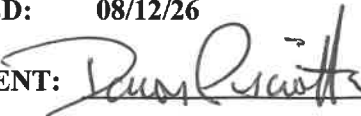


Scotts Valley Fire Protection District		
POLICY: 1610		SUBJECT: Fire Facilities Impact Fee
DATE APPROVED: 08/12/26		
BOARD PRESIDENT: 	FIRE CHIEF: 	

1. Purpose and Authority

The purpose of this policy is to ensure that new development within the Scotts Valley Fire Protection District (the "District") pays its proportional share of the costs for capital facilities, apparatus, and equipment required to maintain the District's existing level of service.

- Authority: This policy is established in accordance with the California Mitigation Fee Act (Government Code Sections 66000 et seq.) and the Fire Protection District Law of 1987 (Health and Safety Code Section 13916).
- Adoption: While the District determines the fee amount, the fees are adopted and imposed by the City of Scotts Valley and the County of Santa Cruz for developments within their respective boundaries that fall under the District's service area.

2. Fee Schedule

Fees are calculated based on the "Cost per Call for Service" (\$7,553.09) multiplied by the "Demand Factor" (calls per unit) for specific land uses. All fees include a 0.3% administrative charge for program maintenance.

Development Type	Unit of Measure	Total Fee
Residential (All)	Per Square Foot	\$0.52
Assisted Living	Per Bed	\$10,910
Hotel / Motel	Per Room	\$758
Commercial-Retail	Per 1,000 Sq. Ft. (KSF)	\$1,061
Office	Per 1,000 Sq. Ft. (KSF)	\$682
Industrial	Per 1,000 Sq. Ft. (KSF)	\$152

Customized Fees: For non-residential projects not listed above, the District shall calculate a fee using the formula: Estimated Calls per Year × \$7,576.68.

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3. Applicability and Exemptions

- **Applicability:** The fee applies to all new construction and additions that increase the square footage or intensity of use of a property.
- **Governmental Exemption:** Development by federal, state, or local government entities is exempt.
- **ADU Exemption:** In accordance with SB 477, Accessory Dwelling Units (ADUs) smaller than 750 square feet are exempt. ADUs of 750 square feet or more shall be charged the standard residential rate per square foot.
- **Replacement/Redevelopment:** For projects replacing existing structures, the fee applies only to the net increase in demand (e.g., additional square footage or units).

4. Collection of Fees

- **Residential Projects:** Per Government Code 66007, fees for residential development shall be collected at the time of the first certificate of occupancy (final inspection), unless the City/County determines that the fees are needed earlier for a specific public safety improvement already identified in a Capital Improvement Plan (CIP).
- **Non-Residential Projects:** Fees are typically collected at the time of building permit issuance.

5. Use of Funds

- **Earmarking:** All fee revenue must be deposited into a separate Capital Facilities Account (Capital Outlay/Zone A) to avoid commingling with general funds.
- **Authorized Uses:** Funds shall be used solely for the acquisition, construction, or expansion of fire stations, training facilities, major apparatus (e.g., engines, ladder trucks), major equipment (e.g., extrication tools, cardiac monitors) necessitated by growth. These items can be found in the Capital Improvement Plan.
- **Prohibited Uses:** Impact fees may not be used for ongoing maintenance, operations, or to fix "existing deficiencies" present at the time of this study.

6. Annual and Periodic Reviews

- **Annual Adjustment:** To account for rising construction costs, fees shall be adjusted annually on July 1st based on the Engineering News Record Building Cost Index (BCI) or the California Construction Cost Index.
- **Annual Report:** The District shall produce a report within 180 days of the close of the fiscal year detailing fees collected, interest earned, and projects funded.
- **Five-Year Findings:** Every five years, the District must make specific findings for any unexpended funds, identifying the purpose and timeline for their use.
- **Eight-Year Update:** The Nexus Study supporting these fees must be updated at least every eight years per AB 602.

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7. Credits and Reimbursements

- **Developer-Provided Improvements:** If a developer is required to construct a facility or provide equipment that is included in the District's CIP, the developer may receive a credit against their impact fees or enter into a reimbursement agreement for costs exceeding their proportional share.

8. Transparency (AB 602 Compliance)

The District shall maintain a website posting:

1. The current schedule of fees and affordability requirements.
2. The current Nexus Study.
3. The last five annual fee reports.
4. A list of required information for applicants.