



City of McCall

Joint Meeting of the McCall City Council and the McCall Fire Protection District Board of Commissioners

**AMENDED - AGENDA
Special Meeting
September 7, 2023 at 5:30 PM
Legion Hall – Below City Hall
216 East Park Street
McCall, ID
AND MS TEAMS Virtual**

ANNOUNCEMENT:

American with Disabilities Act Notice: The City Council Meeting room is accessible to persons with disabilities. If you need assistance, please contact City Hall at 634-7142 at least 48 hours prior to the meeting. Council Meetings are available for in person and virtual attendance. Any member of the public can join and listen only to the meeting at 5:30 pm by calling in as follows:

Dial 208-634-8900 when asked for the Conference ID enter: 171 345 554#

Or you may watch live by clicking this link:

<https://youtube.com/live/b3lzqYAY6G8?feature=share>

****Times listed are only suggested and are subject to change based on the Council's direction****

5:30 PM OPEN SESSION CITY COUNCIL ROLL CALL

BUSINESS AGENDA

AB 23-182 Request to Adopt Resolution 23-20 approving State and Local Agreement Addendum KN 22950 with Idaho Transportation Department for Transportation Alternatives Grant (TAP) Design and Construction (**ACTION ITEM**) **ADDED 9/5/23**

JOINT MEETING WITH MCCALL FIRE PROTECTION DISTRICT DEVELOPMENT IMPACT FEES

- Receive meeting posting and public hearings publication reports/City Clerk

5:40 PM OPEN SESSION MCCALL FIRE PROTECTION DISTRICT BOARD OF COMMISSIONERS

- Receive meeting posting and public hearings publication reports/District Secretary

Chairman of the Joint Meeting: Consider a motion to authorize the Mayor to conduct the Joint Meeting. (**ACTION ITEM by the Council and Board of Commissioners**)

PUBLIC HEARING COMMENTS – HOW TO SUBMIT COMMENTS

On the City's website at <https://www.mccall.id.us/packets> you may leave a public comment or signup to make a comment live online or to call-in prior to 3:00 pm the day of the meeting. Be sure to leave your comment under the relevant Public Hearing topic. Once your request is received to make public comment online, a link will be sent to you with instructions. The public are welcome to attend the meeting in person. All comments are limited to 3 minutes.

JOINT PUBLIC HEARINGS

Hearings 1&2 (ACTION ITEMS): Conduct the following joint City Council and Fire District Board of Commissioners combined public hearings to receive comments regarding the City Council’s and the Fire District Board of Commissioner’s intent to each consider:

- a resolution adopting the *McCall Fire Protection District Impact Fee Study and Capital Improvement Plan Final Report – June 2022 (the Capital Improvements Plan”)*; and
- to impose by City ordinance, pursuant to intergovernmental agreement, the below described **new development impact fees:**

A. New fee summary – City of McCall: The City Council and the Fire District Board of Commissioners intend to establish the following new Fire District Development Impact Fees within the boundaries of the **City of McCall**, all of which lies within the boundaries of the McCall Fire Protection District:

McCall Fire Protection District Development Impact Fees	Proposed New Fee
Impact Fee – New Residential (per unit)	\$1,845 per unit
Impact Fee – New Non-Residential (per square foot)	\$0.74 per square foot

Hearings 3&4 (ACTION ITEMS): Conduct the following City Council combined public hearings to receive comments regarding the City Council’s intent:

- To consider an amendment to *The City of McCall In Motion 2018 McCall Area Comprehensive Plan* by the amendment of the *Public Facilities, Utilities, and Services, Goals + Policies* of the Comprehensive Plan by the addition of a new Goal 8 and Policy 8.1 for the purpose of enacting an ordinance and entering into the intergovernmental agreement with the McCall Fire Protection District for the collection and expenditure of development impact fees for the Fire District’s systems improvements as identified in the *McCall Fire Protection District Impact Fee Study and Capital Improvement Plan Final Report – June 2022 (the “Capital Improvements Plan”)* to be appended to the Comprehensive Plan as Appendix A.
- To consider the adoption of the McCall Fire Protection District Development Impact Fee Ordinance for the purpose of imposing development impact fees for the Fire District’s systems improvements as identified in the Capital Improvements Plan.

NEW BUSINESS AGENDA CITY COUNCIL:

Request to adopt Resolution 23-17 of The City Council Of The City Of McCall for the Purpose of Approving The McCall Fire Protection District *Capital Improvements Plan McCall Fire Protection District Impact Fee study and Capital Improvement Plan Final Report – June, 2022;* Directing the City Clerk; and Setting an Effective Date. **(ACTION ITEM)**

Request to adopt Resolution 23-19 of The City Council Of City Of McCall For the purpose of entering into the *City of McCall/McCall Fire Protection District Intergovernmental Agreement and Joint Powers Agreement for the Collection and Expenditure of Development Impact Fees for*

Fire District Systems Improvements by and between the City of McCall and the McCall Fire Protection District for the collection and expending of development impact fees for the Fire District's systems improvements as identified in the Capital Improvements Plan. **(ACTION ITEM)**

Request to adopt Resolution 23-18 of The City Council Of The City Of McCall Amending *The City Of McCall In Motion 2018 McCall Area Comprehensive Plan* By The Amendment Of The *Public Facilities, Utilities, And Services, Goals + Policies* Of The Comprehensive Plan By The Addition Of A New Goal 8 and Policy 8.1 Providing for the Addition Of The McCall Fire Protection District *Capital Improvements Plan McCall Fire Protection District Impact Fee Study and Capital Improvement Plan* Final Report – June, 2022 **(ACTION ITEM)**

Request Adoption Ordinance New Chapter 10 Title 1 McCall City Code: the McCall Fire Protection District Development Impact Fee Advisory Committee. **(ACTION ITEM)**

Request Adoption Ordinance New Title X McCall City Code: the McCall Fire Protection District Development Impact Fee Ordinance. **(ACTION ITEM)**

NEW BUSINESS AGENDA McCALL FIRE PROTECTION DISTRICT BOARD OF COMMISSIONERS:

- Mayor relinquishes the chair to the Chairman of the Fire District for this portion of the joint meeting.

Request to adopt Resolution 2023-7 of The Board of Commissioners of the McCall Fire Protection District consider a motion to enter into *City of McCall/McCall Fire Protection District Intergovernmental Agreement and Joint Powers Agreement for the Collection and Expenditure of Development Impact Fees for Fire District Systems Improvements* by and between the City of McCall and the McCall Fire Protection District for the collection and expending of development impact fees for the Fire District's systems improvements as identified in the Capital Improvements Plan. **(ACTION ITEM)**

Request to adopt Resolution 2023-8 of the Board of Commissioners of the McCall Fire Protection District consider a motion to approve and adopt the new Title 24 Policy Code Impact Fee Administrative Policy. **(ACTION ITEM)**

ADJOURN BOTH JOINT MEETINGS

**McCALL CITY COUNCIL
AGENDA BILL**

216 East Park Street
McCall, Idaho 83638

Number AB 23-182
Meeting Date September 7, 2023

AGENDA ITEM INFORMATION

SUBJECT: <i>Request to Adopt Resolution 23-20 approving State and Local Agreement Addendum KN 22950 with Idaho Transportation Department for Transportation Alternatives Grant (TAP) Design and Construction</i>		<i>Department Approvals</i>	<i>Initials</i>	<i>Originator or Supporter</i>
		Mayor / Council		
		City Manager	ABS	
		Clerk		
		Treasurer		
		Community Development		
		Police Department		
		Public Works	MS	Originator
		Golf Course		
		Parks and Recreation		
COST IMPACT:	\$551,000 grant award; 7.34% local match	Airport		
FUNDING SOURCE:	Federal-Aid Highway Act grant funds via Idaho Transportation Department Streets LOT – City Match	Library		
TIMELINE:	September 8, 2023	Information Systems		
		Economic Development		

SUMMARY STATEMENT:

The City of McCall was awarded a \$551,000 Transportation Alternatives Program grant to support construction of pedestrian (sidewalk, curb, and gutter) and streetscape (trees and light pole bases) improvements along 1st Street between E. Lake Street (SH55) and Park Street as part of Phase 3B of the City’s downtown core reconstruction project. These federal funds require a local match share of at least 7.34% (approx. \$40,311). The original State and Local Agreement for this grant project was approved by City Council in December 2021.

The attached Addendum to the original State and Local Agreement stipulates the roles and responsibilities for both the grant agency (LHTAC/ITD) and the City now that final engineering design has been completed and a final engineer’s construction estimate has been approved by LHTAC/ITD. This SLA will cover the construction phase of the project. This agreement has been reviewed by Public Works Director and the City Attorney. LHTAC/ITD has requested return of this signed agreement no later than September 8, 2023.

Approving this resolution and associated SLA Addendum will allow LHTAC/ITD to secure the necessary funding so that bidding can commence early this Fall 2023 to ensure the most competitive bidding environment.

RECOMMENDED ACTION:

Adopt Resolution 23-20 approving the Addendum to State/Local Agreement for TAP Grant KN 22950, 1st Street, Phase 3B Surface Improvements, between the City of McCall and the Idaho Transportation Department and authorize the Mayor to sign all necessary documents.

RECORD OF COUNCIL ACTION

MEETING DATE	ACTION
October 16, 2019	AB 19-277: Council approved submittal of Transportation Alternatives Program grant application and authorized Mayor to sign all necessary documents.
December 16, 2021	AB 21-284: Council approval of Resolution 21-32 for State and Local Agreement KN22950



City of McCall

RESOLUTION NO. 23-20

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF McCALL, VALLEY COUNTY, STATE OF IDAHO, PROVIDING FOR FINDINGS AND PURPOSES; AUTHORIZING THE MAYOR TO ENTER INTO, ON BEHALF OF SAID MUNICIPALITY, AN ADDENDUM TO STATE/LOCAL AGREEMENT KEY NO. 22950, 1ST STREET, PHASE 3B SURFACE IMPROVEMENTS, BETWEEN THE CITY OF McCALL AND THE IDAHO TRANSPORTATION DEPARTMENT, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Idaho Transportation Department, hereafter called the STATE, has submitted an Agreement stating obligations of the STATE and the CITY OF McCALL, hereafter called the CITY, for construction of 1st Street, Phase 3B Surface Improvements; and

WHEREAS, the STATE is responsible for obtaining compliance with laws, standards and procedural policies in the development, construction and maintenance of improvements made to the Federal-aid Highway System when there is federal participation in the costs; and

WHEREAS, certain functions to be performed by the STATE involve the expenditure of funds as set forth in the Agreement; and

WHEREAS, The STATE can only pay for work associated with the State Highway system; and

WHEREAS, the CITY is fully responsible for its share of project costs; and

NOW, THEREFORE, BE IT RESOLVED:

1. That the Amendment Agreement for Federal Aid Highway Project A022(950) is hereby approved.
2. That the Mayor and the City Clerk are hereby authorized to execute the Agreement on behalf of the CITY.
3. That duly certified copies of the Resolution shall be furnished to the Idaho Transportation Department.

Passed and approved this 7 day of September 2023.

CITY OF MCCALL
Valley County, Idaho

Robert S. Giles, Mayor

CERTIFICATION

I hereby certify that the above is a true copy of a Resolution passed at a *duly* called special meeting of the City Council, City of McCall, held on September 7, 2023

(Seal)

BessieJo Wagner, City Clerk

**STATE/LOCAL AGREEMENT ADDENDUM
(DESIGN AND CONSTRUCTION)
PROJECT NO. A022(950)
1ST STREET, PHASE 3B SURFACE IMPROVEMENTS, MCCALL
KEY NO. 22950**

THIS ADDENDUM is made and entered into this _____ day of _____, by and between the **IDAHO TRANSPORTATION BOARD** by and through the **IDAHO TRANSPORTATION DEPARTMENT**, hereafter called the State, and the **CITY OF MCCALL**, acting by and through its Mayor and Council, hereafter called the Sponsor.

PURPOSE

This Addendum will modify the State/Local Agreement entered into on the 8th day of February, 2022, (hereinafter "Agreement") between the same parties.

The parties agree to the following revisions:

Section 1 of the agreement will be amended by changing the following.

5. Scheduled funding for this project is listed on the approved Idaho Transportation Investment Program, and subsequent revisions. Current estimated funding is as follows:

- a. Project Development (State, Consultant, Local) - \$10,000
- b. Construction - \$541,000
(CE-\$2,500) (CL-\$9,500) (CC-\$40,000) (CN-\$489,000)
- c. Total Estimated Project Costs - \$551,000

6. The Sponsor's match for this project will be provided in cash in the amount of 7.34% (percent) of the entire project (currently \$40,433).

Section 2 of the agreement will be amended by changing the following.

1. Provide a funding match of 7.34% (percent) of the Total Estimated Project Costs of \$551,000, and assume responsibility for all costs of the project over and above the \$500,000 federal-aid limit.

1. Submit to FHWA a request for advance construction approval for the cost of construction of the project. FHWA approval of the advance construction request will allow a portion of the costs of construction incurred by the SPONSOR as of the date of FHWA approval to be eligible for federal participation in a future Federal-aid project agreement with FHWA. The amount scheduled for advance construction is the sum of the CE and CL on the project. The CC and CN local match are paid during Construction. The amount scheduled for Advanced Construction is **(\$12,000)**.

EXECUTION

This Addendum is executed for the State by its Division Administrator, and executed for the Sponsor by the Mayor, attested to by the City Clerk, with the imprinted corporate seal of the City of McCall.

IDAHO TRANSPORTATION DEPARTMENT

Division Administrator

ATTEST:

CITY OF MCCALL

City Clerk

Mayor

(SEAL)

By regular/special meeting
on _____.

cs: Key No. 22950



City of McCall
VALLEY COUNTY, STATE OF IDAHO

RESOLUTION 23-17

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCCALL MAKING CERTAIN FINDINGS; APPROVING THE MCCALL FIRE PROTECTION DISTRICT CAPITAL IMPROVEMENTS PLAN MCCALL FIRE PROTECTION DISTRICT IMPACT FEE STUDY AND CAPITAL IMPROVEMENT PLAN FINAL REPORT – JUNE, 2022; DIRECTING THE CITY CLERK; AND SETTING AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of McCall:

Section 1: Findings

It is hereby found by the City Council of the City of McCall that:

- 1.1** The McCall Fire Protection District’s (the “Fire District”) duty and responsibility is to provide protection of property against fire and the preservation of life, and enforcement of any of the fire codes and other rules that are adopted by the state fire marshal; and
- 1.2** The Fire District’s boundaries include the area within the City limits of the City of McCall (the “City”) and areas surrounding the City, and the Fire District provides fire and emergency services within the City; and
- 1.3** The City is experiencing and is affected by considerable growth and development; and
- 1.4** The *Idaho Development Impact Fee Act* (the “Act”) codified at Chapter 82 of Title 67 Idaho Code provides for:
 - the imposition, collection and expenditure of development impact fees in accordance with the provisions of the Act; and
 - the promotion of orderly growth and development by establishing uniform standards by which local governments may require that those who benefit from new growth and development pay a proportionate share of the costs of new public facilities needed to serve new growth and development; and
 - minimum standards for the adoption of development impact fee ordinances by governmental entities which are authorized to adopt ordinances; and
 - The contents of a capital improvements plan and the process to be followed for the adoption of a capital improvements plan.

- 1.5 The City of McCall is a governmental entity as defined in the Act at Idaho Code § 67-8203(14) and, as provided at Idaho Code § 67-8202(5), has ordinance authority to adopt a development impact fee ordinance, whereas the Fire District does not have ordinance authority and cannot adopt a development impact fee ordinance; and
- 1.6 The Act provides at Idaho Code § 67-8204A, that the City, when affected by development, has the authority to enter into an intergovernmental agreement with the Fire District for the purpose of agreeing to collect and expend development impact fees for Fire District System Improvements; and
- 1.7 In anticipation and in consideration of the City Council of the City of McCall adopting the Ordinance, which is intended to provide for the collection and expenditure of development impact fees for the Fire District, the City has established and appointed, pursuant to Idaho Code § 67-8205, a Development Impact Fee Advisory Committee; and
- 1.8 The Fire District retained Anne Wescott of Galena Consulting, a qualified professional in the field of public administration, to prepare an impact fee study and capital improvements plan in consultation with the *City of McCall Development Impact Fee Advisory Standing Committee* (the “Advisory Committee”); and
- 1.9 The Advisory Committee has submitted to the City Council the *McCall Fire Protection District Impact Fee Study and Capital Improvement Plan* Final Report – June, 2022 prepared in accordance with the requirements of Idaho Code § 67-8208 in consultation with the Advisory Committee as provided in Idaho Code §§ 67-8205 and 67-8206(2); and
- 1.10 Prior to the adoption of the Capital Improvements Plan, the Fire District Board of Commissioners and the City Council of the City of McCall, in accordance with Idaho Code § 67-8206(3), have published notice and held a joint combined public hearing; and
- 1.11 The Capital Improvements Plan contains all the necessary elements of a capital improvements plan as provided in the Act by Idaho Code § 67-8208; and
- 1.12 The Fire District has concluded all of its process for the adoption of the Capital Improvements Plan as required in the Act by Idaho Code §§ 67-8205 and 67-8206(3); and
- 1.13 The City Council of the City of McCall and the Board of Commissioners of the McCall Fire Protection District have both determined that it is in the best interests of the City of McCall and the Fire District and the residents, persons and property within the boundaries of the City of McCall that both shall adopt the Capital Improvements Plan.

Section 2: Action of approval of the Capital Improvements Plan

- 2.1 The City Council does hereby approve the Capital Improvements Plan, a true and correct copy of which is attached hereto and marked **Exhibit A** and by this reference incorporated herein; and

Section 3: Direction to City Clerk

3.1 The City Clerk is hereby directed to retain this resolution in the official records of the City and to provide a certified copy of this resolution to the District Office Administrator of the McCall Fire Protection District.

Section 4: Effective Date.

4.1 This Resolution shall be in full force and effect after its passage and approval.

PASSED BY THE CITY COUNCIL of the City of McCall this ____ day of _____, 2023.

Signed: _____
Robert S. Giles, Mayor

ATTEST:

I certify that the above Resolution was duly adopted by the City Council of the City of McCall on

_____, 2023 by the following vote: Ayes: _____
Nos: _____
Absent: _____

By _____
BessieJo Wagner, City Clerk

EXHIBIT A

CAPITAL IMPROVEMENTS PLAN

*McCall Fire Protection District Impact Fee Study and Capital Improvement Plan Final Report –
June, 2022*

FINAL REPORT - June 2022

**McCall Fire Protection District
Impact Fee Study and
Capital Improvement Plan**

Prepared By

Galena Consulting
Anne Wescott
1214 South Johnson
Boise, Idaho 83705



Section I.

Introduction

This report regarding impact fees for the McCall Fire Protection District is organized into the following sections:

- An overview of the report's background and objectives;
- A definition of impact fees and a discussion of their appropriate use;
- An overview of land use and demographics;
- A step-by-step calculation of impact fees under the Capital Improvement Plan (CIP) approach;
- A list of implementation recommendations; and
- A brief summary of conclusions.

Background and Objectives

The McCall Fire Protection District hired Galena Consulting to calculate impact fees for Fire and EMS.

This document presents impact fees based on the District's demographic data and infrastructure costs before credit adjustment; calculates the District's monetary participation; examines the likely cash flow produced by the recommended fee amount; and outlines specific fee implementation recommendations. Credits can be granted on a case-by-case basis; these credits are assessed when each individual building permit is pulled.

Definition of Impact Fees

Impact fees are one-time assessments established by local governments to assist with the provision of Capital Improvements necessitated by new growth and development. Impact fees are governed by principles established in Title 67, Chapter 82, Idaho Code, known as the Idaho Development Impact Fee Act (Impact Fee Act). The Idaho Code defines an impact fee as "... a payment of money imposed as a condition of development approval to pay for a proportionate share of the cost of system improvements needed to serve development."¹

Purpose of impact fees. The Impact Fee Act includes the legislative finding that "... an equitable program for planning and financing public facilities needed to serve new growth and development is necessary in order to promote and accommodate orderly growth and development and to protect the public health, safety and general welfare of the citizens of the state of Idaho."²

Idaho fee restrictions and requirements. The Impact Fee Act places numerous restrictions on the calculation and use of impact fees, all of which help ensure that local governments adopt impact fees that are consistent with federal law.³ Some of those restrictions include:

- Impact fees shall not be used for any purpose other than to defray system improvement costs incurred to provide additional public facilities to serve new growth;⁴
- Impact fees must be expended within 8 years from the date they are collected. Fees may be held in certain circumstances beyond the 8-year time limit if the governmental entity can provide reasonable cause;⁵
- Impact fees must not exceed the proportionate share of the cost of capital improvements needed to serve new growth and development;⁶
- Impact fees must be maintained in one or more interest-bearing accounts within the capital projects fund.⁷

In addition, the Impact Fee Act requires the following:

- Establishment of and consultation with a development impact fee advisory committee (Advisory Committee);⁸
- Identification of all existing public facilities;
- Determination of a standardized measure (or service unit) of consumption of public facilities;
- Identification of the current level of service that existing public facilities provide;
- Identification of the deficiencies in the existing public facilities;
- Forecast of residential and nonresidential growth;⁹
- Identification of the growth-related portion of the District's Capital Improvement Plan;¹⁰
- Analysis of cash flow stemming from impact fees and other capital improvement funding sources;¹¹
- Implementation of recommendations such as impact fee credits, how impact fee revenues should be accounted for, and how the impact fees should be updated over time;¹²
- Preparation and adoption of a Capital Improvement Plan pursuant to state law and public hearings regarding the same;¹³ and
- Preparation and adoption of a resolution authorizing impact fees pursuant to state law and public hearings regarding the same.¹⁴

How should fees be calculated? State law requires the District to implement the Capital Improvement Plan methodology to calculate impact fees. The District can implement fees of any amount not to exceed the fees as calculated by the CIP approach. This methodology requires the District to describe its service areas, forecast the land uses, densities and population that are expected to occur in those service areas over the 10-year CIP time horizon, and identify the capital improvements that will be needed to serve the forecasted growth at the planned levels of service, assuming the planned levels of service do not exceed the current levels of service.¹⁵ Only those items identified as growth-related on the CIP are eligible to be funded by impact fees.

The governmental entity intending to adopt an impact fee must first prepare a capital improvements plan.¹⁷ Once the essential capital planning has taken place, impact fees can be calculated. The Impact Fee Act places many restrictions on the way impact fees are calculated and spent, particularly via the principal that local governments cannot charge new development more than a “proportionate share” of the cost of public facilities to serve that new growth. “Proportionate share” is defined as “. . . that portion of the cost of system improvements . . . which reasonably relates to the service demands and needs of the project.”¹⁹ Practically, this concept requires the District to carefully project future growth and estimate capital improvement costs so that it prepares reasonable and defensible impact fee schedules.

The proportionate share concept is designed to ensure that impact fees are calculated by measuring the needs created for capital improvements by development being charged the impact fee; do not exceed the cost of such improvements; and are “earmarked” to fund growth-related capital improvements to benefit those that pay the impact fees.

There are various approaches to calculating impact fees and to crediting new development for past and future contributions made toward system improvements. The Impact Fee Act does not specify a single type of fee calculation, but it does specify that the formula be “reasonable and fair.” Impact fees should take into account the following:

- Any appropriate credit, offset or contribution of money, dedication of land, or construction of system improvements;
- Payments reasonably anticipated to be made by or as a result of a new development in the form of user fees and debt service payments;
- That portion of general tax and other revenues allocated by the District to growth-related system improvements; and
- All other available sources of funding such system improvements.²⁰

Through data analysis and interviews with the District and Galena Consulting identified the share of each capital improvement needed to serve growth. The total projected capital improvements needed to serve growth are then allocated to residential and nonresidential development with the resulting amounts divided by the appropriate growth projections from 2021 to 2031. This is consistent with the Impact Fee Act.²¹ Among the advantages of the CIP approach is its establishment of a spending plan to give developers and new residents more certainty about the use of the particular impact fee revenues.

Other fee calculation considerations. The basic CIP methodology used in the fee calculations is presented above. However, implementing this methodology requires a number of decisions. The considerations accounted for in the fee calculations include the following:

- Allocation of costs is made using a service unit which is “a standard measure of consumption, use, generation or discharge attributable to an individual unit²² of development calculated in accordance with generally accepted engineering or planning standards for a particular category of capital improvement.”²³ The service units chosen by the study team for every fee calculation in this study are linked directly to residential dwelling units and nonresidential development square feet.²⁴
- A second consideration involves refinement of cost allocations to different land uses. According to Idaho Code, the CIP must include a “conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial, agricultural and industrial.”²⁵ In this analysis, the study team has chosen to use the highest level of detail supportable by available data and, as a result, in this study, the fee is allocated between aggregated residential (i.e., all forms of residential housing) and nonresidential development (all nonresidential uses including retail, office, agricultural and industrial).

Current Assets and Capital Improvement Plans

The CIP approach estimates future capital improvement investments required to serve growth over a fixed period of time. The Impact Fee Act calls for the CIP to “. . . project demand for system improvements required by new service units . . . over a reasonable period of time not to exceed 20 years.”²⁶ The impact fee study team recommends a 10-year time period based on the District’s best available capital planning data.

The types of costs eligible for inclusion in this calculation include any land purchases, construction of new facilities and expansion of existing facilities to serve growth over the next 10 years at planned and/or adopted service levels.²⁷ Equipment and vehicles with a useful life of 10 years or more are also impact fee eligible under the Impact Fee Act.²⁸ The total cost of improvements over the 10 years is referred to as the “CIP Value” throughout this report. The cost of this impact fee study is also impact fee eligible for all impact fee categories.

Fee Calculation

In accordance with the CIP approach described above, we calculated fees by answering the following seven questions:

1. **Who is currently served by the District?** This includes the number of residents and visitors, but is more specifically tied to the number of residential and nonresidential land uses.
2. **What is the current level of service provided by the District?** Since an important purpose of impact fees is to help the District achieve its planned level of service²⁹, it is necessary to know the levels of service it is currently providing to the community.
3. **What current assets allow the District to provide this level of service?** This provides a current inventory of assets used by the District, such as facilities, land and equipment. In addition, each asset’s replacement value was calculated and summed to determine the total value of the District’s current assets.

4. **What is the current investment per residential and nonresidential land use?** In other words, how much of the District’s current assets’ total value is needed to serve current residential households and nonresidential square feet?
5. **What future growth is expected in the District?** How many new residential households and nonresidential square footage will the District serve over the CIP period?
6. **What new infrastructure is required to serve future growth?** For example, how many additional stations and apparatus will be needed by the McCall Fire Protection District within the next ten years to achieve the planned level of service of the District?³⁰
7. **What impact fee is required to pay for the new infrastructure?** We calculated an apportionment of new infrastructure costs to future residential and nonresidential land-uses for the District. Then, using this distribution, the impact fees were determined.

Addressing these seven questions, in order, provides the most effective and logical way to calculate impact fees for the District. In addition, these seven steps satisfy and follow the regulations set forth earlier in this section.

Exhibits found in Section III of this report detail all capital improvements planned for purchase over the next ten years by the District.

¹ See Section 67-8203(9), Idaho Code. “System improvements” are capital improvements (i.e., improvements with a useful life of 10 years or more) that, in addition to a long life, increase the service capacity of a public facility. Public facilities include fire, emergency medical and rescue facilities. See Sections 67-8203(3), (24) and (28), Idaho Code.

² See Section 67-8202, Idaho Code.

³ As explained further in this study, proportionality is the foundation of a defensible impact fee. To meet substantive due process requirements, an impact fee must provide a rational relationship (or nexus) between the impact fee assessed against new development and the actual need for additional capital improvements. An impact fee must substantially advance legitimate local government interests. This relationship must be of “rough proportionality.” Adequate consideration of the factors outlined in Section 67-8207(2) ensure that rough proportionality is reached. See *Banbury Development Corp. v. South Jordan*, 631 P.2d 899 (1981); *Dollan v. District of Tigard*, 512 U.S. 374 (1994).

⁴ See Sections 67-8202(4) and 67-8203(29), Idaho Code.

⁵ See Section 67-8210(4), Idaho Code.

⁶ See Sections 67-8204(1) and 67-8207, Idaho Code.

⁷ See Section 67-8210(1), Idaho Code

⁸ See Section 67-8205, Idaho Code.

⁹ See Section 67-8206(2), Idaho Code.

¹⁰ See Section 67-8208, Idaho Code.

¹¹ See Section 67-8207, Idaho Code.

¹² See Sections 67-8209 and 67-8210, Idaho Code.

¹³ See Section 67-8208, Idaho Code.

¹⁴ See Sections 67-8204 and 67-8206, Idaho Code.

¹⁵ As a comparison and benchmark for the impact fees calculated under the Capital Improvement Plan approach, Galena Consulting also calculated the District’s current level of service by quantifying the District’s current investment in capital improvements, allocating a portion of these assets to residential and nonresidential development, and dividing the resulting amount by current housing units (residential fees) or current square footage (nonresidential fees). By using

current assets to denote the current service standard, this methodology guards against using fees to correct existing deficiencies.

¹⁷ See Section 67-8208, Idaho Code.

¹⁹ See Section 67-8203(23), Idaho Code.

²⁰ See Section 67-8207, Idaho Code.

²¹ The impact fee that can be charged to each service unit (in this study, residential dwelling units and nonresidential square feet) cannot exceed the amount determined by dividing the cost of capital improvements attributable to new development (in order to provide an adopted service level) by the total number of service units attributable to new development. See Sections 67-8204(16), 67-8208(1(f) and 67-8208(1)(g), Idaho Code.

²² See Section 67-8203(27), Idaho Code.

²³ See Section 67-8203(27), Idaho Code.

²⁴ The construction of detached garages alongside residential units does not typically trigger the payment of additional impact fees unless that structure will be the site of a home-based business with significant outside employment.

²⁵ See Section 67-8208(1)(e), Idaho Code.

²⁶ See Section 67-8208(1)(h).

²⁷ This assumes the planned levels of service do not exceed the current levels of service.

²⁸ The Impact Fee Act allows a broad range of improvements to be considered as “capital” improvements, so long as the improvements have useful life of at least 10 years and also increase the service capacity of public facilities. See Sections 67- 8203(28) and 50-1703, Idaho Code.

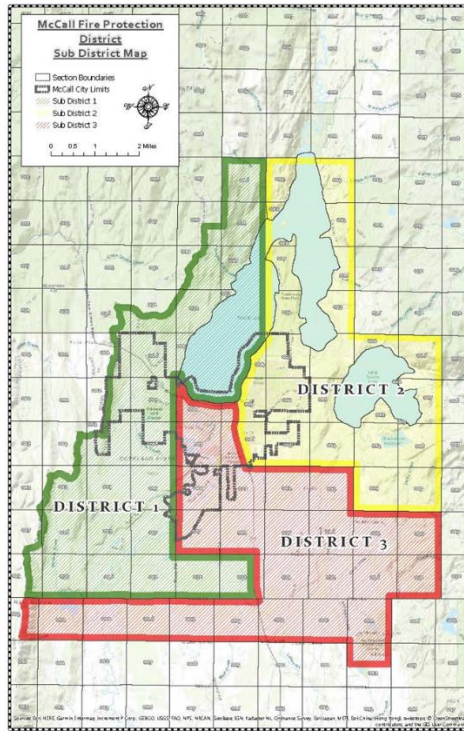
²⁹ This assumes that the planned level of service does not exceed the current level of service.

³⁰ This assumes the planned level of service does not exceed the current level of service.

Section II. Land Uses

The McCall Fire Protection District serves the population of the City of McCall and a portion of unincorporated Valley County as indicated in Exhibit II-1 below.

Exhibit II-1. District Boundaries



The following Exhibit II-2 presents the current and estimated future population for the District based on U.S. Census data through 2020.

Exhibit II-2. Current and Future Population within the boundaries of the McCall Fire Protection District

	2021	2031	Net Growth	Annual Growth Rate
Population	5,411	6,709	1,299	2.4%
Unincorporated	1,725	2,138	414	2.4%
City Of McCall	3,686	4,571	885	2.4%

The District currently has approximately 5,411 persons residing within its service boundary. Over the next ten years, it is estimated the District will grow by approximately 1,299 people, or at an annual growth rate of 2.4%. Population alone is not an accurate indicator of growth within the District, however, as McCall is a resort community and many of the residential units are short-

term rentals. As these units are not owner-occupied, the inhabitants are not included within the U.S. Census as part of the residential population. These units do drive demand for fire and EMS services and need to be considered within the study calculations.

To more accurately project growth, the study team determined the number of projected new households and nonresidential square footage from 2021 through 2031 for the District based on data from the Valley County Assessor’s Office, the Valley County Planning Department, the City of McCall, Idaho Power, regional real estate market reports and recommendations from District Staff and the Impact Fee Advisory Committee.

The following Exhibit II-3 presents the current and future number of residential units and nonresidential square feet projected for the District.

**Exhibit II-3.
Current and Future Land Uses, McCall Fire Protection District**

	2021	2031	Net Growth	Net Growth in Square Feet ⁽¹⁾	Percent of Total Growth in SF
Population	5,411	6,709	1,299		
Residential (in units)	5,838	7,239	1,401	3,502,800	94%
Nonresidential (in square feet)	875,700	1,085,868	210,168	210,168	6%
			Total Square Footage Growth =	3,712,968	100%

As shown above, the McCall Fire Protection District is expected to grow by approximately 1,401 residential units and about 210,168 nonresidential square feet over the next ten years. Ninety-four percent of this growth is attributable to residential land uses, while the remaining six percent is attributable to nonresidential growth. These growth projections will be used in the following sections to calculate the appropriate impact fees for the District.

Demographic and land-use projections are some of the most variable and potentially debatable components of an impact fee study, and in all likelihood the projections used in our study will not prove to be 100 percent correct. The purpose of the Advisory Committee’s annual review is to account for these inconsistencies. As each CIP is tied to the District’s land use growth, the CIP and resulting fees can be revised based on actual growth as it occurs.

Section III.

Impact Fee Calculation

In this section, we calculate fire and EMS impact fees for the McCall Fire Protection District according to the seven -question method outlined in Section I of this report.

1. Who is currently served by the McCall Fire Protection District?

As shown in Exhibit II-3, the District currently serves 5,838 residential units and approximately 875,700 square feet of nonresidential land use.

2. What is the current level of service provided by the McCall Fire Protection District?

The McCall Fire Protection District provides a response time of 6.15 minutes District-wide. Response times are approximately 4.99 minutes within the City of McCall, and can be longer than 6.15 minutes for other parts of the unincorporated County. As the number of residents and visitors to the District grows, additional infrastructure and equipment will be needed to sustain this level of service. Based on conversations with District staff, it is our understanding that the planned level of service is equal to a continuation of the current level of service.

3. What current assets allow the McCall Fire Protection District to provide this level of service?

The following Exhibit III-1 displays the current assets of the McCall Fire Protection District utilized to provide fire protection and EMS response.

Exhibit III-1. Current Assets – McCall Fire Protection District

Type of Capital Infrastructure	Square Feet	Replacement Value
Facilities		
McCall Fire Station #1 Deinhard Lane	14,500	\$8,700,000
Vehicles/Apparatus		
2 Engines		\$1,300,000
2 Ambulances		\$470,000
Pumper Tender		\$400,000
Tender		\$200,000
Squad		\$100,000
3 Support Vehicles		\$160,000
Fire Boat		\$50,000
3 Snowmobiles		\$45,000
UTV		\$25,000
Equipment		
2 Stryker Auto Load		\$40,000
2 Stryker Cots		\$44,000
3 Cardiac Monitors		\$120,000
2 CPR Machines		\$30,000
Snowmobile Trailer		\$10,000
UTV Trailer		\$7,000
Extrication Tools		\$30,000
30 SCBAs		\$180,000
		\$11,911,000
Plus Cost of Fee-Related Research		
Impact Fee Study		\$15,000
Grand Total		\$11,926,000

As shown above, the District currently owns almost \$12 million of capital assets. These assets are used to provide the District's current level of service for fire and EMS response.

4. What is the current investment per residential unit and nonresidential square foot?

The McCall Fire Protection District has already invested \$1,927 per existing residential unit and \$0.77 per existing nonresidential square foot in the capital necessary to provide the current level of service for fire protection and emergency medical response. These figures are derived by allocating the value of the District's current assets among the current number of residential units and nonresidential square feet.

We will compare our final impact fee calculations with these figures to determine if the two results will be similar; this represents a "check" to see if future District residents will be paying for infrastructure at a level commensurate with what existing District residents have invested in infrastructure.

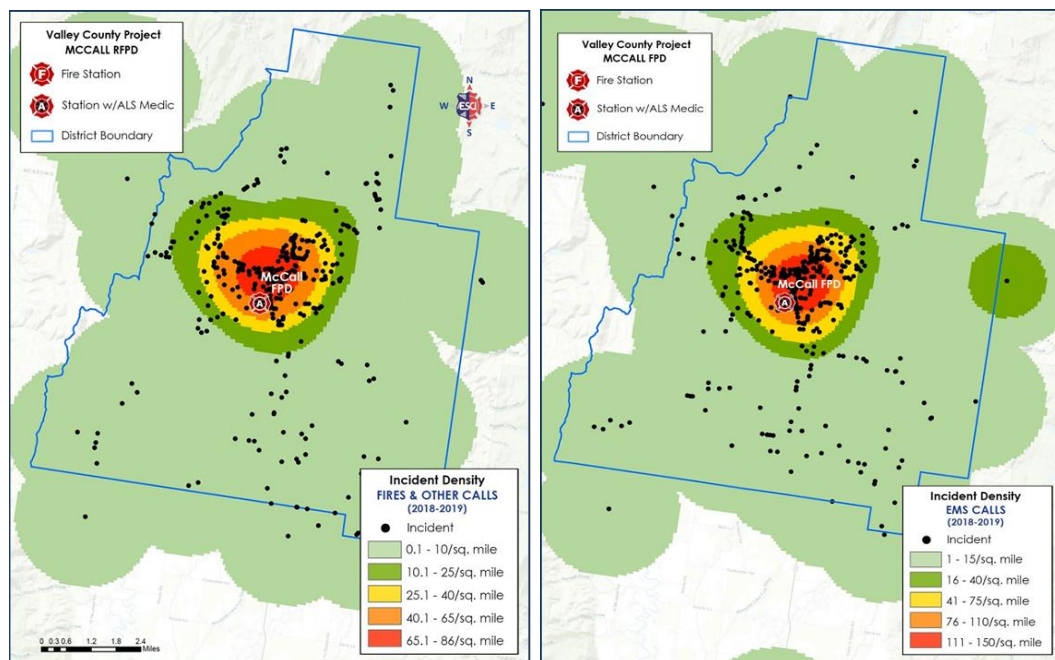
5. What future growth is expected in the McCall Fire Protection District?

As shown in Exhibit II-3, the McCall Fire Protection District is expected to grow by approximately 1,401 residential units and 210,168 square feet of nonresidential land use over the next ten years.

6. What new infrastructure is required to serve future growth?

The following Exhibit III-2 indicates the density of calls for both fire protection and emergency medical services for the McCall Fire Protection District in 2018-2019.

Exhibit III-2.
Incident Density 2018-2019 – Fire and EMS Calls for Service



As shown above, the highest incidence of calls for service come from within the City of McCall and its immediate surroundings. The existing Station #1 is well-located geographically to respond to the areas of highest density within the desired amount of time.

Of greater concern to the District than location, however, is the issue of concurrency of calls. The District participated in a study of the Valley County EMS District conducted by ESCI in 2020 in partnership with Valley County, the Donnelly Fire Protection District and the Cascade Fire Protection District. This study determined that 15% of the time the District was responding to more than one call (175 calls out of 1,147 in 2019). Without adequate staffing and apparatus, concurrent incidents result in response times beyond standards to reduce loss of life and property. It was recommended that an additional ambulance be acquired as a reserve ambulance to be shared among the three fire and EMS districts, and that the McCall Fire Protection District move toward staffing an additional ambulance at Station #1.

The District intends to add nine firefighter/EMTs, increasing the size of each shift from four to seven, and the minimum manning from the current model of three firefighter/EMT's to six. This will would allow the district to staff an engine, and two ambulances with at least two people on each apparatus to further ensure the level of service does not decline as growth occurs.

The McCall Fire Protection District has developed its capital improvement plans (CIPs) based on the recommendations of the ESCI study and its increased staffing initiative. The following Exhibit III-3 displays the capital improvements planned for purchase by the McCall Fire Protection District over the next ten years for fire protection response.

**Exhibit III-3.
McCall Fire Protection District CIP 2021 to 2031**

Type of Capital Infrastructure	CIP Value	Growth Portion	Amount to Include in Fees	Amount from General Fund
Facilities				
Addition to Station #1 to accommodate 9 additional FF/EMTs for growth	\$ 2,500,000	100%	\$ 2,500,000	\$ -
Vehicles				
Additional command vehicle for growth	\$ 60,000	100%	\$ 60,000	\$ -
Additional Ambulance - shared by 3 districts	\$ 78,333	100%	\$ 78,333	\$ -
Engine Replacement	\$ 650,000	0%	\$ -	\$ 650,000
Equipment				
PPEs/Radios for 9 additional Firefighters	\$ 45,000	100%	\$ 45,000	\$ -
1 Stryker Cot	\$ 22,000	100%	\$ 22,000	\$ -
1 Stryker Auto Load	\$ 20,000	100%	\$ 20,000	\$ -
Total Infrastructure	\$ 3,375,333		\$ 2,725,333	\$ 650,000
Plus Cost of Fee-Related Research Impact Fee Study	\$ 15,000	100%	\$ 15,000	
Grand Total	\$ 3,390,333		\$ 2,740,333	\$ 650,000

As shown above, the District plans to purchase approximately \$3.4 million in capital improvements over the next ten years, \$2.7 million of which is impact fee eligible. These new assets will allow the District to continue its current level of fire protection and emergency medical service as the community grows.

The primary impact fee eligible expenditures are the expansion of Station #1 to accommodate living and dormitory space for the 9 additional firefighters/EMTs recommended in the ESCI study, the District's proportional share of an additional ambulance and equipment to be used by all three districts providing EMS in Valley County, personal protective equipment and radios for the 9 firefighters/EMTs, and an additional command vehicle for the expanded crew. 100% of these expenditures are necessitated by growth and are required to maintain the current level of service. The replacement of the existing engine is not impact fee eligible and must be funded through other sources.

The remaining \$650,000 is the price for the District to replace an existing engine. Replacement of existing capital is not eligible for inclusion in the impact fee calculations. The District will therefore have to use other sources of revenue including all of those listed in Idaho Code 67-8207(iv)(2)(h). The District has identified property tax revenue as the source for funding non-growth-related capital improvements.

It should be noted that the participation amount associated with purely non-growth improvements like apparatus replacements is discretionary. The District can choose not to fund these capital improvements (although this could result in a decrease in the level of service if the deferred repairs or replacements were urgent).

7. What impact fee is required to pay for the new capital improvements?

The following Exhibit III-4 takes the projected future growth from Exhibits II-3 and the growth-related CIP for Fire from Exhibit III-3 to calculate fire and EMS impact fees for the McCall Fire Protection District.

**Exhibit III-4.
Impact Fee Calculation, McCall Fire Protection District**

Impact Fee Calculation	
Amount to Include in Fee Calculation	\$ 2,740,333
Distribution of Future Land Use Growth	
Residential	94%
Nonresidential	6%
Future Assets by Land Use	
Residential	\$ 2,585,220
Nonresidential	\$ 155,113
Future Land Use Growth	
Residential	1,401
Nonresidential	210,168
Impact Fee per Unit	
Residential	\$ 1,845
Nonresidential	\$ 0.74

As shown above, we have calculated impact fees for the McCall Fire Protection District at \$1,845 per residential unit and \$0.74 per non-residential square foot. In comparison, as indicated in question #4 above, property taxpayers within the District have already invested \$1,927 per residential unit and \$0.78 per nonresidential square foot in the capital inventory necessary to provide today's level of service.

The District cannot assess fees greater than the amounts shown above. The District may assess fees lower than these amounts, but would then experience a decline in service levels unless the District used other revenues to make up the difference.

Section IV.

Fee Analysis and Administrative Recommendations

A comparison of the calculated Fire and EMS impact fees to similar fees being assessed by fire and EMS departments/districts within Southwest Idaho is shown in Exhibit IV-1:

Exhibit IV-1. Impact Fee Comparison

	McCall Fire District DRAFT	Cascade Fire District DRAFT	Ada County/ Kuna Fire District	Canyon Co/ Nampa Fire District	Gem County/ Gem Fire District	Twin Falls Co/ Rock Creek Fire District DRAFT	Elmore Co/ Mtn Home Fire District DRAFT	Payette Co/ Parma Fire District DRAFT
Fire and EMS								
per Residential Unit	\$ 1,845	\$ 2,891	\$ 1,973	\$ 1,567	\$ 1,808	\$ 1,661	\$ 2,111	\$ 2,316
per Non-Residential sf	\$ 0.74	\$ 1.16	\$ 0.80	\$ 0.63	\$ 0.71	\$ 0.66	\$ 1.80	\$ 1.90

Some communities express concern that impact fees will stifle growth. Empirical data indicates impact fees are not a primary reason for a decision to build or not build in a particular area. Factors including the price of land and construction, market demand, the availability of skilled workers, access to major transportation modes, amenities for quality of life, etc. all weigh more heavily in decisions to construct new homes or businesses, as well for business relocation. Ultimately the impact fee, which is paid at the time of building permit, is passed along to the buyer in the purchase price or wrapped into a lease rate. Therefore, in a market with a high demand for development, an impact fee higher than other jurisdictions is unlikely to slow growth.

An impact fee program will enable the District to plan for growth without decreasing its service levels (response time), which can decrease buyer satisfaction and cause property insurance premiums to increase. It will also allow the District to collect a proportionate share of the cost of capital improvements from growth instead of funding future capital through property taxes.

As the District Commission evaluates whether or not to adopt the Capital Improvement Plan and impact fee presented in this report, we also offer the following information regarding District participation in funding, and implementation recommendations for your consideration.

Implementation Recommendations

The following implementation recommendations should be considered:

Intergovernmental Agreements. The McCall Fire Protection District is enabled under Idaho Code as a governmental entity to adopt impact fees. However, because impact fees are paid upon building permit, and the District does not participate in this process, it needs another governmental entity to collect these fees on its behalf. Idaho Code 67-8204(a) authorizes the District to enter into an intergovernmental agreement with the City of McCall and Valley County to collect fire and EMS fees on their behalf.

In the case that any one of these jurisdictions chooses not to collect the fees on the Fire District's behalf, inequities will result. Developers will have to pay an impact fee in one part of the District but not another, and the growth in the non-participating jurisdictions will essentially be subsidized by the growth in the participating region. Should this occur, it is recommended that the fee calculation be revised to more accurately reflect demand from the participating jurisdictions. Alternatively, jurisdictions not wishing to collect impact fees on behalf of the District may be encouraged to include the payment of the fee amount in their development agreements to be paid directly to the District.

Capital Improvements Plan. Should the Advisory Committee recommend this study to the District Commission and should the Commission adopt the study, the District should also formally adopt this Capital Improvement Plan. While not subject to the procedures of the Local Land Use Planning Act (LLUPA), the adoption of the Capital Improvement Plan would comply with the Act's requirements of other governmental entities to adopt capital improvement plans into a Comprehensive Plan as part of the adoption of impact fees.

Each participating jurisdiction will need to also adopt the Capital Improvement Plan into their Comprehensive Plan via amendment.

Impact Fee Ordinance. Following adoption of the Capital Improvement Plan, the Commission should review the proposed Impact Fee Ordinance for adoption via resolution as reviewed and recommended by the Advisory Committee and legal counsel. Each participating jurisdiction will also need to adopt the impact fee ordinance.

Advisory Committee. The Advisory Committee is in a unique position to work with and advise Commission and District staff to ensure that the capital improvement plans and impact fees are routinely reviewed and modified as appropriate.

Impact fee service area. Some municipalities have fee differentials for various zones under the assumption that some areas utilize more or less current and future capital improvements. The study team, however, does not recommend the District assess different fees by dividing the areas into zones. The capital improvements identified in this report inherently serve a system-wide function.

Specialized assessments. If permit applicants are concerned they would be paying more than their fair share of future infrastructure purchases, the applicant can request an individualized assessment to ensure they will only be paying their proportional share. The applicant would be required to prepare and pay for all costs related to such an assessment.

Donations. If the District receives donations for capital improvements listed on the CIP, they must account for the donation in one of two ways. If the donation is for a non- or partially growth-related improvement, the donation can contribute to the District's General Fund participation along with more traditional forms, such as revenue transfers from the General Fund. If, however, the donation is for a growth-related project in the CIP, the donor's impact fees should be reduced dollar for dollar. This means that the District will either credit the donor or reimburse the donor for that portion of the impact fee.

Credit/reimbursement. If a developer constructs or contributes all or part of a growth-related project that would otherwise be financed with impact fees, that developer must receive a credit against the fees owed for this category or, at the developer's choice, be reimbursed from impact fees collected in the future.³⁷ This prevents "double dipping" by the District.

The presumption would be that builders/developers owe the entirety of the impact fee amount until they make the District aware of the construction or contribution. If credit or reimbursement is due, the governmental entity must enter into an agreement with the fee payer that specifies the amount of the credit or the amount, time and form of reimbursement.³⁸

Impact fee accounting. The District should maintain Impact Fee Funds separate and apart from the General Fund. All current and future impact fee revenue should be immediately deposited into this account and withdrawn only to pay for growth-related capital improvements of the same category. General Funds should be reserved solely for the receipt of tax revenues, grants, user fees and associated interest earnings, and ongoing operational expenses including the

repair and replacement of existing capital improvements not related to growth.

Spending policy. The District should establish and adhere to a policy governing their expenditure of monies from the Impact Fee Fund. The Fund should be prohibited from paying for any operational expenses and the repair and replacement or upgrade of existing infrastructure not necessitated by growth. In cases when *growth-related capital improvements are constructed*, impact fees are an allowable revenue source as long as only new growth is served. In cases when new capital improvements are expected to *partially replace existing capacity and to partially serve new growth*, cost sharing between the General Fund or other sources of revenue listed in Idaho Code 67-8207(I)(iv), (2)(h) and Impact Fee Fund should be allowed on a pro rata basis.

Update procedures. The District is expected to grow rapidly over the 10-year span of the CIPs. Therefore, the fees calculated in this study should be updated annually as the District invests in additional infrastructure beyond what is listed in this report, and/or as the District's projected development changes significantly. Fees can be updated on an annual basis using an inflation factor for building material from a reputable source such as McGraw Hill's Engineering News Record. As described in Idaho Code 67-8205(3)(c)(d)(e), the Advisory Committee will play an important role in these updates and reviews.

³⁷ See Section 67-8209(3), Idaho Code.

³⁸ See Section 67-8209(4), Idaho Code



City of McCall
VALLEY COUNTY, STATE OF IDAHO

RESOLUTION 23-18

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCCALL MAKING CERTAIN FINDINGS; AMENDING *THE CITY OF MCCALL IN MOTION 2018 MCCALL AREA COMPREHENSIVE PLAN* BY THE AMENDMENT OF THE *PUBLIC FACILITIES, UTILITIES, AND SERVICES, GOALS + POLICIES* OF THE COMPREHENSIVE PLAN BY THE ADDITION OF A NEW GOAL 8 AND POLICY 8.1 PROVIDING FOR THE ADDITION OF THE MCCALL FIRE PROTECTION DISTRICT CAPITAL IMPROVEMENTS PLAN MCCALL FIRE PROTECTION DISTRICT IMPACT FEE STUDY AND CAPITAL IMPROVEMENT PLAN FINAL REPORT – JUNE, 2022; DIRECTING THE CITY CLERK; AND SETTING AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of McCall:

Section 1: Findings

It is hereby found by the City Council of the City of McCall that:

- 1.1 In 2018 the City Council of the City of McCall adopted by resolution the current edition of *The City of McCall In Motion 2018 McCall Area Comprehensive Plan* (the “Comprehensive Plan”); and
- 1.2 The City is experiencing and is affected by considerable growth and development; and
- 1.3 The McCall Fire Protection District (the “Fire District”) provides fire protection and emergency medical services throughout the City; and
- 1.4 The Fire District has requested the City, pursuant to I.C. § 67-8204A, to enter into an intergovernmental agreement and enact an ordinance to provide for development impact fees for the Fire District; and
- 1.5 The *Idaho Development Impact Fee Act* (the “Act”) codified at Chapter 82 of Title 67 Idaho Code provides for:
 - the imposition, collection and expenditure of development impact fees in accordance with the provisions of the Act; and
 - the promotion of orderly growth and development by establishing uniform standards by which local governments may require that those who benefit from new growth and development pay a proportionate share of the costs of new public facilities needed to serve new growth and development; and

- minimum standards for the adoption of development impact fee ordinances by governmental entities which are authorized to adopt ordinances; and
 - The contents of a capital improvements plan and the process to be followed for the adoption of a capital improvements plan.
- 1.6** The City of McCall is a governmental entity as defined in the Act at Idaho Code § 67-8203(14) and, as provided at Idaho Code § 67-8202(5), has ordinance authority to adopt a development impact fee ordinance whereas, the Fire District does not have ordinance authority and cannot adopt a development impact fee ordinance; and
- 1.7** The Act provides, at Idaho Code § 67-8204A, that the City when affected by growth and development, has the authority to enter into an intergovernmental agreement with the Fire District for the purpose of agreeing to collect and expend development impact fees for Fire District System Improvements; and
- 1.8** In anticipation and in consideration of the City Council adopting the Ordinance, which is intended to provide for the collection and expenditure of development impact fees for the Fire District, the City has established and appointed, pursuant to Idaho Code § 67-8205, a Development Impact Fee Advisory Committee; and
- 1.9** The Fire District retained Anne Wescott of Galena Consulting, a qualified professional in the field of public administration, to prepare an impact fee study and capital improvements plan in consultation with the *City of McCall Development Impact Fee Advisory Standing Committee* (the “Advisory Committee”); and
- 1.10** The Advisory Committee has submitted to the City Council the *McCall Fire Protection District Impact Fee Study and Capital Improvement Plan* Final Report – June, 2022 prepared in accordance with the requirements of Idaho Code § 67-8208 in consultation with the Advisory Committee as provided in Idaho Code §§ 67-8205 and 67-8206(2); and
- 1.11** Prior to the adoption of the Capital Improvements Plan, the Fire District Board of Commissioners and the City Council of the City of McCall, in accordance with Idaho Code § 67-8206(3), have published notice and held a joint combined public hearing; and
- 1.12** The Capital Improvements Plan contains all the necessary contents of a capital improvements plan as provided in the Act by Idaho Code § 67-8208; and
- 1.13** The Fire District has concluded all of its process for the adoption of the Capital Improvements Plan as required in the Act by Idaho Code §§ 67-8205 and 67-8206(3); and
- 1.14** The Act at I.C. § 67-8208 (1) provides that governmental entities, such as the City, that are required to undertake comprehensive planning pursuant to chapter 65, title 67, Idaho Code, (the “Local Planning Act”), are also required to prepare and adopt a capital improvements plan according to the requirements contained in section 67-6509, Idaho Code, which shall

be included as an element of the comprehensive plan.

- 1.15** The City Planning and Zoning Commission has provided notice and held a public hearing, in accordance with section 67-6509, and has made its findings of fact, conclusions of law and recommendation to the City Council of approval of the following amendments to the City’s Comprehensive Plan:

Amending the *Public Facilities, Utilities, and Services, Goals + Policies* of the Comprehensive Plan by the addition of a new Goal 8 and Policy 8.1 for the purpose of enacting an ordinance and entering into the intergovernmental agreement with the McCall Fire Protection District for the collection and expenditure of development impact fees for the Fire District’s systems improvements as identified in the *McCall Fire Protection District Impact Fee Study and Capital Improvement Plan* Final Report – June, 2022 (the “Capital Improvements Plan”) to be appended to the Comprehensive Plan as Appendix A.

- 1.16** The City Council has provided notice and held a public hearing in accordance with section 67-6509 and has made its findings of fact, conclusions of law and order authorizing this resolution amending the City Comprehensive Plan as recommended by the City Planning and Zoning Commission.

Section 2: Action Amending the City of McCall In Motion 2018 McCall Area Comprehensive Plan.

- 2.1** The Public Facilities, Utilities, and Services, Goals + Policies of McCall In Motion Comprehensive Plan is hereby amended by the addition thereto of a new Goal 8 and Policy 8.1 to read as follows:

Goal 8: Ensure that new growth and development, in the City, pays its proportionate share of the costs of capital improvements necessitated by new growth and development needed by the McCall Fire Protection District to maintain its current level of fire prevention and emergency medical services within the City.

Policy 8.1

In partnership with the McCall Fire Protection District, enact a development impact fee ordinance and enter into an intergovernmental agreement for the imposition and collection of McCall Fire Protection District impact fees in accordance with the *McCall Fire Protection District Impact Fee Study and Capital Improvement Plan* appended as Appendix A to this Plan.

Addition to the Appendices:

Appendix A- *McCall Fire Protection District Impact Fee Study and Capital Improvement Plan* Final Report – June, 2022.

Section 3: Direction to City Clerk

3.1 The City Clerk is hereby directed to retain this resolution in the official records of the City and to provide a certified copy of this resolution to the District Administrator of the McCall Fire Protection District and facilitate the inclusion of the above stated amendment in an updated edition of the City of McCall In Motion Comprehensive Plan.

Section 4: Effective Date.

4.1 This Resolution shall be in full force and effect after its passage and approval.

PASSED BY THE CITY COUNCIL of the City of McCall this ____ day of _____, 2023.

Signed: _____
Robert S. Giles, Mayor

ATTEST:

I certify that the above Resolution was duly adopted by the City Council of the City of McCall on

_____, 2023 by the following vote: Ayes: _____
Nos: _____
Absent: _____

By _____
BessieJo Wagner, City Clerk

W:\Work\M\McCall Fire Protection District 25556\Impact Fees\City of McCall\Clean Drafts of Impact Fee Documents vetted by Brain and WFG\07 CITY COUNCIL Resolution Amending the Comprehensive Plan 3.16.23 wfg-Clean.docx

APPENDIX A

CAPITAL IMPROVEMENTS PLAN

*McCall Fire Protection District Impact Fee Study and Capital Improvement Plan Final Report –
June, 2022*

FINAL REPORT - June 2022

**McCall Fire Protection District
Impact Fee Study and
Capital Improvement Plan**

Prepared By

Galena Consulting
Anne Wescott
1214 South Johnson
Boise, Idaho 83705



Section I.

Introduction

This report regarding impact fees for the McCall Fire Protection District is organized into the following sections:

- An overview of the report's background and objectives;
- A definition of impact fees and a discussion of their appropriate use;
- An overview of land use and demographics;
- A step-by-step calculation of impact fees under the Capital Improvement Plan (CIP) approach;
- A list of implementation recommendations; and
- A brief summary of conclusions.

Background and Objectives

The McCall Fire Protection District hired Galena Consulting to calculate impact fees for Fire and EMS.

This document presents impact fees based on the District's demographic data and infrastructure costs before credit adjustment; calculates the District's monetary participation; examines the likely cash flow produced by the recommended fee amount; and outlines specific fee implementation recommendations. Credits can be granted on a case-by-case basis; these credits are assessed when each individual building permit is pulled.

Definition of Impact Fees

Impact fees are one-time assessments established by local governments to assist with the provision of Capital Improvements necessitated by new growth and development. Impact fees are governed by principles established in Title 67, Chapter 82, Idaho Code, known as the Idaho Development Impact Fee Act (Impact Fee Act). The Idaho Code defines an impact fee as "... a payment of money imposed as a condition of development approval to pay for a proportionate share of the cost of system improvements needed to serve development."¹

Purpose of impact fees. The Impact Fee Act includes the legislative finding that "... an equitable program for planning and financing public facilities needed to serve new growth and development is necessary in order to promote and accommodate orderly growth and development and to protect the public health, safety and general welfare of the citizens of the state of Idaho."²

Idaho fee restrictions and requirements. The Impact Fee Act places numerous restrictions on the calculation and use of impact fees, all of which help ensure that local governments adopt impact fees that are consistent with federal law.³ Some of those restrictions include:

- Impact fees shall not be used for any purpose other than to defray system improvement costs incurred to provide additional public facilities to serve new growth;⁴
- Impact fees must be expended within 8 years from the date they are collected. Fees may be held in certain circumstances beyond the 8-year time limit if the governmental entity can provide reasonable cause;⁵
- Impact fees must not exceed the proportionate share of the cost of capital improvements needed to serve new growth and development;⁶
- Impact fees must be maintained in one or more interest-bearing accounts within the capital projects fund.⁷

In addition, the Impact Fee Act requires the following:

- Establishment of and consultation with a development impact fee advisory committee (Advisory Committee);⁸
- Identification of all existing public facilities;
- Determination of a standardized measure (or service unit) of consumption of public facilities;
- Identification of the current level of service that existing public facilities provide;
- Identification of the deficiencies in the existing public facilities;
- Forecast of residential and nonresidential growth;⁹
- Identification of the growth-related portion of the District's Capital Improvement Plan;¹⁰
- Analysis of cash flow stemming from impact fees and other capital improvement funding sources;¹¹
- Implementation of recommendations such as impact fee credits, how impact fee revenues should be accounted for, and how the impact fees should be updated over time;¹²
- Preparation and adoption of a Capital Improvement Plan pursuant to state law and public hearings regarding the same;¹³ and
- Preparation and adoption of a resolution authorizing impact fees pursuant to state law and public hearings regarding the same.¹⁴

How should fees be calculated? State law requires the District to implement the Capital Improvement Plan methodology to calculate impact fees. The District can implement fees of any amount not to exceed the fees as calculated by the CIP approach. This methodology requires the District to describe its service areas, forecast the land uses, densities and population that are expected to occur in those service areas over the 10-year CIP time horizon, and identify the capital improvements that will be needed to serve the forecasted growth at the planned levels of service, assuming the planned levels of service do not exceed the current levels of service.¹⁵ Only those items identified as growth-related on the CIP are eligible to be funded by impact fees.

The governmental entity intending to adopt an impact fee must first prepare a capital improvements plan.¹⁷ Once the essential capital planning has taken place, impact fees can be calculated. The Impact Fee Act places many restrictions on the way impact fees are calculated and spent, particularly via the principal that local governments cannot charge new development more than a “proportionate share” of the cost of public facilities to serve that new growth. “Proportionate share” is defined as “. . . that portion of the cost of system improvements . . . which reasonably relates to the service demands and needs of the project.”¹⁹ Practically, this concept requires the District to carefully project future growth and estimate capital improvement costs so that it prepares reasonable and defensible impact fee schedules.

The proportionate share concept is designed to ensure that impact fees are calculated by measuring the needs created for capital improvements by development being charged the impact fee; do not exceed the cost of such improvements; and are “earmarked” to fund growth-related capital improvements to benefit those that pay the impact fees.

There are various approaches to calculating impact fees and to crediting new development for past and future contributions made toward system improvements. The Impact Fee Act does not specify a single type of fee calculation, but it does specify that the formula be “reasonable and fair.” Impact fees should take into account the following:

- Any appropriate credit, offset or contribution of money, dedication of land, or construction of system improvements;
- Payments reasonably anticipated to be made by or as a result of a new development in the form of user fees and debt service payments;
- That portion of general tax and other revenues allocated by the District to growth-related system improvements; and
- All other available sources of funding such system improvements.²⁰

Through data analysis and interviews with the District and Galena Consulting identified the share of each capital improvement needed to serve growth. The total projected capital improvements needed to serve growth are then allocated to residential and nonresidential development with the resulting amounts divided by the appropriate growth projections from 2021 to 2031. This is consistent with the Impact Fee Act.²¹ Among the advantages of the CIP approach is its establishment of a spending plan to give developers and new residents more certainty about the use of the particular impact fee revenues.

Other fee calculation considerations. The basic CIP methodology used in the fee calculations is presented above. However, implementing this methodology requires a number of decisions. The considerations accounted for in the fee calculations include the following:

- Allocation of costs is made using a service unit which is “a standard measure of consumption, use, generation or discharge attributable to an individual unit²² of development calculated in accordance with generally accepted engineering or planning standards for a particular category of capital improvement.”²³ The service units chosen by the study team for every fee calculation in this study are linked directly to residential dwelling units and nonresidential development square feet.²⁴
- A second consideration involves refinement of cost allocations to different land uses. According to Idaho Code, the CIP must include a “conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial, agricultural and industrial.”²⁵ In this analysis, the study team has chosen to use the highest level of detail supportable by available data and, as a result, in this study, the fee is allocated between aggregated residential (i.e., all forms of residential housing) and nonresidential development (all nonresidential uses including retail, office, agricultural and industrial).

Current Assets and Capital Improvement Plans

The CIP approach estimates future capital improvement investments required to serve growth over a fixed period of time. The Impact Fee Act calls for the CIP to “. . . project demand for system improvements required by new service units . . . over a reasonable period of time not to exceed 20 years.”²⁶ The impact fee study team recommends a 10-year time period based on the District’s best available capital planning data.

The types of costs eligible for inclusion in this calculation include any land purchases, construction of new facilities and expansion of existing facilities to serve growth over the next 10 years at planned and/or adopted service levels.²⁷ Equipment and vehicles with a useful life of 10 years or more are also impact fee eligible under the Impact Fee Act.²⁸ The total cost of improvements over the 10 years is referred to as the “CIP Value” throughout this report. The cost of this impact fee study is also impact fee eligible for all impact fee categories.

Fee Calculation

In accordance with the CIP approach described above, we calculated fees by answering the following seven questions:

1. **Who is currently served by the District?** This includes the number of residents and visitors, but is more specifically tied to the number of residential and nonresidential land uses.
2. **What is the current level of service provided by the District?** Since an important purpose of impact fees is to help the District achieve its planned level of service²⁹, it is necessary to know the levels of service it is currently providing to the community.
3. **What current assets allow the District to provide this level of service?** This provides a current inventory of assets used by the District, such as facilities, land and equipment. In addition, each asset’s replacement value was calculated and summed to determine the total value of the District’s current assets.

4. **What is the current investment per residential and nonresidential land use?** In other words, how much of the District’s current assets’ total value is needed to serve current residential households and nonresidential square feet?
5. **What future growth is expected in the District?** How many new residential households and nonresidential square footage will the District serve over the CIP period?
6. **What new infrastructure is required to serve future growth?** For example, how many additional stations and apparatus will be needed by the McCall Fire Protection District within the next ten years to achieve the planned level of service of the District?³⁰
7. **What impact fee is required to pay for the new infrastructure?** We calculated an apportionment of new infrastructure costs to future residential and nonresidential land-uses for the District. Then, using this distribution, the impact fees were determined.

Addressing these seven questions, in order, provides the most effective and logical way to calculate impact fees for the District. In addition, these seven steps satisfy and follow the regulations set forth earlier in this section.

Exhibits found in Section III of this report detail all capital improvements planned for purchase over the next ten years by the District.

¹ See Section 67-8203(9), Idaho Code. “System improvements” are capital improvements (i.e., improvements with a useful life of 10 years or more) that, in addition to a long life, increase the service capacity of a public facility. Public facilities include fire, emergency medical and rescue facilities. See Sections 67-8203(3), (24) and (28), Idaho Code.

² See Section 67-8202, Idaho Code.

³ As explained further in this study, proportionality is the foundation of a defensible impact fee. To meet substantive due process requirements, an impact fee must provide a rational relationship (or nexus) between the impact fee assessed against new development and the actual need for additional capital improvements. An impact fee must substantially advance legitimate local government interests. This relationship must be of “rough proportionality.” Adequate consideration of the factors outlined in Section 67-8207(2) ensure that rough proportionality is reached. See *Banbury Development Corp. v. South Jordan*, 631 P.2d 899 (1981); *Dollan v. District of Tigard*, 512 U.S. 374 (1994).

⁴ See Sections 67-8202(4) and 67-8203(29), Idaho Code.

⁵ See Section 67-8210(4), Idaho Code.

⁶ See Sections 67-8204(1) and 67-8207, Idaho Code.

⁷ See Section 67-8210(1), Idaho Code

⁸ See Section 67-8205, Idaho Code.

⁹ See Section 67-8206(2), Idaho Code.

¹⁰ See Section 67-8208, Idaho Code.

¹¹ See Section 67-8207, Idaho Code.

¹² See Sections 67-8209 and 67-8210, Idaho Code.

¹³ See Section 67-8208, Idaho Code.

¹⁴ See Sections 67-8204 and 67-8206, Idaho Code.

¹⁵ As a comparison and benchmark for the impact fees calculated under the Capital Improvement Plan approach, Galena Consulting also calculated the District’s current level of service by quantifying the District’s current investment in capital improvements, allocating a portion of these assets to residential and nonresidential development, and dividing the resulting amount by current housing units (residential fees) or current square footage (nonresidential fees). By using

current assets to denote the current service standard, this methodology guards against using fees to correct existing deficiencies.

¹⁷ See Section 67-8208, Idaho Code.

¹⁹ See Section 67-8203(23), Idaho Code.

²⁰ See Section 67-8207, Idaho Code.

²¹ The impact fee that can be charged to each service unit (in this study, residential dwelling units and nonresidential square feet) cannot exceed the amount determined by dividing the cost of capital improvements attributable to new development (in order to provide an adopted service level) by the total number of service units attributable to new development. See Sections 67-8204(16), 67-8208(1(f) and 67-8208(1)(g), Idaho Code.

²² See Section 67-8203(27), Idaho Code.

²³ See Section 67-8203(27), Idaho Code.

²⁴ The construction of detached garages alongside residential units does not typically trigger the payment of additional impact fees unless that structure will be the site of a home-based business with significant outside employment.

²⁵ See Section 67-8208(1)(e), Idaho Code.

²⁶ See Section 67-8208(1)(h).

²⁷ This assumes the planned levels of service do not exceed the current levels of service.

²⁸ The Impact Fee Act allows a broad range of improvements to be considered as “capital” improvements, so long as the improvements have useful life of at least 10 years and also increase the service capacity of public facilities. See Sections 67- 8203(28) and 50-1703, Idaho Code.

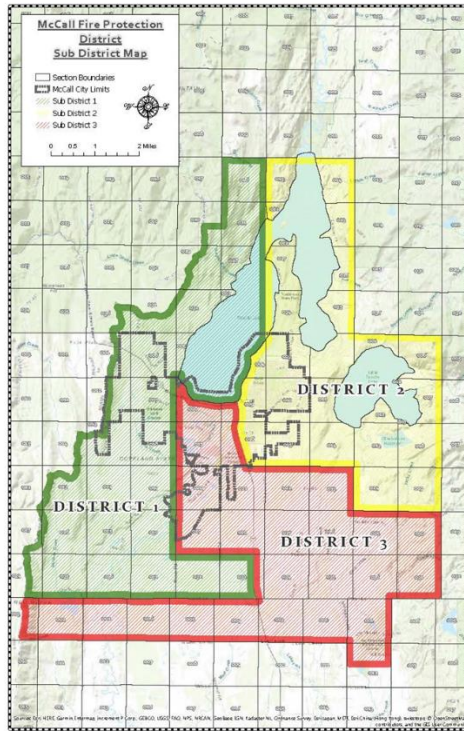
²⁹ This assumes that the planned level of service does not exceed the current level of service.

³⁰ This assumes the planned level of service does not exceed the current level of service.

Section II. Land Uses

The McCall Fire Protection District serves the population of the City of McCall and a portion of unincorporated Valley County as indicated in Exhibit II-1 below.

Exhibit II-1. District Boundaries



The following Exhibit II-2 presents the current and estimated future population for the District based on U.S. Census data through 2020.

Exhibit II-2. Current and Future Population within the boundaries of the McCall Fire Protection District

	2021	2031	Net Growth	Annual Growth Rate
Population	5,411	6,709	1,299	2.4%
Unincorporated	1,725	2,138	414	2.4%
City Of McCall	3,686	4,571	885	2.4%

The District currently has approximately 5,411 persons residing within its service boundary. Over the next ten years, it is estimated the District will grow by approximately 1,299 people, or at an annual growth rate of 2.4%. Population alone is not an accurate indicator of growth within the District, however, as McCall is a resort community and many of the residential units are short-

term rentals. As these units are not owner-occupied, the inhabitants are not included within the U.S. Census as part of the residential population. These units do drive demand for fire and EMS services and need to be considered within the study calculations.

To more accurately project growth, the study team determined the number of projected new households and nonresidential square footage from 2021 through 2031 for the District based on data from the Valley County Assessor’s Office, the Valley County Planning Department, the City of McCall, Idaho Power, regional real estate market reports and recommendations from District Staff and the Impact Fee Advisory Committee.

The following Exhibit II-3 presents the current and future number of residential units and nonresidential square feet projected for the District.

**Exhibit II-3.
Current and Future Land Uses, McCall Fire Protection District**

	2021	2031	Net Growth	Net Growth in Square Feet ⁽¹⁾	Percent of Total Growth in SF
Population	5,411	6,709	1,299		
Residential (in units)	5,838	7,239	1,401	3,502,800	94%
Nonresidential (in square feet)	875,700	1,085,868	210,168	210,168	6%
			Total Square Footage Growth =	3,712,968	100%

As shown above, the McCall Fire Protection District is expected to grow by approximately 1,401 residential units and about 210,168 nonresidential square feet over the next ten years. Ninety-four percent of this growth is attributable to residential land uses, while the remaining six percent is attributable to nonresidential growth. These growth projections will be used in the following sections to calculate the appropriate impact fees for the District.

Demographic and land-use projections are some of the most variable and potentially debatable components of an impact fee study, and in all likelihood the projections used in our study will not prove to be 100 percent correct. The purpose of the Advisory Committee’s annual review is to account for these inconsistencies. As each CIP is tied to the District’s land use growth, the CIP and resulting fees can be revised based on actual growth as it occurs.

Section III.

Impact Fee Calculation

In this section, we calculate fire and EMS impact fees for the McCall Fire Protection District according to the seven -question method outlined in Section I of this report.

1. Who is currently served by the McCall Fire Protection District?

As shown in Exhibit II-3, the District currently serves 5,838 residential units and approximately 875,700 square feet of nonresidential land use.

2. What is the current level of service provided by the McCall Fire Protection District?

The McCall Fire Protection District provides a response time of 6.15 minutes District-wide. Response times are approximately 4.99 minutes within the City of McCall, and can be longer than 6.15 minutes for other parts of the unincorporated County. As the number of residents and visitors to the District grows, additional infrastructure and equipment will be needed to sustain this level of service. Based on conversations with District staff, it is our understanding that the planned level of service is equal to a continuation of the current level of service.

3. What current assets allow the McCall Fire Protection District to provide this level of service?

The following Exhibit III-1 displays the current assets of the McCall Fire Protection District utilized to provide fire protection and EMS response.

Exhibit III-1. Current Assets – McCall Fire Protection District

Type of Capital Infrastructure	Square Feet	Replacement Value
Facilities		
McCall Fire Station #1 Deinhard Lane	14,500	\$8,700,000
Vehicles/Apparatus		
2 Engines		\$1,300,000
2 Ambulances		\$470,000
Pumper Tender		\$400,000
Tender		\$200,000
Squad		\$100,000
3 Support Vehicles		\$160,000
Fire Boat		\$50,000
3 Snowmobiles		\$45,000
UTV		\$25,000
Equipment		
2 Stryker Auto Load		\$40,000
2 Stryker Cots		\$44,000
3 Cardiac Monitors		\$120,000
2 CPR Machines		\$30,000
Snowmobile Trailer		\$10,000
UTV Trailer		\$7,000
Extrication Tools		\$30,000
30 SCBAs		\$180,000
		\$11,911,000
Plus Cost of Fee-Related Research		
Impact Fee Study		\$15,000
Grand Total		\$11,926,000

As shown above, the District currently owns almost \$12 million of capital assets. These assets are used to provide the District's current level of service for fire and EMS response.

4. What is the current investment per residential unit and nonresidential square foot?

The McCall Fire Protection District has already invested \$1,927 per existing residential unit and \$0.77 per existing nonresidential square foot in the capital necessary to provide the current level of service for fire protection and emergency medical response. These figures are derived by allocating the value of the District's current assets among the current number of residential units and nonresidential square feet.

We will compare our final impact fee calculations with these figures to determine if the two results will be similar; this represents a "check" to see if future District residents will be paying for infrastructure at a level commensurate with what existing District residents have invested in infrastructure.

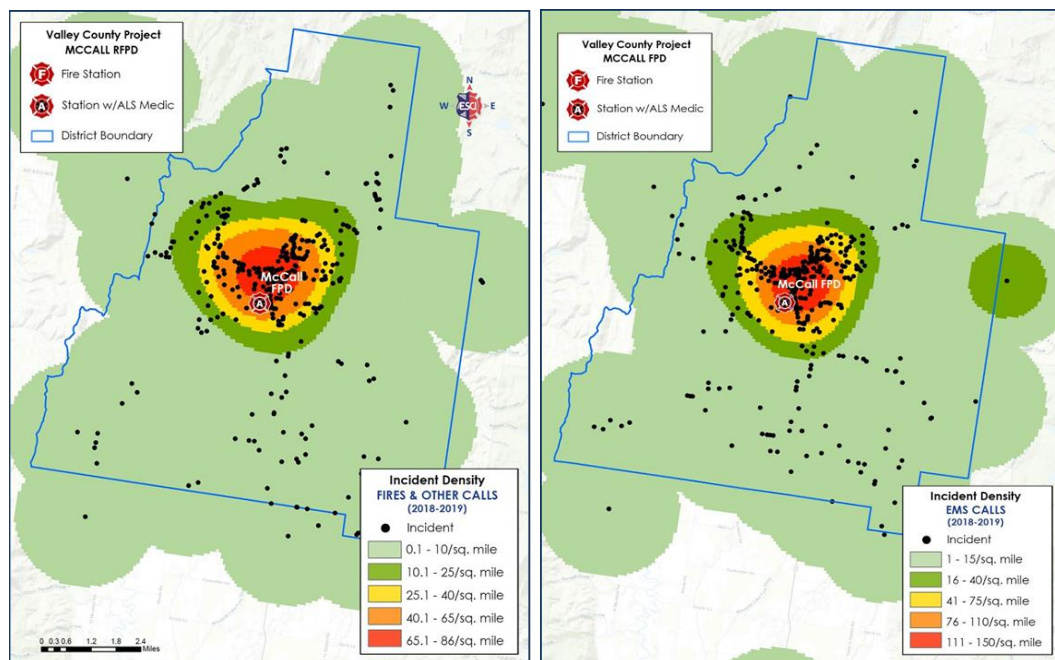
5. What future growth is expected in the McCall Fire Protection District?

As shown in Exhibit II-3, the McCall Fire Protection District is expected to grow by approximately 1,401 residential units and 210,168 square feet of nonresidential land use over the next ten years.

6. What new infrastructure is required to serve future growth?

The following Exhibit III-2 indicates the density of calls for both fire protection and emergency medical services for the McCall Fire Protection District in 2018-2019.

Exhibit III-2.
Incident Density 2018-2019 – Fire and EMS Calls for Service



As shown above, the highest incidence of calls for service come from within the City of McCall and its immediate surroundings. The existing Station #1 is well-located geographically to respond to the areas of highest density within the desired amount of time.

Of greater concern to the District than location, however, is the issue of concurrency of calls. The District participated in a study of the Valley County EMS District conducted by ESCI in 2020 in partnership with Valley County, the Donnelly Fire Protection District and the Cascade Fire Protection District. This study determined that 15% of the time the District was responding to more than one call (175 calls out of 1,147 in 2019). Without adequate staffing and apparatus, concurrent incidents result in response times beyond standards to reduce loss of life and property. It was recommended that an additional ambulance be acquired as a reserve ambulance to be shared among the three fire and EMS districts, and that the McCall Fire Protection District move toward staffing an additional ambulance at Station #1.

The District intends to add nine firefighter/EMTs, increasing the size of each shift from four to seven, and the minimum manning from the current model of three firefighter/EMT's to six. This will would allow the district to staff an engine, and two ambulances with at least two people on each apparatus to further ensure the level of service does not decline as growth occurs.

The McCall Fire Protection District has developed its capital improvement plans (CIPs) based on the recommendations of the ESCI study and its increased staffing initiative. The following Exhibit III-3 displays the capital improvements planned for purchase by the McCall Fire Protection District over the next ten years for fire protection response.

**Exhibit III-3.
McCall Fire Protection District CIP 2021 to 2031**

Type of Capital Infrastructure	CIP Value	Growth Portion	Amount to Include in Fees	Amount from General Fund
Facilities				
Addition to Station #1 to accommodate 9 additional FF/EMTs for growth	\$ 2,500,000	100%	\$ 2,500,000	\$ -
Vehicles				
Additional command vehicle for growth	\$ 60,000	100%	\$ 60,000	\$ -
Additional Ambulance - shared by 3 districts	\$ 78,333	100%	\$ 78,333	\$ -
Engine Replacement	\$ 650,000	0%	\$ -	\$ 650,000
Equipment				
PPEs/Radios for 9 additional Firefighters	\$ 45,000	100%	\$ 45,000	\$ -
1 Stryker Cot	\$ 22,000	100%	\$ 22,000	\$ -
1 Stryker Auto Load	\$ 20,000	100%	\$ 20,000	\$ -
Total Infrastructure	\$ 3,375,333		\$ 2,725,333	\$ 650,000
Plus Cost of Fee-Related Research Impact Fee Study	\$ 15,000	100%	\$ 15,000	
Grand Total	\$ 3,390,333		\$ 2,740,333	\$ 650,000

As shown above, the District plans to purchase approximately \$3.4 million in capital improvements over the next ten years, \$2.7 million of which is impact fee eligible. These new assets will allow the District to continue its current level of fire protection and emergency medical service as the community grows.

The primary impact fee eligible expenditures are the expansion of Station #1 to accommodate living and dormitory space for the 9 additional firefighters/EMTs recommended in the ESCI study, the District's proportional share of an additional ambulance and equipment to be used by all three districts providing EMS in Valley County, personal protective equipment and radios for the 9 firefighters/EMTs, and an additional command vehicle for the expanded crew. 100% of these expenditures are necessitated by growth and are required to maintain the current level of service. The replacement of the existing engine is not impact fee eligible and must be funded through other sources.

The remaining \$650,000 is the price for the District to replace an existing engine. Replacement of existing capital is not eligible for inclusion in the impact fee calculations. The District will therefore have to use other sources of revenue including all of those listed in Idaho Code 67-8207(iv)(2)(h). The District has identified property tax revenue as the source for funding non-growth-related capital improvements.

It should be noted that the participation amount associated with purely non-growth improvements like apparatus replacements is discretionary. The District can choose not to fund these capital improvements (although this could result in a decrease in the level of service if the deferred repairs or replacements were urgent).

7. What impact fee is required to pay for the new capital improvements?

The following Exhibit III-4 takes the projected future growth from Exhibits II-3 and the growth-related CIP for Fire from Exhibit III-3 to calculate fire and EMS impact fees for the McCall Fire Protection District.

**Exhibit III-4.
Impact Fee Calculation, McCall Fire Protection District**

Impact Fee Calculation	
Amount to Include in Fee Calculation	\$ 2,740,333
Distribution of Future Land Use Growth	
Residential	94%
Nonresidential	6%
Future Assets by Land Use	
Residential	\$ 2,585,220
Nonresidential	\$ 155,113
Future Land Use Growth	
Residential	1,401
Nonresidential	210,168
Impact Fee per Unit	
Residential	\$ 1,845
Nonresidential	\$ 0.74

As shown above, we have calculated impact fees for the McCall Fire Protection District at \$1,845 per residential unit and \$0.74 per non-residential square foot. In comparison, as indicated in question #4 above, property taxpayers within the District have already invested \$1,927 per residential unit and \$0.78 per nonresidential square foot in the capital inventory necessary to provide today's level of service.

The District cannot assess fees greater than the amounts shown above. The District may assess fees lower than these amounts, but would then experience a decline in service levels unless the District used other revenues to make up the difference.

Section IV.

Fee Analysis and Administrative Recommendations

A comparison of the calculated Fire and EMS impact fees to similar fees being assessed by fire and EMS departments/districts within Southwest Idaho is shown in Exhibit IV-1:

Exhibit IV-1. Impact Fee Comparison

	McCall Fire District DRAFT	Cascade Fire District DRAFT	Ada County/ Kuna Fire District	Canyon Co/ Nampa Fire District	Gem County/ Gem Fire District	Twin Falls Co/ Rock Creek Fire District DRAFT	Elmore Co/ Mtn Home Fire District DRAFT	Payette Co/ Parma Fire District DRAFT
Fire and EMS								
per Residential Unit	\$ 1,845	\$ 2,891	\$ 1,973	\$ 1,567	\$ 1,808	\$ 1,661	\$ 2,111	\$ 2,316
per Non-Residential sf	\$ 0.74	\$ 1.16	\$ 0.80	\$ 0.63	\$ 0.71	\$ 0.66	\$ 1.80	\$ 1.90

Some communities express concern that impact fees will stifle growth. Empirical data indicates impact fees are not a primary reason for a decision to build or not build in a particular area. Factors including the price of land and construction, market demand, the availability of skilled workers, access to major transportation modes, amenities for quality of life, etc. all weigh more heavily in decisions to construct new homes or businesses, as well for business relocation. Ultimately the impact fee, which is paid at the time of building permit, is passed along to the buyer in the purchase price or wrapped into a lease rate. Therefore, in a market with a high demand for development, an impact fee higher than other jurisdictions is unlikely to slow growth.

An impact fee program will enable the District to plan for growth without decreasing its service levels (response time), which can decrease buyer satisfaction and cause property insurance premiums to increase. It will also allow the District to collect a proportionate share of the cost of capital improvements from growth instead of funding future capital through property taxes.

As the District Commission evaluates whether or not to adopt the Capital Improvement Plan and impact fee presented in this report, we also offer the following information regarding District participation in funding, and implementation recommendations for your consideration.

Implementation Recommendations

The following implementation recommendations should be considered:

Intergovernmental Agreements. The McCall Fire Protection District is enabled under Idaho Code as a governmental entity to adopt impact fees. However, because impact fees are paid upon building permit, and the District does not participate in this process, it needs another governmental entity to collect these fees on its behalf. Idaho Code 67-8204(a) authorizes the District to enter into an intergovernmental agreement with the City of McCall and Valley County to collect fire and EMS fees on their behalf.

In the case that any one of these jurisdictions chooses not to collect the fees on the Fire District's behalf, inequities will result. Developers will have to pay an impact fee in one part of the District but not another, and the growth in the non-participating jurisdictions will essentially be subsidized by the growth in the participating region. Should this occur, it is recommended that the fee calculation be revised to more accurately reflect demand from the participating jurisdictions. Alternatively, jurisdictions not wishing to collect impact fees on behalf of the District may be encouraged to include the payment of the fee amount in their development agreements to be paid directly to the District.

Capital Improvements Plan. Should the Advisory Committee recommend this study to the District Commission and should the Commission adopt the study, the District should also formally adopt this Capital Improvement Plan. While not subject to the procedures of the Local Land Use Planning Act (LLUPA), the adoption of the Capital Improvement Plan would comply with the Act's requirements of other governmental entities to adopt capital improvement plans into a Comprehensive Plan as part of the adoption of impact fees.

Each participating jurisdiction will need to also adopt the Capital Improvement Plan into their Comprehensive Plan via amendment.

Impact Fee Ordinance. Following adoption of the Capital Improvement Plan, the Commission should review the proposed Impact Fee Ordinance for adoption via resolution as reviewed and recommended by the Advisory Committee and legal counsel. Each participating jurisdiction will also need to adopt the impact fee ordinance.

Advisory Committee. The Advisory Committee is in a unique position to work with and advise Commission and District staff to ensure that the capital improvement plans and impact fees are routinely reviewed and modified as appropriate.

Impact fee service area. Some municipalities have fee differentials for various zones under the assumption that some areas utilize more or less current and future capital improvements. The study team, however, does not recommend the District assess different fees by dividing the areas into zones. The capital improvements identified in this report inherently serve a system-wide function.

Specialized assessments. If permit applicants are concerned they would be paying more than their fair share of future infrastructure purchases, the applicant can request an individualized assessment to ensure they will only be paying their proportional share. The applicant would be required to prepare and pay for all costs related to such an assessment.

Donations. If the District receives donations for capital improvements listed on the CIP, they must account for the donation in one of two ways. If the donation is for a non- or partially growth-related improvement, the donation can contribute to the District's General Fund participation along with more traditional forms, such as revenue transfers from the General Fund. If, however, the donation is for a growth-related project in the CIP, the donor's impact fees should be reduced dollar for dollar. This means that the District will either credit the donor or reimburse the donor for that portion of the impact fee.

Credit/reimbursement. If a developer constructs or contributes all or part of a growth-related project that would otherwise be financed with impact fees, that developer must receive a credit against the fees owed for this category or, at the developer's choice, be reimbursed from impact fees collected in the future.³⁷ This prevents "double dipping" by the District.

The presumption would be that builders/developers owe the entirety of the impact fee amount until they make the District aware of the construction or contribution. If credit or reimbursement is due, the governmental entity must enter into an agreement with the fee payer that specifies the amount of the credit or the amount, time and form of reimbursement.³⁸

Impact fee accounting. The District should maintain Impact Fee Funds separate and apart from the General Fund. All current and future impact fee revenue should be immediately deposited into this account and withdrawn only to pay for growth-related capital improvements of the same category. General Funds should be reserved solely for the receipt of tax revenues, grants, user fees and associated interest earnings, and ongoing operational expenses including the

repair and replacement of existing capital improvements not related to growth.

Spending policy. The District should establish and adhere to a policy governing their expenditure of monies from the Impact Fee Fund. The Fund should be prohibited from paying for any operational expenses and the repair and replacement or upgrade of existing infrastructure not necessitated by growth. In cases when *growth-related capital improvements are constructed*, impact fees are an allowable revenue source as long as only new growth is served. In cases when new capital improvements are expected to *partially replace existing capacity and to partially serve new growth*, cost sharing between the General Fund or other sources of revenue listed in Idaho Code 67-8207(I)(iv), (2)(h) and Impact Fee Fund should be allowed on a pro rata basis.

Update procedures. The District is expected to grow rapidly over the 10-year span of the CIPs. Therefore, the fees calculated in this study should be updated annually as the District invests in additional infrastructure beyond what is listed in this report, and/or as the District's projected development changes significantly. Fees can be updated on an annual basis using an inflation factor for building material from a reputable source such as McGraw Hill's Engineering News Record. As described in Idaho Code 67-8205(3)(c)(d)(e), the Advisory Committee will play an important role in these updates and reviews.

³⁷ See Section 67-8209(3), Idaho Code.

³⁸ See Section 67-8209(4), Idaho Code



City of McCall
VALLEY COUNTY, STATE OF IDAHO

RESOLUTION No. 23-19

A RESOLUTION OF THE CITY COUNCIL OF CITY OF MCCALL MAKING CERTAIN FINDINGS; APPROVING AND AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE ON BEHALF OF THE CITY COUNCIL THAT CERTAIN AGREEMENT WITH THE CITY OF MCCALL ENTITLED THE “*CITY OF MCCALL/MCCALL FIRE PROTECTION DISTRICT INTERGOVERNMENTAL AGREEMENT AND JOINT POWERS AGREEMENT FOR THE COLLECTION AND EXPENDITURE OF DEVELOPMENT IMPACT FEES FOR FIRE DISTRICT SYSTEM IMPROVEMENTS*”; DIRECTING THE CITY CLERK; AND SETTING AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of McCall:

Section 1: Findings

It is hereby found by the City Council that:

- 1.1** Considerable growth within the City of McCall has an impact upon the District’s ability to service that new growth with the same level of service in reliance upon existing District income sources; and
- 1.2** The District has negotiated with the City of McCall to use the City’s ordinance authority to impose a development impact fee for this Fire District’s System Improvements that are within the City and also within the boundaries of this Fire District; and
- 1.3** As a necessary part of the process of establishing a Fire District development impact fee in addition to the approval of an Ordinance by the City, pursuant to Idaho Code § 67-8204A, the District has negotiated the following agreement with the City of McCall: the *City of McCall/McCall Fire Protection District Intergovernmental Agreement and Joint Powers Agreement For the Collection and Expenditure of Development Impact Fees for Fire District System Improvements* (the “Intergovernmental Agreement”); and
- 1.4** Section 2 “Recitals” of the Intergovernmental Agreement sets forth the authority, intentions, purposes, consideration and reasons of the City of McCall and this Fire District for entering into the Intergovernmental Agreement, and such Recitals are therefore by this reference incorporated herein as if set forth at length.

Section 2: Action authorizing the Mayor and City Clerk to execute the Intergovernmental Agreement

2.1 That the Mayor of the City Council and the City Clerk are hereby authorized, as the agents of this City, to execute the Intergovernmental Agreement, a true and correct copy of which is attached hereto and marked **Exhibit A** and by this reference incorporated herein, and thereby fully bind this City to its terms and conditions upon the same being approved and executed by the McCall Fire Protection District.

Section 3: Direction to City Clerk

3.1 The City Clerk is hereby directed to retain this resolution in the official records of the City and to provide a certified copy of this resolution to the District Office Administrator of the McCall Fire Protection District and provide a copy to the City Attorney.

Section 4: Effective Date

4.1 This Resolution shall be in full force and effect on _____, 2023.

PASSED BY THE CITY COUNCIL by the City Council of the City of McCall this ____ day of _____, 2023.

Signed: _____
Robert S. Giles, Mayor

ATTEST:

I certify that the above Resolution was duly adopted by the City Council of the City of McCall on

_____, 2023 by the following vote: Ayes: _____

Nos: _____

Absent: _____

By _____
BessieJo Wagner, City Clerk

**CITY OF MCCALL/MCCALL FIRE PROTECTION DISTRICT
INTERGOVERNMENTAL AGREEMENT AND JOINT POWERS AGREEMENT
FOR THE COLLECTION AND EXPENDITURE OF
DEVELOPMENT IMPACT FEES FOR FIRE DISTRICT SYSTEM
IMPROVEMENTS**

[Idaho Code § 67-8204A & 67-2328]

Parties to Agreement:

City of McCall	City	City Hall 216 E Park Street McCall ID 83638
McCall Fire Protection District	Fire District	201 Deinhard Ln, McCall, ID 83638

THIS AGREEMENT made effective the _____ day of _____, 2022,
by and between the Parties as herein this Agreement defined.

NOW, THEREFORE, in consideration of the mutual covenants and promises herein set forth, and for other good and valuable consideration hereby acknowledged by the Parties to this Agreement as having been received, the Parties hereby mutually promise, covenant, and agree as follows:

**SECTION 1
DEFINITIONS**

For all purposes of this Agreement, the following terms have the definitions as herein provided in this Section unless the context of the term clearly requires otherwise:

- 1.1 Act:** Means and refers to the Idaho Development Impact Fee Act, Chapter 82, Title 67, Idaho Code as it may be amended or restated from time to time.
- 1.2 Advisory Committee:** means and refers to the *McCall Fire Protection District Development Impact Fee Advisory Committee* formed and staffed by the City and the Fire District pursuant to Idaho Code § 67-8205, McCall City Code § 1.10.4, and this Agreement to prepare and recommend the Capital Improvements Plan and any amendments, revisions or updates of the same.
- 1.3 Agreement:** means and refers to this *City of McCall/McCall Fire Protection District Intergovernmental Agreement and Joint Powers Agreement for the Collection and Expenditure of Development Impact Fees for Fire District Systems Improvements*, by and between the

Parties pursuant to Idaho Code 67-8204A and Chapter 17 of Title 10 McCall City Code which may be referred to and cited as the “McCall Fire Protection District Intergovernmental Impact Fee Agreement” or “MIFA.”

- 1.4 **All other definitions:** All other definitions of this Agreement which are not otherwise set forth in this section are set forth in McCall City Code § 10.2.1 and are herein included as separate definitions as if the same are set forth herein.
- 1.5 **Capital Improvements Plan:** means and refers to the most recent Impact Fee Study and Capital Improvements Plan, adopted by the City and the Fire District pursuant to the Idaho Development Impact Fee Act, Chapter 82, Title 67, Idaho Code.
- 1.6 **Capital Projects Fund:** means and refers to the *McCall/McCall Fire Protection District Development Impact Fee Capital Projects Fund* established by the Fire District pursuant to Chapter 11 of Title 10 McCall City Code, and pursuant to Idaho Code § 67-8210(1), as established by the Fire District Board by policy, which shall include any of one or more interest bearing accounts into which Fire District Impact Fees shall be deposited and maintained by the Fire District.
- 1.7 **City:** means and refers to the *City of McCall*, Idaho, party to this Agreement.
- 1.8 **Costs:** means and refers to the expense inclusive of attorney fees, publication costs, expert and/or consultant fees directly related to the performance of a covenant of this Agreement.
- 1.9 **Fire District:** means and refers to *McCall Fire Protection District*, party to this Agreement.
- 1.10 **Fire District Board:** Means and refers to the Board of Commissioners of the Fire District.
- 1.11 **Ordinance:** means and refers to the *McCall Fire Protection District Development Impact Fee Ordinance* codified at Title 10 McCall City Code, together with any amendments thereto approved subsequent to the date of this Agreement.
- 1.12 **Party/Parties:** means and refers to the City and/or the Fire District, as the Parties in this Agreement, depending upon the context of the term used in this Agreement.
- 1.13 **Service Area:** means and refers to that certain area as defined in the Act at Idaho Code § 67-8203(26), being all that geographic area within the Fire District’s boundaries as identified by the City and the Fire District in which the Fire District provides fire and life preservation service to Development within the areas defined, based on sound planning or engineering principles or both. For purposes of this Agreement, there shall be one Service Area encompassing all area within the Fire District.
- 1.14 **System Improvements:** Means and refers to capital improvements to public facilities identified in the Capital Improvements Plan designed to provide service to a service area, as defined in the Act at Idaho Code § 67-8203(28).

SECTION 2 RECITALS

The Parties recite and declare:

- 2.1** The Purpose of this Agreement is to facilitate the intent and purpose of the Capital Improvements Plan and the Ordinance, to promote and accommodate orderly growth and development, protect the public health, safety, and general welfare of the residents within the boundaries of the Fire District, and to further the best interest of the Parties; and
- 2.2** Idaho Code § 67-2328 authorizes public agencies in Idaho to exercise jointly any power, privilege, or authority authorized by the Idaho Constitution, statute, or charter. The Parties, each being a public agency, hereby agree to exercise jointly their respective powers, privileges, and authorities to accomplish the collection and expenditure of development impact fees in accordance with Title 67, Chapter 82 Idaho Code; and
- 2.3** The City is a governmental entity as defined in the Act at Idaho Code Section 67-8203(14) and as provided at Idaho Code Section 67-8202(5), has ordinance authority to adopt a development impact fee ordinance, whereas the Fire District does not have ordinance authority and cannot adopt a development impact fee ordinance; and
- 2.4** Idaho Code Section 67-8204A, provides that the City, when affected by development, has the authority to enter into an intergovernmental agreement with the Fire District for the purpose of agreeing to collect and expend development impact fees for System Improvements; and
- 2.5** The Fire District's duty and responsibility is to provide protection of property against fire and the preservation of life, emergency medical services, and enforcement of any of the fire codes and other rules that are adopted by the state fire marshal; and
- 2.6** The Fire District's boundaries include all the area within the City, and the Fire District provides fire and emergency medical services within the City; and
- 2.7** The City is experiencing and is affected by considerable growth and development; and
- 2.8** The purposes of the Act [Idaho Code Section 67-8202] are as follows:
 - Ensure that adequate public facilities are available to serve new growth and development; and
 - Promote orderly growth and development by establishing uniform standards by which local governments, such as the Parties, may require those who benefit from new growth and development pay [development impact fees] their proportionate share of the costs of new public facilities needed to serve that new growth and development; and

- Establish minimum standards for and authorize cities to adopt impact fee ordinances.
- 2.9** In anticipation and in consideration of the City Council adopting the Ordinance, which is intended to provide for the collection and expenditure of development impact fees for the Fire District, the City has established and appointed, pursuant to McCall City Code § 1.10.4 and Idaho Code § 67-8205, the Advisory Committee; and
- 2.10** Fire District has provided the City with a Capital Improvements Plan prepared in accordance with the requirements of Idaho Code § 67-8208 in consultation with the Advisory Committee; and
- 2.11** Adoption of the Capital Improvements Plan by the City Council and the Fire District Board was in accordance with Idaho Code §§ 67-8206(3) and 67-8208(1) as applicable; and
- 2.12** This Agreement facilitates the intent and purposes of the Fire District’s Capital Improvements Plan and the Ordinance, is in the best interest of the Parties, promotes and accommodates orderly growth and development, and protects the public health, safety and general welfare of the residents within the City and within the boundaries of the Fire District which are not within a city; and
- 2.13** The Parties have determined it is necessary and desirable to enter into this Agreement.

**SECTION 3
CAPITAL PROJECTS FUND**

- 3.1 Capital Projects Fund Name:** The Fire District shall establish and maintain the Capital Projects Fund.
- 3.2 Deposits to the Capital Projects Fund Accounts:** Fire District development impact fees collected by the City pursuant to the Ordinance and transferred to the Fire District shall be deposited and maintained by the Fire District to the accounts in the Capital Projects Fund.
- 3.3 Interest Bearing Capital Projects Fund Accounts:** The Fire District shall establish Capital Projects Fund accounts as the *McCall/McCall Fire Protection District Development Impact Fee Capital Projects Fund* accounts (the “Capital Projects Fund Account”) as interest-bearing Accounts.
- 3.4 Capital Projects Fund Accounts Accounting:** The Fire District shall account for the Capital Projects Fund Accounts as follows:
- 3.4.1** Establish a separate accounting for each collected and transferred Impact Fee by the designation of the year, month and date the Impact Fee was collected by the City, the name of the fee payer, and the identification of the real property which is the subject of the collection of the Impact Fee, including the name of the

subdivision, the lot number and the block number, or the Valley County Assessor parcel number (i.e. 23/7/1- Smith – _____ View Subdivision No. 1, Lot ____, Block ____ or Valley County Assessor’s Parcel No. _____).

- 3.4.2** Each separate accounting shall be additionally designated in the event it was paid under protest (i.e., UP) or is the subject of a claim for refund or reimbursement (i.e., CR).
 - 3.4.3** All Impact Fees in all Capital Projects Fund Accounts shall be maintained in interest-bearing accounts. The interest earned on each account, pursuant to Idaho Code Section 67-8210(1) shall not be governed by Idaho Code Section 57-127, shall be considered funds of each account, and shall be subject to the same restrictions on uses of collected Impact Fees on which the interest is generated.
 - 3.4.4** *First-in/First-out.* All Impact Fees in each account shall be spent in the order collected, on a first-in/first-out basis.
 - 3.4.5** *Financial Records.* Accurate financial records shall be maintained and kept for each account that shall show the source and disbursement of all revenues, that shall account for all Impact Fees monies received, that shall ensure that the disbursement of funds from each account shall be used solely and exclusively for the provisions of projects specified in the Capital Improvements Plan, and that shall provide an annual accounting of the Capital Projects Fund account showing the source and amount of all Impact Fees collected and the projects that were funded.
- 3.5 Capital Projects Fund Accounts Audit:** The Fire District shall have performed, prepared, with a copy provided to the City, an audit as an annual report: (a) describing the amount of all Impact Fees received, appropriated or spent during the preceding year by category of Public Facility; and (b) describing the percentage of taxes and revenues from sources other than the Impact Fees collected, appropriated or spent for System Improvements during the preceding fiscal year by category of public facility and the Service Area.
- 3.6 Capital Projects Fund Accounts Expenditures:** Distribution from the Capital Projects Fund, except for a Fee Payer reimbursement or Fee Payer Refund made pursuant to the City Ordinance and this Agreement, shall be in accordance with Idaho Code § 67-8210.

**SECTION 4:
ADVISORY COMMITTEE**

- 4.1 Appointments:** The members of the Advisory Committee shall henceforth be appointed by the Board of Commissioners of the Fire District for a term stated of at least one (1) year. Notice of these appointments shall be provided to the County Clerk within seven (7) days of any such appointment.

**SECTION 5
COVENANTS OF PERFORMANCE SPECIFIC TO THE FIRE DISTRICT**

The Fire District shall at all times:

- 5.1** Abide by the terms and conditions required of the Fire District as set forth in the Ordinance and any amendments to the same; and
- 5.2** Maintain and staff the position of Fire District Administrator to manage and perform the duties and responsibilities of the Fire District Administrator as set forth in the Ordinance; and
- 5.3** Establish and maintain the Capital Projects Fund which is in accordance with the terms and conditions of the Ordinance and the provisions of Idaho Code Section 67-8210 and any amendment or recodification of the same; and
- 5.4** Pay the following costs:
 - 5.4.1** Proportional costs associated with the Advisory Committee review of the Fire District Capital Improvement Plan; and
 - 5.4.2** Costs of drafting and publication of the Ordinance and any amendment or repeal of the same as may be requested by the Fire District; and
 - 5.4.3** Costs of drafting of this Agreement and any amendment or termination of the same as may be requested by the Fire District; and
 - 5.4.4** Costs associated with the Fire District's performance of this Agreement; and
 - 5.4.5** Costs associated with an appeal of a claim of exemption; and
 - 5.4.6** Legal costs and fees of any action brought by a Fee Payer or Developer involving a determination of the Fire District under the provisions of the Ordinance; and
- 5.5** Be solely responsible for the Fire District's performance of the terms and conditions required of it by the Ordinance and by this Agreement.

**SECTION 6
COVENANTS OF PERFORMANCE SPECIFIC TO THE CITY**

The City shall:

- 6.1** Approve and enact the Ordinance and maintain the same in full force and effect until amended and/or repealed in accordance with the provisions of this Agreement; and

- 6.2 Maintain and staff the position of the City to manage and perform the duties and responsibilities of the City as set forth in the Ordinance; and
- 6.3 Abide by the terms and conditions required of the City as set forth in the Ordinance and any amendments to the same, including the calculation and collection of Fire District Impact Fees in accordance with the terms of the Ordinance; and
- 6.4 Remit all Fire District Impact Fees collected by the City to the Fire District for deposit in the Capital Projects Fund in accordance with the terms and conditions of the Ordinance and the provisions of Idaho Code Section 67-8210; and
- 6.5 Be solely responsible for the City's performance of the terms and conditions required of it by the Ordinance and by this Agreement.

**SECTION 7
ADMINISTRATIVE STAFFING**

- 7.1 The administration and performance by the City of the Ordinance shall be under the direction of the City Clerk.
- 7.2 The administration and performance by the Fire District of the Ordinance shall be under the direction of the Fire District Administrator under the Ordinance.

**SECTION 8
NOTICE AND DELIVERY OF DOCUMENTS**

- 8.1 The contact information for purposes of notice to and/or the delivery of documents to the City is as follows:

- 8.1.1 By mail or hand delivery addressed to:

City Hall
Attention City Clerk
216 E Park Street
McCall ID 83638

- 8.1.2 By scanning, attaching and e-mailing to: bwagner@mccall.id.us

- 8.2 The contact information for purposes of notice to and/or the delivery of documents to the Fire District is as follows:

- 8.2.1 By mail or hand delivery addressed to:

Fire Station No. 1

Attention: Administrator
201 Deinhard Ln,
McCall, ID 83638

- 8.2.2** By scanning, attaching and e-mailing to: garrett@mccallfire.com
- 8.3** In the event either party has a change in the address and/or contact information provided for in this Section, notice of the same [using the form attached to this Agreement as *Appendix I*] shall be provided to the other and upon acknowledgment of receipt of said notice, this section of the Agreement shall henceforth be amended.

SECTION 9 DELIVERY OF FIRE DISTRICT IMPACT FEES TO THE FIRE DISTRICT

- 9.1 Remittance of Fees to Fire District.** Fire District Impact Fees collected by the City shall be delivered to the Fire District monthly.
- 9.2 Administrative Fee:** The Fire District agrees to pay the City an administrative fee for the calculation, collection and remittance to the Fire District of Fire District Impact Fees.
- 9.2.1** The City administrative fee is the sum of \$_____ per impact fee collected and remitted to the Fire District. The City shall invoice the Fire District monthly; and the Fire District shall, within thirty (30) days of receipt of the City's invoice, pay from its general fund the City's invoiced administrative fee.

SECTION 10 INDEMNIFICATION

- 10.1** To the extent permitted by law, the Fire District shall defend, indemnify, and hold the City, its officers, agents, and employees harmless for all claims, losses, actions, damages, judgments, costs, and expenses arising out of or in connection with any acts or omissions of City related to the Ordinance, this Agreement, the assessment, collection and/or expenditure of impact fees provided by the Ordinance, and/or any claim involving the administration of impact fees as provided by this Agreement. In the event of such claim the Fire District shall defend such allegations and Fire District shall bear all costs, fees, and expenses of such defense, including, but not limited to, all attorney fees and expenses, court costs, and expert witness fees and expenses. Such indemnification and reimbursement for defense shall be limited to only those claims, and only to the extent that the Fire District itself could be liable under state and federal statutes, regulations, common law, and other law.
- 10.2** To the extent permitted by law, the City shall defend, indemnify, and hold the Fire District, its officers, agents, subcontractors, and employees harmless for injuries to persons or property resulting from the wrongful acts of the City, its officers, agents, or employees in performing the duties described in this Agreement. Such indemnification and defense shall

only be limited to those claims, and only to the extent that, the City itself could be liable under state and federal statutes, regulations, common law, and other law. City's indemnification and defense of Fire District herein is further limited by all defenses, burdens of proof, immunities, and limitations on damages to which City would be entitled if the claims were asserted against City.

SECTION 11 TERM/AMENDMENT/TERMINATION

- 11.1 Term:** This Agreement shall continue in force and effect perpetually from its execution date unless terminated as provided in this section.
- 11.2 Amendment:** An amendment may be proposed by either Party or as a result of an update of the Capital Improvements Plan.
- 11.2.2** A proposed amendment must be in writing and include this entire Agreement as then existing and shall therein include a strike-through of any language to be deleted and underlining of any new language of the proposed Amendment.
- 11.2.3** A proposed Amendment shall contain a Statement of Purpose (which shall include a statement of how the Parties will be affected by the Amendment), the Party to contact for information and the Amended and Reformed Agreement text, and be accompanied by any accompanying proposed amendment of the Ordinance.
- 11.2.4** The proposing Party shall also prepare and submit to the other Party the proposed Amendment as above stated together with an Amended and Reformed Agreement form in the event the proposed Amendment is approved.
- 11.2.5** An approved amended and restated Agreement shall be executed by the City Council and the Fire District's Board of Commissioners.
- 11.3 Termination:** This Agreement may only be terminated in accordance with the following process:
- 11.3.1** Either party may propose a termination and the same may be terminated upon mutual agreement of the Parties or by one of the Parties, subject to six (6) months prior notice, all in accordance with the provisions of this section.
- 11.3.2** A proposed termination shall contain a Statement of the Reasons (which shall include a statement of how the Parties will be affected by the termination.) Any proposal to terminate the Agreement must also include the proposal regarding the repeal of the Ordinance.

11.3.3 No termination of this Agreement or repeal of the Ordinance can be retroactive, and the Agreement and Ordinance shall remain in effect regarding any active accounts in the Capital Projects Fund.

**SECTION 12
EFFECTIVE DATE**

12.1 This Agreement is effective simultaneously with the effective date of the Ordinance.

**SECTION 13
GENERAL PROVISIONS**

13.1 Third Party Beneficiaries: Each Party to this Agreement intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any person or legal entity other than the Parties hereto and/or a Developer or Fee Payer affected by the Ordinance or the Agreement.

13.2 Severability: Should any term or provision of this Agreement or the application thereof to any person, parties, or circumstances, for any reason be declared illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement, and this Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

13.3 Counterparts: This Agreement shall be executed by the Parties in two (2) counterparts, and each such counterpart shall be deemed an "original."

13.4 Captions: The subject headings of the paragraphs and subparagraphs of this Agreement are included for purposes of convenience only and shall not affect the construction or interpretation of any of its provisions.

13.5 Choice of Law: This Agreement shall be governed and interpreted by the laws of the state of Idaho.

13.6 Assignment: No Party may assign this Agreement or any interest therein.

IN WITNESS WHEREOF, the undersigned Parties have by action and/or authority of their Governing Bodies caused this Agreement to be executed and made it effective as hereinabove provided, this _____ day of _____, 2023.

DATED AND SIGNED this _____ day of _____, 2023.

CITY OF McCALL

By: _____
Robert S. Giles, *Mayor*

ATTEST:

By: _____
BessieJo Wagner, *City Clerk*
By: City Council Resolution No. _____

DATED AND SIGNED this _____ day of _____, 2023.

McCALL FIRE PROTECTION DISTRICT

By: _____
Sadie Noah, *Chairwoman/Commissioner*

ATTEST:

By: _____
Amanda Keaveny - *Fire District Office Administrator*
By: Fire District Resolution No. _____

APPENDIX 1

Notice of Contact Information Change

FROM: _____
 TO: _____
 DATE: _____

NOTICE IS HEREBY GIVEN, pursuant to Section ____ of the **City of McCall/McCall Fire Protection District Intergovernmental Agreement and Joint Powers Agreement for the Collection and Expenditure of Development Impact Fees for Fire District Systems Improvements [Idaho Code § 67-8204A]**, dated _____, of the following *CHANGE IN CONTACT INFORMATION*:

New Contact Information is as follows:

Name/Entity: _____
 Address: _____
 Telephone: _____ Fax: _____
 Email: _____

Signature (Authorized Agent)
 Title: _____

Certificate of Service

I, the undersigned, hereby certify that on the _____ day of _____, 20____, a true and correct copy of the above and foregoing NOTICE OF CONTACT INFORMATION CHANGE was served upon the following by the method indicated below:

- | | |
|-----------------------|--|
| City or Fire District | <input type="checkbox"/> U.S. Mail |
| Address | <input type="checkbox"/> Hand Delivery |
| City, State ZIP | <input type="checkbox"/> Facsimile |
| | <input type="checkbox"/> Email |

 for City or Fire District

Acknowledgement of Receipt by:

Name/Signature: _____ Date: _____

ATTORNEY REPRESENTATION ADDENDUM

It is here in this section disclosed that Wm. F. Gigray, III is the attorney for the McCall Fire Protection District, and William F. Nichols and William L. Punkoney are the City Attorney for the City of McCall. Wm. F. Gigray, William F. Nichols and William L. Punkoney are shareholders and officers of the Firm of White, Peterson, Gigray & Nichols, P.A. Each Party has been advised that they may consult independent counsel to review this Agreement. Given the nature of this Agreement to affect a working relationship of the Parties for the establishment of development impact fees by the City of McCall for the McCall Fire Protection District pursuant to I.C. § 67-8204A, it has been affirmed by Wm. F. Gigray, III and William F. Nichols and William L. Punkoney that each of them believes that his respective representation in this matter will not adversely affect the relationship with the Parties to this Agreement and they both disclose that Rule 1.7-Conflict of Interest: General Rule of the Idaho Rules of Professional Conduct provides:

**RULE 1.7: CONFLICT OF INTEREST:
CURRENT CLIENTS**

- (a) Except as provided in paragraph (b), a lawyer shall not represent a client if the representation involves a concurrent conflict of interest. A concurrent conflict of interest exists if:
 - (1) the representation of one client will be directly adverse to another client; or
 - (2) there is a significant risk that the representation of one or more clients will be materially limited by the lawyer's responsibilities to another client, a former client or a third person or by the personal interests of the lawyer, including family and domestic relationships.
- (b) Notwithstanding the existence of a concurrent conflict of interest under paragraph (a), a lawyer may represent a client if:
 - (1) the lawyer reasonably believes that the lawyer will be able to provide competent and diligent representation to each affected client;
 - (2) the representation is not prohibited by law;
 - (3) the representation does not involve the assertion of a claim by one client against another client represented by the lawyer in the same litigation or other proceeding before a tribunal; and
 - (4) each affected client gives informed consent, confirmed in writing.

Dated: July 30, 2023

Dated: August , 2023

Dated: August , 2023



By: Wm. F. Gigray, III

By: Willaim F. Nichols

By: Willaim L. Punkoney

CONSENT TO REPRESENTATION

The City Council of the City of McCall and the Board of Commissioners of the McCall Fire Protection District have both been advised of these facts and acknowledge that they consent in writing to the continued representation of the McCall Fire Protection District by Wm. F. Gigray, III and the City of McCall by Willaim F. Nichols and Willaim L. Punkoney in the drafting and advice regarding this Agreement.

DATED AND SIGNED this ____ day of _____, 2023.

DATED AND SIGNED this ____ day of _____, 2023.

City of McCall

McCall Fire Protection District

Bob Giles, Mayor
Attest:

Sadie Noah, Chairperson
Attest:

BessieJo Wagner, City Clerk

_____, **Secretary**

W:\Work\M\McCall Fire Protection District 25556\Impact Fees\City of McCall\Clean Drafts of Impact Fee Documents vetted by Brain and WFG\08-A Intergovernmental Agreement 07.31.23-wfg .docx

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF MCCALL, VALLEY CITY, IDAHO, AMENDING CHAPTER 10 OF TITLE 1 MCCALL CITY CODE BY THE ADDITION THERETO OF A NEW SECTION 4 PROVIDING FOR THE ESTABLISHMENT OF THE DEVELOPMENT IMPACT FEE ADVISORY COMMITTEES AS STANDING COMMITTEES; PROVIDING COMMITTEE NAMES; ESTABLISHING THE COMMITTEES' MEMBERSHIP REQUIREMENTS; PROVIDING THE COMMITTEES' CHARGE; PROVIDING THE COMMITTEES' ORGANIZATION AND OFFICERS; PROVIDING TO WHOM THE COMMITTEES REPORT; PROVIDING FOR THE CONSIDERATION OF COMMITTEE REPORTS BY THE CITY COUNCIL AND OTHERS; PROVIDING AN EFFECTIVE DATE AND PUBLICATION; AND DIRECTING THE CITY CLERK.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF MCCALL, VALLEY CITY, IDAHO:

SECTION 1. That Chapter 10 of Title 1 McCall City Code be amended by the addition thereto of a new Section 4 to read as follows:

1.10.4: Development Impact Fee Advisory Committees: The following named development impact fee advisory committees of the City of McCall ("city") are established as standing permanent committees:

(A) *City of McCall Development Impact Fee Advisory Committee*; and

(B) *McCall Fire Protection District Development Impact Fee Advisory Committee* by an intergovernmental agreement; and

(C) **Committee Membership:** The members of the City of McCall Development Impact Fee Advisory Committee shall be appointed (including vacancy appointments) by the City of McCall City Council ("city council"). The members of the development impact fee advisory committees established by an intergovernmental agreement shall be appointed as provided in the intergovernmental agreement (including vacancy appointments) for a term stated of at least one (1) year.

(D) **Notice of Committee Appointments:** Pursuant to the intergovernmental agreements, notice of appointments shall be provided to the city clerk and the city council within seven (7) days of any such appointment.

(E) **Committee Membership Requirements:** There shall be no fewer than five (5) members on the development impact fee advisory committees ("advisory committees") and two (2) or more members must be active in the business of development, building, or real estate. All members must reside within the service area of the applicable capital improvement plan. No members shall be employees or officials of the city; or any the district, whose service area is the subject of the applicable capital improvements plan, with which the city has an intergovernmental agreement to enact an impact fee ordinance.

(F) Committees Charge: Each development impact fee advisory committee established by this chapter shall serve as an advisory committee to the city council. In the case of advisory committees established by an intergovernmental agreement, the advisory committees shall also serve as an advisory committee to the governing body of any district with whom the city has an intergovernmental agreement to enact an impact fee ordinance. Each advisory committee is charged with the following responsibilities:

1. Assist in adopting land use assumptions; and
2. Review the capital improvements plan; and
3. Monitor and evaluate implementation of the capital improvements plan; and
4. File with the impact fee administrator and the city clerk (at least annually) a report of any perceived inequities in implementing the capital improvements plan or imposing development impact fees; and
5. Advise the city council and the governing body of the other party (per the respective intergovernmental agreement) of the need to update or revise land use assumptions of capital improvements plans; and
6. The city and the governing body of the other party (per the respective intergovernmental agreement) shall make available to the advisory committees, upon request, all financial and accounting information, professional reports in relation to development and implementation of land use assumptions of the capital improvements plans, and of the need for periodic updates to the capital improvements plan(s).

(G) Advisory Committee Organization: The impact fee administrator shall staff the advisory committee in order to provide the committee with needed information for the committee's review and for the committee's compliance with the Open Meeting Law (Chapter 2 of Title 74 Idaho Code).

1. The advisory committee shall select its officers, which include a chairman, vice chairman and a secretary of the committee; and
2. The chairman shall conduct the meetings of the committee. The duties of the chairman shall be performed by the vice chairman in the absence of the chairman or as delegated by the chairman. The chairman and the vice chairman shall be members of the committee; and
3. The impact fee administrator shall serve as the secretary of the committee and shall take minutes and post agenda notices as required by the Open Meeting Law. The secretary is not a member of the committee; and
4. The committee shall establish a regular meeting schedule; and
5. The agenda of each meeting shall include the approval of the minutes of the last meeting and the secretary shall provide a copy of the approved minutes to the city council and to the respective governing body of the party with whom the city has an intergovernmental agreement; and
6. Fifty (50) percent of the membership of the committee shall constitute a quorum. Once a quorum is established for a meeting, the subsequent absence of a member present for creating the quorum shall not dismiss the quorum; and

7. A majority vote of those present at any meeting is sufficient to carry motions.

(H) Committee Reporting: The advisory committees report directly to the city council and to the respective governing body of the party with whom the city has an intergovernmental agreement.

(I) Review of Committee's Reports and Recommendations: The city council and the respective governing body of any district with whom the city has an intergovernmental agreement shall each consider the advisory committee's recommended revision(s) to the capital improvements plan (as relevant) at least once every twelve (12) months. Each advisory committee shall make recommendations intended to ensure that the development impact fees are equitable, so that the impact fee charged to a development do not exceed a proportionate share of system improvements costs, and that the procedures for administering impact fees remain efficient.

SECTION 2: EFFECTIVE DATE

This Ordinance shall take effect and be in full force and effect following its passage, approval, and publication as required by law and at the discretion of the city clerk and in lieu of publication of the entire ordinance, a summary thereof in compliance with Section 50-901A, Idaho Code, may be published within one (1) month of its passage and approval, all according to law.

SECTION 3: DIRECTING THE CITY CLERK

The city clerk is directed to file this Ordinance in the official records of the city and to provide the same to the city's codifier for inclusion and publication in the McCall City Code.

PASSED AND APPROVED BY THE MAYOR AND COUNCIL OF THE CITY OF MCCALL, VALLEY COUNTY, IDAHO, THIS _____ DAY OF _____ 2023.

Approved:

By _____
Robert S. Giles, Mayor

Attest:

By _____
BessieJo Wagner, City Clerk

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF MCCALL, VALLEY COUNTY, IDAHO, AMENDING THE MCCALL CITY CODE BY THE ADDITION THERETO OF A NEW TITLE X PROVIDING FOR SHORT TITLE, AUTHORITY, APPLICABILITY, FINDINGS, ADVISORY COMMITTEE/CAPITAL IMPROVEMENTS PLAN AND PURPOSE; DEFINITIONS; IMPOSITION OF MCCALL FIRE PROTECTION DISTRICT IMPACT FEES; SERVICE AREA AND IMPOSITION OF IMPACT FEES; COLLECTION OF MCCALL FIRE PROTECTION DISTRICT DEVELOPMENT IMPACT FEES; DEVELOPMENT IMPACT FEES EXEMPTIONS; PROCESS FOR INDIVIDUAL ASSESSMENT; DEVELOPER CREDITS AND REIMBURSEMENTS; METHODOLOGY FOR CALCULATION OF MCCALL FIRE PROTECTION DISTRICT IMPACT FEES; EXTRAORDINARY IMPACTS; FEE PAYER REFUNDS; ESTABLISHMENT OF THE MCCALL FIRE PROTECTION DISTRICT DEVELOPMENT IMPACT FEE CAPITAL PROJECTS TRUST FUND AND TRUST ACCOUNTS; USE AND EXPENDITURE OF MCCALL FIRE PROTECTION DISTRICT DEVELOPMENT IMPACT FEES; APPEALS, PROTEST AND MEDIATION; PERIODIC REVIEWS OF THE CAPITAL IMPROVEMENTS PLAN; ANNUAL AUDIT; ENFORCEMENT AND COLLECTION; THE CITY OF MCCALL/ MCCALL FIRE PROTECTION DISTRICT INTERGOVERNMENTAL AGREEMENT; MISCELLANEOUS PROVISIONS; PUNISHMENT FOR VIOLATIONS OF THE ORDINANCE; CONSTRUCTION OF ORDINANCE INTENT; PROVIDING AN EFFECTIVE DATE AND PUBLICATION; AND DIRECTING THE CITY CLERK.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF MCCALL, VALLEY COUNTY, IDAHO:

SECTION 1. That the McCall City Code be amended by the addition thereto of a new Title X to read as follows:

TITLE X MCCALL FIRE PROTECTION DISTRICT DEVELOPMENT IMPACT FEES

CHAPTER 1

SHORT TITLE, APPLICABILITY, BINDINGS AND PURPOSE

10.1.1: SHORT TITLE

This title shall be known and may be cited as the McCall Fire Protection District Development Impact Fee Ordinance.

10.1.2: AUTHORITY

This ordinance is enacted pursuant to the City of McCall's (the "City") general police powers, its authority to enact ordinances, and its authority as provided by the Idaho Development Impact Fee Act codified at Chapter 82 of Title 67, Idaho Code (the "Act") and other applicable laws of the state of Idaho to impose development impact fees; and the City's and the McCall Fire Protection District's authority to enter into an Intergovernmental Agreement as provided for in I.C. § 67-8204A to impose, collect and expend development impact fees.

10.1.3: APPLICABILITY

Except as otherwise exempted in section 10.5.1, these provisions shall apply to the development of property located within the boundaries of the City of McCall, Idaho.

10.1.4: FINDINGS

- (A) McCall Fire Protection District ("the District") is a taxing District organized and existing by virtue of Chapter 14 of Title 31, Idaho Code, and the District's boundaries include all areas within the City limits of the City and areas surrounding the City; and
- (B) The District's duty and responsibility is to provide protection of property against fire the enforcement of the fire codes and other rules that are adopted by the state fire marshal; and to provide for the protection and preservation of life; and
- (C) The City is experiencing considerable growth and Development; and
- (D) The purposes of the Act [I.C. § 67-8202] are as follows:
 - 1. Ensure that adequate Public Facilities are available to serve new growth and Development; and
 - 2. Promote orderly growth and Development by establishing uniform standards by which local governments, such as the City and the District, may require those who benefit from new growth and Development to pay [development impact fees] their Proportionate Share of the costs of new Public Facilities needed to serve that new growth and Development; and
 - 3. Establish minimum standards for adoption of development impact fee ordinances by cities; and
 - 4. Ensure that those who benefit from new growth and Development are required to pay no more than their Proportionate Share of the cost of Public Facilities needed to serve that new growth and Development and to prevent duplicate and ad hoc Development Requirements; and
 - 5. To empower cities to adopt ordinances to impose development impact fees.
- (E) The Act does not authorize the District to enact a development impact fee ordinance; and

- (F) The Act does provide, pursuant to I.C. § 67-8204A, in circumstances where the City and the District are both affected by considerable growth and Development as is occurring within the City, that the City and the District may enter into the Intergovernmental Agreement for the purpose of agreeing to collect and expend development impact fees for System Improvements which provides for a new funding mechanism for those System Improvements Costs incurred by the District to meet the demand and growth occurring within the City, and which promotes and accommodates orderly growth and Development, and protects the public health, safety and general welfare of the residents within the boundaries of the City; and
- (G) New growth within the City imposes and will impose increasing and excessive demands upon the existing District's capital facilities; and
- (H) New growth within the City is expected to continue, and will place ever-increasing demands on the District to provide and expand the District's capital facilities to serve that new growth; and
- (I) The tax revenues generated from new Development within the City are often insufficient to provide the necessary improvements and expansion of existing District' capital facilities to accommodate for that new growth; and
- (J) Section 67-8204A of the Act authorizes the City to adopt an impact fee system and to enter into the Intergovernmental Agreement with the District to offset, recoup, or reimburse the portion of the costs of needed improvements to the District's capital facilities caused by new growth and Development in the City; and
- (K) The creation of an equitable impact fee system facilitated by the Intergovernmental Agreement with the District will promote the purposes set forth in the Act, in that it would: (a) ensure that adequate District Capital Facilities are available to serve new growth and Development; (b) promote orderly growth and Development by establishing uniform standards by which the City may require that those who benefit from new growth and Development pay a Proportionate Share of the cost of new District Capital Facilities needed to serve new growth and Development in the City; (c) establish minimum standards for the adoption of District impact fees; (d) ensure that those who benefit from new growth and Development are required to pay no more than their Proportionate Share of the cost of District Capital Facilities needed to serve new growth and Development in the City; and (e) prevent duplicate and ad hoc Development Requirements in the City; and
- (L) The Capital Improvements Plan contains the Capital Improvements planned by the District during the term of the Capital Improvements Plan, and such element has been developed in conformance with the requirements Chapter 82 of Title 67, Idaho Code; and
- (M) The Capital Improvements Plan sets forth reasonable methodologies and analyses for determining the impacts of various types of new Development on the District's capital

facilities and determines the cost of acquiring or constructing the improvements necessary to meet the demands for such facilities created by new Development; and

- (N) In accordance with Idaho Code, the Capital Improvements Plan was based on actual System Improvement Costs or reasonable estimates of such costs. In addition, the Capital Improvements Plan uses a fee calculation methodology that is net of credits for the Present Value of revenues that will be generated by new growth and Development based on historical funding patterns and that are anticipated to be available to pay for System Improvements, including taxes, assessments, user fees, and intergovernmental transfers; and
- (O) The District impact fees established by this title are based on the Capital Improvements Plan, and do not exceed a proportionate share of System Improvement Costs to serve new Development that will pay the District Impact Fees; and
- (P) The District's capital facilities, included in the calculation of fees in the Capital Improvements Plans, will benefit all new residential Development throughout the City, and it is therefore appropriate to treat all areas of the City as a single Service Area for purposes of calculating, collecting, and spending the District Impact Fees collected from Developers; and
- (Q) There is both a rational nexus and a rough proportionality between Development impacts created by each type of Development covered by this title, the development impact fees assessment of such Development covered by this title, and the development impact fees that such Developer will be required to pay; and
- (R) This title creates a system by which development impact fees paid by Developers will be used to finance, defray, or reimburse a portion of the costs incurred by the District to construct and/or purchase System Improvements in ways that benefit the Development for which each development impact fee was paid within a reasonable period of time after the development impact fee is paid, and in conformance with I.C. § 67-8210; and
- (S) This title creates a system under which development impact fees shall not be used to correct existing deficiencies for any District Capital Facilities, or to replace or rehabilitate existing District Capital Facilities, or to pay for routine operation or maintenance of those facilities; and
- (T) This title creates a system under which there shall be no double payment of development impact fees, in accordance with I.C. § 67-8204(19); and
- (U) This title is consistent with all applicable provisions of the Act concerning development impact fee ordinances.

10.1.5: PURPOSE

- (A) This title is adopted to be consistent with, and to help implement the Capital Improvements Plan.

- (B) The intent of this title is to ensure that new Development bears a Proportionate Share of the cost of System Improvements; to ensure that such Proportionate Share does not exceed the cost of such System Improvements required to accommodate new Development; and to ensure that funds collected from new Development are used for System Improvements in accordance with the Act.
- (C) It is the further intent of this title to be consistent with those principles for allocating a fair share of the cost of System Improvements to new Development, and for adopting development impact fee ordinances, established by the Act.
- (D) It is not the intent of this title to collect any more fees from any new Development than the actual amount necessary to offset new demands for System Improvements created by such new Development.
- (E) It is the intent of this title that any monies collected, as an imposed District Impact Fee, are deposited in the District Impact Fees capital projects Trust Fund account, are never commingled with monies from a different impact fee account, are never used for a development impact fee component different from that for which the fee was paid, are never used to correct current deficiencies in the District Capital Facilities, and are never used to replace, rehabilitate, maintain or operate any District Capital Facilities.

10.1.6: ADVISORY COMMITTEE/ CAPITAL IMPROVEMENTS PLAN

- (A) The City has formed an Advisory Committee as required by I.C. § 67-8205, and the committee has performed the duties required of it pursuant to I.C. §§ 67-8205 and 67-8206(2). The City and the District intend that the committee will continue to exist and perform those duties identified in I.C. § 67-8205 that occur following the adoption of this Development Impact Fee Ordinance.
- (B) The District has planned for the improvement of the District Capital Facilities in the Capital Improvements Plan.
- (C) The creation of an equitable impact fee system would enable the City to accommodate new Development and would assist the District in implementing the Capital Improvements Element of the Capital Improvements Plan.
- (D) In order to implement an equitable impact fee system for the District facilities, the City adopted by resolution and the District adopted by resolution the *McCall Fire Protection District Impact Fee Study and Capital Improvement Plan* (the "Capital Improvements Plan"). A qualified professional in fields related to finance, engineering, planning and transportation was hired by the District to assist the Advisory Committee in the preparation of the study.
- (E) The methodology used in the Capital Improvements Plan, as applied through this title, complies with all applicable provisions of Idaho law, including those set forth in I.C. §§ 67-8204(1), (2), (16) and (23), 67-8207 and 67-8208. The incorporation of the Capital Improvements Plan by reference satisfies the requirement in I.C. § 67-8204(16) for a detailed description of the methodology by which the District impact fees were

calculated, and the requirement in I.C. § 67-8204(24) for a description of acceptable levels of service for the District’s System Improvements.

- (F) In determining the Proportionate Share of the District services System Improvements Costs, the Capital Improvements Plan has considered:
1. the cost of the existing System Improvements; and
 2. how the existing System Improvements have been financed; and
 3. the extent to which the new Development will contribute to System Improvement Costs through taxation, assessment, or Developer or landowner contributions, or has previously contributed to System Improvement Costs through Developer or landowner contributions; and
 4. the extent to which the new Development is required to contribute to System Improvement Costs in the future; and
 5. the extent to which the new Development should be credited for providing System Improvements, without charge to other properties within the Service Area or areas; and
 6. Extraordinary Costs, if any, incurred in serving the new Development; and
 7. the time and price differential inherent in a fair comparison of fees paid at different times; and
 8. the availability of other sources of funding System Improvements including, but not limited to, user charges, general tax levies, intergovernmental transfers, and special taxation and includes a plan for alternative sources of revenue.

CHAPTER 2 DEFINITIONS

10.2.1: DEFINITIONS

As used in this title, the following words and terms shall have the following meanings, unless another meaning is plainly intended and words and terms appearing in the singular number include the plural and the plural the singular:

ACCOUNTS shall mean any of one or more interest bearing accounts within the District Development Impact Fee Capital Projects Trust Fund established in section 10.11.1 of this title.

ACT shall mean the Idaho Development Impact Fee Act as set forth in Chapter 82 of Title 67, Idaho Code.

ADVISORY COMMITTEE shall mean the *City of McCall Development Impact Fee Advisory Committee* formed and staffed by the City and the District pursuant to I.C. § 67-8205 to prepare and recommend the Capital Improvements Plan and any amendments, revisions, or updates of the same.

APPROPRIATE shall mean to legally obligate by contract or otherwise commit to the expenditure of funds by appropriation or other official act of the Board of Commissioners.

BOARD OF COMMISSIONERS shall mean the board of commissioners of the McCall Fire Protection District, which is its governing board.

BUILDING PERMIT shall mean the City permit required for foundations, new construction, and additions.

CAPITAL IMPROVEMENTS shall mean improvements with a useful life of ten (10) years or more, by new construction or other action, which increases the service capacity of District Capital Facilities.

CAPITAL IMPROVEMENTS ELEMENT shall mean a component of the Capital Improvements Plans identified in the District's CIP adopted by the Board of Commissioners and the City Council pursuant to Chapters 65 and 82 of Title 67, Idaho Code, and as amended, which component meets the requirements of the Capital Improvements Plan required by the Act.

CAPITAL IMPROVEMENTS PLAN shall mean the McCall Fire Protection District Impact Fees Study and Capital Improvements Plan, and amendments and updates thereto, recommended by the Advisory Committee, and adopted by the Board of Commissioners and the City Council pursuant to the Act that identifies District Capital Facilities for which District Impact Fees may be used as a funding source.

CITY shall mean the City of McCall.

CITY COUNCIL shall mean the City Council of the City of McCall.

DEVELOPER shall mean any person or legal entity undertaking Development including a Development that seeks an annexation into the City and/or undertakes the subdivision of property pursuant to I.C. §§ 50-1301 through 50-1334, as amended.

DEVELOPMENT shall mean any construction or installation of a building or structure, or any change in use of a building or structure, or any change in the use, character, or appearance of land, which creates additional demand and need for Public Facilities or the annexation into the City and/or subdivision of property that would permit any change in the use, character or appearance of land.

DEVELOPMENT APPROVAL shall mean any written duly authorized document from the City which authorizes the commencement of a Development.

DEVELOPMENT IMPACT FEE CAPITAL PROJECTS TRUST FUND (the "TRUST FUND") shall mean the District's individual impact fee capital projects trust fund account established by action of the Board of Commissioners.

DEVELOPMENT REQUIREMENT shall mean a requirement attached to a developmental approval or other City governmental action approving or authorizing a particular Development

Project including, but not limited to, a rezoning, which requirement compels the payment, dedication or contribution of goods, services, land, or money as condition of approval.

DISTRICT shall mean the McCall Fire Protection District, a fire district organized and existing by virtue of the Fire Protection District Law, Chapter 14 of Title 31, Idaho Code.

DISTRICT ADMINISTRATOR shall mean the District's fire chief, or her, or his designee.

DISTRICT CAPITAL FACILITIES shall mean District facilities, stations, apparatus, vehicles, and equipment which are identified in Exhibit III-1 of the Capital Improvements Plan,

DISTRICT IMPACT FEES shall mean a payment of money imposed as condition of Development to pay for a Proportionate Share of the District's costs of System Improvements needed to serve the Development. The term does not include the following:

- A charge or fee to pay the administrative, plan review, or inspection costs associated with permits required for Development; or
- Connection or hookup charges; or
- Availability charges for drainage, sewer, water or transportation charges for services provided directly to the Development; or
- Amounts collected from a Developer in a transaction in which the District has incurred expenses in constructing Capital Improvements for the Development if the owner or Developer has agreed to be financially responsible for the construction or installation of those Capital Improvements, unless a written agreement is made, pursuant to I.C. § 67-8209(3) as amended, for credit or reimbursement.

EMS shall mean the emergency medical facilities for preservation of life services provided by the District.

EXTRAORDINARY COSTS shall mean those costs incurred as a result of an Extraordinary Impact.

EXTRAORDINARY IMPACT shall mean an impact which is reasonably determined by the District Administrator to: (i) result in the need for District System Improvements, the cost of which will significantly exceed the sum of the development impact fees to be generated from the Project or the sum agreed to be paid pursuant to a development agreement as allowed by I.C. § 67-8214(2), as amended; or (ii) result in the need for District System Improvements that are not identified in the Capital Improvements Plan.

FEE PAYER shall mean the person who pays or is required to pay a District Impact Fees. A Fee Payer may include a Developer.

INTERGOVERNMENTAL AGREEMENT shall mean the City of McCall/McCall Fire Protection District Intergovernmental Agreement to Collect and Expend Development Impact Fees for Fire District System Improvements entered into by and between the City and the District pursuant to I.C. § 67-8204A for the collection and expenditure of District impact fees established pursuant to this title.

LAND USE ASSUMPTIONS shall mean a description of the Service Area and projections of land uses, densities, intensities, and population in the Service Area over at least a ten-year period but not to exceed a twenty-year period.

LEVEL OF SERVICE shall mean a measure of the relationship between service capacity and service demand for Public Facilities.

MANUFACTURED/MOBILE HOME shall mean a structure, constructed according to HUD/FHA mobile home construction and safety standards, transportable in one (1) or more sections, which, in the traveling mode, is eight (8) feet or more in width or is forty (40) body feet or more in length, or when erected on site, is three hundred twenty (320) or more square feet, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to required utilities, and includes the plumbing, heating, air conditioning and electrical systems contained in such structure, except that such term shall include any structure which meets all the requirements of this subsection except the size requirements and with respect to which the manufacturer voluntarily files a certification required by the secretary of housing and urban development and complies with the standards established under 42 U.S.C. §§ 5401 et seq.

MODULAR BUILDING shall mean any building or building component other than a Manufactured/Mobile Home, which is constructed according to the International Building Code, as adopted or any amendments thereto, which is of closed construction and is either entirely or substantially prefabricated or assembled at a place other than the building site.

PRESENT VALUE shall mean the total current monetary value of past, present or future payments, contributions or dedications of goods, services, materials, construction, or money.

PROJECT shall mean a particular Development on an identified parcel of land.

PROJECT IMPROVEMENTS, in contrast to System Improvements, shall mean site improvements and facilities that are planned and designed to provide service for a particular Development Project and that are necessary for the use and convenience of the occupants or users of the Project.

PROPORTIONATE SHARE shall mean that portion of System Improvements Costs determined pursuant to I.C. § 67-8207 which reasonably relates to the service demands and needs of the Project.

PUBLIC FACILITIES shall mean land, buildings and equipment used for fire protection, emergency medical and rescue, and water supply production, storage and distribution facilities which have a useful life of ten (10) years or more.

RECREATIONAL VEHICLE shall mean a vehicular type unit primarily designed as temporary quarters for recreational, camping, or travel use, which either has its own motive power or is mounted on or drawn by another vehicle.

SERVICE AREA shall mean any defined geographic area within the City as identified by the District in which specific Public Facilities provide service to Development within the areas

defined, on the basis of sound planning or engineering principles or both. For purposes of this title, there shall be one Service Area encompassing all of the City of McCall.

SERVICE UNIT shall mean a standardized measure of consumption, use, generation, or discharge attributable to an individual unit of Development calculated in accordance with generally accepted engineering or planning standards for a particular category of Capital Improvements. As specifically used in this title, Service Units include dwelling units as defined in City code and square feet of nonresidential Development.

SYSTEM IMPROVEMENTS, in contrast to Project Improvements, shall mean Capital Improvements to Public Facilities which are designed to provide service to a Service Area. For the purpose of this title, System Improvements are for District Capital Facilities.

SYSTEM IMPROVEMENT COSTS shall mean costs incurred for construction or reconstruction of System Improvements, including design, acquisition, engineering, and other costs, and also including, without limitation, the type of costs described in I.C. § 50-1702(h), as amended, to provide additional Public Facilities needed to service new growth and development. For clarification, System Improvements costs do not include:

- Construction, acquisition, or expansion of Public Facilities other than Capital Improvements identified in the Capital Improvements Plan; or
- Improvements, repair, operation, or maintenance of existing or new Capital Improvements; or
- Upgrading, updating, expanding, or replacing existing Capital Improvements to serve existing Development in order to meet stricter safety, efficiency, environmental or regulatory standards; or
- Upgrading, updating, expanding, or replacing existing Capital Improvements to provide better service to existing Development; or
- Administrative and operating costs of the District and/or the City unless such costs are attributable to development of the Capital Improvements Plan, as provided in I.C. § 67-8208, as amended; or
- Principal payments and interest or other finance charges on bonds or other indebtedness except financial obligations issued by or on behalf of the District to finance Capital Improvements identified in the Capital Improvements Plan.

CHAPTER 3

SERVICE AREA AND IMPOSITION OF MCCALL FIRE PROTECTION DISTRICT DEVELOPMENT IMPACT FEES

10.3.1: ESTABLISHMENT OF THE MCCALL FIRE PROTECTION DISTRICT SERVICE AREA

There is hereby established a Service Area of the McCall Fire Protection District which includes all lands within the boundaries of the City which are also within the boundaries of the McCall Fire Protection District.

10.3.2: IMPOSITION OF DISTRICT IMPACT FEES

The District Impact Fees are hereby imposed on all new Development in the City of McCall, Idaho.

10.3.3: DISTRICT IMPACT FEES SCHEDULE

- (A) The District Impact Fees shall be calculated in accordance with the fee schedule set forth in the Capital Improvements Plan providing for standard fees based on the total number of dwelling units or square feet of nonresidential space in the Development, unless:
1. The Fee Payer requests an individual assessment pursuant to section 10.6.1 of this title; or
 2. The City and the District find the Development will have an Extraordinary Impact pursuant to section 10.9.1 of this title. The methodology for determining the costs per Service Unit provided for in the fee schedule is set forth in the Capital Improvements Plan.
- (B) District Fire Impact Fees:
- | | |
|-----------------------------------|------------|
| Residential (per Dwelling Unit) | \$1,845.00 |
| Non-Residential (per square foot) | \$0.74 |

10.3.4: DEVELOPER'S ELECTION

A Developer shall have the right to elect to pay a Project's Proportionate Share of System Improvement Costs by payment of District impact fee, unless the Administrator determines that the Development may have Extraordinary Impact, according to the fee schedule as full and complete payment of the Development Project's Proportionate Share of System Improvement Costs, except as provided in I.C. § 67-8214(3), as amended.

10.3.5: PROCEDURES

- (A) *Building Permit.* Upon submittal of complete Building Permit plans for the Development to the City, the City shall calculate the District impact fees for the Development in accordance with the District Impact Fee Schedule (section 10.3.3 (B)) unless the Fee Payer requests an individual assessment or is the subject of a credit or the District Administrator determines that the Development may have Extraordinary Impact.
- (B) *Exemption.* An exemption pursuant to section 10.5.1 of this title must be claimed by the Fee Payer upon application for a Building Permit or manufactured home installation permit. Any exemption not so claimed shall be deemed waived by the Fee Payer.

CHAPTER 4 COLLECTION OF DISTRICT IMPACT FEES

10.4.1: CERTIFICATION

Certification. After the District impact fees due for a proposed Development have been calculated by the City pursuant to the District Impact Fees schedule pursuant to section 10-3-3 and Exhibit III-4 of the Capital Improvements Plan, or by the District Administrator using the individual assessment process, or following the District Administrator’s determination of a credit or extraordinary impact, if applicable, the Fee Payer may request from the City or the District Administrator a certification of the amount of the District Impact Fee due for that Development. Within thirty (30) days after receiving such request, the City or the District Administrator shall issue a written certification of the amount of the District Impact Fee due for the proposed Development. Such certification shall establish the District Impact Fee so long as there is no material change to the Project as identified in the individual assessment application, or the impact fees schedule set forth in Exhibit III-4 of the Capital Improvements Plan. The certification shall include an explanation of the calculation of the District Impact Fee including an explanation of factors considered under Idaho Code Section 67-8207 and shall also specify the System Improvement(s) for which the District Impact Fee is intended to be used. If the impact fee is calculated by the City pursuant to the fee schedule, the City shall provide the certification to the Fee Payer and the District Administrator. If the impact fee is determined by the District Administrator following an individual assessment of the fee, the District Administrator shall provide the certification to the Fee Payer and the City.

10.4.2: PAYMENT AND RECEIPT OF FEES.

The District Impact Fees shall be paid to the City at the following times:

- (A) If a Building Permit or Manufactured/Mobile Home installation permit is required, then at any time prior to the issuance of the permit; or
- (B) If no Building Permit or Manufactured/Mobile Home installation permit is required, then at the time that construction commences; or
- (C) At such other time as the Developer and the District have agreed upon in writing with notice to the City.
- (D) All District Impact Fees paid to the City shall then be delivered to the District Administrator on a once-a-month basis.
- (E) In the event District Impact Fees are paid to the District, then the District Administrator shall immediately notify the City of said payment.

CHAPTER 5 EXEMPTIONS

10.5.1: EXEMPTIONS

The provisions of this title shall not apply to the following:

- (A) Rebuilding the same amount of floor space of a structure which is destroyed by fire or other catastrophe, provided the structure is rebuilt and ready for occupancy within two (2) years of its destruction; or
- (B) Remodeling or repairing a structure which does not increase the number of Service Units;
- (C) Replacing a residential unit, including a Manufactured/Mobile Home, with another residential unit on the same lot; provided that, the number of Service Units does not increase; or
- (D) Placing a temporary construction trailer or office on a lot; or
- (E) Constructing an addition on a residential structure which does not increase the number of Service Units; or
- (F) Adding uses that are typically accessory to residential uses, such as tennis court or a clubhouse, unless it can be clearly demonstrated that the use creates a significant impact on the capacity of System Improvements; or
- (G) The installation of a Modular Building, Manufactured/Mobile Home or Recreational Vehicle if the Fee Payer can demonstrate by documentation such as utility bills and tax records that either:
 1. a Modular Building, Manufactured/Mobile Home or Recreational Vehicle was legally in place on the lot or space prior to the effective date of this title; or
 2. a District Impact Fee has been paid previously for the Modular Building, Manufactured/Mobile Home or Recreational Vehicle on that same lot or space.
- (H) A development that is undertaken by any governmental entity that has statutory authority to levy a property tax or public charter school.

10.5.2: EXEMPTION CLAIM PROCESS

An exemption from a District Impact Fee must be claimed on the application by the Developer (Fee Payer) upon submitting their application for a Building Permit or manufactured home installation permit. Any exemption not so claimed shall be deemed waived by the Fee Payer. Applications for exemption shall be determined by the City within ninety (90) days of receipt of the claim for exemption.

**CHAPTER 6
INDIVIDUAL ASSESSMENT PROCESS**

10.6.1: INDIVIDUAL ASSESSMENT PROCESS

- (A) In lieu of calculating the amount of the District impact fee pursuant to Section 10-3-3 and Exhibit III-4 of the Capital Improvements Plan, a Fee Payer may file a request with

the City that the amount of the required District Impact Fee be determined by the District Administrator through an individual assessment for the proposed Development. A request for an individual assessment process shall involve consideration of studies, data, and any other relevant information submitted by the Fee Payer to adjust the amount of the District Impact Fee. If a Fee Payer files a request for the use of an individual assessment, the Fee Payer shall be responsible for retaining a qualified professional to prepare the individual assessment that complies with the requirements of this title, at the Fee Payer's expense. The Fee Payer shall, at the Fee Payer's expense, bear the burden of proving by clear and convincing evidence that the resulting individual assessment complies with the requirements of this title. The Fee Payer shall bear the burden of proving by clear and convincing evidence that the resulting individual assessment is a more accurate measure of its Proportionate Share of the cost of System Improvements, based on the District's adopted levels of service, than the development impact fees that would otherwise be due pursuant to Section 10-3-3 and Exhibit III-4 of the Capital Improvements Plan.

- (B) Each individual assessment shall be based on the same Level of Service standards and unit costs for System Improvements used in the Capital Improvements Plan, shall use an average cost (not a marginal cost) methodology, and shall document the relevant methodologies and assumptions used.
- (C) A request for an individual assessment shall be delivered and filed with the City at any time that the number of dwelling units in the proposed Development and the types and amounts of Development in each non-residential category identified in Section 10-3-3 and Exhibit III-4 of the Capital Improvements Plan are known. Upon filing of a request for individual assessment, the City shall transmit the request to the District Administrator for review. The District Administrator shall issue a written decision within thirty (30) days following receipt of a completed request for individual assessment together with all supporting information from the Fee Payer, so as not to unreasonably delay the Developer's (Fee Payer's) subsequent applications to the City for Building Permits.
- (D) Each individual assessment request delivered to the District Administrator may then be accepted, rejected, or accepted with modifications by the District Administrator as the basis for calculating the District Impact Fee. The criteria for acceptance, rejection or acceptance with modifications shall be whether the individual assessment is a more accurate measure of demand for System Improvements element(s) created by the proposed Development, or the costs of those facilities, than the applicable fee shown in the fee schedule attached to the Capital Improvements Plan.
- (E) The decision by the District Administrator on an application for an individual assessment shall include an explanation of the calculation of the District Impact Fee, shall specify the system improvement(s) for which the District Impact Fee is intended to be used, and shall include an explanation of those factors identified in I.C. § 67-8207.
- (F) If an individual assessment is accepted or accepted with modifications by the District Administrator, then the District Impact Fee due under this title for such Development shall be calculated according to such individual assessment.

- (G) The District Administrator shall provide notice of final determination of an individual assessment to the Developer (Fee Payer) and the City.

**CHAPTER 7
CREDITS AND REIMBURSEMENTS**

10.7.1: DEVELOPER CREDITS AND REIMBURSEMENT

When a Developer or their predecessor in title or interest has constructed System Improvements of the same category as a District Capital Improvements Element, or contributed or dedicated land or money towards the completion of System Improvements of the same category as a District Capital Improvements Element, and the District has accepted such construction, contribution or dedication, the District shall issue a credit, in accordance with the provisions of this chapter, against the District Impact Fees otherwise due for the same District Capital Improvements Element in connection with the proposed Development, as set forth in this section. Credit shall be issued regardless of whether the contribution or dedication to System Improvements was required by the District as a condition of Development or was offered by the Developer and accepted by the District in writing, and regardless of whether the contribution or dedication was contributed by the Developer or by a local improvement district controlled by the Developer.

10.7.2: LIMITATIONS

Credits against a District Impact Fee shall not be given for:

- (A) Project Improvements; or
- (B) any construction, contribution or dedication not agreed to in writing by the District prior to commencement of the construction, contribution, or dedication. Credits issued for one Capital Improvements Element may not be used to reduce the impact fee due for a different capital improvement. No credits shall be issued for System Improvements contributed or dedicated prior to the effective date of this title.

10.7.3: VALUATION OF CREDIT AT PRESENT VALUE

- (A) *Land.* Credit for qualifying land dedications shall, at the Fee Payer's option, be valued at the Present Value of:
 - 1. one hundred (100) percent of the most recent assessed value for such land as shown in the records of the county assessor; or
 - 2. that fair market value established by a private Idaho licensed appraiser acceptable to the District in an appraisal paid for by the Fee Payer.
- (B) *Improvements.* Credit for qualifying acquisition or construction of System Improvements shall be valued by the District at the Present Value of such improvements based on complete engineering drawings, specifications, and construction cost estimates submitted

by the Fee Payer to the District. The District Administrator shall determine the amount of credit due based on the information submitted, or, if it determines that such information is inaccurate or unreliable, then on alternative engineering or construction costs acceptable to the District as a more accurate measure of the value of the offered System Improvements to the District.

10.7.4: WHEN CREDITS BECOME EFFECTIVE

- (A) *Land.* Approved credits for land dedications shall become effective when the land has been conveyed to the District in a form acceptable to the District, at no cost to the District, and has been accepted by the District. Upon request of the Fee Payer, the District shall issue a letter stating the amount of credit available.
- (B) *Improvements.* Approved credits for acquisition or construction of System Improvements shall generally become effective when (a) all required construction has been completed and has been accepted by the District, (b) a suitable maintenance and warranty bond has been received and approved by the District, and (c) all design, construction, inspection, testing, bonding, and acceptance procedures have been completed in compliance with all applicable requirements of the District and the State of Idaho. Upon request of the Fee Payer, the District shall issue a letter stating the amount of credit available.

10.7.5: CREDIT REQUEST PROCEDURES

- (A) *Request.* In order to obtain a credit against a District impact fee otherwise due, a Fee Payer shall submit to the City a written offer of request to dedicate to the District specific parcels of qualifying land or a written offer to contribute or construct specific System Improvements to the District Capital Facilities in accordance with all applicable state or City design and construction standards, and shall specifically request a credit against the type of District Impact Fee for which the land dedication or System Improvements is offered. The City shall then deliver the written offer of request to the District Administrator.
- (B) *Review.* After receipt of the written offer of request for credit, the District Administrator shall review the request and determine whether the land or System Improvements offered for credit will reduce the costs of providing District Capital Facilities by an amount at least equal to the value of the credit. If the District Administrator determines that the offered credit satisfies those criteria and will be acceptable to the Board of Commissioners, then the credit shall be issued. The District shall complete its review and determination of an application within thirty (30) days after receipt of an application for credit.
- (C) *Credits exceeding fee amounts due.* If the credit due to a Fee Payer pursuant to sections, above, exceeds the District Impact Fee that would otherwise be due from the Fee Payer pursuant to this title (whether calculated through the fee schedule attached to the capital improvement plan or through an independent assessment), the Fee Payer may choose to receive such credit in the form of either:
 - 1. a credit against future District Impact Fee due for the same System Improvements; or
 - 2. a reimbursement from District Impact Fees paid by future Development that impacts the System Improvements contributed or dedicated by the Fee Payer. Unless

otherwise stated in an agreement with the Fee Payer, the District shall be under no obligation to use any District funds - other than District Impact Fees paid by other Development for the same System Improvements - to reimburse the Fee Payer for any credit in excess of the District Impact Fees that are due.

- (D) *Written agreement required.* If credit or reimbursement is due to the Fee Payer pursuant to this section, the District shall enter into a written agreement with the Fee Payer, negotiated in good faith, prior to the contribution, dedication, or funding of the System Improvements giving rise to the credit. The agreement shall provide for the amount of credit or the amount, time and form of reimbursement, and shall have a term not exceeding ten (10) years.
- (E) The District Administrator's determination on the written offer of request for credit shall be provided to the Fee Payer and the City.

CHAPTER 8

METHODOLOGY FOR THE CALCULATION OF DISTRICT IMPACT FEES

10.8.1: GENERAL PROVISIONS

- (A) *Accounting principles.* The calculation of the District Impact Fee shall be in accordance with generally accepted accounting principles. A development impact fee shall not be deemed invalid because payment of the fee may result in an incidental benefit to owners or Developers within the Service Area other than the Fee Payer.
- (B) *Levels of service.* The District Impact Fee shall be calculated on the basis of levels of service for Public Facilities adopted in this title that are applicable to existing Development as well as new growth and Development. The construction, improvement, expansion or enlargement of new or existing Public Facilities for which the District Impact Fee are imposed must be attributable to the capacity demands generated by the new Development.

10.8.2: METHODOLOGY; PROPORTIONATE METHODOLOGY

The District impact fee shall not exceed a Proportionate Share of the cost of the System Improvements determined in accordance with I.C. § 67-8207, as amended. District impact fees shall be based on actual System Improvement Costs or reasonable estimates of such costs. The amount of the District impact fee shall be calculated using the methodology contained in the Capital Improvements Plan.

10.8.3: PROPORTIONATE SHARE DETERMINATION

- (A) The District Impact Fee shall be based on a reasonable and fair formula or method under which the District Impact Fee imposed does not exceed a Proportionate Share of the costs incurred or to be incurred by the District in the provision of System Improvements to

serve the new Development. The Proportionate Share is the costs attributable to the new Development after the District considers the following:

1. Any appropriate credit, offset or contribution of money, dedication of land or construction of System Improvements; and
 2. Payments reasonably anticipated to be made by or as a result of a new Development in the form of user fees and debt service payments; and
 3. That portion of general tax or other revenues allocated by the District to System Improvements; and
 4. All other available sources of funding such System Improvements.
- (B) In determining the Proportionate Share of the cost of System Improvements to be paid by the Developer, the following factors shall be considered by the District and accounted for in the calculation of the District Impact Fees:
1. The costs of existing System Improvements within the Service Area; and
 2. The means by which existing System Improvements have been financed; and
 3. The extent to which the new Development will contribute to System Improvement Costs through taxation, assessments, or Developer or landowner contributions, or has previously contributed to System Improvement Costs through Developer or landowner contributions; and
 4. The extent to which the new Development is required to contribute to the cost of existing System Improvements in the future; and
 5. The extent to which the new Development should be credited for providing System Improvements, without charge to other properties within the Service Area; and
 6. Extraordinary Costs, if any, incurred in serving the new Development; and
 7. The time and price differential inherent in a fair comparison of fees paid at different times; and
 8. The availability of other sources of funding System Improvements including, but not limited to, user charges, general tax levies, intergovernmental transfers, and special taxation.

CHAPTER 9 EXTRAORDINARY IMPACTS

10.9.1: EXTRAORDINARY IMPACTS:

Determinations of Extraordinary Impacts are made as follows:

- (A) In the event the City makes an initial determination that a Development may impose an Extraordinary Impact, the City shall provide the Development application to the District Administrator along with the City's initial determination. The District Administrator shall

then review and determine whether the Development application will impose Extraordinary Impact.

- (B) If the District Administrator determines that a proposed Development generates Extraordinary Impact that will result in extraordinary Systems Improvement Costs, the District Administrator will notify the Fee Payer and the City of such District Impact Fee determination within thirty (30) days after District Administrator's receipt from the City of the Development application and the City's initial determination. Such notice shall include a statement that the potential impacts of such Development on System Improvements are not adequately addressed by the Capital Improvements Plan, and that a supplemental study, at the Fee Payer's expense, will be required.
- (C) Circumstances that may lead to a determination of Extraordinary Impact include, but are not limited to:
 - 1. an indication the assumptions used in the Capital Improvements Plan underestimate the level of activity or impact on District Capital Facilities from the proposed Development or activity.
- (D) Within thirty (30) days following the designation of a Development with Extraordinary Impact, the District Administrator shall meet with the Fee Payer to discuss whether the Fee Payer wants to:
 - 1. pay for the supplemental study necessary to determine the System Improvement Costs related to the proposed Development; or
 - 2. modify the proposal to avoid generating Extraordinary Impact; or
 - 3. withdraw the application for certification, Building Permit or Development.
- (E) If the Fee Payer agrees to pay for the supplemental study required to document the proposed Development's Proportionate Share of System Improvement Costs, then the District and the Fee Payer shall jointly select an individual or organization acceptable to both to perform such study. The Fee Payer shall enter into a written agreement with such individual or organization to pay the costs of such study. Such agreement shall require the supplemental study to be completed within thirty (30) days of such written agreement unless the Fee Payer agrees to a longer time.
- (F) Once the study has been completed, the Fee Payer may choose to:
 - 1. pay the Proportionate Share of System Improvement Costs documented by the supplemental study; or
 - 2. modify the proposed Development to reduce such costs; or
 - 3. withdraw the application. If the Fee Payer agrees to pay the System Improvement Costs documented in the supplemental study, that agreement shall be reduced to writing between the District and the Fee Payer prior to review and consideration of any application for any Development or Building Permit related to the proposed Development.
- (G) Notwithstanding any agreement by the Fee Payer to pay the Proportionate Share of System Improvement Costs documented by the supplemental study, nothing in this

ordinance shall obligate the City to approve Development that results in an Extraordinary Impact to the District.

CHAPTER 10 FEE PAYER REFUNDS

10.10.1: DUTY TO REFUND

- (A) District Impact Fees shall be refunded to the Fee Payer, or to a successor in interest, in the following circumstances:
1. Service is available but never provided; or
 2. A Building Permit, or permit for installation of a manufactured home, is denied by the City or abandoned; or
 3. The Fee Payer pays District Impact Fees under protest and a subsequent review of the fee paid or the completion of an individual assessment determines that the fee paid exceeded the Proportionate Share which the District was entitled to receive; or
 4. The City collected a District Impact Fee and the District failed to Appropriate or expend the collected fees pursuant to section 10.10.1(B) below; or
 5. Failure of the District to commence construction or encumber the fund in the development impact fee capital projects Trust Fund.
- (B) Any impact fee paid shall be refunded if the District has failed to commence construction of System Improvements in accordance with this title, or to Appropriate funds for such construction, within eight (8) years after the date on which such fee was collected by the District. Any refund due shall be paid to the owner of record of the parcel for which the District impact fee was paid. The District may hold District Impact Fees for longer than eight (8) years if the District identifies in writing and in written notice to the owner of record of the parcel:
1. a reasonable cause why the fees should be held longer than eight (8) years; and (b) an anticipated date by which the fees will be expended, but in no event greater than eleven (11) years from the date they were collected. If the District complies with the previous sentence, then any District Impact Fees so identified shall be refunded to the Fee Payer if the District fails to commence construction of System Improvements in accordance with the written notice, or to Appropriate funds for such construction on or before the date identified in such writing.
- (C) *No refund due for subsequent reduction in size of development or Service Units.* After a District Impact Fee has been paid pursuant to this title and after a certificate of occupancy has been issued by the City, no refund of any part of such fee shall be made if the Project for which the fee was paid is later demolished, destroyed, or is altered, reconstructed, or reconfigured so as to reduce the size of the Project or the number of units in the Project.
- (D) *Interest.* Each refund shall include a refund of interest at one-half the legal rate provided for in I.C. § 28-22-104 from the date on which the fee was originally paid.

- (E) *Timing.* The District shall make a determination of whether a refund is due within thirty (30) days after receipt of a written request for a refund from the owner of record of the property for which the fee was paid. When the right to a refund exists, the District shall send the refund to the owner of record within ninety (90) days after the District determines that a refund is due.

CHAPTER 11
ESTABLISHMENT OF DISTRICT DEVELOPMENT IMPACT FEE CAPITAL
PROJECTS TRUST FUND

10.11.1: ESTABLISHED BY DISTRICT

The Trust Fund established by the District will be maintained by the District for the purpose of ensuring that all District Impact Fees collected, pursuant to this title, are used to address impacts reasonably attributable to new Development for which the District Impact Fees are paid. The Trust Fund shall be divided into the Accounts. All funds in all Accounts in the Trust Fund shall be maintained in an interest-bearing account. The interest earned on each account pursuant to I.C. § 67-8210(1) shall not be governed by I.C. § 57-127, as amended, but shall be considered funds of the account and shall be subject to the same restrictions on uses of funds as the fire District Impact Fees on which the interest is generated.

10.11.2: DEPOSITS

Deposit of District Impact Fees. All monies paid by a Fee Payer, pursuant to this title, shall be identified as District Impact Fees and shall be promptly deposited by the District Administrator in the appropriate account of the Trust Fund.

- (A) *First-in/first-out.* Monies in each account shall be spent in the order collected, on a first-in/first-out (FIFO) basis.
- (B) *Maintenance of records.* The District shall maintain and keep accurate financial records for each account that shall show the source and disbursement of all revenues, that shall account for all monies received, that shall ensure that the disbursement of funds from each account shall be used solely and exclusively for the provisions of Projects specified in the Capital Improvements Plan, and that shall provide an annual accounting for each District Impact Fee account showing the source and amount of all funds collected and the Projects that were funded.

CHAPTER 12
EXPENDITURE AND SURCHARGE REIMBURSEMENT

10.12.1: EXPENDITURE ELIGIBILITY

Expenditures of District impact fees collected and deposited in the Trust Fund shall be made only for System Improvements within the Service Area for which the impact fee was collected in accordance with the Capital Improvements Plan.

10.12.2 SURCHARGE REIMBURSEMENT

Capital Improvements Plan reimbursement; surcharge. A portion of each impact fee collected shall be designated as a surcharge for reimbursement for the cost of preparing the Capital Improvements Plan in accordance with I.C. § 67-8208. The surcharge shall not exceed the Development's Proportionate Share of the cost of preparing the Capital Improvements Plan.

CHAPTER 13
APPEALS, PROTEST AND MEDIATION

10.13.1: APPEALS TO THE FIRE DISTRICT BOARD OF COMMISSIONERS

Any Fee Payer that is or may be obligated to pay a District Impact Fee, or that claims a right to receive a refund, reimbursement, exemption, or credit under this Title, and who is dissatisfied with inaction, or a decision made by the Fire District Administrator in applying this Title, may appeal such decision to the Board of Commissioners.

- (A) The Fee Payer shall have the burden on appeal of demonstrating that the decision was in error.
- (B) In order to pursue the appeal described in this subsection, the Fee Payer shall file a written notice of appeal with the Fire District Administrator within thirty (30) days after the date of the Fire District Administrator's decision, or the date on which the Fee Payer submitted a payment of the Fire District Impact Fees under protest, whichever is later. Such written notice of appeal shall include a statement describing why the Fee Payer believes that the appealed decision was in error, together with copies of any documents that the Fee Payer believes support the claim.
- (C) The Board of Commissioners shall hear the appeal within sixty (60) days after receipt of a written notice of appeal. The Fee Payer shall have a right to be present and to present evidence in support of the appeal. The Fire District Administrator shall likewise have the right to be present and to present evidence in support of the decision. The criteria to be used by the Board of Commissioners in considering the appeal shall be whether:
 - 1. the decision or interpretation made by the Fire District Administrator; or

2. the alternative decision or interpretation offered by the Fee Payer, more accurately reflects the intent of this title that new Development in the City pay its Proportionate Share of the costs of System Improvements to Fire District facilities necessary to serve new Development and whether the provisions of this title have been correctly applied. The Board of Commissioners shall issue a decision upholding, reversing, or modifying the decision being appealed within thirty (30) days after hearing the appeal.

10.13.2: APPEALS TO THE CITY COUNCIL

Any Fee Payer that is or may be obligated to pay a District Impact Fee, or that claims a right to receive a refund, reimbursement, exemption, or credit under this title, and who is dissatisfied with a decision made on appeal by the Board of Commissioners of the Fire District in applying this title, may appeal such decision to the City Council.

- (A) The Fee Payer shall have the burden on appeal of demonstrating that the Board of Commissioners' decision on appeal was in error.
- (B) In order to pursue the appeal described in this subsection, the Fee Payer shall file a written notice of appeal with the Fire District Administrator within thirty (30) days after the date of the Board of Commissioners' decision. Such written notice of appeal shall include a statement describing why the Fee Payer believes that the appealed decision of the Board of Commissioners was in error, together with copies of any documents that the Fee Payer believes support the claim. The District Administrator shall within three (3) business days deliver the notice of appeal together with copies of any documents filed with it to the City Clerk.
- (C) The City Council shall hear the appeal within sixty (60) days after receipt by the City Clerk of a written notice of appeal. The Fee Payer shall have a right to be present and to present evidence in support of the appeal. The District Administrator shall likewise have the right to be present and to present evidence in support of the decision. The criteria to be used by the City Council in considering the appeal shall be whether:
 1. the decision or interpretation made by the District Administrator and the decision on appeal by the Board of Commissioners; or
 2. the alternative decision or interpretation offered by the Fee Payer, more accurately reflects the intent of this Title that new Development in the City pay its Proportionate Share of the costs of System Improvements to District facilities necessary to serve new Development and whether the provisions of this title have been correctly applied. The City Council shall issue a decision upholding, reversing, or modifying the decision being appealed within thirty (30) days after hearing the appeal.

10.13.3: PAYMENT UNDER PROTEST

A Fee Payer may pay a District Impact Fee under protest in order not to delay the issuance of a Building Permit by the City. A Fee Payer making a payment under protest shall not be estopped from exercising the right to appeal provided herein, nor shall such Fee Payer be estopped from receiving a refund of any amount deemed to have been illegally collected.

10.13.4: MEDIATION

- (A) Any Fee Payer that has a disagreement with the City or the District Administrator regarding a District Impact Fee determination that is or may be due for a proposed Development pursuant to this title, may enter into a voluntary agreement with (depending upon the progress of the protest) the City or the District to subject the disagreement to mediation by a qualified independent party acceptable to both the Fee Payer and the District.
- (B) Mediation may take place at any time following the filing of a timely appeal pursuant to sections 10.13.1 and 10.13.2, or as an alternative to such appeal, provided that the request for mediation is filed no later than the last date on which a timely appeal could be filed pursuant to section 10.13.1 and 10.13.2.
- (C) Participation in mediation does not preclude the Fee Payer from pursuing other remedies provided for in this section.
- (D) If mediation is requested, any related mediation costs shall be shared equally by the Fee Payer and the City or the District, (depending upon the progress of the protest), and a written agreement regarding the payment of such costs shall be executed prior to the commencement of mediation.
- (E) In the event that mediation does not resolve the issues between the District and the Fee Payer, the Fee Payer retains all rights to seek relief from a court of competent jurisdiction.

CHAPTER 14 PERIODIC REVIEWS

10.14.1: REVIEW AND MODIFICATION OF CAPITAL IMPROVEMENTS PLAN

Unless the City and the Board of Commissioners deems some other period is appropriate, the City and the Board of Commissioners shall, at least once every five (5) years, commencing from the date of the original adoption of the Capital Improvements Plan, review the Development potential and update the Capital Improvements Plan in cooperation and in accordance with the procedures set forth in I.C. § 67-8206, as amended. Each update shall be prepared by the District Administrator in consultation with the Advisory Committee.

10.14.2: ANNUAL CAPITAL BUDGET.

The District shall annually adopt a capital budget.

**CHAPTER 15
AUDIT**

10.15.1 ANNUAL REPORT

- (A) As part of their annual audit process, the District shall prepare an annual report:
1. describing the amount of all District Impact Fees collected, Appropriated, or spent during the preceding year by category of public facility; and
 2. describing the percentage of taxes and revenues from sources other than the District Impact Fees collected, Appropriated, or spent for System Improvements during the preceding year by systems improvements category of District Capital Facilities.

**CHAPTER 16
ENFORCEMENT AND COLLECTION**

**10.16.1: CITY AND DISTRICT ADMINISTRATOR POWERS TO REQUIRE
PAYMENT OF IMPACT FEES**

When any District Impact Fee is due pursuant to this title, or pursuant to the terms of any written agreement between a Fee Payer and the District, and such District Impact Fee has not been paid in a timely manner, the City, or District Administrator on behalf of the District, may exercise any or all of the following powers as applicable to their authority, in any combination, to enforce the collection of the District Impact Fee:

- (A) Withhold Building Permits, manufactured home installation permits, or other City Development related to the Development for which the District Impact Fee is due until all District Impact Fees due have been paid, and issue stop work orders, and revoke or suspend a Building Permit.
- (B) Withhold utility services from the Development for which the District Impact Fee is due until all District Impact Fees due have been paid; and
- (C) Add interest to the District Impact Fees not paid in full at the legal rate provided for in I.C. § 28-22-104, as amended, plus five percent (5%) beginning on the date at which the payment of the District Impact Fees was due until paid in full.
- (D) Impose a penalty of five (5) percent of the total District Impact Fee (not merely the portion dishonored, late or not paid in full) per month beginning on the date at which the payment of the District Impact Fee was due until paid in full.
- (E) Impose a lien pursuant to the authority of I.C. § 67-8213(4) for failure to timely pay District Impact Fees following the procedures contained in Idaho Code Title 45, Chapter 5.

**CHAPTER 17
CITY/DISTRICT INTERGOVERNMENTAL AGREEMENT**

10.17.1: AUTHORITY TO ENTER INTO INTERGOVERNMENTAL AGREEMENTS

The City is a governmental entity that is empowered by the Act to adopt development impact fee ordinances and as such is authorized, by I.C. § 67-8204A, to enter into the Intergovernmental Agreement with the District for the purpose of collecting and expending District Impact Fees for System Improvements as provided in this title.

10.17.2: CITY AND DISTRICT INTERGOVERNMENTAL AGREEMENT

The City and the District have entered into the Intergovernmental Agreement which is in full force and effect.

10.17.3: DISTRICT GOVERNED BY THIS TITLE

The Intergovernmental Agreement complies with this title and requires the District to be governed by and to fully abide by the provisions of this title.

10.17.4 AMENDMENTS TO INTERGOVERNMENTAL AGREEMENT

Any amendments of the Intergovernmental Agreement shall be implemented by corresponding relevant amendments of this title which amendments shall not apply to any District Impact Fees then not expended and currently held in the Trust Fund.

**CHAPTER 18
MISCELLANEOUS PROVISIONS**

10.18.1 FIRE CODES AND OTHER RULES APPLICABLE TO PROJECT IMPROVEMENTS

Nothing in this title shall prevent the District from requiring a Developer to construct reasonable Project Improvements, as are required by the fire codes and other rules that are adopted by the state fire marshal, in conjunction with a Development.

10.18.2 AGREEMENTS BETWEEN PROPERTY OWNERS AND ITD AND OTHER GOVERNMENTAL ENTITIES FOR CONSTRUCTION OR INSTALLATION OF SYSTEM IMPROVEMENTS

Nothing in this title shall be construed to prevent or prohibit private agreements between property owners or Developers, the Idaho Transportation Department and governmental entities in regard to the construction or installation of System Improvements or providing for credits or reimbursements for System Improvement Costs incurred by a Developer including inter-project transfers of credits or providing for reimbursement for Project Improvements which are used or shared by more than one (1) Development Project.

10.18.3 NO REQUIREMENT OF THE CITY TO APPROVE EXTRAORDINARY IMPACT DEVELOPMENT

Nothing in this title shall obligate the City to approve Development which results in an Extraordinary Impact.

10.18.4 DISTRICT NOT OBLIGATED TO APPROVE DEVELOPMENT THAT REDUCES LEVELS OF SERVICE

Nothing in this title shall obligate the District to approve any Development request which may reasonably be expected to reduce levels of service below minimum acceptable levels established in this title.

10.18.5 NO ADDITIONAL RIGHT TO DEVELOP CREATED BY THIS TITLE

Nothing in this title shall be construed to create any additional right to develop real property or diminish the City in regulating the orderly development of real property within its boundaries.

10.18.6 NO LIMIT ON CITY'S EMINENT DOMAIN AUTHORITY

Nothing in this title shall work to limit the use by the City of the power of eminent domain or supersede or conflict with requirements or procedures authorized in the Idaho Code for local improvement districts or general obligation bond issues.

10.18.7 NO LIMIT ON CITY'S POWER TO ANNEX PROPERTY

Nothing herein shall restrict or diminish the power of the City to annex property into its territorial boundaries or exclude property from its territorial boundaries upon request of a Developer or owner, or to impose reasonable conditions thereon, including the recovery of Project or System Improvement Costs required as a result of such voluntary annexation.

10.18.8 DISTRICT PLAN OF ALTERNATIVE SOURCES OF REVENUE

The District shall develop a plan for alternative sources of revenue, which shall include, but not necessarily be limited to, plans generated during the District's annual budget process, lobbying efforts, tax increment financing, and implementation of user fees, administrative and regulatory fees and other forms of revenue.

10.18.9 DEVELOPMENT APPROVED BY THE CITY PRIOR TO THE EFFECTIVE DATE OF THIS TITLE NOT SUBJECT TO IMPACT FEES

Notwithstanding any other provision of this title, that portion of a Project for which a complete application for a Building Permit has been received by the City, prior to the effective date of this title, shall not be subject to the District Impact Fee imposed by this title. If the resulting Building Permit is later revised or replaced after the effective date of the ordinance codified in this title, and the new Building Permit(s) reflects a Development density, intensity, Development size or number of units more than ten (10) percent higher than that reflected in the original Building Permit, then the District Impact Fee may be charged on the difference in density, intensity, Development size or number of units between the original and the revised or replacement Building Permit.

10.18.10 MONIES IN TRUST FUND NOT EXPENDED CARRIED OVER FROM FISCAL YEAR TO FISCAL YEAR

Any monies, including any accrued interest not assigned to specific System Improvements within such Capital Improvements Plan and not expended pursuant to chapter 12 of title 10 or refunded pursuant to section 10.10.1 shall be retained in the same account until the next District fiscal year.

10.18.11 CAPITAL IMPROVEMENTS PLAN ERROR DISCOVERY

- (A) If the District discovers an error in the Capital Improvements Plan which results in assessment or payment of more than a Proportionate Share of System Improvement Costs on any proposed Development, the District Administrator shall:
1. adjust the District Impact Fee to collect no more than a Proportionate Share; or
 2. discontinue the collection of any District Impact Fees until the error is corrected by ordinance.

10.18.12 IMPACT FEE PAYMENT MISTAKE OR MISREPRESENTATION

If District impact fees are calculated and paid based on a mistake or misrepresentation, they shall be recalculated. Any amounts overpaid by a Fee Payer shall be refunded by the District within thirty (30) days after the District' acceptance of the recalculated amount, with interest at one-half (1/2) of the legal rate provided for in I.C. § 28-22-104 from the date on which the fee was paid. Any amounts underpaid by the Fee Payer shall be paid to the District within thirty (30) days after the District Administrator's acceptance of the recalculated amount, with interest at the legal rate provided for in I.C. § 28-22-104 from the date on which the fee was paid. In the case of an underpayment to the District, the Administrator may request that the City withhold issuance of the Building Permits or Development for the Project for which the District impact fees were paid until such underpayment is corrected, and if amounts owed to the District are not paid within such thirty-day period, the District Administrator may also request that the City revoke any Building Permits or Development Approval issued in reliance on the previous payment of such District impact fees and refund such fees to the Fee Payer.

CHAPTER 19 PUNISHMENT

10.19.1: PUNISHMENT

Any person who violates any provision of this title shall be guilty of a misdemeanor, punishable by up to one (1) year in the county jail, and/or a one thousand dollar (\$1,000.00) fine, or both. Knowingly furnishing false information to any official of the City or the District charged with the administration of this title, including, without limitation, the furnishing of false information regarding the expected size, use or impacts from a proposed Development, shall be a violation of this title.

CHAPTER 20 CONSTRUCTION OF INTENT

10.20.1: LIBERAL CONSTRUCTION

All provisions, terms, phrases, and expressions contained in this title shall be liberally construed in order that the true intent and meaning of the Act and the City Council and the Board of Commissioners may be fully carried out.

SECTION 2: EFFECTIVE DATE

This Ordinance, as required by Idaho Code § 67-8206(6) shall take effect and be in full force and effect on the 30th day following its passage, approval, and publication as required by law and at the discretion of the City Clerk and in lieu of publication of the entire ordinance, a summary thereof in compliance with Section 50-901A, Idaho Code, may be published within 30 days of its passage and approval according to law.

SECTION 3: DIRECTING THE CITY CLERK

The City Clerk is directed to file this Ordinance in the official records of the City and to provide the same to the City’s codifier for inclusion and publication in the McCall City Code.

PASSED AND APPROVED BY THE MAYOR AND COUNCIL OF THE CITY OF MCCALL, VALLEY COUNTY, IDAHO, THIS __ DAY OF _____ 2023.

Approved:

By _____
Robert S. Giles, Mayor

Attest:

By _____
BessieJo Wagner, City Clerk

**MCCALL FIRE PROTECTION DISTRICT
VALLEY COUNTY, STATE OF IDAHO**

RESOLUTION No. 2023-7

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF MCCALL FIRE PROTECTION DISTRICT:

- **Making Certain Findings;**
- **Approving and Authorizing the Chairman and District Office Administrator to execute on behalf of the Board of Commissioners that certain Agreement with the City of McCall entitled the “*City of McCall/McCall Fire Protection District Intergovernmental Agreement and Joint Powers Agreement For the Collection and Expenditure of Development Impact Fees for Fire District System Improvements*”;**
- **Directing the District Office Administrator;**
- **Setting an Effective Date.**

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the McCall Fire Protection District:

Section 1: Findings

It is hereby found by the Board of Commissioners that:

- 1.1** As provided in Idaho Code § 31-1417, the Board of Commissioners has the discretionary authority to manage and conduct the business and affairs of this District and to make and execute all necessary contracts and to adopt such rules and regulations as may be necessary to carry out their duties and responsibilities; and
- 1.2** Considerable growth within the City of McCall has an impact upon the District’s ability to service that new growth with the same level of service in reliance upon existing District income sources; and
- 1.3** The District has negotiated with the City of McCall to use the City’s ordinance authority to impose a development impact fee for this Fire District’s System Improvements that are within the City and also within the boundaries of this Fire District; and
- 1.4** As a necessary part of the process of establishing a Fire District development impact fee, in addition to the approval of an Ordinance by the City, pursuant to Idaho Code § 67-8204A, the District has negotiated the following agreement with the City of McCall: the *City of McCall/McCall Fire Protection District Intergovernmental Agreement and Joint Powers Agreement For the Collection and Expenditure of Development Impact Fees for Fire District System Improvements* (the “Intergovernmental Agreement”); and

1.5 Section 2 “Recitals” of the Intergovernmental Agreement sets forth the authority, intentions, purposes, consideration and reasons of the City of McCall and this Fire District for entering into the Intergovernmental Agreement, and such Recitals are therefore by this reference incorporated herein as if set forth at length.

Section 2: Action authorizing the Chairman and District Office Administrator to execute the Intergovernmental Agreement

2.1 That the Chairman of the Board of Commissioners and the District Office Administrator of this Fire District are hereby authorized, as the agents of this Fire District, to execute the Intergovernmental Agreement, a true and correct copy of which is attached hereto and marked **Exhibit A** and by this reference incorporated herein, and thereby fully bind this Fire District to its terms and conditions upon the same being approved and executed by the City of McCall.

Section 3: Direction to District Office Administrator

3.1 The District Office Administrator is hereby directed to retain this resolution in the official records of the District and to provide a certified copy of this resolution to the City Clerk of the City of McCall, and provide a copy to the Fire District’s attorney.

Section 4: Effective Date

4.1 This Resolution shall be in full force and effect on _____, 2023.

PASSED BY THE BOARD OF COMMISSIONERS of the McCall Fire Protection District, Valley County, State of Idaho, this ____ day of _____, 2023.

McCALL FIRE PROTECTION DISTRICT

By: _____
Sadie Noah, Chairwoman/Commissioner

ATTEST:

Fire District, Secretary

EXHIBIT A

**CITY OF MCCALL/MCCALL FIRE PROTECTION DISTRICT
INTERGOVERNMENTAL AGREEMENT AND JOINT POWERS AGREEMENT
FOR THE COLLECTION AND EXPENDITURE OF
DEVELOPMENT IMPACT FEES FOR FIRE DISTRICT SYSTEM
IMPROVEMENTS**

[Idaho Code § 67-8204A & 67-2328]

Parties to Agreement:

City of McCall	City	City Hall 216 E Park Street McCall ID 83638
McCall Fire Protection District	Fire District	201 Deinhard Ln, McCall, ID 83638

THIS AGREEMENT made effective the _____ day of _____, 2023, by and between the Parties as herein this Agreement defined.

NOW, THEREFORE, in consideration of the mutual covenants and promises herein set forth, and for other good and valuable consideration hereby acknowledged by the Parties to this Agreement as having been received, the Parties hereby mutually promise, covenant, and agree as follows:

**SECTION 1
DEFINITIONS**

For all purposes of this Agreement, the following terms have the definitions as herein provided in this Section unless the context of the term clearly requires otherwise:

- 1.1 Act:** Means and refers to the Idaho Development Impact Fee Act, Chapter 82, Title 67, Idaho Code as it may be amended or restated from time to time.
- 1.2 Advisory Committee:** means and refers to the *McCall Fire Protection District Development Impact Fee Advisory Committee* formed and staffed by the City and the Fire District pursuant to Idaho Code § 67-8205, McCall City Code § 1.10.4, and this Agreement to prepare and recommend the Capital Improvements Plan and any amendments, revisions or updates of the same.

- 1.3 Agreement:** means and refers to this *City of McCall/McCall Fire Protection District Intergovernmental Agreement and Joint Powers Agreement for the Collection and Expenditure of Development Impact Fees for Fire District Systems Improvements*, by and between the Parties pursuant to Idaho Code 67-8204A and Chapter 17 of Title 10 McCall City Code which may be referred to and cited as the “McCall Fire Protection District Intergovernmental Impact Fee Agreement” or “MIFA.”
- 1.4 All other definitions:** All other definitions of this Agreement which are not otherwise set forth in this section are set forth in McCall City Code § 10.2.1 and are herein included as separate definitions as if the same are set forth herein.
- 1.5 Capital Improvements Plan:** means and refers to the most recent Impact Fee Study and Capital Improvements Plan, adopted by the City and the Fire District pursuant to the Idaho Development Impact Fee Act, Chapter 82, Title 67, Idaho Code.
- 1.6 Capital Projects Fund:** means and refers to the *McCall/McCall Fire Protection District Development Impact Fee Capital Projects Fund* established by the Fire District pursuant to Chapter 11 of Title 10 McCall City Code, and pursuant to Idaho Code § 67-8210(1), as established by the Fire District Board by policy, which shall include any of one or more interest bearing accounts into which Fire District Impact Fees shall be deposited and maintained by the Fire District.
- 1.7 City:** means and refers to the *City of McCall*, Idaho, party to this Agreement.
- 1.8 Costs:** means and refers to the expense inclusive of attorney fees, publication costs, expert and/or consultant fees directly related to the performance of a covenant of this Agreement.
- 1.9 Fire District:** means and refers to *McCall Fire Protection District*, party to this Agreement.
- 1.10 Fire District Board:** Means and refers to the Board of Commissioners of the Fire District.
- 1.11 Ordinance:** means and refers to the *McCall Fire Protection District Development Impact Fee Ordinance* codified at Title 10 McCall City Code, together with any amendments thereto approved subsequent to the date of this Agreement.
- 1.12 Party/Parties:** means and refers to the City and/or the Fire District, as the Parties in this Agreement, depending upon the context of the term used in this Agreement.
- 1.13 Service Area:** means and refers to that certain area as defined in the Act at Idaho Code § 67-8203(26), being all that geographic area within the Fire District’s boundaries as identified by the City and the Fire District in which the Fire District provides fire and life preservation service to Development within the areas defined, based on sound planning or engineering principles or both. For purposes of this Agreement, there shall be one Service Area encompassing all area within the Fire District.

- 1.14 System Improvements:** Means and refers to capital improvements to public facilities identified in the Capital Improvements Plan designed to provide service to a service area, as defined in the Act at Idaho Code § 67-8203(28).

SECTION 2 RECITALS

The Parties recite and declare:

- 2.1** The Purpose of this Agreement is to facilitate the intent and purpose of the Capital Improvements Plan and the Ordinance, to promote and accommodate orderly growth and development, protect the public health, safety, and general welfare of the residents within the boundaries of the Fire District, and to further the best interest of the Parties; and
- 2.2** Idaho Code § 67-2328 authorizes public agencies in Idaho to exercise jointly any power, privilege, or authority authorized by the Idaho Constitution, statute, or charter. The Parties, each being a public agency, hereby agree to exercise jointly their respective powers, privileges, and authorities to accomplish the collection and expenditure of development impact fees in accordance with Title 67, Chapter 82 Idaho Code; and
- 2.3** The City is a governmental entity as defined in the Act at Idaho Code Section 67-8203(14) and as provided at Idaho Code Section 67-8202(5), has ordinance authority to adopt a development impact fee ordinance, whereas the Fire District does not have ordinance authority and cannot adopt a development impact fee ordinance; and
- 2.4** Idaho Code Section 67-8204A, provides that the City, when affected by development, has the authority to enter into an intergovernmental agreement with the Fire District for the purpose of agreeing to collect and expend development impact fees for System Improvements; and
- 2.5** The Fire District's duty and responsibility is to provide protection of property against fire and the preservation of life, emergency medical services, and enforcement of any of the fire codes and other rules that are adopted by the state fire marshal; and
- 2.6** The Fire District's boundaries include all the area within the City, and the Fire District provides fire and emergency medical services within the City; and
- 2.7** The City is experiencing and is affected by considerable growth and development; and
- 2.8** The purposes of the Act [Idaho Code Section 67-8202] are as follows:
- Ensure that adequate public facilities are available to serve new growth and development; and

- Promote orderly growth and development by establishing uniform standards by which local governments, such as the Parties, may require those who benefit from new growth and development pay [development impact fees] their proportionate share of the costs of new public facilities needed to serve that new growth and development; and
 - Establish minimum standards for and authorize cities to adopt impact fee ordinances.
- 2.9** In anticipation and in consideration of the City Council adopting the Ordinance, which is intended to provide for the collection and expenditure of development impact fees for the Fire District, the City has established and appointed, pursuant to McCall City Code § 1.10.4 and Idaho Code § 67-8205, the Advisory Committee; and
- 2.10** Fire District has provided the City with a Capital Improvements Plan prepared in accordance with the requirements of Idaho Code § 67-8208 in consultation with the Advisory Committee; and
- 2.11** Adoption of the Capital Improvements Plan by the City Council and the Fire District Board was in accordance with Idaho Code §§ 67-8206(3) and 67-8208(1) as applicable; and
- 2.12** This Agreement facilitates the intent and purposes of the Fire District’s Capital Improvements Plan and the Ordinance, is in the best interest of the Parties, promotes and accommodates orderly growth and development, and protects the public health, safety and general welfare of the residents within the City and within the boundaries of the Fire District which are not within a city; and
- 2.13** The Parties have determined it is necessary and desirable to enter into this Agreement.

SECTION 3 CAPITAL PROJECTS FUND

- 3.1 Capital Projects Fund Name:** The Fire District shall establish and maintain the Capital Projects Fund.
- 3.2 Deposits to the Capital Projects Fund Accounts:** Fire District development impact fees collected by the City pursuant to the Ordinance and transferred to the Fire District shall be deposited and maintained by the Fire District to the accounts in the Capital Projects Fund.
- 3.3 Interest Bearing Capital Projects Fund Accounts:** The Fire District shall establish Capital Projects Fund accounts as the *McCall/McCall Fire Protection District Development Impact Fee Capital Projects Fund* accounts (the “Capital Projects Fund Account”) as interest-bearing Accounts.
- 3.4 Capital Projects Fund Accounts Accounting:** The Fire District shall account for the Capital Projects Fund Accounts as follows:

- 3.4.1** Establish a separate accounting for each collected and transferred Impact Fee by the designation of the year, month and date the Impact Fee was collected by the City, the name of the fee payer, and the identification of the real property which is the subject of the collection of the Impact Fee, including the name of the subdivision, the lot number and the block number, or the Valley County Assessor parcel number (i.e. 23/11/1- Smith – _____ View Subdivision No. 1, Lot ____, Block ____ or Valley County Assessor’s Parcel No. _____).
- 3.4.2** Each separate accounting shall be additionally designated in the event it was paid under protest (i.e., UP) or is the subject of a claim for refund or reimbursement (i.e., CR).
- 3.4.3** All Impact Fees in all Capital Projects Fund Accounts shall be maintained in interest-bearing accounts. The interest earned on each account, pursuant to Idaho Code Section 67-8210(1) shall not be governed by Idaho Code Section 57-127, shall be considered funds of each account, and shall be subject to the same restrictions on uses of collected Impact Fees on which the interest is generated.
- 3.4.4** *First-in/First-out.* All Impact Fees in each account shall be spent in the order collected, on a first-in/first-out basis.
- 3.4.5** *Financial Records.* Accurate financial records shall be maintained and kept for each account that shall show the source and disbursement of all revenues, that shall account for all Impact Fees monies received, that shall ensure that the disbursement of funds from each account shall be used solely and exclusively for the provisions of projects specified in the Capital Improvements Plan, and that shall provide an annual accounting of the Capital Projects Fund account showing the source and amount of all Impact Fees collected and the projects that were funded.
- 3.5** **Capital Projects Fund Accounts Audit:** The Fire District shall have performed, prepared, with a copy provided to the City, an audit as an annual report: (a) describing the amount of all Impact Fees received, appropriated or spent during the preceding year by category of Public Facility; and (b) describing the percentage of taxes and revenues from sources other than the Impact Fees collected, appropriated or spent for System Improvements during the preceding fiscal year by category of public facility and the Service Area.
- 3.6** **Capital Projects Fund Accounts Expenditures:** Distribution from the Capital Projects Fund, except for a Fee Payer reimbursement or Fee Payer Refund made pursuant to the City Ordinance and this Agreement, shall be in accordance with Idaho Code § 67-8210.

**SECTION 4:
ADVISORY COMMITTEE**

- 4.1** **Appointments:** The members of the Advisory Committee shall henceforth be appointed by the Board of Commissioners of the Fire District for a term stated of at

least one (1) year. Notice of these appointments shall be provided to the County Clerk within seven (7) days of any such appointment.

**SECTION 5
COVENANTS OF PERFORMANCE SPECIFIC TO THE FIRE DISTRICT**

The Fire District shall at all times:

- 5.1** Abide by the terms and conditions required of the Fire District as set forth in the Ordinance and any amendments to the same; and
- 5.2** Maintain and staff the position of Fire District Administrator to manage and perform the duties and responsibilities of the Fire District Administrator as set forth in the Ordinance; and
- 5.3** Establish and maintain the Capital Projects Fund which is in accordance with the terms and conditions of the Ordinance and the provisions of Idaho Code Section 67-8210 and any amendment or recodification of the same; and
- 5.4** Pay the following costs:
 - 5.4.1** Proportional costs associated with the Advisory Committee review of the Fire District Capital Improvement Plan; and
 - 5.4.2** Costs of drafting and publication of the Ordinance and any amendment or repeal of the same as may be requested by the Fire District; and
 - 5.4.3** Costs of drafting of this Agreement and any amendment or termination of the same as may be requested by the Fire District; and
 - 5.4.4** Costs associated with the Fire District's performance of this Agreement; and
 - 5.4.5** Costs associated with an appeal of a claim of exemption; and
 - 5.4.6** Legal costs and fees of any action brought by a Fee Payer or Developer involving a determination of the Fire District under the provisions of the Ordinance; and
- 5.5** Be solely responsible for the Fire District's performance of the terms and conditions required of it by the Ordinance and by this Agreement.

**SECTION 6
COVENANTS OF PERFORMANCE SPECIFIC TO THE CITY**

The City shall:

- 6.1 Approve and enact the Ordinance and maintain the same in full force and effect until amended and/or repealed in accordance with the provisions of this Agreement; and
- 6.2 Maintain and staff the position of the City to manage and perform the duties and responsibilities of the City as set forth in the Ordinance; and
- 6.3 Abide by the terms and conditions required of the City as set forth in the Ordinance and any amendments to the same, including the calculation and collection of Fire District Impact Fees in accordance with the terms of the Ordinance; and
- 6.4 Remit all Fire District Impact Fees collected by the City to the Fire District for deposit in the Capital Projects Fund in accordance with the terms and conditions of the Ordinance and the provisions of Idaho Code Section 67-8210; and
- 6.5 Be solely responsible for the City's performance of the terms and conditions required of it by the Ordinance and by this Agreement.

**SECTION 7
ADMINISTRATIVE STAFFING**

- 7.1 The administration and performance by the City of the Ordinance shall be under the direction of the City Clerk.
- 7.2 The administration and performance by the Fire District of the Ordinance shall be under the direction of the Fire District Administrator under the Ordinance.

**SECTION 8
NOTICE AND DELIVERY OF DOCUMENTS**

- 8.1 The contact information for purposes of notice to and/or the delivery of documents to the City is as follows:
 - 8.1.1 By mail or hand delivery addressed to:

City Hall
Attention City Clerk
216 E Park Street
McCall ID 83638
 - 8.1.2 By scanning, attaching and e-mailing to: bwagner@mccall.id.us
- 8.2 The contact information for purposes of notice to and/or the delivery of documents to the Fire District is as follows:

8.2.1 By mail or hand delivery addressed to:

Fire Station No. 1
Attention: Administrator
201 Deinhard Ln,
McCall, ID 83638

8.2.2 By scanning, attaching and e-mailing to: garrett@mccallfire.com

8.3 In the event either party has a change in the address and/or contact information provided for in this Section, notice of the same [using the form attached to this Agreement as *Appendix I*] shall be provided to the other and upon acknowledgment of receipt of said notice, this section of the Agreement shall henceforth be amended.

SECTION 9 DELIVERY OF FIRE DISTRICT IMPACT FEES TO THE FIRE DISTRICT

9.1 Remittance of Fees to Fire District. Fire District Impact Fees collected by the City shall be delivered to the Fire District monthly.

9.2 Administrative Fee: The Fire District agrees to pay the City an administrative fee for the calculation, collection and remittance to the Fire District of Fire District Impact Fees.

9.2.1 The City administrative fee is the sum of \$_____ per impact fee collected and remitted to the Fire District. The City shall invoice the Fire District monthly; and the Fire District shall, within thirty (30) days of receipt of the City's invoice, pay from its general fund the City's invoiced administrative fee.

SECTION 10 INDEMNIFICATION

10.1 To the extent permitted by law, the Fire District shall defend, indemnify, and hold the City, its officers, agents, and employees harmless for all claims, losses, actions, damages, judgments, costs, and expenses arising out of or in connection with any acts or omissions of Fire District related to the Ordinance, this Agreement, the assessment, collection and/or expenditure of impact fees provided by the Ordinance, and/or any claim involving the administration of impact fees as provided by this Agreement. In the event of such claim the Fire District shall defend such allegations and Fire District shall bear all costs, fees, and expenses of such defense, including, but not limited to, all attorney fees and expenses, court costs, and expert witness fees and expenses. Such indemnification and reimbursement for defense shall be limited to only those claims, and only to the extent that the Fire District itself could be liable under state and federal statutes, regulations, common law, and other law.

- 10.2** To the extent permitted by law, the City shall defend, indemnify, and hold the Fire District, its officers, agents, subcontractors, and employees harmless for injuries to persons or property resulting from the wrongful acts of the City, its officers, agents, or employees in performing the duties described in this Agreement. Such indemnification and defense shall only be limited to those claims, and only to the extent that, the City itself could be liable under state and federal statutes, regulations, common law, and other law. City's indemnification and defense of Fire District herein is further limited by all defenses, burdens of proof, immunities, and limitations on damages to which City would be entitled if the claims were asserted against City.

SECTION 11 TERM/AMENDMENT/TERMINATION

- 11.1 Term:** This Agreement shall continue in force and effect perpetually from its execution date unless terminated as provided in this section.
- 11.2 Amendment:** An amendment may be proposed by either Party or as a result of an update of the Capital Improvements Plan.
- 11.2.2** A proposed amendment must be in writing and include this entire Agreement as then existing and shall therein include a strike-through of any language to be deleted and underlining of any new language of the proposed Amendment.
- 11.2.3** A proposed Amendment shall contain a Statement of Purpose (which shall include a statement of how the Parties will be affected by the Amendment), the Party to contact for information and the Amended and Reformed Agreement text, and be accompanied by any accompanying proposed amendment of the Ordinance.
- 11.2.4** The proposing Party shall also prepare and submit to the other Party the proposed Amendment as above stated together with an Amended and Reformed Agreement form in the event the proposed Amendment is approved.
- 11.2.5** An approved amended and restated Agreement shall be executed by the City Council and the Fire District's Board of Commissioners.
- 11.3 Termination:** This Agreement may only be terminated in accordance with the following process:
- 11.3.1** Either party may propose a termination and the same may be terminated upon mutual agreement of the Parties or by one of the Parties, subject to six (6) months prior notice, all in accordance with the provisions of this section.
- 11.3.2** A proposed termination shall contain a Statement of the Reasons (which shall

include a statement of how the Parties will be affected by the termination.) Any proposal to terminate the Agreement must also include the proposal regarding the repeal of the Ordinance.

- 11.3.3** No termination of this Agreement or repeal of the Ordinance can be retroactive, and the Agreement and Ordinance shall remain in effect regarding any active accounts in the Capital Projects Fund.

SECTION 12 EFFECTIVE DATE

- 12.1** This Agreement is effective simultaneously with the effective date of the Ordinance.

SECTION 13 GENERAL PROVISIONS

- 13.1 Third Party Beneficiaries:** Each Party to this Agreement intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any person or legal entity other than the Parties hereto and/or a Developer or Fee Payer affected by the Ordinance or the Agreement.
- 13.2 Severability:** Should any term or provision of this Agreement or the application thereof to any person, parties, or circumstances, for any reason be declared illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement, and this Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.
- 13.3 Counterparts:** This Agreement shall be executed by the Parties in two (2) counterparts, and each such counterpart shall be deemed an "original."
- 13.4 Captions:** The subject headings of the paragraphs and subparagraphs of this Agreement are included for purposes of convenience only and shall not affect the construction or interpretation of any of its provisions.
- 13.5 Choice of Law:** This Agreement shall be governed and interpreted by the laws of the state of Idaho.
- 13.6 Assignment:** No Party may assign this Agreement or any interest therein.

IN WITNESS WHEREOF, the undersigned Parties have by action and/or authority of their Governing Bodies caused this Agreement to be executed and made it effective as hereinabove provided, this _____ day of _____, 2023.

DATED AND SIGNED this _____ day of _____, 2023.

CITY OF McCALL

By: _____
Robert S. Giles, *Mayor*

ATTEST:

By: _____
BessieJo Wagner, *City Clerk*
By: City Council Resolution No. _____

DATED AND SIGNED this _____ day of _____, 2023.

McCALL FIRE PROTECTION DISTRICT

By: _____
Sadie Noah, *Chairwoman/Commissioner*

ATTEST:

By: _____
Amanda Keaveny - *Fire District Office Administrator*
By: Fire District Resolution No. _____

APPENDIX 1

Notice of Contact Information Change

FROM: _____
 TO: _____
 DATE: _____

NOTICE IS HEREBY GIVEN, pursuant to Section ____ of the **City of McCall/McCall Fire Protection District Intergovernmental Agreement and Joint Powers Agreement for the Collection and Expenditure of Development Impact Fees for Fire District Systems Improvements [Idaho Code § 67-8204A]**, dated _____, of the following *CHANGE IN CONTACT INFORMATION*:

New Contact Information is as follows:

Name/Entity: _____
 Address: _____
 Telephone: _____ Fax: _____
 Email: _____

Signature (Authorized Agent)
 Title: _____

Certificate of Service

I, the undersigned, hereby certify that on the _____ day of _____, 20____, a true and correct copy of the above and foregoing NOTICE OF CONTACT INFORMATION CHANGE was served upon the following by the method indicated below:

- | | |
|------------------------------|--|
| City <u>or</u> Fire District | <input type="checkbox"/> U.S. Mail |
| Address | <input type="checkbox"/> Hand Delivery |
| City, State ZIP | <input type="checkbox"/> Facsimile |
| | <input type="checkbox"/> Email |

 for City or Fire District

Acknowledgement of Receipt by:

Name/Signature: _____ Date: _____

ATTORNEY REPRESENTATION ADDENDUM

It is here in this section disclosed that Wm. F. Gigray, III is the attorney for the McCall Fire Protection District, and William F. Nichols and William L. Punkoney are the City Attorney for the City of McCall. Wm. F. Gigray, William F. Nichols and William L. Punkoney are shareholders and officers of the Firm of White, Peterson, Gigray & Nichols, P.A. Each Party has been advised that they may consult independent counsel to review this Agreement. Given the nature of this Agreement to affect a working relationship of the Parties for the establishment of development impact fees by the City of McCall for the McCall Fire Protection District pursuant to I.C. § 67-8204A, it has been affirmed by Wm. F. Gigray, III and William F. Nichols and William L. Punkoney that each of them believes that his respective representation in this matter will not adversely affect the relationship with the Parties to this Agreement and they both disclose that Rule 1.7-Conflict of Interest: General Rule of the Idaho Rules of Professional Conduct provides:

**RULE 1.7: CONFLICT OF INTEREST:
CURRENT CLIENTS**

- (a) Except as provided in paragraph (b), a lawyer shall not represent a client if the representation involves a concurrent conflict of interest. A concurrent conflict of interest exists if:
- (1) the representation of one client will be directly adverse to another client; or
 - (2) there is a significant risk that the representation of one or more clients will be materially limited by the lawyer's responsibilities to another client, a former client or a third person or by the personal interests of the lawyer, including family and domestic relationships.
- (b) Notwithstanding the existence of a concurrent conflict of interest under paragraph (a), a lawyer may represent a client if:
- (1) the lawyer reasonably believes that the lawyer will be able to provide competent and diligent representation to each affected client;
 - (2) the representation is not prohibited by law;
 - (3) the representation does not involve the assertion of a claim by one client against another client represented by the lawyer in the same litigation or other proceeding before a tribunal; and
 - (4) each affected client gives informed consent, confirmed in writing.

Dated: September 1, 2023

Dated: September , 2023

Dated: September , 2023



By: Wm. F. Gigray, III

By: Willaim F. Nichols

By: Willaim L. Punkoney

CONSENT TO REPRESENTATION

The City Council of the City of McCall and the Board of Commissioners of the McCall Fire Protection District have both been advised of these facts and acknowledge that they consent in writing to the continued representation of the McCall Fire Protection District by Wm. F. Gigray, III and the City of McCall by Willaim F. Nichols and Willaim L. Punkoney in the drafting and advice regarding this Agreement.

DATED AND SIGNED this ____ day of _____, 2023.

City of McCall

Bob Giles, Mayor
Attest:

BessieJo Wagner, City Clerk

DATED AND SIGNED this ____ day of _____, 2023.

McCall Fire Protection District

Sadie Noah, Chairperson
Attest:

_____, **Secretary**

**MCCALL FIRE PROTECTION DISTRICT
VALLEY COUNTY, STATE OF IDAHO**

RESOLUTION 2023-8

BY: _____

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE MCCALL
FIRE PROTECTION DISTRICT:**

- **Making Findings and Statement of Intent and Purpose; and**
- **Including the City of McCall Fire District Impact Fee Ordinance and the Intergovernmental Agreement by and between the Fire District and the City of McCall; and**
- **Amending the McCall Fire Protection District Policy Code by the addition thereto of a new Title 24 providing for the District Administration City of McCall Fire District Impact Fees; and**
- **Amending Title 5 of the McCall Fire Protection District Policy Code by the addition of a new Chapter 9 providing for the appointment of District Administrator; and**
- **Amending Chapter 3 of Title 8 of the McCall Fire Protection District Policy Code by the addition of a new section 5 providing for the annual audit of the Capital Projects Fund; and**
- **Directing the District Secretary and Attorney; and**
- **Setting an effective date.**

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the McCall Fire Protection District, Valley County, Idaho:

Section 1: Amending the McCall Fire Protection District Policy Code by the addition of a new Title 24 Fire District Impact Fee Policies.

- 1.1** That the McCall Fire Protection District Policy Code be amended by the addition thereto of a new Title 24 to read as follows:

**TITLE 24
FIRE DISTRICT IMPACT FEE POLICIES
Title 24 - Chapter 1**

City of McCall Fire District Development Impact Fees

- 24.1.1 Findings, Intent and Purpose:** The Board of Commissioners makes these findings, statement of intent and purpose for the approval and enactment of this Resolution, to wit:

- 24.1.1.1** The Board of Commissioners is the governing board of this Fire District organized and existing by virtue of Chapter 14 of Title 31 Idaho Code.
- 24.1.1.2** The Board of Commissioners of the McCall Fire Protection District has the following discretionary powers, as provided in Idaho Code Section 31-1417(5), to manage and conduct the business and affairs of the Fire District which include, among others, *“To adopt such rules and resolutions as may be necessary to carry out their duties and responsibilities”*.
- 24.1.1.3** The Board seeks to formalize these findings by including them in the District’s Policy Code as Chapter 1 of Title 24.
- 24.1.1.4** The Fire District’s duty and responsibility is to provide protection of property against fire and the preservation of life, and enforcement of any of the fire codes and other rules that are adopted by the state fire marshal; and
- 24.1.1.5** The Fire District’s boundaries include all areas within the City limits of the City of McCall (the “City”) and areas surrounding the City; and
- 24.1.1.6** The City and the Fire District are experiencing and are affected by considerable growth and development; and
- 24.1.1.7** The City is a governmental entity as defined in the Idaho Development Impact Fee Act codified at Chapter 82 of Title 67 Idaho Code (the “Act”) at Idaho Code Section 67-8203(14) and, as provided at Idaho Code Section 67-8202(5), has ordinance authority to adopt a development impact fee ordinance, whereas this Fire District does not have ordinance authority and cannot adopt a development impact fee ordinance; and
- 24.1.1.8** Idaho Code Section 67-8204A, provides that a city, when affected by development, has the authority to enter into an intergovernmental agreement with a fire district for the purpose of agreeing to collect and expend development impact fees for payment of Fire District System Improvements costs incurred within the city; and
- 24.1.1.9** The purposes of the Idaho Development Impact Fee Act at Chapter 82 of Title 67 Idaho Code (the “Act”) as set forth in [I.C. § 67-8202] are as follows:
- Ensure that adequate public facilities are available to serve new growth and development; and
 - Promote orderly growth and development by establishing uniform standards by which local governments may require those who benefit from new growth and development pay [development impact fees] their proportionate share of the costs of new public facilities needed

to serve that new growth and development; and

- Establish minimum standards for and authorize cities to adopt impact fee ordinances.

24.1.1.10 The City Council of the City of McCall (the “City Council”) has established and appointed, pursuant to McCall City Code § 1.10.4 and Idaho Code § 67-8205, the City of McCall Development Impact Fee Standing Advisory Committee (the “McCall Advisory Committee”); and

24.1.1.11 The McCall Advisory Committee has prepared a Capital Improvements Plan, as provided in Idaho Code Sections 67-8205 and 67-8206(2), and recommended the same to the Board of Commissioners of the Fire District and the City Council of the City as a basis for the adoption of a development impact fee ordinance establishing, collecting and expending Fire District impact fees; and

24.1.1.12 Prior to the adoption of the Capital Improvements Plan, the City Council and the Board of Commissioners each, in accordance with Idaho Code Section 67-8206(3), published notice, and held public hearings; and

24.1.1.13 The City and the Fire District have, pursuant to I.C. § 67-8204A entered into the *City of McCall/McCall Fire Protection District Intergovernmental Agreement and Joint Powers Agreement for the Collection and Expenditure of Development Impact Fees for Fire District System Improvements* (the “Agreement”) in order to implement and facilitate the City Council’s enactment of Ordinance No. _____, which is codified as Title 10 McCall City Code (the “Ordinance”), which is intended to provide for the establishment, collection and expenditure of development impact fees for the Fire District; and

24.1.1.14 The Ordinance was drafted in accordance with the Capital Improvements Plan and the provisions of Idaho Code Section 67-8204 and adopted by the City Council; and

24.1.1.15 The Ordinance and the Agreement require that the Board of Commissioners establish and maintain the *Fire District Development Impact Fee Capital Projects Trust Fund* (the “McCall Trust Fund”) in order to receive, account for, maintain and expend McCall Fire District Development Impact Fees collected pursuant to the Ordinance and the Agreement; and

24.1.1.16 The Ordinance and the Agreement require that the Board of Commissioners establish and maintain a Fire District agency position of *District Administrator* to facilitate the Fire District performance of the Ordinance and the Agreement; and

24.1.1.17 It is the intention of the Board of Commissioners by the adoption of this Resolution to comply with its duty and responsibilities under the Ordinance and the Agreement.

Title 24 - Chapter 2

City of McCall / Fire District Development Impact Fee Ordinance and the Intergovernmental Agreement

- 24.2.1** In order to impose, collect and expend Fire District Impact Fees within the City, pursuant to the laws of the state of Idaho as set forth in Chapter 1 of Title 24, the City has enacted the “McCall Fire Protection District Development Impact Fee Ordinance” codified as Title 10 of the McCall City Code (the “Ordinance”).
- 24.2.2** Additionally in order to impose, collect and expend Fire District Impact Fees within the City, the City and this Fire District have entered into the Agreement.
- 24.2.3** This Fire District, pursuant to the Agreement, is required to abide by the terms and conditions required of it as set forth in the Ordinance and as set forth in the Agreement.

Title 24 - Chapter 3

Fire District Development Impact Fee Capital Trust Fund

- 24.3.1 Trust Fund Established:** *The Fire District Development Impact Fee Capital Projects Trust Fund* (the “Capital Projects Fund”) is hereby established as a custodial holding fund of the Fire District into which are deposited, maintained and expended Fire District Impact Fees which were collected pursuant to the Ordinance and the Agreement.
- 24.3.2 Trust Fund not District Funds:** Funds which are part of and accounted for by the Fire District as accounts of the Capital Projects Fund are not Fire District funds and not a part of the Fire District budget or the financial statement of Fire District funds, but are held in trust in accordance with the terms and conditions of the Ordinance and the Agreement and subject to appropriation and expenditure by the Fire District as provided by the Ordinance and Agreement.
- 24.3.3 Trust Fund Administration:** The District Administrator administers the Capital Projects Fund in accordance with the following:
- 24.3.3.1** The Capital Projects Fund shall be divided into separate accounts, one for each Fire District Impact Fee collected.
 - 24.3.3.2** Each separate account established for each collected and transferred Impact Fee shall be designated by the year, month and date the Impact Fee was collected by the City, the name of the fee payer, and the identification of the real property which is the subject of the collection of the Impact Fee including the name of the subdivision, the lot number and the block number or the

Valley County Assessor parcel number (i.e. 23/7/1- Smith – _____ View Subdivision No. 1, Lot ____, Block ____ or Valley County Parcel No. _____).

24.3.3.3 Each separate account shall be additionally designated, in the event it was paid under protest (i.e. UP) or is the subject of a claim for refund or reimbursement (i.e. CR).

24.3.3.4 All funds in all accounts in the Capital Projects Fund shall be maintained in an interest-bearing account. The interest earned on each Account pursuant to IC § 67-8210(1) shall not be governed by IC § 57-127, as amended, but shall be considered funds of the Account and shall be subject to the same restrictions on uses of funds as the Fire District Impact Fees on which the interest is generated.

24.3.3.5 *First-in/First-out.* All funds in each account shall be spent in the order collected, on a first-in/first-out (FIFO) basis.

24.3.3.6 Accurate financial records shall be maintained and kept for each account that shall show the source and disbursement of all revenues, that shall account for all monies received, that shall ensure that the disbursement of funds from each account shall be used solely and exclusively for the provisions of projects specified in the Capital Improvements Plan, and that shall provide an annual accounting for each Capital Projects Fund account showing the source and amount of all funds collected and the projects that were funded.

24.3.4 Expenditures from the Capital Projects Fund: The expenditure of Fire District Development Impact Fees collected and deposited to the Capital Projects Fund shall be subject to approval by the Board of Commissioners and made in accordance with the following:

24.3.4.1 Accounts which are the subject of a Fee Payer protest or a claim for refund or reimbursement, or Accounts in which the payment was based upon miscalculation shall not be expended until resolution of the protest, claim, or miscalculation. Expenditures shall thereafter be made in accordance with the final action on the protest, claim, or miscalculation.

24.3.4.2 Accounts are subject to a refund in the event the Fire District fails to commence construction of or purchase System Improvements for which the Fire District Impact Fee was imposed in accordance with the Ordinance, or to appropriate funds for such construction or purchase, within eight (8) years after the date on which such fee was collected by the Fire District. The Fire District may hold Fire District Impact Fee for longer than eight (8) years if the Fire District identifies in writing and in written notice to the owner of record of the parcel: (a) a reasonable cause why the fees should be held

longer than eight (8) years; and (b) an anticipated date by which the fees will be expended, but in no event greater than eleven (11) years from the date they were collected. If the Fire District complies with the previous sentence, then any McCall Fire District Development Impact Fees so identified shall be refunded to the Fee Payer if the Fire District has failed to commence construction of System Improvements in accordance with the written notice, or to Appropriate Funds for such construction on or before the date identified in such writing.

24.3.4.2.1 Any refund due from these accounts shall be paid to the then owner of record of the parcel for which the Fire District Impact Fee was paid.

24.3.4.3 In accordance with the First-In/First-Out (FIFO) basis, above stated, expenditures shall be made from accounts in payment to the Fire District for System Improvements Costs incurred by the Fire District for the category of System Improvements within or for the benefit of the Service Area within the City which were Capital Improvements Costs to create additional improvements to serve new growth.

24.3.4.4 For each account a surcharge shall be imposed for the collection of Fire District Impact Fees, as identified in the Capital Improvements Plan, which surcharge does not exceed the Development's Proportionate Share of the cost of preparing the Capital Improvements Plan.

Title 24 - Chapter 4

Fire District Budget Process for Expenditure of City of McCall Fire District Development Impact Fee Capital Projects Funds

24.4.1 In the event the Fire District intends to commence construction of System Improvements which are the subject of the Capital Improvements Plan and the Ordinance and the Fire District intends to use funds held in the Capital Projects Fund to pay System Improvement Costs, it shall include in the fiscal year budget, as a separated income line item and expense appropriation, the anticipated amount of Trust Funds intended to be used for such construction.

Section 2: Amending Title 5 and Adding a new Chapter 9 of the McCall Fire Protection District Policy Code to read as follows:

Title 5 - Chapter 9

District Administrator

5.9.1 There is herein established the office of District Administrator, who shall be appointed by the Board of Commissioners at its first meeting in January and who shall perform the functions and duties of the office as provided in the *City of McCall/McCall Fire Protection District Intergovernmental Agreement and Joint Powers Agreement for the Collection and Expenditure of Development Impact Fees for Fire District Systems Improvements* (the “Agreement”) in order implement and facilitate the City Council’s enactment of Ordinance No. _____, which is codified as Title 10 McCall City Code (the “Ordinance”).

Section 3: Amending Chapter 3 of Title 8 of the McCall Fire Protection District Policy Code by the addition thereto of a new section 5 – Capital Projects Fund Audit, to read as follows:

8.3.5 Capital Projects Fund Audit: As part of the Fire District’s annual audit process, it shall prepare an annual report: (a) describing the amount of all McCall Fire District Development Impact Fees collected, appropriated or spent during the preceding year by category of Public Facility; and (b) describing the percentage of taxes and revenues from sources other than the McCall Fire District Development Impact Fees collected, appropriated or spent for System Improvements during the preceding fiscal year by Systems Improvements category of District Capital Facilities.

Section 4: Directing the District Secretary

- 4.1 The District Secretary is hereby directed to retain this resolution in the official records of the District and to certify a copy thereof and deliver the same to the City Clerk of the City of McCall; and
- 4.2 The Fire District Attorney is hereby directed to include the changes in the McCall Fire Protection District Policy Code herein enacted and provide to the Fire District Secretary a clean and final version of the McCall Fire Protection District Policy Code as is herein adopted in both paper and electronic versions; and
- 4.3 The Fire District Secretary is herein directed to provide an electronic or paper copy of the McCall Fire Protection District Policy Code to the Commissioners, the Fire Chief, the Treasurer, Attorney and any personnel of this Fire District who request it and to make said Policy Code available to all personnel.

Section 5: Effective Date

- 5.1 This resolution shall be in full force and effect after its passage and approval.

PASSED BY THE BOARD OF COMMISSIONERS by the Board of Commissioners of the McCall Fire Protection District this ____ day of _____, 2023.

Jeremy Olson, Commissioner Subdistrict No. 1

Sadie Noah, Chairman/Commissioner, Subdistrict No. 2

Nicholas Erektion, Commissioner Subdistrict No. 3

ATTEST:

Amanda Keaveny, District Secretary

