

MAILING ADDRESS:
City Hall
150 City Park Way
Brentwood, CA 94513
Phone: 925.516.5400
Fax: 925.516.5401
www.brentwoodca.gov

CITY MANAGER
150 City Park Way
Phone: 925.516.5440
Fax: 925.516.5441

COMMUNITY DEVELOPMENT
150 City Park Way
Phone: 925.516.5405
Fax: 925.516.5407

**FINANCE AND
INFORMATION SYSTEMS**
150 City Park Way
Phone: 925.516.5460
Fax: 925.516.5401

HUMAN RESOURCES
150 City Park Way
Phone: 925.516.5191
Fax: 925.516.5446

PARKS AND RECREATION
150 City Park Way
Phone: 925.516.5444
Fax: 925.516.5445

POLICE
9100 Brentwood Boulevard
Phone: 925.634.6911
24 Hr. Dispatch: 925.778.2441
Fax: 925.809.7799

**PUBLIC WORKS
Engineering Division**
150 City Park Way
Phone: 925.516.5420
Fax: 925.516.5421

Operations Division
2201 Elkins Way
Phone: 925.516.6000
Fax: 925.516.6001

August 9, 2017

The Honorable John T. Laettner
Judges of the Superior Court of Contra Costa County
A.F. Bray Court House, Department 25
1020 Ward Street
Martinez, CA 94553

Mr. Jim Mellander
Contra Costa County Civil Grand Jury Foreperson
725 Court Street
P.O. Box 431
Martinez, CA 94553-0091

Dear Judge Laettner:

This letter is in response to the questions asked in Grand Jury Report No. 1706, "Funding the East Contra Costa Fire Protection District," released on June 9, 2017. In accordance with Section 933.05, of the California Penal Code, the City provides the attached required responses to Findings 8-10 and Recommendations 6 and 8 as identified in the Grand Jury Report.

Please feel free to contact me at 925.516.5440 should you need additional information.

Sincerely,

Gustavo "Gus" Vina
City Manager

cc: Honorable Mayor and City Council of the City of Brentwood
Damien Brower, City Attorney

City of Brentwood's Required Responses to Grand Jury Findings
(Grand Jury Report No. 1706, "Funding the East Contra Costa Fire Protection District")

Grand Jury Finding #8

The City has collected impact fees that have been earmarked for ECCFPD to use for capital improvements.

City Response: The City partially disagrees with the finding. While fire development impact fees have been earmarked for fire capital improvements, the spending of those funds has not been earmarked specifically for the East Contra Costa Fire Protection District (ECCFPD). For example, the City has historically constructed fire stations using impact fee funds, from which ECCFPD then provides fire services.

Grand Jury Finding #9

The City has unallocated Community Facility Funds.

City Response: The City partially disagrees with the finding. The City of Brentwood has Community Facility Development Impact Fee Funds (CFDIF funds) and Community Facility District Funds (CFD funds). CFDIF funds are development impact fee funds and are a one-time source of revenue used to mitigate the impacts that new development has on the City's infrastructure. CFD funds provide an annual revenue source from new development to fund authorized improvements and services in the City.

For purposes of this response, the City believes that Grand Jury Finding #9 refers to CFD funds. Due to residential growth which exceeded previous forecasts, the City now receives additional community facility district funds above the level that had previously been incorporated into the City's 10 year General Fund Fiscal Model. This additional revenue (the difference between previous projections and current revenue) has recently been made available for fire protection services as "unallocated" revenue by the City Council. This additional revenue is restricted for the allowable uses of the community facilities districts and appropriated by the City Council. All future community facility district revenue will be allocated towards these allowable uses. It should be noted that the "unallocated" revenue totaled approximately \$1 million on an annual basis, while the cost to operate a City fire department is estimated to cost over \$16 million per year.

If it was the Grand Jury's conclusion that the City has unallocated CFDIF funds, then the City would disagree with this conclusion, as all development impact fee funds are supported by fee studies which document the infrastructure needs of the City through build-out for which the funds are being accumulated.

Grand Jury Finding #10

The City does not always require that developers of residential and commercial properties establish Community Facility Districts.

City Response: The City disagrees with the finding. The establishment of, or annexation into, a Community Facility Districts is a Standard Condition of Approval for all City development entitlement.

City of Brentwood's Required Responses to Grand Jury Recommendations

Grand Jury Recommendation #6: The City should consider adopting a policy to collect impact fees from all developers of residential and commercial properties to fund capital improvements that will be needed to open future stations.

City Response: This recommendation has been implemented. The City has a comprehensive development impact fee program to collect fees from all developers of residential and commercial properties to fund capital improvements, including future fire stations located in the City.

Grand Jury Recommendation #8: The City should consider adopting a policy to enter agreements with all developers to establish Community Facility Districts to provide operating revenue for ECCFPD.

City Response: This recommendation will not be implemented because it is not warranted. Current estimates indicate that the annual cost to run a City fire department are \$16 million to \$17 million. Currently the CFDs generate less than \$5 million annually for public safety purposes. To raise \$17 million annually in on-going revenue through CFDs is not reasonable. Furthermore, through the existing property tax allocation process the residents of Brentwood already provide an estimated \$5.0 million to ECCFPD. As long as the ECCFPD exists and is receiving this allocation from Brentwood taxpayers it seems unfair to double tax the residents for fire services. The funding issue rests with the fire district which has the responsibility of providing fire and medical response to the City of Brentwood, City of Oakley and portions of the unincorporated areas.