

"Placerville, a Unique Historical Past Forging into a Golden Future"



City Managers Report

December 12, 2017, City Council Meeting

Prepared By: Steve Youel, Director of Community Services

Item#: 12.1

Subject: Review the results of the Preliminary Park Impact Fee Nexus Study and Preliminary Quimby Land Dedication and In-Lieu Fee Study and provide direction to staff in how to proceed with the proposed park impact fees.

Discussion: In conjunction with the Parks and Recreation Facilities Master Plan (Master Plan) prepared by Foothill Associates, SCI Consulting Group has prepared two preliminary studies to establish the legal and policy basis for imposing new parkland dedication requirements and fees on new residential development to fund new residential development's fair share of the cost of the park and recreational facility projects identified in the Master Plan and consistent the City's General Plan.

The Park Impact Fee Nexus Study (Nexus Study) establishes the legal and policy basis for the imposition of updated park impact fees (fees) on new residential development within the City (see Attachment A). The City uses these fees to fund new or expanded park facilities to meet increased demand for programs and services. In order to update the City's park impact fee, the Nexus Study demonstrates that a reasonable relationship or "nexus" exists between new development that occurs within the City and the need for new or expanding park and recreational facilities as a result of new residential development. More specifically, the Nexus Study presents findings in order to meet the substantive requirements of the Mitigation Fee Act, also known as AB 1600, which are as follows:

- Identify the purpose of the fee.
- Identify the use to which the fee is to be put.
- Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed (benefit relationship).
- Determine how there is a reasonable relationship between the need for the park facilities and the type of development project on which the fee is imposed (impact relationship).

The California Government Code contains specific enabling legislation for the dedication of land or fees in-lieu of land dedication for neighborhood and community parks by a

city, county or special district. This legislation, codified as Government Code § 66477 and known commonly as the Quimby Act, also establishes the criteria for determination the land dedication requirement and in-lieu fee based on specific park standards. This Quimby Dedication Requirement and In-Lieu Fee Study (Quimby Study) will determine the City's maximum allowable parkland dedication requirement and in-lieu fee (see Attachment B). The Quimby Study also makes specific recommendations for the establishment of a City Quimby program.

A similar overview was presented before the City of Placerville Recreation and Parks and Planning Commissions at a joint meeting held on November 7, 2017. During the Commission's review, it was recognized that there may be a concern raised by the development community relative to the level of fees and certain components of the draft studies. Although the general consensus of the Commissions was to establish the fees as presented (see Figure 1) it was suggested to explore phasing in the fees over time and conducting additional stakeholder outreach.

FIGURE 1 – MAXIMUM PARK IMPACT FEE SCHEDULE

Land Use Category	Maximum Park Impact Fee
	Per Dwelling Unit
Single-Family Detached Housing	\$8,562
Single-Family Attached Housing	\$7,348
Multi-Family Residential Housing	\$8,326
Mobile Homes	\$8,225
Accessory Dwelling Units	\$3,371

Tonight, SCI Consulting Group will provide an overview of both funding mechanisms and their preliminary findings and recommendations including preliminary fees. No action is required by the Council at this time although comment received from tonight's meeting will be used to draft the enabling ordinances and resolutions necessary to establish the new fees. Following tonight's discussion, Staff intends to notify the development community of its intent and prepare documentation for the first reading of ordinances to be held after the first of the year.

Cost: There is no anticipated cost associated with tonight's action.

Options:

1. Provide direction to staff in how to proceed with the proposed park development fees.

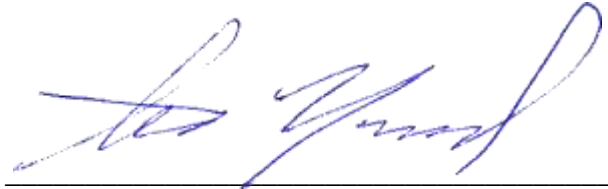
2. Do nothing.

Budget Impact: Because there is no anticipated cost with tonight's action, there is no associated budget impact.

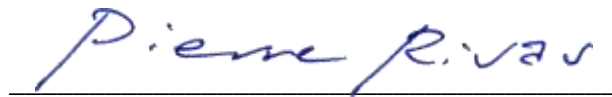
Recommendation: Review the results of the Preliminary Park Impact Fee Nexus Study and Preliminary Quimby Land Dedication and In-Lieu Fee Study and provide direction to staff in how to proceed with the proposed park impact fees.



M. Cleve Morris, City Manager



Steve Youel, Director of Community Services



Pierre Rivas, Director of Development Services

Attachment A - Draft Park Impact Fee Nexus Study

Attachment B - Draft Quimby Dedication Requirement and In-Lieu Fee Study