methodology consistent with the above requirements of AB1600. Briefly, the following steps were undertaken in the calculation of impact fees for the District and are listed below:

1. Define the level of service needed within the General Plan area for each project or acquisition identified as necessary. In some areas, certain statistical measures are commonly used to measure or define an acceptable level of service for a category of infrastructure. Street intersections, for instance, are commonly rated based on a Level of Service scale of "A" to "F" developed by transportation engineers.

2. Review the Land Use map and determine the existing mix of land uses and amount of undeveloped and developed land. The magnitude of growth and its impacts can thus be determined by considering this land use data when planning needed infrastructure.

3. Identify all additions to the capital facilities or equipment inventory necessary to maintain the identified levels of service in the area. Then, determine the cost of those additions.

4. Identify a level of responsibility, identifying, as termed in this Report, the relative need (or as referred to in the accompanying schedules as "PERCENT NEED") for the facility or equipment necessary to accommodate "growth" as defined, and as opposed to current needs.

5. Distribute the costs identified as a result of development growth on a basis of land use. Costs are distributed between each land use based on their relative *(or proportional)* use of the capital system. For this Report, the

capital costs are distributed based upon the various land-use fire response demands from previous years records.

OTHER ASSUMPTIONS OF THE REPORT

In addition to the land use assumptions contained in the next Chapter of this Report, other important assumptions of this study include the following:

Land Costs. Land acquisition cost estimates were developed after discussions with District officials over recent acquisitions or current negotiations for all land purchase needs. Arguments for higher or lower costs can be made; however, $261,360/acre (or $6.00/square foot) for the acquisition of land consistent with the proper locating of fire stations to maximize access/egress to the community's circulation system, appears to be the most appropriate current figure for the purposes of this study.

Similarity of Demand and Generation of Calls-for-Service. Information regarding the demand for services by type of unit is readily available for the City of Kerman area. Existing station capacity, future development and call-for-service demand generated by the five basic land-uses has been calculated and a strong nexus is evident. The same information for the County area is harder to generate due to a less precise General Plan in that the future development plans of larger parcels in unincorporated areas is less known and within the control of fewer landowners.

Thus the information used determine the cost of serving a better known quantity, the City of Kerman, will be used to calculate a cost per residential unit and business square foot, to be applied to all development within the District. The information was used to calculate the capacity of a single two-bay station to serve, as an example, a number of detached dwellings, attached dwellings and business square feet, and those cost calculations will be applied to the development of any detached dwelling either with the City limits, or in the unincorporated areas.

A basic two-bay fire station has a finite capacity and, as an example, can serve 5,000 detached dwellings. The station serving 5,000 detached dwellings in an urban environment such as Kerman, would likely result in a lower ISO rating than the service level of the same two-bay station serving 5,000 homes in a very rural area, primarily due to the longer response times. However, the capital cost to serve each single detached dwelling would be basically the same.

PROPORTIONAL ANALYSIS

A proportional analysis is important, if for no other reason, than for community inter-generational equity, i.e., fairness in the infrastructure investment made by existing residents and businesses with those of new residents and businesses that wish to use the existing District infrastructure. In short, previous generations of businesses and residents have contributed to the development of the District infrastructure and this fact should be recognized by future residents and businesses by contributing a like or fair amount towards completing the various infrastructure systems.

It is one thing to identify the many public improvement projects needed through build-out. It is an entirely different thing to assume that all of the identified improvements are required to meet the demands of the new development. Clearly, some projects could be *replacements* of the existing infrastructure while others will be *capacity increasing* projects. Within the category of the latter, they may also be further classified into two categories;

1. Projects dealing with existing deficiencies, i.e., project required regardless of whether there is additional development or not. An example would be the replacement of a station roof or an failing emergency generator.

2. Projects that are required as a result of development. An example of this would be an aerial truck necessary because of future three and four floor construction.

All impact fee calculations claim to be fair. Most DIF calculations will identify the desired or required capital projects, most ostensibly generated *as a result of development*. However, little evidence is ever offered in support for such a claim. Therefore, what is fair and equitable? Is it fair to require future residents and businesses in a District to construct, via payment of impact fees, a new Fire Station when the current stations are merely rented or leased space? On the other hand, if a community already has all of the fire stations they will need at build-out, are they precluded from imposing an impact fee to recoup some of that expenses incurred in constructing the those existing facilities? These are difficult questions that may be made easier by the following examples.

Comparison of Needed Infrastructure with Existing Infrastructure. The answer to these difficult questions may best be answered by comparing various fixed location infrastructure scenarios. This can be accomplished by looking closely at our friends in the planned community of Happy Valley[3] for a few scenarios to explain the three possible conditions that can occur regarding the agency's current infrastructure and the demand upon them. We will use the provision of fire protection, a service that most of us as nonprofessional fighters can somewhat comprehend. These three "conditions" include, the fire suppression system of infrastructure construction:

1. is ***On-target;***
2. has been ***Deficient***; and;
3. has created ***Excess Service Capacity***.

Adoption of a Standard - According to the National Fire Protection Association (NFPA), a standard two-bay fire station (estimated for purposes of this example to cost about $2,000,000) can meet the needs of 5,000 homes or 10,000,000 square feet of business pad. If these standards were adopted as Happy Valley's public safety element of the District's General Plan, they would be known as the *de jure* or stated (or desired) standard (i.e., the standard the community would **like** to meet). The inductive impact fees (or cost per proportional unit served) for this *de jure* standard would then be:

Table 1-1
Calculation of N.F.P.A. Impact Cost

Land Use	Station Cost	Units Served	Impact Fee
Residential Units	$2,000,000	5,000	$400.00 per home
Business S.F.	$2,000,000	10,000,000	$0.20 per S.F.

Service Base - Happy Valley's General Plan indicates that there will be 10,000 residential units and about 20,000,000 square feet of commercial/industrial space creating a need for four stations at build-out. The station calculation is as follows:

Table 1-2
Determination of the Required Number of Stations

	Number of Units	Units served by One Station	Stations Required
Residential Units	10,000	5,000	2 Stations
Business S.F.	20,000,000	10,000,000	2 Stations
Required Stations at General Plan Build-out			4 Stations

Infrastructure is "On-target" - The need for four stations appears quite clear and the Happy Valley Council need only impose the impact fees calculated in Table 1-1. Currently, Happy Valley has 6,250 residential units and 7,500,000 square feet of commercial/industrial building pad and is half

"built-out" (in terms of fire calls for service). The existing development in Happy Valley is generating half of its ultimate (General Plan build-out) fire calls-for-service. This is demonstrated in Table 1-3 below:

Table 1-3
Development of Current Infrastructure is "On-Target"

	Number of Units	Units served by One Station	Stations Required
Residential Units	6,250	5,000	1.25 Stations
Business S.F.	7,500,000	10,000,000	0.75 Stations
Total Number of Stations Required Currently			2.00 Stations

Conversely, Happy Valley has the remaining half of its fire demand (in terms of calls-for-service) yet to come. Left to build are 3,750 detached dwelling units and 12,500,000 square feet of business floor space, and when constructed would generate the following capital needs identified on Table 1-4 on the following page:

Table 1-4
Remaining Development and Station Requirement

	Number of Units	Units served by One Station	Stations Required
Residential Units	3,750	5,000	0.75 Stations
Business S.F.	12,500,000	10,000,000	1.25 Stations
# of New Stations Required from Land to be Developed			2.00 Stations

If the earlier calculated impact fees ($400 per residence and $0.20 per square foot of business pad) were adopted and imposed, Happy Valley would collect (by General Plan build-out) enough capital revenues to construct the remaining two stations. Table 1-5 following, demonstrates this:

Table 1-5
Remaining DIF Collection

	Number of Units	Impact Fee	Amount Collected
Residential Units	3,750	$400.00	$1,500,000
Business S.F.	12,500,000	$0.20	$2,500,000
Amount Collected in Impact Fees			$4,000,000
Cost of a One New Station			$2,000,000
Stations to be Built with Impact Fees			2.00

Infrastructure is in Deficient Condition - And everyone is pleased in Happy Valley, (in particular the Fire Chief who now has four stations). However, consider the implications if the current Happy Valley residents and businesses had only shown the earlier commitment to construct a single station when, based upon their adopted standards, they should have constructed two stations? Clearly three more stations would be needed on the path to General Plan "build-out". We can easily dismiss as completely inequitable the possibility of requiring the remaining future home and business owners to finance all three remaining stations. But would it be fair and equitable to charge new residents the $400 per home and new businesses the $0.20 per business square foot in order to build the remaining two stations required to meet the N.F.P.A. standards?

The simple and direct answer is no. The Happy Valley community has not (with only one station constructed at half build-out) demonstrated their full and complete commitment to meeting the N.F.P.A. standards, and as a result would not have a strong case to assert that others who build after them need to contribute towards the construction of multiple (two) fire stations at a higher level of service (LOL) by including the "missing" second station.[4]

The service provided by the single existing station is the community's *de facto* (or "in fact") standard service level. With one station, the contributed equity to build the single station would be half of the impact fee proposed in Table 1-1, or $200/residential unit and $0.10/square foot of business space, respectively (see Table 1-6, following).

Table 1-6
Impact Fee at Deficient Condition

	Number of Units	Existing Contribution	Amount Collected
Residential Units	3,750	$200.00	$750,000
Business S.F.	12,500,000	$0.10	$1,250,000
Amount Contributed by Existing Community			$2,000,000
Cost of One New Station			$2,000,000
Station(s) built with Community's Contribution			1.00

If Happy Valley has only built one station when the General Plan is at half build-out, we would be forced to conclude that the District is currently *deficient* by one station. If the future residents were asked to pay at a rate that would build two stations (the $400/$0.20 rates) the District would have three stations at build-out, one financed and built by the first half of the community, and ***two*** financed and built by the second half of the community. The first half of the community would, in effect "inherit" one half of a station at no cost to themselves. In short, Happy Valley would fail the proportionality test required of the Dolan decision. The inequity would then be exacerbated when the community decides to build the final "missing" second station from a District-wide assessment or from annual General Fund receipts, paid for by the entire community, including those who just paid for the two new stations.

The only truly equitable option is for the District to adopt impact fees at the $200/residence and $0.10/business square foot rates. Adoption of this fee would be referred to as the ***Community Financial Commitment or Equity-based Impact Fees***. Admittedly, the District will go further into a deficit position in terms of the number of required stations, from being deficient by one station at half build-out to a deficiency of two stations at final build-out, *but the ratio of deficiency (or overall proportionality) would remain a constant 50% of the stations needed at either time.* The community, if they are truly serious about meeting the NFPA recommended standard, would then need to assess the entire community in some fashion to raise the needed money in some fashion for the remaining two stations either in the form of an assessment or dedication of general receipts of the District.

Infrastructure - Excess Capacity - One final but important scenario remains and must be considered. In this scenario the existing residents of Happy Valley were the industrious sort and (at half build-out) had constructed three stations when they were at the point when they only needed two

stations. Clearly there is demonstrable excess capacity in each of the three existing stations. In this case the Happy Valley's current *de facto* standard would be well above the *de jure* or target standard. Statistically, each of the three stations would have approximately 1/3 excess capacity (for providing services) and should be busy only about two-thirds of the time. Should the impact fee be limited only to the marginal $200 per residence and $0.10 per business square foot required to construct the one remaining required station? If so, the future residents receive a gift of the extra (third) station. There will be tough decisions ahead to be made by the Happy Valley District Council.

Marginal or Recoupment Fee? Hopefully, we would all agree that the Happy Valley District Council should adopt, *at a minimum*, the $200/residence and $0.10/square foot business space rates to insure that the fourth station would be built. This would be referred to as the ***marginal needs-based*** fee. This clearly would be a benevolent gesture, giving the new residents and businesses, in effect, a free ride on the cost of the (already built and paid for) third station.

Or in the alternative, the Council can recognize that the $2,000,000 used to build the third station was little more than a loan from the existing community's General Fund, and needs to be repaid by the future community receiving an instantaneous level of fire protection the day they receive their occupancy permit[5], through the imposition and collection of impact fees.[6] In this case, the $400/residence and $0.20/square foot of business space impact fees should be adopted, imposed and collected. The impact fee would accumulate $4,000,000 through build-out, $2,000,000 required to repay the General Fund in delayed revenue (for Station #3) and the $2,000,000 necessary to build the fourth station. This would be referred to as the ***Fair Share at General Plan Build-out-based*** fee. And more importantly, at General Plan built-out, long term equity would be achieved as each home and business would have contributed the same $400 per residence and $0.20 per square foot.

However, it is not possible to accept and support the idea that the proportionality test, when it limits the amount of the impact fee due to existing deficiencies, is a reasonable argument, but reject it when it indicates that there is excess capacity in the existing system. The issues in developing impact fees are often complex, but are best reached when equity between existing and future users is the target. Such equity is the target of this Report.

CHAPTER ORGANIZATION

At the end of Chapter 3, there will be four cost/fee tables. They are:

The first schedule, 3.1, the ***Allocation of Project Cost Estimates*** identifies the five projects/acquisitions, their costs and their relationship, in a percentage, to development or amount of increased capacity.

"Marginal Needs"-based Impact Fee - This schedule, 3.2, will identify the impact fees that would need to be adopted to meet the basic capital needs identified in the Report for that infrastructure.

With adoption of this level of impact fees, one could claim that *new development is occurring without any additional cost to the existing residents and businesses*. You could not, however, claim that *new development is paying its "fair share."*

Existing Commitment or "Equity"-based Impact Fee - Schedule, 3.3, identifies the cost (in current nominal dollar value) of the existing infrastructure, including land, physical improvements and capital equipment. This is the average amount that has been"invested"by the current community of residents and businesses. This equity will be expressed in terms of the cost to construct or acquire the agency's existing assets at current replacement costs.

If the average "equity" (for a detached residential dwelling for example) on this Table is greater then the average cost on the previous "Marginal Needs" Table, then the infrastructure system is "front-ended" or has excess capacity. Earlier residents and businesses of the community have put more of the system into place than will the remaining unbuilt portions of the community, (as they build). The existing community has advanced money to build capacity into the infrastructure system to meet the needs of residents and businesses not yet there! The scenario where Happy Valley had already built three fire stations while it only had the current demands for two stations is an good example of a *front-ended* system.

Adoption of this level of impact fee would allow the District to claim that *new development is not being required to pay to eliminate existing deficiencies*.

Fair Share at General Plan Build-out Average-based Impact Fee or (existing capacity fee) - When a system is front-ended, or where there is evidence of greater equity than of the marginal needs-based costs, the fourth table, 3.4, that will identify the average cost of the system required at "build-out" (the cost of the existing infrastructure system plus the cost of the future system needs). It will be the average of the "marginal" and the "equity" tables combined and then divided by the General Plan built-out community that would represent an amount, that if adopted, would equalize the cost of the system between the future community with that of the existing community. The difference between the "marginal" amount and the larger "equity" amount would be "recoupment" of front-ended or advanced costs (or of delayed revenues).

However, if the average *equity* (again using a detached dwelling as an example) is less than the average cost on the previous *marginal-needs* table (for the same detached dwelling), it is an indication that system construction has been lagging or is currently *deficient*. When the marginal needs are greater than the *equity*, the fees are limited to the *equity* figures, based upon the

argument that it would inequitable to require future residents and businesses to contribute greater amounts than have the existing residents and businesses. Where marginal needs are greater than current equity, there is no need for the third table (Fair Share at General Plan Build-out) in these cases. In short, if the existing community has not been inclined to construct an infrastructure system proportionally as the community developed, what basis does the community have to require the future residents to invest more, thus by eliminating, to some degree, the deficiencies created by the existing community? There can be no such rational argument.

Adoption of this level of fee would allow the District to claim that *development is paying its fair share*.

Chapter Endnotes

1. The firm had been previously known as *Management Services Institute*, but the same partners reorganized as *Revenue & Cost Specialists, L.L.C.*.

2. For greater detail of each project, refer to the District's *Master Facilities Plan*.

3. "Happy Valley" has been used as an imaginary community for purposes of DIF example for about nine years. Clearly no insult is intended to any real or imagined community of Happy Valley. It is also a Happy Valley because there is no inflation and the value of a dollar remains nominal.

4. Barring the specific definitions of number and location of fire stations in a large specific plan.

5. Actually, the permitted structure receives fire protection services as it is being constructed.

6. This example assumes that each of the existing three stations is debt-free and owned out-right.

Chapter Two

Demographics and Findings

This Chapter provides an inventory of developed and undeveloped land within the North Central Fire Protection District and the City of Kerman's boundaries. The City of Kerman land-use database may be referred to as the District's Urban Service Boundary area. The area within the District Urban Service Boundary contains *significant* potential for development of residential, commercial and industrial uses and this Report is limited to those parcels *currently* within the area described above.

CITY OF KERMAN LAND USE ASSUMPTIONS

The following is a discussion of the inventory of developed and undeveloped land within the boundaries of the Urban Service Boundary. The inventory of undeveloped land within the Urban Service Boundary forms the base for distribution of the estimated costs of impacts from new development within that area. The developed land inventory forms the base for distributing the cost of the existing infrastructure for comparison and for the *de facto* identification of the existing levels of service (LOS) provided by those existing infrastructure.

Table 2-1, below, provides the inventory of all private land uses contained within the current District Urban Service Area. The acreage amounts indicated on Table 2-1 and Table 2-2, are based on the City of Kerman's General Plan's land use inventory of privately held parcels.[1]

Table 2-1
Kerman City Urban Service Boundary Land Use Inventory
(Median Estimates for General Plan @ Year 2027)

Total for Service Area Land Use Database @ Median G.P. Est.	Current Development		Potential Development		G.P. Build-out Total	
	Acres	# of Units	Acres	# of Units	Acres	# of Units
Detached Dwelling Units	779.00	2,555	914.4	4,572	1,693.40	7,127
Attached Dwelling Units	85.00	939	86.0	1,290	171.00	2,229
Mobile Home Units	11.00	116	1.0	10	12.00	126
Commercial/Office Use Acres	121.50	1,323,135	169.0	1,840,410	290.50	3,163,545
Industrial Use Acres	82.50	1,257,795	136.0	2,073,456	218.50	3,331,251
Total @ Median G.P. Estimate	1,079.00		1,306.40		2,385.40	

Such land-use information for the unincorporated area is not as available as the County General Plan is not as detailed, given the literally thousands of acres that are essentially vacant but actively used for agricultural/farming purposes. The report will calculate a schedule of development impact fees based upon the greater data available from within the finite City Limits of the City of Kerman and recommend fees for the North Central Fire Protection District Board to be considered for adoption by the City of Kerman City Council and the Fresno Board of Supervisors.

Land Use Definitions. This Report classifies properties as either one of three residential land uses or two different categories of business development. These land uses are defined below:

Residential Land Uses:

- **Detached Dwellings** - Corresponds what are often referred to as single family residential homes and include specific zones with an allowable use designation of ***Very Low Density, Low Density*** and some ***Medium Density*** residential.

- **Attached Dwellings** - Corresponds to the City's approval of what are often referred to as multiple family residential uses such as ***High Density*** and some ***Medium Density***.

- **Mobile Homes (in parks)** - Must meet density requirements similar to the above and must qualify for a CUP.

Business/Commerce Land Uses:

- **Commercial/Office** - Commercial uses include the general category of retail services and thus includes outlets ranging from restaurants to auto repair shops to shopping centers.

- **Industrial/Manufacturing Uses** - This category contains all businesses engaged in heavy manufacturing or industrial development.

Definitions of Land Use Status. For each of the major land use categories detailed above and in Table 2-1, land is categorized as either Developed or Undeveloped. Definitions regarding the status of each land use are as follows:

Developed Acreage - Includes land in the District which is fully developed and is in conformance with the zoning designation for that area, or land which has received a building permit but which is not yet constructed. Acreage in this category may also include non-conforming use areas of the City which contain extensive development before changes to the General Plan were made.

RCS made no request for projections regarding properties which are currently classified as "Developed" but which may undergo redevelopment in the future. The District may wish to establish a policy now about how to charge impact fees for these redeveloping properties, especially in the situation where an older property (i.e., a building constructed in the 1960's) may never have paid an impact fee to the District.

Undeveloped Acreage - Refers to all non-public vacant acreage located within the agency (and limited to only the portions of parcel that can be developed). This category also includes any largely vacant properties anticipated to be redeveloped in the future. See Appendix B for more detail.

Table 2-2
Summary of Undeveloped and Developed Acreage
for the Three City of Kerman General Plan Growth Scenarios

2027 General Plan Estimate	High Estimate	Low Estimate	Median Estimate
Potential Population:	**27,898**	**13,950**	**20,924**
Residential Dwellings			
Detached Dwellings (78%)	**6,095**	**3,048**	**4,572**
Attached Dwellings (22%)	**1,719**	**860**	**1,290**
Total Residential Dwellings	**7,814**	**3,908**	**5,861**
Retail/Office Use Acres	**225**	**113**	**169**
Industrial Use Acres	**181**	**91**	**136**

Table 2-2, previous, provides a calculation of the median scenario potential growth land use inventory for the City, limited to privately held property as provided on Table 2-1. The City staff's land use median inventory reveals that there are presently 1,079.00 acres of privately-held developed land within the current City/District boundaries. Conversely, there remain 1,305.40 acres of vacant or substantially undeveloped land in the agency. Undeveloped land (in the median model) represents approximately 54.77% of the total 2,385.40 privately held acres within the City of Kerman City limits and also served by the North Central Fire Protection District. Not surprisingly, detached dwellings designated land constitutes the greatest amount (38.33%) of vacant acreage of all the land uses (914.4 vacant detached dwelling acres ÷ 2,385.40 total vacant acres).

Business Development. In order to assess the costs of impact from commercial or industrial building intensification or building expansions, this Report includes a calculation of impact fees both on an acreage basis and per gross square foot basis for commercial and industrial development. In order to accomplish this, City planning staff has, where necessary, estimated the average square feet of building coverage developed per net acre of land (often referred to as the average FAR, or Floor Area Ratio), shown following:

Commercial/Office Development - 10,890 Gross Square Feet per Acre (about 25% F.A.R.)
Industrial Development - 15,246 Gross Square Feet per Acre (about 35% F.A.R.)

The City's General Plan (2027) identifies the addition of a low of 3,908 residential dwellings and a high estimate of 7,814 additional residential homes with a 22%/78% split between attached dwellings and detached dwellings. The median plan indicates the construction of 5,862 total dwelling units (4,572 detached dwellings and 1,290 attached dwellings). The added population would be approximately 20,924. Retail office space has been estimated to increase by one acre per 124 additional residents. Application of this estimate would generate approximately 169 acres of additional retail/office space by 2027[2]. Industrial uses have been estimated to increase at a rate of approximately one acre per 154 new residents. Application of this estimate would generate approximately 136 additional acres of industrial acres by 2027[3].

SUMMARY OF FINDINGS

District staff has identified $4,438,700 in needed and desired capital improvement projects required through General Plan build-out of the remaining development within the boundaries of the City of Kerman, and includes projects necessary only to support future growth, replacement project have not been included. The existing City Fire Development Impact Fee Fund balance off-setting of the total proposed cost by $110,000. The adoption of the recommended the *Marginal Need-based* impact fees, as supported by the calculations in this Report (Schedule 3.2), would finance all of the needed capital facilities. It is important to note that this Report does not address vehicle replacement needs, thus underscoring the need to consider all available capital revenues.

Based on these costs and the schedules found at the end of Chapter Three of this Report, costs attributable to future development were derived on a per unit basis for residential land uses and on a per square foot of pad basis for commercial and industrial land uses. Schedule 2.1, found at the end of this Chapter, provides a summary of the recommended Development Impact Fees for each type of infrastructure and land use category.

The total recommended maximum DIF schedule for each land use is also summarized on the following page.

Table 2-4
Summary of Proposed 2007-08 Development Impact Fees

Land Use	Recommended Development Impact Fees
Detached Dwelling Units	$721/Dwelling Unit
Attached Dwelling Units	$436/Dwelling Unit
Mobile Home Dwelling Units	$1,739/Dwelling Unit
Commercial/Office Uses	$0.155/Square Foot
Industrial Uses	$0.081/Square Foot

Chapter Endnotes

1. The figures are consistent with the most recent City of Kerman General Plan 2007 Update and the 2000 United State Census. See Part I, Chapter 2, pages 2-5 through 2-10.

2. Ibid. Page 2-8.

3. Ibid, page 2-9.

Schedule 2.1

North Central Fire Protection District
2007-08 Fire Suppression/Medic Development Impact Fee Study
Development Impact Fee Summary and Potential Collection (for City area)
Fire Suppression Facilities, Vehicles and Equipment

Land Use	Vacant Acres	Potential Units/S.F.	Fee per Unit/S.F.	Potential Revenue
Detached Dwellings	914.4	4,572.0	$721	$3,296,412
Attached Dwellings	86.0	1,290.0	$436	$562,440
Mobile Home Dwellings	1.0	10.0	$1,739	$17,390
Commercial/Office Square Feet	169.0	1,840,410.0	$0.155	$285,264
Industrial Square Feet	136.0	2,073,456.0	$0.081	$167,950
Total Potential Development Impact Fee Revenue				$4,329,455
Total "Build-out" Fire Suppression Infrastructure Needs				$4,438,700
Less Existing Development Impact Fee Fund Balance (None)				($110,000)
Net Fire Suppression System Infrastructure Needs				$4,328,700
Over/(Under) Potential Development Impact Fee Collection				$755

Chapter Three

Fire Suppression Facilities, Vehicles, and Equipment

The Existing System. The Fire District currently responds to various calls-for-service within the District boundaries with some combination of the existing seven response and six administrative vehicles from one or more of the five existing stations. The five existing stations and assorted administrative buildings consist of:

Fire Station #21 is located on a two and a half acre parcel at 15850 West Kearney Boulevard within the City of Kerman. The station is the largest in the District's inventory at 13,300 square feet and is constructed on 1.95 acres.

Fire Station #22 is a 3,170 square foot facility on a roughly half acre (0.56) parcel located at 806 South Garfield.

Fire Station #23 at 2,720 square feet, is the District's smallest station and is also located on the smallest parcel, 0.45 acres at 4555 North Biola in the community of Biola.

Fire Station #45 is 4,725 square feet and is located on a 1.58 acres at 7285 West Shields in the Fresno area. There is also a 3,500 square foot metal shop located behind the station and a 1,500 office building on the front of the parcel. This station is inactive for fire suppression response, but is used to provide space for District-wide paramedic services.

Fire Station #47 is located at 1709 West Bullard. The facility is 3,100 square feet and is on a roughly one-half acre (0.56) parcel. There is also a 1,000 square foot shop building behind the station. This station is also inactive for fire suppression response, but is used to provide space for District-wide storage/maintenance needs.

The land acquisition and construction replacement costs of the five existing stations and three administrative buildings represents a District-wide investment of $15,567,286. Not surprisingly, the District also has a sizable fleet of response and prevention units consisting of:

- Five Type I engines/pumpers;
- Two water tenders;
- A pick-up truck:
- Six auxiliary vehicles consisting of a Dodge Durango, a Ford pick-up, a GMC pick-up truck and a three Crown Victoria vehicles.

The total investment in the vehicle compliment is about $3,267,665. State vehicles and equipment have not been included in the equity figure. The District also has a significant inventory of specialty equipment including (but not limited to):

- Nineteen computers and two servers.
- Two copiers.
- Five station generators.
- A recording sound system.
- IP and wireless phone/communication system.
- Lawn tractor and mowers.
- Miscellaneous yard and station equipment.
- Five commercial washer/dryers, and;
- Radio tower and radio system.

The total replacement value of the District's specialty equipment is $679,240. Combined with the $15,567,286 in fire facilities, $3,267,665 in response fleet, the current net equity or investment in the fire stations and training facilities, response fleet with specialty equipment is a sizable $19,514,191. This figure represents what it would cost, at current dollars, to establish the existing District response capability at current vehicle, equipment, land acquisition and construction costs. There is an existing City of Kerman Fire Facilities, Vehicle and Equipment Impact Fee Fund balance of $110,000. The relevance of this sizable financial asset investment will be established later in this Chapter in the proportionality application

Demand Upon Infrastructure Created by the Development of Underdeveloped or Vacant Parcels. While it can be said that numerous factors are considered when determining the number and location of fire stations within any agency, it can be stated without any logical argument that all new private development in the District will have an affect on the District's current ability to respond to fire, rescue, and emergency calls for service. The affect, simplified but not trivialized, is twofold. Initially, each new residential and business development will create, on average, more calls for service increasing the likelihood of simultaneous (and thus competing) calls for service. Additionally, as development spreads further from the existing station, as large-scale development is often likely to do, the distances (and thus response times) will increase, taking the existing pumper, rescue and truck companies out-of-service for greater periods of time.

The capacity of any fire station is finite and will reach practical limits (through call frequency and total time). When that capacity is exceeded, the level of service afforded to existing development will be greatly reduced. Or stated in another way, if development continues without the addition of fire station capacity, the existing station could be overwhelmed, making a timely response for emergency service a virtual coin flip. The existing engine companies may not be available to respond to your needs and may be out-of-service on a call in a different part of the community,

The **Purpose** of the Fee. In order to continue to be able to respond to an ever-increasing number of expected calls, the District staff has determined the need for the addition of one large (three bays wide by two vehicles deep station and a significant expansion of the existing fleet to accommodate known and anticipated development. Having the right type and number of fire stations in the right locations will enable policy makers, the District Board, Chief and command staff, to house firefighters, apparatus, and equipment in a rational way for maximum use of resources.

Conversely, the penalties are high and extremely visible, for poor fire station location or no facility location. Adverse effects are felt by the District staff, the Board, and indeed by the existing District taxpayers. With poor location or no additional location, response times, (via distance or out-of-service due to a previous call), can become excessive, and if a tragedy occurs, the incident will be well publicized.

Often, response time is mistakenly referred to for only the first-in unit, and this can be a grave error. Instead, response time must consider *all* the forces necessary to place the incident under control. If the first unit arrives within five minutes but cannot provide the necessary water flow, or perform the needed functions due to a lack of staffing, the five minute response becomes insignificant and irrelevant. Thus an increase in the number and type of response vehicles is also necessary to match and equip the needed additional staff. The following sections identify the manner in which the District plans to meet the demands of additional calls for service.

The Use of the Fee. The revenues raised from a properly calculated and legally-supported Fire Suppression/Medic Facilities, Vehicles and Equipment Impact Fee would be limited to capital costs related to that growth. The fees would be used to construct a new station or expand the response capacity of the existing station. Conversely, the Fire Suppression Facilities, Vehicles, and Equipment Impact Fee receipts cannot be used to ***repair*** any of the existing fire stations or ***fully replace*** any existing emergency response vehicles.

Additional facilities are planned to come on-line, as needed, as development creates additional demands beyond the capability (volume or calls and distance) of the existing stations. The capital expansions include:

Station in Area East of Kerman (FD-01) - The acquisition of 1.5 acres and construction of the a 11,100 square foot three bay wide by two vehicles deep station. This sized station is estimated to cost approximately $5,770,549. The station is necessary to consistently meet the City's target response standard of five minutes to the area of eastern Kerman. Roughly 8,000 square feet of the proposed 11,100 square foot station would be necessary for a two bay wide by two vehicle deep station ultimately housing two companies of fire-fighters. This portion is necessary to accommodate the calls-for-service resulting from future the development of approximately 5,862

dwelling units and 300 acres of commercial/office and industrial use development likely to occur in the City of Kerman. The remaining 3,100 square feet of the proposed station would be necessary for the third - two vehicle deep bay and working/living quarters for an additional company of firefighters. This portion of the costs of acquiring the land and constructing the station is proposed to accommodate the additional calls-for-service in the surrounding unincorporated area of the District. The third bay may not be necessary at the same time as the initial two-bay facility and thus may not be constructed at the same time. Regardless, the initial station should be designed and constructed to allow for the simple addition of the third bay and additional living quarters.

The station would be equipped with an 1,500 GPM engine/pumper, a 3,000 gallon water tender, a two brush rigs/apparatus and additional specialty rescue equipment **(FD-03, FD-04 and FD-05)**.

The proposed projects and costs are identified on Schedule 3.1 and are detailed in the Master Facilities Plan (Appendix A). The total cost of completing the fire suppression system expansion is $7,060,549 or a net $6,950,549 after the City's existing Fire Suppression Development Impact Fee Fund balance of $110,000 is applied.

The Relationship Between the Need for the Fee and the Type of Development Project. Fire service response standards extended to new development should be consistent with the fire response currently enjoyed by the District's existing residents and business community by constructing new facilities, or the result will be a deterioration in the level of service provided both to the existing residents and future citizens and businesses within the North Central Fire Protection District boundaries. It follows that it is appropriate to assess future development to contribute additional fire facilities.

To project the impact of future development on fire services, it was first necessary to quantify the current impact on services from each of the land uses with the District boundaries. Then, a determination of the costs of future capital facilities necessary to meet this increased demand was made. The following illustrates the relative impact from each land use on response capability.

While the majority of these requests for service were made by the North Central Fire Protection District citizens from their residences, there were also some requests generated from business uses within the District. A survey of each land use and its existing effect on requests for calls for service was conducted to project the impact of future development on fire services.

Table 3-1, following, summarizes an analysis of the number of calls for service per year received by the District in calendar year 2006. The breakdown of calls into the land uses that generated them, divided by the number of developed units (during the same period of time) generates a "calls for service" demand factor.

Table 3-1
Calls-for-Service Generated by Land Use

Land Use	Developed Dwellings or Acres	Calls For Service	Total Calls Per Dwelling or Acre
Detached Dwellings	2,555	18	0.007/Unit
Attached Dwellings	939	4	0.004/Unit
Mobile Homes (in parks)	116	2	0.017/Unit
Commercial/Office Use Acres	1,323,135	2	0.016/KSF
Industrial Use Acres	1,257,795	1	0.012/KSF

As an example, there were approximately 18 calls for service per year that generated a response to one of the existing 2,555 detached dwelling units within the City/District boundaries. The result indicates that, on average, each dwelling will generate 0.007 calls per year. The same analysis was undertaken for the other two residential uses and the three business land uses. Since these calls for service by land use are an average, they can be used to project the number of additional calls that could be expected in the future by multiplying the average calls per residential unit or business acre by the number of anticipated number of new residential dwellings or business square feet.

Only requests for calls-for-services to ***privately held*** property were counted. Requests for service to public property, such as parks and public ROW or intersections, were excluded which distributing these calls pro-rata through the requests for service from privately held property. This is based upon the argument that all public land serves privately held land in some manner.

Of residential land uses, a detached dwelling is just slightly more likely to require an emergency fire service response at 0.007 annual responses *per unit*, than an attached dwelling at 0.004 annual responses *per unit*. Commercial and industrial acre development is shown to generate 0.016 and 0.012 responses *per 1,000 square feet* of developed land respectively. However, it should be noted that while there appear to be fewer calls to industrial properties, significant training is required to be prepared for business responses, (i.e., mass casualty and hazardous and flammable materials training).

Table 3-2, following, indicates, that on a comparative basis (and at average densities at build-out), an acre of mobile home development creates the highest demand for fire services, thus the impact fee for that use is the highest on an acreage basis. Commercial uses create the highest demand of the two business uses at 0.016 calls per acre.

Table 3-2
Fire Suppression Generated by Land Use

Land Use	Average Calls for Service	Units per Acre	Total Calls per Acre
Detached Dwelling Units	0.007	3.28	0.023/Acre
Attached Dwelling Units	0.004	11.05	0.044/Acre
Mobile Home Dwelling Units	0.017	10.55	0.179/Acre
Commercial/Office Use Acres	0.016		0.016/Acre
Industrial Use Acres	0.012		0.012/Acre

Based upon the existing calls-for-service, a projection of future calls-for-service resulting from new development has been made. Table 3-3 following indicates the additional calls-for-service that must be anticipated and planned accommodated. Table 3-3 follows:

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Table 3-3
Additional Annual Fire Calls-for-Service
Generated by Future Development

Land Use	Calls-for-Service per Unit	Anticipated Units or Acres	Additional Calls-for-Service
Detached Dwelling Units	0.007	4,572 units	32.21
Attached Dwelling Units	0.004	1,290 units	5.50
Mobile Home Dwelling Units	0.017	10 units	0.17
Commercial/Office Uses	0.016	169 acres	2.78
Industrial Uses	0.012	136 acres	1.65
Total (rounded)	--	--	42.31

Resulting Marginal Needs-based Impact Fees. The adoption of the resulting Marginal Needs-based development impact fees, through build-out would pay for all of the proposed expansions, vehicles and equipment, but may not necessarily be fair or equitable. Table 3-4, on the following page and summarized from Schedule 3.2, indicates the Fire Suppression Facilities Vehicles and Equipment fee schedule necessary that if imposed and collected (and combined with the existing impact fee fund balance), would raise virtually all of the $4,328,700 necessary to finance the City development-generated additional two-bay station, response vehicles and specialty equipment.

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Table 3-4
Marginal Needs-based Fire Suppression/Medic Facilities Impact Fees

Land Use	Allocation of Costs	Total Equity Per Unit or SF
Detached Dwelling Units	$3,295,378	$721/Unit
Attached Dwelling Units	$562,700	$436/Unit
Mobile Home Residential	$17,393	$1,739/Unit
Commercial/Office Uses	$284,419	$0.155/S.F.
Industrial Uses	$168,810	$0.081/S.F.

The Relationship Between the Use of the Fee and the Type of Development Paying the Fee. The *use of the fee* is a equivalent to the *need for the fee*. The impact fee would be collected as the development occurs (generally at building permit). As the development occurs, the impact is generated. The collected fee would be put to use to acquire land and construct fire stations and acquire additional emergency response vehicles and specialty equipment necessary to respond to those additional calls for service, *without reducing the capability of responding to calls from the existing community*.

The Relationship Between the Amount of the Fee and the Cost of the Portion of the Facility Attributed to the Development Project. A replacement value of the existing North Central Fire Protection District fire suppression infrastructure (land and stations, response fleet and related rescue equipment) of $19,514,191 was referenced. This represents the current District-wide investment or *commitment* towards fire suppression capability by the existing taxpayers within the District's full boundaries. Most of the district assets are the result of acquisition via District general revenues which include revenues from the unincorporated area. Greater analysis indicates that approximately 14.92% of the District's revenues was collected from the area of the District within the City's City boundaries with the remaining 85.08% collected from the unincorporated areas within the District. The total 2006-07 District tax revenues (from privately held property) was $3,065,426.[1] Approximately $2,911,517, or 14.92% of the $19,514,191 in capital assets, land and major equipment, resulted from District assessments on privately held properties within the City's boundaries. The remainder, or $16,602,674, was collected from assessments on residences and businesses within the District, but outside of the City's boundaries.

Again, it is important to note that the City also has an unobligated Fire Suppression development Impact Fees Fund - fund balance of $110,000 from residences or businesses recently constructed within the City's limits, but the remaining assets were contributed by all taxpayers within the full District. The combined assets contributed from within the City boundaries totals some $3,021,517. Table 3-5, following, indicates this calculation.

Table 3-5
Determination of District Assets Represented by City Boundaries

	Full District Assets	City as a % of District	Assets via District Revenues	Assets via Direct City Support	Existing City Community Commitment
Land & Facilities	$15,567,286	14.92%	$2,322,639	$0	$2,322,639
Specialty Equipment	$679,240	14.92%	$101,343	$0	$101,343
Response Vehicles	$3,267,665	14.92%	$487,536	$0	$487,536
City Fund Balance	$110,000	100.00%	$0	$110,000	$110,000
Total	$19,514,191	72.80%	$2,911,517	$110,000	$3,021,517

When this combined figure of $3,021,517 is distributed over the existing City of Kerman community in the same manner as the future costs, using the same the land use demands, an investment, or financial *commitment* (or *equity* for that matter) per unit can be determined. As an example, each detached dwelling unit has "invested" a significant $788 into fire suppression/medic capital. Compare the $788 investment by each existing with the very similar, but lesser $721 required of each new detached dwelling. There is no rational argument for requiring any lesser (or greater for that matter) commitment from future businesses or citizens.

The current community's commitment has been to establish a five-station fire suppression capability[2] paid for via past impact fees and General Fund receipts. To allow future residents to benefit by use of all of the capital needs without contributing additional assets, would be clearly unfair to the existing residents. Table 3-6, on the following page, summarizes the distribution of the net $3,021,517 in replacement cost to the existing community, (Schedule 3.3 shows it in greater detail).

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Table 3-6
City of Kerman Financial Commitment or Equity-based (Dolan Test) Impact Investment

Land Use	Allocation of Equity	Total Equity Per Unit or SF
Detached Dwelling Units	$2,014,345	$788/Unit
Attached Dwelling Units	$447,632	$477/Unit
Commercial Lodging Units	$223,816	$1,929/Unit
Commercial/Office Uses	$223,816	$0.169/S.F.
Industrial Uses	$111,908	$0.089/K.S.F.

Table 3-7, on the following page, identifies some of the key system attributes of the District's Fire suppression system of infrastructure. The attributes identify that approximately 39.0% (or 27 calls-for-service) of the total 69.31 annual calls-for-service at "build-out" are represented by the existing community who, have contributed a slightly larger proportion (41.1%) of the total financing of the entire system than that of the proportion of calls to be generated by the future community. The new fire demands to be added, in the form of additional calls-for-service represent about 61.0% of the total calls-for-service at General Plan build-out while that same new development will be asked to finance a lesser 58.9% of the fire infrastructure system by General Plan build-out. All of the above generally indicates that the District is advanced in terms of the construction of fire suppression infrastructure. Or another way to state it is that the future District members will generate 61.0% of the ultimate "build-out" calls for service, but would be asked to finance a slightly lesser 58.9% of the total required fire infrastructure system. It would certainly not be unreasonable, (or certainly disproportional) to assume that the remaining 61.0% of the new calls for service generators would be asked to contribute the remaining 58.9% cost of the infrastructure.

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Table 3-7
Comparison of Fire Suppression System Attributes

Infrastructure Factor	Existing Community	Future Community	Total at Build-out
Annual Calls for Service	27.00	42.31	69.31
Percentage of Total	39.0%	61.0%	100.0%
Cost of Total Infrastructure	$3,021,517	$4,328,700	$7,350,217
Percentage of Total	41.1%	58.9%	100.0%

Of importance is the fact that the equity-based community investment on Table 3-6 are just slightly higher, at nearly 9%, than the marginal-needs based fees as demonstrated in Table 3-4. This indicates that the City, via the District, has more than maintained the proper pace of capital acquisition (station construction and acquisition of vehicles and equipment) with well planned routine and on-going expansion of the fire suppression infrastructure system. Additionally, Table 3-7 demonstrates the relative proportionality between the current investment and the capital demands needed to serve on future development.

Since the *District Financial Commitment or Equity-based Impact Fees* are greater than the *Marginal Needs-based Impact Fees*, a final schedule (3.4) and Table (3-8) has been included. It represents the combination of the existing and future communities, or the impact fee schedule were it to have been imposed upon the entire General Plan build-out community at once instead of this point in time. Or stated another way, the cost per type of unit equalized for time for the complete fifteen station fire suppression/medic infrastructure system. It distributes the cost of the entire fire suppression/medic infrastructure system ($7,350,217) over the entire General Plan build-out population and business community (69.31 calls-for-service). Table 3-8 is on the following page.

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Table 3-8
Fair Share at General Plan Build out-based Impact Fees

Land Use	Allocation of Equity	Total Equity Per Unit or SF
Detached Dwelling Units	$6,324,692	$747/Unit
Attached Dwelling Units	$1,007,460	$452/Unit
Mobile Home Dwelling Units	$230,125	$1,826/Unit
Commercial/Office Uses	$506,912	$0.160/S.F.
Industrial Uses	$281,028	$0.045/S.F.

While Table 3-7 indicates that there may be a small amount of excess capacity in the existing fire station capacity, vis-a-vis the existing contribution and that the Fair Share at General Plan Build-out schedule of development impact fees could be adopted to recoup that minor difference and thus create fairness. However, greater accounting and analysis than was undertaken in this Report would be necessary to make such a claim. Given the closeness of the Figures in Table 3-4 and Table 3-6, it is recommended that the North Central Fire Protection District approve and the City of Kerman adopt the Marginal Needs-based schedule of Development Impact Fees as the most equitable set of fees to collect the capital income necessary to support the construction of fire suppression facilities, fleet and specialty equipment necessary to accommodate development within the City's limits.

RECOMMENDED NORTH CENTRAL FIRE PROTECTION DISTRICT DEVELOPMENT IMPACT FEES FOR THE CITY OF KERMAN:

Since the equity position of the existing community is slightly greater than the marginal need-based fees, there is the general indication that there is excess capacity in the existing systems assets and that the recoupment oriented *Fair Share at Build out-based Impact Fees* (Schedule 3.4) would be the fairest set of impact fees. However, before the District could consider the adoption of recoupment impact fees (or a buy-in fee), or any other fee based upon the existing capacity or value of the assets the District would need to undertake an appraisal of the existing assets. Until such an effort is undertaken, the most equitable development impact fee schedule to adopt would be the Marginal Needs-based Impact Fees detailed in Schedule 3.2 and summarized in Table 3-4.

RECOMMENDED NORTH CENTRAL FIRE PROTECTION DISTRICT DEVELOPMENT IMPACT FEES FOR THE UNINCORPORATED AREAS:

The set of Fire Suppression Facilities, Vehicle and Equipment development impact fee schedule for the City of Kerman was based upon significant information available in a finite area. However, it does will cost the District any more or less to construct fire suppression facilities or acquire response equipment to accommodate development within the City or in the unincorporated areas. However, development information or projections for the County areas are difficult if not impossible to make with any degree of accuracy. As a result, the set of fees calculated for the City areas are also recommended for adoption within the unincorporated areas of the District by the Fresno County Board of Supervisors.

In short, a two-bay station can be planned for and meet the needs of a finite number of calls-for-service whether those new homes and business square feet be constructed within an incorporated City urban area or a unincorporated rural area. The difference between the two areas is that the smaller urban area would have a higher ISO rating due to the ability to meet a five minute or less response capability. The station serving the rural area, in order to serve the same number of homes or business square feet, would cover a much larger area, resulting in longer response times and a lower ISO rating.

Table 3-9, following, identifies the number of units of each type of land-use necessary to finance the construction of the third bay of the station proposed near the south east area of Kerman and acquisition of the required response vehicles. As an example, Table 3-9 indicates that it would require the collection of development impact fees from just over 3,600 detached dwellings to finance the $2.6 million portion of a southeast Kerman station single bay addition (necessary for additional responses to the unincorporated areas). It would take approximately 6,000 attached dwellings, 16.9 million square feet of commercial/office space, or 32.4 million square feet of industrial space, or any combination of development thereof that raises approximately $2.6 million.

Should development within the unincorporated areas exceed the $2.6 million collection amount. It is an indication that additional calls-for service, are beyond the capacity of that single bay addition can serve, and that additional station capacity would be necessary. The location of that station capacity could be determined att that time Those additional capital revenues would be used towards an additional station.

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Table 3-9
Development Units Necessary to Construct the Third Bay of Kerman Area Station (to serve new development within the unincorporated area)

Land-use Type and Unit	Development Impact Fee per Unit	Station Bay/Equipment Cost Estimate	Required Units for Station Bay/Equipment
Detached Dwelling Units	$721	$2,621,849	3,636
Attached Dwelling Units	$436	$2,621,849	6,013
Mobile Homes Units	$1,739	$2,621,849	1,508
Commercial/Office S.F.	$0.155	$2,621,849	16,915,155
Industrial S.F.	$0.081	$2,621,849	32,368,506

CHAPTER ENDNOTES

1. City tax revenues to the District of of $457,433 divided by the total District tax revenue of $3,065,426 equals 14.92%, per Fresno County Tax Assessor's office.

2. Three of the stations are equipped/staffed for fire suppression capability, one dedicated for ambulance service and the remaining one is used for storage/other purposes.

Schedule 3.1

North Central Fire Protection District
2007-08 Fire Suppression/Medic Development Impact Fee Study
Allocation of Proposed Fire Suppression Infrastructure System Project Cost Estimates
Fire Suppression Facilities, Vehicles and Equipment

Line #	Description	Estimated Cost	Construction Needs that Replace Suppression Response Capacity: Percent Need	Construction Needs that Replace Suppression Response Capacity: Apportioned Dollar Cost	Construction Needs that Increase Suppression City Response Capacity: Percent Need	Construction Needs that Increase Suppression City Response Capacity: Apportioned Dollar Cost	Construction Needs that Increase Suppression County Response Capacity: Percent Need	Construction Needs that Increase Suppression County Response Capacity: Apportioned Dollar Cost
FD-01	Station Southeast of Kerman	$5,770,549	0.00%	$0	66.67%	$3,847,033	33.33%	$1,923,516
FD-02	Fire Engine/Pumper for Station Southeast of Kerman	$475,000	0.00%	$0	66.67%	$316,667	33.33%	$158,333
FD-03	Two Brush Rigs for Station Southeast of Kerman	$350,000	0.00%	$0	50.00%	$175,000	50.00%	$175,000
FD-04	Water Tender for Station Southeast of Kerman	$365,000	0.00%	$0	0.00%	$0	100.00%	$365,000
FD-05	Specialty Emergency Equipment	$100,000	0.00%	$0	100.00%	$100,000	0.00%	$0
	SUB-TOTAL ESTIMATED NEW PROJECT COSTS	$7,060,549	0.00%	$0	62.87%	$4,438,700	37.13%	$2,621,849
	LESS: Fire Suppression Facility Impact Fee Fund Balance	($110,000)	0.00%	$0	100.00%	($110,000)	0.00%	$0
	Fire District Capital Reserve Fund	$0	0.00%	$0	0.00%	$0	100.00%	$0
	SUB-TOTAL ADJUSTMENTS	($110,000)	0.00%	$0	0.00%	($110,000)	0.00%	$0
	Total - Fire Suppression Capital Project Needs	$6,950,549	0.00%	$0	62.28%	$4,328,700	37.72%	$2,621,849
					Forward to Schedule 3.2			

NOTES:
1. Costs distribution based upon actual Fire Department "Calls-for-Service" statistics.

Schedule 3.2

North Central Fire Protection District
2007-08 Fire Suppression/Medic Development Impact Fee Study
Marginal Needs-based Development Impact Fees
Fire Suppression Facilities, Vehicles and Equipment

Proposed Land Use	Undeveloped		Call Generation Rate	Calls for Service	Percentage of Additional Service Calls	Allocation of Expansion Costs	Cost Distribution Per Acre	Average Units or Square Feet/Acre	Development Impact Fee per Unit or Square Foot
	Acres	Units or Square feet							
Detached Dwelling Units	914.4	4,572	0.007	32.21	76.13%	$3,295,378	$3,604	5.00	*$721 per Unit*
Attached Dwelling Units	86.0	1,290	0.004	5.50	13.00%	$562,700	$6,543	15.00	*$436 per Unit*
Mobile Home Units	1.0	10	0.017	0.17	0.40%	$17,393	$17,393	10.00	*$1,739 per Unit*
Commercial/Office Use A	169.0	1,840,410	0.016	2.78	6.57%	$284,419	$1,683	10,890	*$0.155 per S.F.*
Industrial Use Acres	136.0	2,073,456	0.012	1.65	3.90%	$168,810	$1,241	15,246	*$0.081 per S.F.*
TOTAL	1,306.4	--	--	42.31	100.00%	$4,328,700	in Total Fire Suppression Capital Needs to Finish System		

Schedule 3.3

North Central Fire Protection District
2007–08 Fire Suppression/Medic Development Impact Fee Study
District Financial Commitment or Equity–based Development Impact Fees
Fire Suppression Facilities, Vehicles and Equipment

Proposed Land Use	Developed: Acres	Developed: Units or Square Feet	Call Generation Rate	Existing Calls for Service	Percentage of Existing Service Calls	Allocation of Infrastructure "Equity"	Distribution of "Equity" per Acre	Average Units or Square Feet/Acre	Current Financial Commitment per Unit or Square Foot
Detached Dwelling Units	779.0	2,555	0.007	18.00	66.67%	$2,014,345	$2,586	3.28	*$788 per Unit*
Attached Dwelling Units	85.0	939	0.004	4.00	14.81%	$447,632	$5,266	11.05	*$477 per Unit*
Mobile Home Units	11.0	116	0.017	2.00	7.41%	$223,816	$20,347	10.55	*$1,929 per Unit*
Commercial/Office Use A	121.5	1,323,135	0.016	2.00	7.41%	$223,816	$1,842	10,890	*$0.169 per S.F.*
Industrial Use Acres	82.5	1,257,795	0.012	1.00	3.70%	$111,908	$1,356	15,246	*$0.089 per S.F.*
TOTAL	1,079.0	--	--	27.00	100.00%	$3,021,517	Total - City N.C.F.P.D. System Capital Contribution		
						$110,000	in Equity in City Existing DIF Fund Balance.		
						$2,911,517	Sub-total - N.V.F.P.D. District Suppression Assets.		
						14.92%	City of Kerman as Percent of N.C.P.F.D. Revenue		
						$19,514,191	Sub-total - N.C.F.P.D. Fire/Rescue Suppression Assets		
						$15,567,286	N.C.F.P.D. Existing Suppression Facilities.		
						$3,267,665	N.C.F.P.D. Fire/Rescue Response Vehicles.		
						$679,240	N.C.F.P.D. Specialty Fire/Rescue Equipment.		

Land Use	Units or Acres	Calls for Service	Annual Calls/ Unit or K.S.F.
Detached Dwellings	2,555	18	0.007
Attached Dwellings	939	4	0.004
Mobile Homes	116	2	0.017
Commercial/Office	122	2	0.016
Industrial	83	1	0.012

Schedule 3.4

North Central Fire Protection District
2007-08 Fire Suppression/Medic Development Impact Fee Study
Fair Share at Buildout-based Development Impact Fees
Fire Suppression Facilities, Vehicles and Equipment

Proposed Land Use	Total "Build-out" Acres	Total "Build-out" Units or Square Feet	Call Generation Rate	Total Calls for Service	Percentage of Responsibility	Allocation of Total System Cost	System Cost Distribution per Acre	Average Units or Square Feet/Acre	Recoupment Impact Fee per Unit or Square Foot
Detached Dwelling Units	1,693.4	7,127	0.007	50.21	72.44%	$5,324,692	$3,144	4.21	*$747 per Unit*
Attached Dwelling Units	171.0	2,229	0.004	9.50	13.71%	$1,007,460	$5,892	13.04	*$452 per Unit*
Mobile Home Units	12.0	126	0.017	2.17	3.13%	$230,125	$19,177	10.50	*$1,826 per Unit*
Commercial/Office Use A	290.5	3,163,545	0.016	$4.78	6.90%	$506,912	$1,745	10,890	*$0.160 per S.F.*
Industrial Use Acres	218.5	3,331,251	0.012	$2.65	3.82%	$281,028	$1,286	15,246	*$0.084 per S.F.*
TOTAL	2,385.4	--	--	69.31	100.00%	$7,350,217	Fire Suppression System Capital needs @ G.P. Build-out.		

Appendix A

Master Facilities Plan

North Central Fire Protection District Master Facilities Plan Fire Suppression Facilities, Vehicles and Equipment		2008-09	2009-10	2010-11	2011-12	2012-13 Through Build-out	Project Build-out Total
FD-01	Station Southeast of Kerman	$0	$0	$0	$0	$5,770,549	$5,770,549
FD-02	Fire Engine/Pumper for Station Southeast of Kerman	$0	$0	$0	$0	$475,000	$475,000
FD-03	Two Brush Rigs for Station Southeast of Kerman	$0	$0	$0	$0	$350,000	$350,000
FD-04	Water Tender for Station Southeast of Kerman	$0	$0	$0	$0	$365,000	$365,000
FD-05	Specialty Emergency Equipment	$0	$0	$0	$0	$100,000	$100,000
	Totals	$0	$0	$0	$0	$7,060,549	$7,060,549

May, 2008

Notes:

1. Project timing is not a component of this project. As a result, all projects default to the "Build-out" column.

North Central Fire Protection District
Master Facilities Plan Project Detail

Project Title:	*Program:*
Station Southeast of Kerman	Fire Suppression Facilities, Vehicles and Equipment
Submitting Department(s):	*Project No.:*
Administrative and Command Staff	FD-01

Project Description:
Acquire land for and construct a proposed station near the area east and south of the existing City of Kerman corporate boundaries. The 11,100 square foot station would require approximately one and a half acres and would be able to house multiple response companies. The station would be three bays wide by two vehicles deep (4,800 S.F.). Approximately 2,622 square feet would be required for living quarters (kitchen, day room, restrooms/showers and sleeping dorms). Approximately 1,585 square feet would be required for mechanical/storage uses (laundry, workroom/shop, storage. electrical panel, vestibule and lobby). The remainder would consist of a 336 square foot office and 592 square foot conference/training room.

Justification/Requirement for Project:
Development within the Kerman City limits as well as in nearby unincoporated areas (within the District) will create the demand for a station near the southeasterly area of Kerman. Two of the station's three bays (and housing for two companies) will be dedicated to serving the additional calls-for-service generated by the addition of the 5,862 residential units and 3.9 million square feet of business uses anticipated to be developed within the Kerman City limits through General Plan build-out. The remaining two vehicle deep bay would be required to serve the additional calls-for-service generated by the less dense anticipated in the unicoporated areas.

Consequences of Not Completing Project:
The District staff would continue to respond with the finite capability/capacity based upon the existing three suppression stations and two support stations, specialty equipment and response fleet. Failure to acquire or construct the needed capacity improvements would ultimately reduce the existing level of service to current residents/businesses near that station by increasing the probability of simultaneous calls-for-service time to any new development.

Reference Document:	*Project Timing:*
North Central Fire Protection District contractual staff planning.	The timing or scheduling of the capital construction or capital outlay acquisition described herein, was not included in the scope of this engagement, thus all project cost default to the "Build-out" column.

PROPOSED EXPENDITURES	*2008-09*	*2009-10*	*2010-11*	*2011-12*	*2012-13 through Build-out*	*Total all Years*
Design/Engineering/Admin.	$0	$0	$0	$0	$464,280	$464,280
Land Acquisition/Right of Way	$0	$0	$0	$0	$411,642	$411,642
Construction	$0	$0	$0	$0	$4,226,546	$4,226,546
Contingency	$0	$0	$0	$0	$251,831	$251,831
Equipment/Other	$0	$0	$0	$0	$416,250	$416,250
TOTAL COST	$0	$0	$0	$0	$5,770,549	$5,770,549

Potential Funding Sources:
District General Fund revenues, Fire Suppression, Vehicle and Equipment Development Impact Fees and potentially a voter-approved tax measure.

North Central Fire Protection District
Master Facilities Plan Project Detail

Project Title:	*Program:*
Fire Engine/Pumper for Station Southeast of Kerman	Fire Suppression Facilities, Vehicles and Equipment
Submitting Department(s):	*Project No.:*
Administrative and Command Staff	FD-02

Project Description:
Acquire the necessary response fleet for the proposed station (#24) near the area east and south of the existing City of Kerman corporate boundaries. The reponse fleet for this station would include a basic Type I engine ($475,000).

Justification/Requirement for Project:
The proposed station would need a response fleet consistent with the demands created by nearby development that the station would serve. The station would require a basic response engine/pumper.

Consequences of Not Completing Project:
The District staff would continue to respond with the finite capability/capacity based upon the existing three suppression stations and two support stations, specialty equipment and response fleet. Failure to acquire or construct the needed capacity improvements would ultimately reduce the existing level of service to current residents/businesses near that station by increasing the probability of simultaneous calls-for-service time to any new development.

Reference Document:	*Project Timing:*
North Central Fire Protection District contractual staff planning.	The timing or scheduling of the capital construction or capital outlay acquisition described herein, was not included in the scope of this engagement, thus all project cost default to the "Build-out" column.

PROPOSED EXPENDITURES	*2008-09*	*2009-10*	*2010-11*	*2011-12*	*2012-13 through Build-out*	*Total all Years*
Design/Engineering/Admin.	$0	$0	$0	$0	$0	$0
Land Acquisition/Right of Way	$0	$0	$0	$0	$0	$0
Construction	$0	$0	$0	$0	$0	$0
Contingency	$0	$0	$0	$0	$0	$0
Equipment/Other	$0	$0	$0	$0	$475,000	$475,000
TOTAL COST	$0	$0	$0	$0	$475,000	$475,000

Potential Funding Sources:
District General Fund revenues, Fire Suppression, Vehicle and Equipment Development Impact Fees and potentially a voter-approved tax measure.

North Central Fire Protection District
Master Facilities Plan Project Detail

Project Title:	*Program:*
Two Brush Rigs for Station Southeast of Kerman	Fire Suppression Facilities, Vehicles and Equipment
Submitting Department(s):	*Project No.:*
Administrative and Command Staff	FD-03

Project Description:
Acquire the necessary response fleet for the proposed station (#24) near the area east and south of the existing City of Kerman corporate boundaries. The reponse fleet for this station would include two brush rigs at $175,000 each.

Justification/Requirement for Project:
The proposed station would need a response fleet consistent with the demands created by nearby development that the station would serve. The station would require two brush rigs, one for the City of Kerman wildland interface areas and one for the unincoporated areas.

Consequences of Not Completing Project:
The District staff would continue to respond with the finite capability/capacity based upon the existing three suppression stations and two support stations, specialty equipment and response fleet. Failure to acquire or construct the needed capacity improvements would ultimately reduce the existing level of service to current residents/businesses near that station by increasing the probability of simultaneous calls-for-service time to any new development.

Reference Document:	*Project Timing:*
North Central Fire Protection District contractual staff planning.	The timing or scheduling of the capital construction or capital outlay acquisition described herein, was not included in the scope of this engagement, thus all project cost default to the "Build-out" column.

PROPOSED EXPENDITURES	*2008-09*	*2009-10*	*2010-11*	*2011-12*	*2012-13 through Build-out*	*Total all Years*
Design/Engineering/Admin.	$0	$0	$0	$0	$0	$0
Land Acquisition/Right of Way	$0	$0	$0	$0	$0	$0
Construction	$0	$0	$0	$0	$0	$0
Contingency	$0	$0	$0	$0	$0	$0
Equipment/Other	$0	$0	$0	$0	$350,000	$350,000
TOTAL COST	$0	$0	$0	$0	$350,000	$350,000

Potential Funding Sources:
District General Fund revenues, Fire Suppression, Vehicle and Equipment Development Impact Fees and potentially a voter-approved tax measure.

North Central Fire Protection District
Master Facilities Plan Project Detail

Project Title:	*Program:*
Water Tender for Station Southeast of Kerman	Fire Suppression Facilities, Vehicles and Equipment
Submitting Department(s):	*Project No.:*
Administrative and Command Staff	FD-04

Project Description:
Acquire the necessary response fleet for the proposed station (#24) near the area east and south of the existing City of Kerman corporate boundaries. The reponse fleet for this station would include a 3,500 gallon water tender ($365,000)

Justification/Requirement for Project:
The proposed station would need a response fleet consistent with the demands created by nearby development that the station would serve. The station would require a water tender for the unincoporated areas that do not have an adequate fire hydrant system. The City does have, and will continue to construct, an water system with adequate fire response water flow.

Consequences of Not Completing Project:
The District staff would continue to respond with the finite capability/capacity based upon the existing three suppression stations and two support stations, specialty equipment and response fleet. Failure to acquire or construct the needed capacity improvements would ultimately reduce the existing level of service to current residents/businesses near that station by increasing the probability of simultaneous calls-for-service time to any new development.

Reference Document:	*Project Timing:*
North Central Fire Protection District contractual staff planning.	The timing or scheduling of the capital construction or capital outlay acquisition described herein, was not included in the scope of this engagement, thus all project cost default to the "Build-out" column.

PROPOSED EXPENDITURES	*2008-09*	*2009-10*	*2010-11*	*2011-12*	*2012-13 through Build-out*	*Total all Years*
Design/Engineering/Admin.	$0	$0	$0	$0	$0	$0
Land Acquisition/Right of Way	$0	$0	$0	$0	$0	$0
Construction	$0	$0	$0	$0	$0	$0
Contingency	$0	$0	$0	$0	$0	$0
Equipment/Other	$0	$0	$0	$0	$365,000	$365,000
TOTAL COST	$0	$0	$0	$0	$365,000	$365,000

Potential Funding Sources:
District General Fund revenues, Fire Suppression, Vehicle and Equipment Development Impact Fees and potentially a voter-approved tax measure.

North Central Fire Protection District
Master Facilities Plan Project Detail

Project Title:	*Program:*
Specialty Emergency Equipment	Fire Suppression Facilities, Vehicles and Equipment
Submitting Department(s):	*Project No.:*
Administrative and Command Staff	FD-05

Project Description:
Acquire additional specialty equipment necessary to respond to a broad range of emergencies that will occur in developing areas. Specialty equipment would include (but not be limited to): communications, trench-shoring, HazMat, rescue, salvage equipment and other specialty items. Such equipment would allow the District staff to respond to and undertake calls-for-service more quickly and efficiently.

Justification/Requirement for Project:
The proposed equipment would increase the transfer of information more quickly and accurately. Additionally, the District will need to respond various types of emergencies with the proper equipment.

Consequences of Not Completing Project:
The District staff would continue to respond with the finite capability/capacity based upon the existing three suppression stations and two support stations, specialty equipment and response fleet. Failure to acquire or construct the needed capacity improvements would ultimately reduce the existing level of service to current residents/businesses near that station by increasing the probability of simultaneous calls-for-service time to any new development.

Reference Document:	*Project Timing:*
North Central Fire Protection District contractual staff planning.	The timing or scheduling of the capital construction or capital outlay acquisition described herein, was not included in the scope of this engagement, thus all project cost default to the "Build-out" column.

PROPOSED EXPENDITURES	*2008-09*	*2009-10*	*2010-11*	*2011-12*	*2012-13 through Build-out*	*Total all Years*
Design/Engineering/Admin.	$0	$0	$0	$0	$0	$0
Land Acquisition/Right of Way	$0	$0	$0	$0	$0	$0
Construction	$0	$0	$0	$0	$0	$0
Contingency	$0	$0	$0	$0	$0	$0
Equipment/Other	$0	$0	$0	$0	$100,000	$100,000
TOTAL COST	$0	$0	$0	$0	$100,000	$100,000

Potential Funding Sources:
District General Fund revenues, Fire Suppression, Vehicle and Equipment Development Impact Fees and potentially a voter-approved tax measure.

Appendix B

Expanded Land-use Database for the North Central Fire Protection District District Urban Service Area

North Central Fire Protection District
Fire Suppression Facilities, Vehicles and Equipment
2007-08 Fire Suppression/Medic Development Impact Fee Study
City of Kerman Urban Service Area Land-use Database @ 2027 General Plan Estimates

Total for Service Area Land Use Database @ Low G.P. Estimate	Current Development		Potential Development		G.P. Build-out Total	
	Acres	# of Units	Acres	# of Units	Acres	# of Units
Detached Dwelling Units	779.00	2,555	609.6	3,048	1,388.60	5,603
Attached Dwelling Units	85.00	939	57.3	860	142.30	1,799
Mobile Home Units	11.00	116	1.0	10	12.00	126
Commercial/Office Use Acres	121.50	1,323,135	113.0	1,230,570	234.50	2,553,705
Industrial Use Acres	82.50	1,257,795	91.0	1,387,386	173.50	2,645,181
Total @ Low G.P Estimate	1,079.00		871.90		1,950.90	

Total for Service Area Land Use Database @ Median G.P. Est.	Current Development		Potential Development		G.P. Build-out Total	
	Acres	# of Units	Acres	# of Units	Acres	# of Units
Detached Dwelling Units	779.00	2,555	914.4	4,572	1,693.40	7,127
Attached Dwelling Units	85.00	939	86.0	1,290	171.00	2,229
Mobile Home Units	11.00	116	1.0	10	12.00	126
Commercial/Office Use Acres	121.50	1,323,135	169.0	1,840,410	290.50	3,163,545
Industrial Use Acres	82.50	1,257,795	136.0	2,073,456	218.50	3,331,251
Total @ Median G.P. Estimate	1,079.00		1,306.40		2,385.40	

Total for Service Area Land Use Database @ High G.P. Est.	Current Development		Potential Development		G.P. Build-out Total	
	Acres	# of Units	Acres	# of Units	Acres	# of Units
Detached Dwelling Units	779.00	2,555	1,219.0	6,095	1,998.00	8,650
Attached Dwelling Units	85.00	939	114.6	1,719	199.60	2,658
Mobile Home Units	11.00	116	1.0	10	12.00	126
Commercial/Office Use Acres	121.50	1,323,135	225.0	2,450,250	346.50	3,773,385
Industrial Use Acres	82.50	1,257,795	181.0	2,759,526	263.50	4,017,321
Total @ High G.P. Estimate	1,079.00		1,740.60		2,819.60	

End of Report