

Harris & Associates



Public Safety Impact Fee Update

For the
City of Tracy
San Joaquin County, California

August 2019



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Executive Summary

The City of Tracy (City) adopted the Public Safety Master Plan on April 16, 2013 and the Public Safety Impact Fee on January 7, 2014. The Master Plan outlined the facilities that were necessary to serve new development and the Impact Fee Study set the fees that new development would be responsible for paying. The fees were updated on September 16, 2014 to revise the public safety communication tower project.

The South County Fire Authority Standards of Cover Study (SOC Study) was completed in May 2017 and evaluated the coverage of the City's future and planned fire station. To meet the City's population and call demands, the SOC Study recommended that the City build two new fire stations and relocate two existing stations. These fire stations modify the current program fire stations "B", "C", "D", and "E". Maps of the proposed and existing Fire Stations are shown in Appendix A. The Public Safety Fee is being updated to reflect revised cost estimates and service coverage areas for the four proposed fire stations. All other facilities are being adjusted using the June 2019 San Francisco Engineers New Record (ENR) Construction Cost Index and updated land costs.

In addition, the City has requested that the fees be broken into four separate fee categories; Fire, Police, Communication Facilities, and Program Administration. Each fee will be collected into separate funds.

Table 1 summarizes the projects and costs attributable to the Fire Fee.

Table 1: Fire Facilities

Fire Facilities	Construction Cost	Mark-up (35%)	FF&E & Vehicles	Land Acquisition ³	Total Project Cost	Percent Attributable to City	Cost Attributable to City	Other City Funding Contribution	Total Cost Attributable to Master Plan Fee Program	Funding From Other Non-Impact Fee Sources
Fire Headquarters Station "A"	\$ 2,364,543	\$ 827,590	\$ 1,101,590	\$ -	\$ 4,294,000	64.20%	\$ 2,756,748	\$ -	\$ 2,756,748	\$ 1,537,252
Fire Station 94 (Relocation - Cordes Ranch Area) ^{3,4,6,7}	\$ 3,703,704	\$ 1,296,296	\$ 1,000,000	\$ 375,000	\$ 6,375,000	100.0%	\$ 6,375,000	\$ 1,000,000	\$ 5,375,000	\$ -
Fire Station 95 (Tracy Hills Area) ^{3,6,7}	\$ 4,148,148	\$ 1,451,852	\$ 1,000,000	\$ 375,000	\$ 6,975,000	100.0%	\$ 6,975,000	\$ -	\$ 6,975,000	\$ -
Fire Station 97 (Relocation - Valpico) ^{2,3,7}	\$ 4,074,074	\$ 1,425,926	\$ 1,000,000	\$ 375,000	\$ 6,875,000	82.0%	\$ 5,634,750	\$ 4,470,000	\$ 1,164,750	\$ 1,240,250
Fire Station 99 (Ellis Area) ^{3,5,7}	\$ 4,074,074	\$ 1,425,926	\$ 1,000,000	\$ 375,000	\$ 6,875,000	93.5%	\$ 6,426,750	\$ 1,245,893	\$ 5,180,857	\$ 448,250
Training Facility - Fire Dept ¹	\$ 2,196,275	\$ 768,696	\$ 20,568	\$ 229,575	\$ 3,216,000	100.0%	\$ 3,216,000	\$ -	\$ 3,216,000	\$ -
Fire Station Facilities Total	\$ 20,560,818	\$ 7,196,286	\$ 5,122,158	\$ 1,729,575	\$ 34,610,000	-	\$ 31,384,248	\$ 6,715,893	\$ 24,668,355	\$ 3,225,752

Notes:

- 1) The Training Facility which was also a joint facility was split between police and fire as a joint facility is no longer being contemplated. The cost is split between the Fire and Police Fees based on the full time equivalents per the City of Tracy Financial Plan dated 2016/17 & 2017/18.
- 2) For the relocation of Fire Station 97, the City Core Area contributes to the cost of the fire station and also the City is contributing \$1,000,000 in the form of the fire engine relocation.
- 3) Fire Station 94, 95, 97, and 99 land acquisition cost includes 1.5 acres each at \$250,000/acre.
- 4) \$1,000,000 of City's obligation is coming from the fire engine relocation from existing Fire Station.
- 5) Other City Funding Contribution is Ellis Fair Share.
- 6) Station 94 and Station 95 are required to service the new developments of Cordes Ranch and Tracy Hills, respectively and are to be 100% funded by the Master Plan Fees.
- 7) Fire station costs are based on the October 16, 2018 adopted Financing Plan for the construction of Fire Stations 94, 95, 97 and 99 by Resolution 2018-225.

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Table 2 summarizes the projects and costs attributable to the Police Fee.

Table 2: Police Facilities

Police Department Facilities	Construction Cost	Mark-up (35%)	FF&E & Vehicles	Land Acquisition	Total Project Cost	Percent Attributable to Master Plan	Total Cost Attributable to Master Plan Fee Program
Police Department Service Center	\$ 15,806,461	\$ 5,532,261	\$ 2,160,114	\$ 750,000	\$ 24,249,000	100.0%	\$ 24,249,000
Training Facility - Police Dept ¹	\$ 3,854,652	\$ 1,349,128	\$ 36,098	\$ 402,925	\$ 5,643,000	100.0%	\$ 5,643,000
Police Department Total	\$ 19,661,113	\$ 6,881,389	\$ 2,196,212	\$ 1,152,925	\$ 29,892,000	-	\$ 29,892,000

Notes:

1) The Training Facility which was also a joint facility was split between police and fire as a joint facility is no longer being contemplated. The cost is split between the Fire and Police Fees based on the full time equivalents per the City of Tracy Financial Plan dated 2016/17 & 2017/18.

Table 3 summarizes the projects and costs attributable to the Communication Facilities Fee.

Table 3: Communication Facilities

Communication Facilities ¹	Construction Cost	Mark-up (35%)	FF&E & Vehicles	Land Acquisition	Total Project Cost	Percent Attributable to Master Plan	Total Cost Attributable to Master Plan Fee Program
Public Safety Center + EOC	\$ 5,235,671	\$ 1,832,485	\$ 52,133	\$ -	\$ 7,121,000	100.0%	\$ 7,121,000
Radio Communications Tower	\$ 679,994	\$ 237,998	\$ 4,067,185	\$ 125,000	\$ 5,111,000	58.4%	\$ 2,985,676
Communication Facilities Total	\$ 5,915,665	\$ 2,070,483	\$ 4,119,318	\$ 125,000	\$ 12,232,000	-	\$ 10,106,676

Notes:

1) The Communication Facilities Fee is comprised of facilities that provide communication services for both police and fire and were previously referred to as Joint Facilities. The Training Facility which was also a joint facility was split between police and fire as a joint facility is no longer being contemplated.

Table 4 summarizes the fees for Fire, Police, Communication Facilities, and Program Administration.

Table 4: Fire, Police, Communication Facilities, Program Administration Fees Summary

Land Use Type	Fire ²	Police ²	Communication Facilities ^{1,2}	Program Administration ²
Residential	(Per Unit)	(Per Unit)	(Per Unit)	(Per Unit)
Low-Density	\$ 640.00	\$ 776.00	\$ 262.00	\$ 84.00
Medium-Density (attached 2-4)	\$ 524.00	\$ 634.00	\$ 215.00	\$ 69.00
High-Density (attached 4+)	\$ 427.00	\$ 517.00	\$ 175.00	\$ 56.00
Non-Residential	(Per 1,000 SF)	(Per 1,000 SF)	(Per 1,000 SF)	(Per 1,000 SF)
Office	\$ 323.22	\$ 391.66	\$ 132.42	\$ 42.37
Retail	\$ 193.93	\$ 235.00	\$ 79.45	\$ 25.42
Industrial	\$ 64.64	\$ 78.34	\$ 26.48	\$ 8.47

Notes:

1) The Communication Facilities Fee is comprised of facilities that provide communication services for both police and fire and were previously referred to as Joint Facilities. The Training Facility which was also a joint facility was split between police and fire as a joint facility is no longer being contemplated.

2) Residential fees are rounded to the nearest dollar.



Introduction

The City of Tracy (City), adopted the Public Safety Master Plan and the Public Safety Fee in order to fund the public safety facilities necessary to serve new development in the City. These facilities include four fire stations, a fire station headquarters expansion, a police department service center, police and fire department training facilities, a public safety center, and a radio communications tower.

The South County Fire Authority Standards of Cover Study (SOC Study) accepted by the Council in June 2017, analyzed the adequacy of the existing deployment systems from the current and future fire station locations. Through this study, it was found that the City's four current urban area fire stations do not provide the necessary coverage for the City to serve the emerging new development areas. To allow for adequate coverage, the study recommends that Fire Station 94 be relocated 0.7 miles north on Hansen Road, Fire Station 97 be relocated to Valpico Road halfway between MacArthur Drive and Tracy Blvd, Fire Station 95 be constructed in Tracy Hills, and Fire Station 99 be constructed in the Ellis/Avenues development. The City Staff agreed with the SOC Study's findings.

The City is updating the Public Safety Fee to incorporate the new fire station locations and updated costs. The four fire stations outlined in the SOC Study will replace fire stations "B", "C", "D", and "E" from the original Master Plan. All other facilities in the program will be adjusted using the June 2019 San Francisco Engineers New Record (ENR) Construction Cost Index.

The City has also requested that the Public Safety Fee be broken into four fee categories; Fire, Police, Communication Facilities, and Program Administration. This will allow revenue and expenditures to be tracked separately. The original Master Plan proposed a joint training facility but this facility is now being split between the Fire and Police fee categories due to the fact that a joint facility is not anticipated at this time.

Background

On April 16, 2013, the "Citywide Public Safety Master Plan" was adopted by City Council. The Public Safety Master Plan evaluated current conditions; space standards and function flow; staff and space need projects. The Public Safety Master Plan is a guideline document for the identification of public health and safety facilities needed to serve the City at build-out of the City's Sphere of Influence. The Public Safety Master Plan is also a guideline document for the identification of public health and safety upgrades needed to adapt existing spaces to new or expanded use.

On January 7, 2014, the "Public Safety AB1600 Development Impact Fee Technical Memo" was adopted by City Council by Resolution 2014-010. The Public Safety Fee, established the cost per capita of new development to fund their fair share of police and fire facilities.

On September 16, 2014, the "Public Safety AB1600 Development Impact Fee Update Technical Memo" was adopted by City Council by Resolution 2014-158 to incorporate updated costs for a communication tower and related communication equipment. In June of 2018 and 2019, the City updated the Master Plan Fees using the June ENR Construction Cost Index.



In June 2017, the Council accepted the South County Fire Authority (SCFA) Standards of Cover Study ("SOC Study") completed by Citygate Associates, LLC. The SOC Study reviewed the adequacy of the existing and future fire department deployment systems for current fire station locations and planned fire station location that will be needed for development within the SCFA jurisdictional boundaries. This study provided twelve technical findings and four recommendations which included; adopting updated deployment measure policies, adding a fire station to Tracy Hills and in the southwest City area, relocating Fire Stations 94 and 97, and conducting a dispatch time analysis.

At this time, the Public Safety Fee is being updated in response to the SOC Study recommendations for the new locations of Fire Stations 95 and 99 and the relocation of Fire Stations 94 and 99. The revised plan is more efficient to operate due to the reduced number of fire stations and provides coverage to the developing City areas that could not be achieved without relocation of the stations. The City is looking to have all stations constructed by the year 2022 in order to accommodate growth of the City.

In addition, the fee is being separated into four fee categories in order to better track revenue and expenditures by department. The police and communication facilities fees are being updated by ENR and updated land costs.

Land Use

The fees for Fire, Police and the Communication Facilities are based on the City's population and employment projections. The anticipated remaining development was updated by subtracting development built to date from the Master Plan Assumptions. All other population assumptions from the Public Safety Master Plan have remained unchanged and are as follows:

- For residential land uses it is assumed that new low density residential dwelling units have a density of 3.3 people per unit, a medium density unit is assumed 2.7 people per unit, and a high density unit is assumed to have 2.2 people per unit.
- For non-residential land uses it is assumed that there are 300 workers per square foot of building for office, 500 employees per square foot of building for retail, and 1,500 employees per square foot of building for industrial.
- The impact of an employee as compared to a resident is considered to be 0.5 times that of a new resident.

Based on these assumptions, the total number of residents and employees generated through future development and the equivalent dwelling units (EDU's) are calculated. These calculations are summarized in Table 5.



Table 5: EDU Calculation

Land Use Type	Number of Units/Bldg. sf	Number of Units/Bldg. sf Developed after 5/2013	Number of Units/Bldg. sf	Density ¹	Resident/Worker Projections	Resident Equivalents ²	Equivalent EDU's	EDU Factor
Residential								
Low-Density	7,555	211	7,344	3.3	24,235	24,235	7,344	1.000
Medium-Density (attached 2-4)	7,457	-	7,457	2.7	20,134	20,134	6,100	0.818
High-Density (attached 4+)	4,270	447	3,823	2.2	8,411	8,411	2,549	0.667
Subtotal Residents	19,282	658	18,624		52,780	52,780	15,993	
Non-Residential								
Office	15,912,904	-	15,912,904	300	53,043	26,522	8,037	0.505
Retail	18,015,545	-	18,015,545	500	36,031	18,016	5,459	0.303
Industrial	87,106,932	6,184,841	80,922,091	1500	53,948	26,974	8,174	0.101
Subtotal Employees	121,035,381	6,184,841	114,850,540		143,022	71,511	21,670	
Total						124,291	37,663	

Notes:

1. Density is "persons per dwelling unit" or "square feet per worker".

2. Workers are weighted as equivalent to 0.5 of a resident.

AB 1600 Findings

AB 1600, which was enacted by the State of California in 1987, created the Mitigation Fee Act – Section 66000 et seq. of the Government Code. The Mitigation Fee Act requires that all public agencies satisfy five requirements when establishing, increasing, or imposing a fee as a condition of approval of a development project. These requirements are as follows:

1. Identification of the purpose of the fee.
2. Identification of how the fee will be used.
3. Determination of how there is a reasonable relationship between the fee's use and the type of development projects on which the fee is imposed.
4. Determination of how there is a reasonable relationship between the need for the facilities and the type of development projects on which the fee is imposed.
5. Determination of how there is a reasonable relationship between the amount of the fee and the cost of the facilities attributable to new development.

The AB1600 findings for each fee are contained in the sections below.



Fire Fee

Proposed Fire Stations

The four fire stations are described below. Maps of the existing and future fire station locations are shown in Appendix A. These maps from the SOC Study indicate the total area that an engine could reach within four minutes of travel time as well as within seven and a half minutes of travel time before and after the inclusion of the proposed stations.

Fire Station 94

Station 94 is a pre-existing station located at 1605 W. Schulte Road, southwest of the intersection at W. Schulte Road and Hansen Road. This station was first built in the 1940's in the Lammersville area near the intersection at Byron and Grant Line Roads and in 1995 relocated to its current location. In order to serve the Cordes Ranch Specific Plan Area, Fire Station 94 will be relocated approximately 0.7 miles north on Hansen Road. The total estimated cost of 1.5 acres of land and construction of Fire Station 94 is \$6.375 million. The Fire Station 94 relocation would not be required were it not for the development of the Cordes Ranch Specific Plan. The design and construction is expected to start in 2019 and take two years to complete. The current station will remain open during this period and once the new station is completed, the apparatus and equipment from the existing station will be moved to the new location. Because the City will be able to use the equipment from Fire Station 94, the reduction in cost of the new facility is \$1 million.

Fire Station 95

Station 95 will be a new fire station located within Tracy Hills north of I-580. This fire station is necessary to serve the Tracy Hills Specific Plan Area. The total estimated cost of 1.5 acres of land and construction of Fire Station 95 is \$6.975 million and includes the purchase of a new apparatus and equipment. The design of this fire station is complete and under review. The construction is estimated to start in 2021 and take one year to complete. This Fire Station was identified as Fire Station "C" in the Master Plan.

Fire Station 97

Station 97 is a pre-existing station located at the southern edge of the city at 595 W. Central Avenue. This fire station was built in 1986 and is currently staffed with three personnel. Station 97 will be relocated to Valpico Road half way between MacArthur Drive and Tracy Boulevard. This station will serve the east side of Tracy including the future development areas of Rocha and UR1. The total estimated cost of 1.5 acres of land and construction of Fire Station 97 is \$6.875 million. The design and construction is expected to start in 2019 and take two years to complete. The current station will remain open during this period and once the new station is completed, the apparatus and equipment from the existing station will be moved to the new location. Because the City will be able to use the equipment from Fire Station 97, the reduction in cost of the new facility is \$1 million.

Fire Station 99

Station 99 will be a new facility near the developments of Ellis and the proposed development of the Avenues. This station will cover the developing area of the City's sphere of influence, west of Corral Hollow and east of Lammers Road. The total estimated cost of 1.5 acres of land and construction of Fire



Station 99 is \$6.875 million, which includes the purchase of a new apparatus and equipment. Design and construction is estimated to start in 2019 and expected to take two years to complete. Fire Headquarters

The fire administration building downtown was recommended to be upgraded and expanded by 5,185 square feet to provide it with apparatus and dormitory space to serve Tracy's downtown core. No change from the master plan is being made to this facility at this time.

Fire Department Training Facility

The master plan contemplated taking the existing 2,296 square foot police firing range site and upgrading it to add 13,924 square feet of additional space to grow into a 4.8 acre joint fire and police training facility. Based on input from City staff, the training facility is not planned as a joint facility and the square footage has been split between police and fire in the new fee calculation based on the FTE's of each department.

Fire Station Cost Estimates

Each new fire station serves areas within the City's sphere of influence as well as unincorporated areas. The map showing the 1.5 mile service area radius of each station is located in Appendix B. The percent of each fire station attributable to calls in the City was calculated using the Citywide Public Safety Master Plan distribution equation which applies service calls to the various types of development served by each station, as shown below:

$$\text{Percent} = \frac{(A_{\text{city}} \times 188.32)}{(A_{\text{city}} \times 188.32) + (A_{\text{devunincorp}} \times 188.32) + (A_{\text{rural}} \times 9.78)}$$

Notes:

A_{city} : Incorporated city area (SF) in the sphere of influence.

$A_{\text{devunincorp}}$: Developed unincorporated area (SF) in the sphere of influence.

A_{rural} : Rural area (SF) in the sphere of influence

Annual service calls per square mile: 188.32 for urban areas and 9.78 for rural areas

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Table 6 summarizes the service area of each fire station, the calls attributable to that area and the percentage of the cost that is attributable to the City Sphere. The relocation of Fire Station 94 and the need to build Fire Station 95 are required in order to serve the new developments of Cordes Ranch and Tracy Hills respectively and therefore are to be 100 percent funded by the Master Plan Fees.

Table 6: Allocations of Proposed Fire Stations

Station	City Area (SF)	City Calls (188.32 x Area)	Developed Unincorporated Area (SF)	Unincorporated Calls (188.32 x Area)	Undeveloped Unincorporated Area (SF)	Unincorporated Calls (9.78 x Area)	Percent Attributable to the City ³
Fire Station 94 (Relocation)							100.0%
Fire Station 95							100.0%
Fire Station 97 (Relocation)	153,928,820	28,987,875,456	33,379,867	6,286,096,591	9,788,994	95,736,365	82.0%
Fire Station 99	127,661,734.47	24,041,257,835	5,597,032.04	1,054,033,074	63,794,991.42	623,915,016	93.5%

Notes:

1. Each stations area is based on a 1.5 mile service radius area.

2. Calls based on the 2013 Master Plan.

3. Station 94 and Station 95 are required to service the new developments of Cordes Ranch and Tracy Hills, respectively and are to be 100% funded by the Master Plan Fees.

Fire Station Funding

The City has the need to fund \$31.4 million in fire station projects. The funding will come from a variety of sources:

- The City is contributing \$1.0 million towards the cost of Fire Station 94 as well as Fire Station 97 in the way of providing equipment for these stations.
- The CORE fee area contributes \$3,470,000 towards Fire Station 97
- Ellis contributes \$1,245,893 towards Fire Station 99.
- New development in the Master Plan Fee Area will contribute \$24,668,355.
- A total of \$3,225,752 in funding from non-impact fee sources will be required.

Table 7 summarizes the cost estimates, the cost attributable to the City's Master Plan Fees, funding contributions from other City fees, and non-impact fee funding needs.

Table 7: Fire Station Funding Summary

Fire Facilities	Construction Cost	Mark-up (35%)	FF&E & Vehicles	Land Acquisition ³	Total Project Cost	Percent Attributable to City	Cost Attributable to City	Other City Funding Contribution	Total Cost Attributable to Master Plan Fee Program	Funding From Other Non-Impact Fee Sources
Fire Headquarters Station "A"	\$ 2,364,543	\$ 827,590	\$ 1,101,590	\$ -	\$ 4,294,000	64.20%	\$ 2,756,748	\$ -	\$ 2,756,748	\$ 1,537,252
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Fire Station 95 (Tracy Hills Area) ^{3,6,7}	\$ 4,148,148	\$ 1,451,852	\$ 1,000,000	\$ 375,000	\$ 6,975,000	100.0%	\$ 6,975,000	\$ -	\$ 6,975,000	\$ -
Fire Station 97 (Relocation - Valpico) ^{2,3,7}	\$ 4,074,074	\$ 1,425,926	\$ 1,000,000	\$ 375,000	\$ 6,875,000	82.0%	\$ 5,634,750	\$ 4,470,000	\$ 1,164,750	\$ 1,240,250
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Training Facility - Fire Dept ¹	\$ 2,196,275	\$ 768,696	\$ 20,568	\$ 229,575	\$ 3,216,000	100.0%	\$ 3,216,000	\$ -	\$ 3,216,000	\$ -
Fire Station Facilities Total	\$ 20,560,818	\$ 7,196,286	\$ 5,122,158	\$ 1,729,575	\$ 34,610,000	-	\$ 31,384,248	\$ 6,715,893	\$ 24,668,355	\$ 3,225,752

Notes:

1) The Training Facility which was also a joint facility was split between police and fire as a joint facility is no longer being contemplated. The cost is split between the Fire and Police Fees based on the full time equivalents per the City of Tracy Financial Plan dated 2016/17 & 2017/18.

2) For the relocation of Fire Station 97, the City Core Area contributes to the cost of the fire station and also the City is contributing \$1,000,000 in the form of the fire engine relocation.

3) Fire Station 94, 95, 97, and 99 land acquisition cost includes 1.5 acres each at \$250,000/acre.

4) \$1,000,000 of City's obligation is coming from the fire engine relocation from existing Fire Station.

5) Other City Funding Contribution is Ellis Fair Share.

6) Station 94 and Station 95 are required to service the new developments of Cordes Ranch and Tracy Hills, respectively and are to be 100% funded by the Master Plan Fees.

7) Fire station costs are based on the October 16, 2018 adopted Financing Plan for the construction of Fire Stations 94, 95, 97 and 99 by Resolution 2018-225.



Fee Calculations

The cost per EDU is calculated by taking the cost attributable to the Master Plan land uses, subtracting the fund balance, and dividing by the remaining EDU's as summarized in Table 8.

Table 8: Fire Fee Cost per EDU

Category	Cost Attributable to Master Plan Fee Program	Master Plan Fund Balance ¹	Remaining Cost to Fund	Total Remaining EDU's	Cost/EDU
Fire	\$ 24,668,355	\$ 562,712	\$ 24,105,643	37,663	\$ 640.04

Notes:

1. Fund balance is shown through fiscal year June 30, 2018.

The Fire Fee is then calculated by multiplying the cost per EDU by the EDU Factor as shown in Table 9 to determine the fee per unit or fee per 1,000 square feet for non-residential. The residential fees are rounded to the nearest dollar.

Table 9: Fire Fee Calculation

Land Use Type	EDU Factor	Fire Fee ¹
Residential		(Per Unit)
Low-Density	1.000	\$ 640.00
Medium-Density (attached 2-4)	0.818	\$ 524.00
High-Density (attached 4+)	0.667	\$ 427.00
Non-Residential		(Per 1,000 SF)
Office	0.505	\$ 323.22
Retail	0.303	\$ 193.93
Industrial	0.101	\$ 64.64

Notes:

1. Residential fees are rounded to the nearest dollar.

AB1600 Findings

Requirement #1: Identify the purpose of the fee.

The purpose of the Fire Fee is to fund the fire stations and facilities needed to serve new development in the City. These facilities are summarized in Table 7.

Requirement #2: Identify the use to which the fee will be put.

The Fire Fee will be used to construct the facilities needed to serve the increased fire demands and to provide response time coverage of new developments. These facilities include four new fire stations, a fire headquarters station, and a fire department training facility as summarized in Table 7.

Requirement #3: Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed.

New development adds residents and employees that increase the need for additional fire coverage. To provide adequate coverage as identified in the SOC Study, new fire facilities must be built in the City. The Fire Fee will fund these facilities and are calculated based on the estimated number of new residents or



employees that are generated by each new development in the City. This methodology provides a reasonable relationship between the fees and the impact created by the new development. Table 7 shows the costs attributable to the Master Plan fee program for each facility. Table 8 shows how the cost per EDU is calculated and Table 9 shows how the fee for each land use is calculated.

Requirement #4: Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed.

Each new development adds people or employees to the City thus increasing the need for fire facilities. In order to maintain the required level of service through the buildup of the City, new fire facilities must be built. These facilities, summarized in Table 7, ensures that adequate response times will continue to be met as new development occurs. The Fire Fee is based on the cost to serve each additional resident or employee. Only the cost attributable to new development is funded through the Fire Fee.

Requirement #5: Determine how there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.

The Fire Fee will provide the funding for the necessary fire facilities that are needed to serve the City. These facilities and costs are summarized in Table 7. The cost of the fire facilities are spread to each land use based on the estimated number of resident equivalents that each land use will generate as shown in Table 8 and Table 9. By spreading the fees based on the resident equivalent, each new residential unit and each new non-residential development is only paying for their fair share of the required facilities based on the additional demand created by that development.



Police Fee

Based on the Public Safety Master Plan, new development is required to fund 40,990 square feet of a new police station. The cost estimates from the original master plan are being updated by ENR at this time.

The master plan contemplated taking the existing 2,296 square foot police firing range site and upgrading it to add 13,924 square feet of additional space to grow into a 4.8 acre joint fire and police training facility. The City believes that a joint facility will not be constructed and thus the training facility has been split between the police and fire fee based on the FTE's in each department. 64 percent of the facility was included in the police fee.

Cost Estimates

The cost estimates for the facilities are shown in Table 10. One hundred percent of the cost is attributable to the Master Plan Fee Program.

Table 10: Police Facilities Cost Estimate

Police Department Facilities	Construction Cost	Mark-up (35%)	FF&E & Vehicles	Land Acquisition	Total Project Cost	Percent Attributable to Master Plan	Total Cost Attributable to Master Plan Fee Program
Police Department Service Center	\$ 15,806,461	\$ 5,532,261	\$ 2,160,114	\$ 750,000	\$ 24,249,000	100.0%	\$ 24,249,000
Training Facility - Police Dept ¹	\$ 3,854,652	\$ 1,349,128	\$ 36,098	\$ 402,925	\$ 5,643,000	100.0%	\$ 5,643,000
Police Department Total	\$ 19,661,113	\$ 6,881,389	\$ 2,196,212	\$ 1,152,925	\$ 29,892,000	-	\$ 29,892,000

Notes:

1) The Training Facility which was also a joint facility was split between police and fire as a joint facility is no longer being contemplated. The cost is split between the Fire and Police Fees based on the full time equivalents per the City of Tracy Financial Plan dated 2016/17 & 2017/18.

Fee Calculations

The cost per EDU is calculated by taking the cost attributable to the Master Plan, subtracting the fund balance, and dividing by the remaining EDU's as summarized in Table 11.

Table 11: Police Fee Cost per EDU

Category	Cost Attributable to Master Plan Fee Program	Master Plan Fund Balance ¹	Remaining Cost to Fund	Total Remaining EDU's	Cost/EDU
Police	\$ 29,892,000	\$ 681,869	\$ 29,210,131	37,663	\$ 775.57

Notes:

1. Fund balance is shown through fiscal year June 30, 2018.

The Police Fee is then calculated by multiplying the cost per EDU by the EDU Factor as shown in Table 12. The residential fees are rounded to the nearest dollar.



Table 12: Police Fee Calculation

Land Use Type	EDU Factor	Police Fee ¹
Residential		(Per Unit)
Low-Density	1.000	\$ 776.00
Medium-Density (attached 2-4)	0.818	\$ 634.00
High-Density (attached 4+)	0.667	\$ 517.00
Non-Residential		(Per 1,000 SF)
Office	0.505	\$ 391.66
Retail	0.303	\$ 235.00
Industrial	0.101	\$ 78.34

Notes:

1. Residential fees are rounded to the nearest dollar.

AB1600 Findings

Requirement #1: Identify the purpose of the fee.

The purpose of the Police Fee is to fund the police facilities needed to serve new development in the City. These facilities are summarized in Table 10.

Requirement #2: Identify the use to which the fee will be put.

The Police Fee will be used to construct the facilities needed to serve and support the increased police demands created by new development. These facilities include a police department service center and a police department training facility as summarized in Table 10.

Requirement #3: Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed.

New residents and employees created by new development increases the demand for police coverage and support. To provide adequate services, new police facilities must be built. The fee is calculated based on the estimated number of new residents or employees that are generated by each new development in the City. This methodology provides a reasonable relationship between the fees and the impact created by the new development. Table 11 shows the methodology for calculating the cost per EDU and Table 12 shows how the fee is calculated for each land use.

Requirement #4: Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed.

Each new development adds people or employees to the City thus increasing the need for police facilities. In order to maintain the required level of service through the buildup of the City, a police department service center and a police department training facility must be built. These facilities, summarized in Table 10, ensure that the required level of service and support will continue to be met as new development occurs. The Police Fee is based on the cost to serve each additional resident or employees. Only the cost attributable to new development is funded through the Police Fee.

City of Tracy Public Safety Fee Update



Harris & Associates

Requirement #5: Determine how there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.

The Police Fee will provide the funding for the police facilities that are needed to serve the City. These facilities and costs are summarized in Table 10. The cost of the police facilities are spread to each land use based on the estimated number of resident equivalents that each land use will generate as shown in Table 11 and Table 12. By spreading the fees based on the resident equivalent, each new residential unit and each new non-residential development is only paying for their fair share of the required facilities.



Communication Facilities Fee

The Communication Facilities Fee includes a new Radio Communication Fee Tower and upgrades to the 25,497 square foot Public Safety Center and Emergency Operations Center. These facilities were included in the joint facilities category in the original Master Plan. The cost estimates from the original Master Plan were updated by ENR.

Cost Estimates

The cost estimates for the facilities are shown in Table 13 as well as the cost attributable to the Master Plan. 100 percent of the upgrade to the Public Safety Center and Emergency Operations Center is Attributable to the Master Plan while only 58.4 percent of the Radio Communication Tower is.

Table 13: Communication Facilities Cost Estimate

Communication Facilities ¹	Construction Cost	Mark-up (35%)	FF&E & Vehicles	Land Acquisition	Total Project Cost	Percent Attributable to Master Plan	Total Cost Attributable to Master Plan Fee Program
Public Safety Center + EOC	\$ 5,235,671	\$ 1,832,485	\$ 52,133	\$ -	\$ 7,121,000	100.0%	\$ 7,121,000
Radio Communications Tower	\$ 679,994	\$ 237,998	\$ 4,067,185	\$ 125,000	\$ 5,111,000	58.4%	\$ 2,985,676
Communication Facilities Total	\$ 5,915,665	\$ 2,070,483	\$ 4,119,318	\$ 125,000	\$ 12,232,000	-	\$ 10,106,676

Notes:

1) The Communication Facilities Fee is comprised of facilities that provide communication services for both police and fire and were previously referred to as Joint Facilities. The Training Facility which was also a joint facility was split between police and fire as a joint facility is no longer being contemplated.

Fee Calculation

The cost per EDU is calculated by taking the cost attributable to the Master Plan, subtracting the fund balance, and dividing by the remaining EDU's as summarized in Table 14.

Table 14: Communication Facilities Fee Cost per EDU

Category	Cost Attributable to Master Plan Fee Program	Master Plan Fund Balance ¹	Remaining Cost to Fund	Total Remaining EDU's	Cost/EDU
Communication Facilities	\$ 10,106,676	\$ 230,544	\$ 9,876,132	37,663	\$ 262.22

Notes:

1. Fund balance is shown through fiscal year June 30, 2018.

The Communication Facilities Fee is then calculated by multiplying the cost per EDU by the EDU Factor as shown in Table 15. The residential fees are rounded to the nearest dollar.



Table 15: Communication Facilities Fee Calculation

Land Use Type	EDU Factor	Communication Facilities Fee ¹
Residential		
Low-Density	1.000	\$ 262.00
Medium-Density (attached 2-4)	0.818	\$ 215.00
High-Density (attached 4+)	0.667	\$ 175.00
Non-Residential		
<i>(Per 1,000 SF)</i>		
Office	0.505	\$ 132.42
Retail	0.303	\$ 79.45
Industrial	0.101	\$ 26.48

Notes:

1. Residential fees are rounded to the nearest dollar.

AB1600 Findings

Requirement #1: Identify the purpose of the fee.

The purpose of the Communication Facilities Fee is to fund the public safety communication facilities needed to serve new development in the City. These facilities are summarized in Table 13.

Requirement #2: Identify the use to which the fee will be put.

The Communication Facilities Fee will be used to construct a new Radio Communication Tower and upgrade the Public Safety Center and Emergency Operation Center to meet the increased public safety demands created by new development. These facilities are summarized in Table 13.

Requirement #3: Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed.

New residents and employees created by new development increases the demand for additional public safety facilities. To allow for adequate service, a Radio Communication Tower and an upgrade to the Public Safety Center and Emergency Operation Center are required to meet the demand of new development. The Communication Facilities Fee will fund these facilities and is calculated based on the estimated number of new residents or employee that are generated by each new development in the City. This methodology provides a reasonable relationship between the fees and the impact created by the new development. Table 14 shows the cost per EDU calculation and Table 15 shows how the fee for each land use is calculated.

Requirement #4: Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed.

Each new development adds people or employees to the City thus increasing the need for improved communication facilities in the City. In order to maintain the required level of service through the buildup of the City, a Radio Communication Tower and an upgrade to the Public Safety Center and Emergency Operation Center are required. These facilities, summarized in Table 13, are required to provide adequate public safety services as new development occurs. The Communication Facilities Fee is based on the cost to serve each additional resident or employee. Only the cost attributable to new development is funded through the Communication Facilities Fee.

City of Tracy Public Safety Fee Update



Harris & Associates

Requirement #5: Determine how there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.

The Communication Facilities Fee will provide the funding for public safety communication facilities that are needed to serve the City. These facilities and costs are summarized in Table 13. The cost of the facilities are spread to each land use based on the estimated resident equivalents that each land use will generate as shown in Table 14 and Table 15. By spreading the fees based on the resident equivalent, each new residential unit and each new non-residential development pays for their fair share of the required facilities.



Program Administration

The Program Administration Fee provides the funding necessary to administer the impact fee program. This fee is calculated as a five percent mark-up on the other fees. The fee will be collected into the City's program administration fund.

Fee Calculation

Table 16 shows the cost per EDU and the resulting Program Administration cost per EDU calculation.

Table 16: Program Administration Fee Cost per EDU

Category	Cost/EDU	Program Administration (Cost/EDU) ¹
Fire	\$ 640.04	\$ 32.00
Police	\$ 775.57	\$ 38.78
Communication Facilities	\$ 262.22	\$ 13.11
Total:	\$ 1,677.83	\$ 83.89

Notes:

1. Program Administration Fee is 5% mark-up of the Fire, Police, and Communication Facilities Fee.

The Program Administration Fee is then calculated by multiplying the cost per EDU by the EDU Factor as shown in Table 17. The residential fees are rounded to the nearest dollar.

Table 17: Program Administration Fee

Land Use Type	EDU Factor	Program Administration Fee ¹
Residential		(Per Unit)
Low-Density	1.000	\$ 84.00
Medium-Density (attached 2-4)	0.818	\$ 69.00
High-Density (attached 4+)	0.667	\$ 56.00
Non-Residential		(Per 1,000 SF)
Office	0.505	\$ 42.37
Retail	0.303	\$ 25.42
Industrial	0.101	\$ 8.47

Notes:

1. Residential fees are rounded to the nearest dollar.



AB1600 Findings

Requirement #1: Identify the purpose of the fee.

The purpose of the Program Administration Fee is to provide the funding necessary to administer the Fire Fee, Police Fee, and Communication Facilities Fee. This includes consultant and City staff time related to services such as providing fee quotes, updating the fee program, tracking revenue and expenditures and preparing annual reports.

Requirement #2: Identify the use to which the fee will be put.

The Program Administration Fee will be used to fund the management and administration of the Fire Fee, Police Fee, and Communication Facilities Fee. This includes City staff and consultant time for activities related to fee collection, tracking, and reporting.

Requirement #3: Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed.

New residents and employees that result from new development increases the demand for public safety facilities. These facilities will be funded through the Fire Fee, Police Fee, and Communication Facilities Fee. Fee programs require City and Consultant staff time to manage and administer. These activities will be funded through the Program Administration Fee. The Program Administration Fee is a five percent mark-up of the Fire, Police, and Communication Facilities Fees. This calculation is shown in Table 16 and Table 17.

Requirement #4: Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed.

Each new development adds people or employees to the City thus increasing the need for public safety facilities. In order to maintain the required level of service through the buildout of the City, new public safety facilities will need to be built. These facilities will be funded by the Fire, Police, and Communication Facilities Fees. To ensure these fees for new development are administered according to state law, regular updates, tracking and reporting are required. In addition, City staff must provide fee quotes to new development. To create the funding for these resulting activities, the Public Administration Fee calculated based on a five percent mark-up of the Fire, Police, and Communication Facilities Fees as summarized in Table 16.

Requirement #5: Determine how there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.

The Program Administration Fee provides the funding to administer the Fire Fee, Police Fee, and Communication Facilities Fee. The City has adopted a policy of collecting a five percent mark-up on the other fees in order to administer their fee programs. Since this fee is calculated as a mark-up of the Fire, Police, and Communication Facilities Fee as summarized in Table 16, the fee is based on the estimated resident equivalents that each land use will generate, thus equitably spreading the costs.



Fee Summary

Table 18 summarizes the fees by land use for each fee category. The fees will be collected at building permit issuance.

Table 18: Fire, Police, & Communication Facilities Fee Summary

Land Use Type	Fire ²	Police ²	Communication Facilities ^{1, 2}	Program Administration ²
Residential	<i>(Per Unit)</i>	<i>(Per Unit)</i>	<i>(Per Unit)</i>	<i>(Per Unit)</i>
Low-Density	\$ 640.00	\$ 776.00	\$ 262.00	\$ 84.00
Medium-Density (attached 2-4)	\$ 524.00	\$ 634.00	\$ 215.00	\$ 69.00
High-Density (attached 4+)	\$ 427.00	\$ 517.00	\$ 175.00	\$ 56.00
Non-Residential	<i>(Per 1,000 SF)</i>	<i>(Per 1,000 SF)</i>	<i>(Per 1,000 SF)</i>	<i>(Per 1,000 SF)</i>
Office	\$ 323.22	\$ 391.66	\$ 132.42	\$ 42.37
Retail	\$ 193.93	\$ 235.00	\$ 79.45	\$ 25.42
Industrial	\$ 64.64	\$ 78.34	\$ 26.48	\$ 8.47

Notes:

1) The Communication Facilities Fee is comprised of facilities that provide communication services for both police and fire and were previously referred to as Joint Facilities. The Training Facility which was also a joint facility was split between police and fire as a joint facility is no longer being contemplated.

2) Residential fees are rounded to the nearest dollar.

Appendix A
Existing and Proposed Fire Station Locations

Figure 1: SOC Study 4 Minute and 7.5 Minute Service Map of the Existing Stations

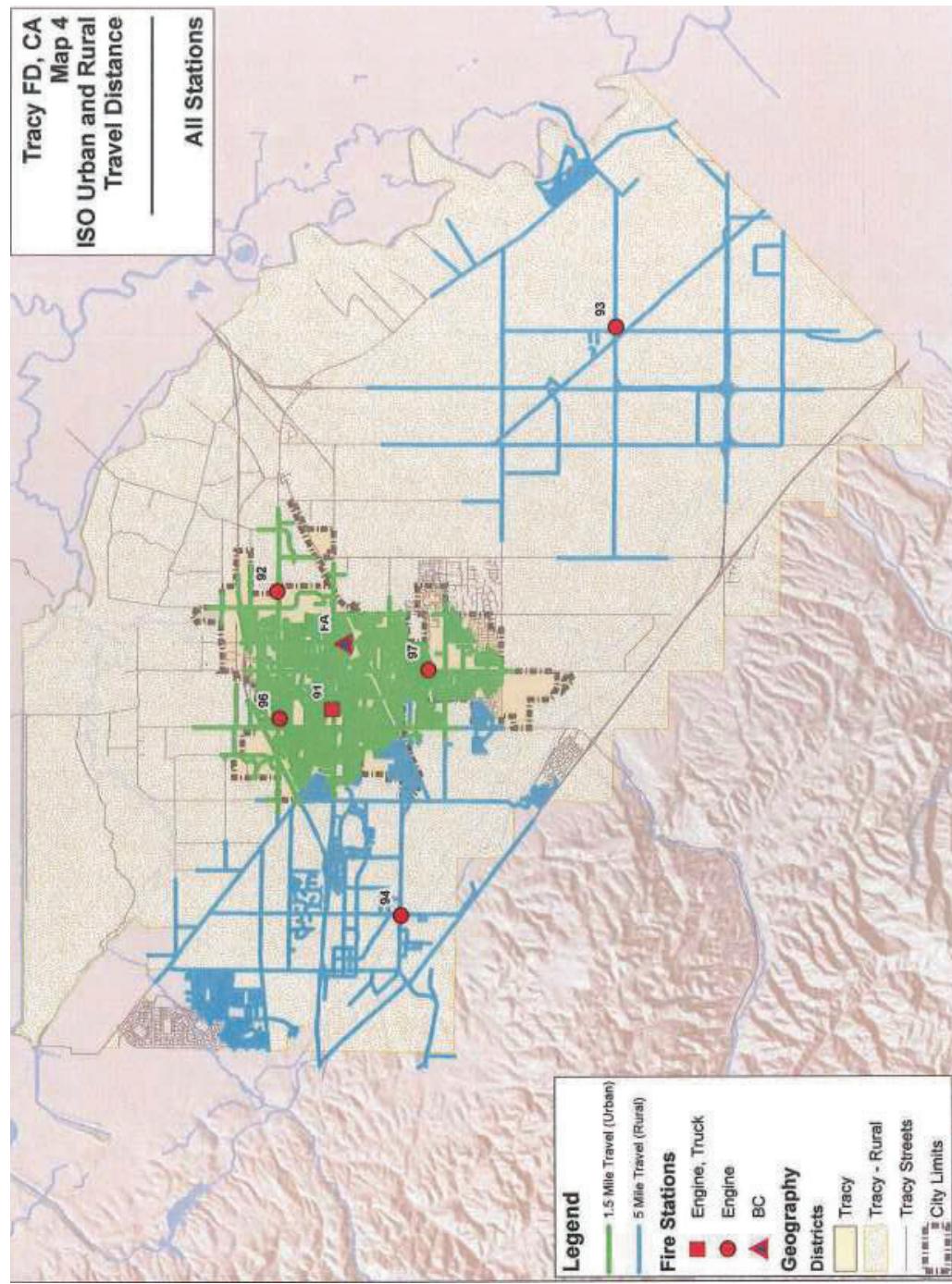
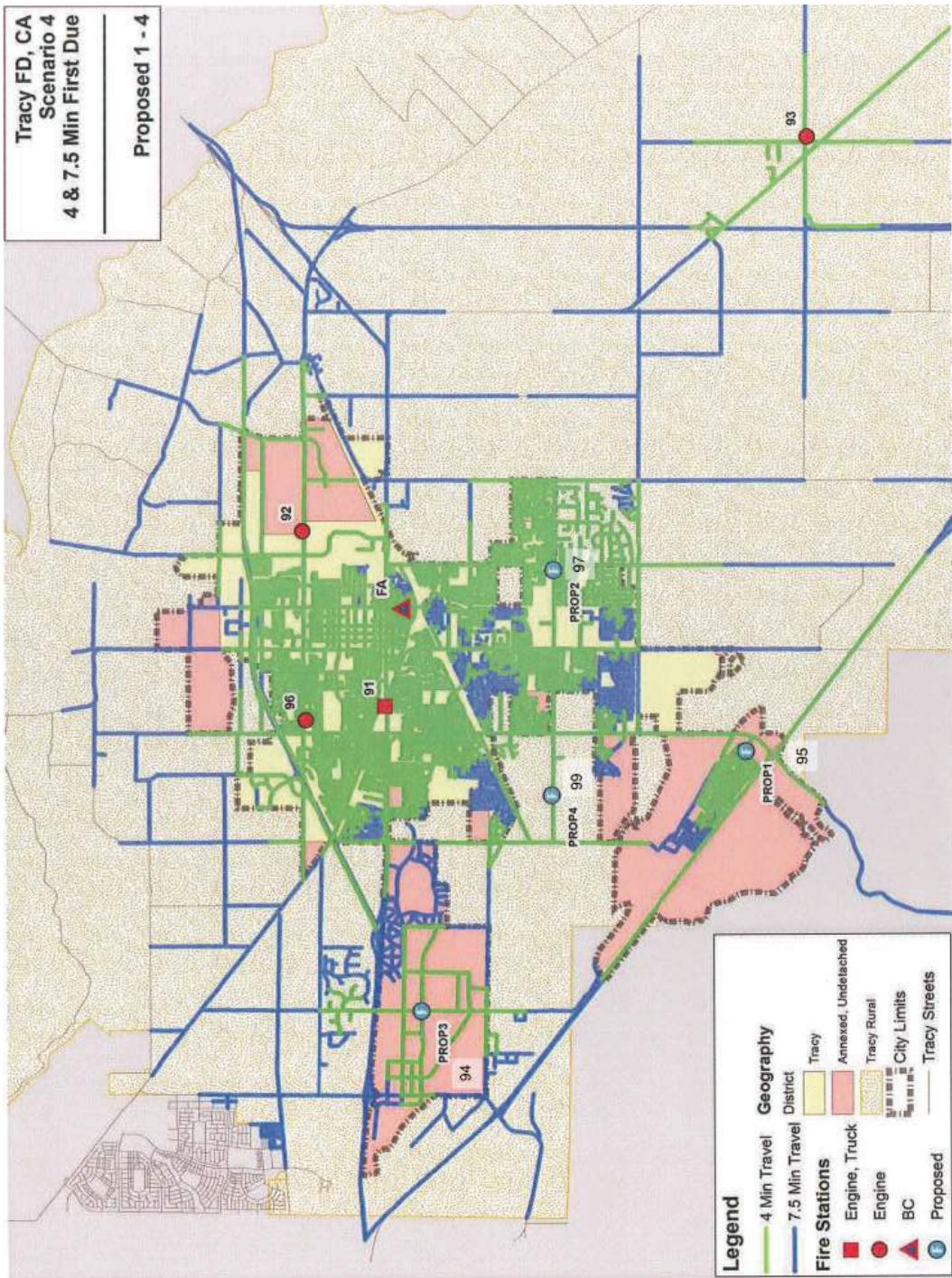


Figure 2: SOC Study 4 & 7.5-Minute Service Map of the Proposed Stations



Appendix B
Fire Station 1.5 Mile Service Area

Figure 3: Fire Station Service Area – Existing and Proposed

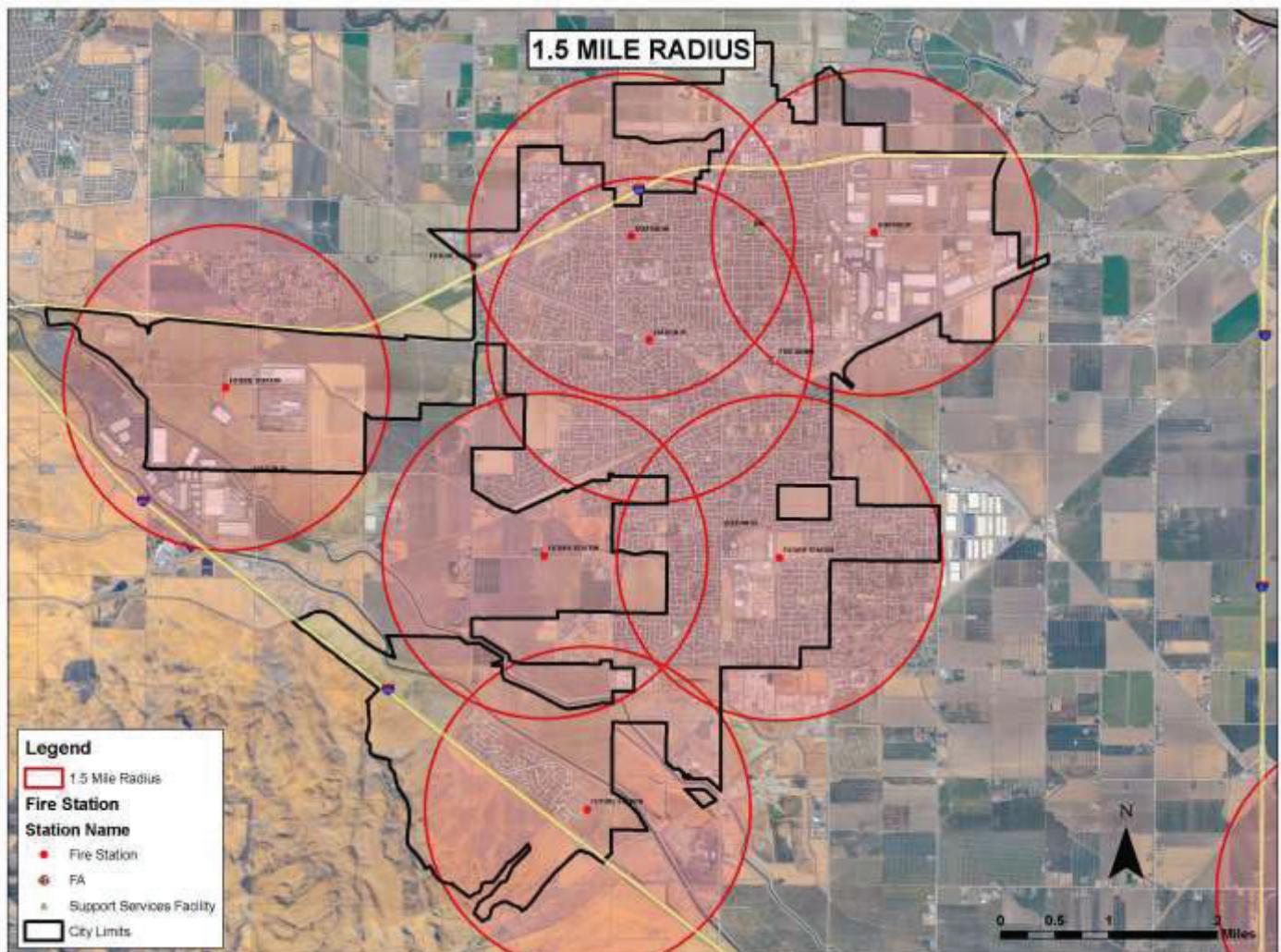
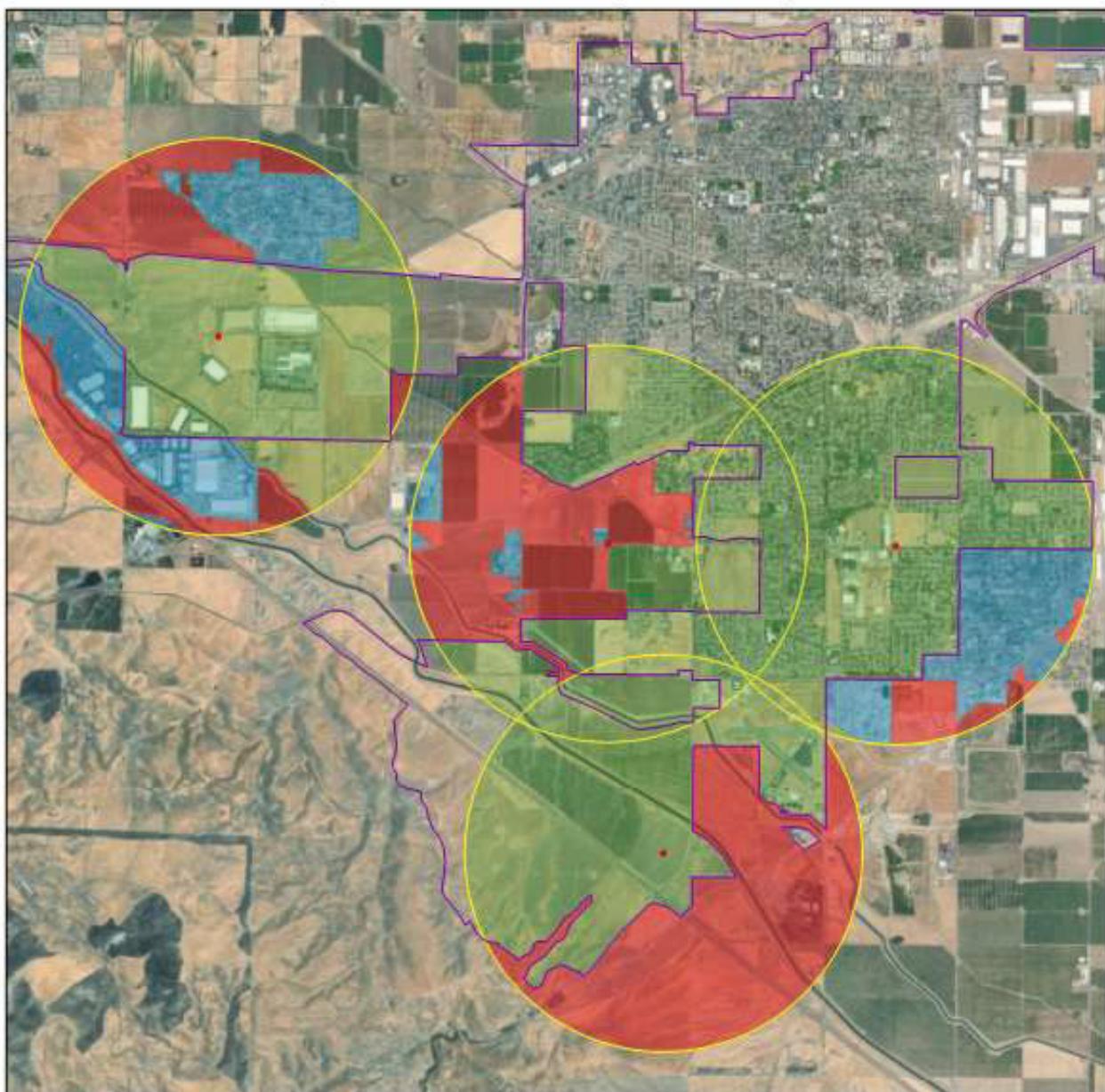


Figure 4: Service Area Analysis

City of Tracy Future Fire Stations Developed and Undeveloped County Land



Legend

• Future Fire Stations

Future Fire Stations 1.5 Mile Buffer

Tracy City Limits

City Land

County Land

Developed

Undeveloped

N

0 0.5 1 2 Miles