



**CITY OF SALINAS
COUNCIL STAFF REPORT**

DATE: NOVEMBER 17, 2020
DEPARTMENT: FINANCE
FROM: MATT N. PRESSEY, CPA, FINANCE DIRECTOR
TITLE: CENTRAL AREA PARK IMPACT FEE UPDATE

RECOMMENDED MOTION:

A motion to approve a resolution to update the park impact fee schedule.

RECOMMENDATION:

Staff recommends that the City Council approve the resolution to update the park impact fee schedule.

EXECUTIVE SUMMARY:

As part of the future growth area development, an update to the park fee was needed to ensure that enough funds would be collected to fund the necessary parks to meet the City's current park standards. The City hired Willdan to conduct a park impact fee update study. The study results in an updated schedule of park impact fees. One of the park fees is unique to the Central Area Specific Plan (CASP). The CASP developers assisted with the development of this unique fee in the park fee schedule. To stay on schedule with the approval of the CASP and a developer agreement with the CASP developers, staff is bringing the unique CASP park fee forward as an update to the park fee schedule. The remaining park fees updated from the study will come back at a future City Council meeting for approval.

BACKGROUND:

On December 5, 2018, the City release a request for proposal (RFP) for a park impact fee nexus study update. The City received 5 responses to the RFP. A review committee ranked Willdan as the top firm. The scope of the study included updating the City's park fee including coming up with a unique park fees for the CASP, West Area Specific Plan (WASP), and City-wide.

DISCUSSION:

California Government Code Sections 66000-66008, also known as the Mitigation Fee Act, provides local jurisdictions the authority to impose fees as a condition of approval of a development project to defray all or a portion of the cost of public facilities related to the project.

The Mitigation Fee Act broadly defines public facilities to include public improvements, public services, and community amenities. Although not specifically addressed in the Act, other provisions of the Government Code prohibit the use of impact fees for maintenance or operating costs. The Act also contains specific requirements for establishing, increasing, and imposing impact fees, as well as for the collection and expenditure of those fees, and required annual reporting and periodic re-evaluation of the fee program.

Attached to this staff report is the park impact fee update study report. City staff worked in collaboration with the CASP developers in reviewing and finalizing the study. The fee for the CASP will only be charged to the CASP developers and will be enough to cover the costs of all the parks planned for the CASP in accordance with the City’s current park standards that were updated in the two years ago.

Staff presented the study to the Library and Community Services Commission and Chamber of Commerce. The City Council approved the WASP Park Fees a year ago on December 3, 2019.

CEQA CONSIDERATION:

The proposed actions are not projects as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines section 15378).

STRATEGIC PLAN INITIATIVE:

The updated park fee will impact all four of the City Council’s 2020-2023 Strategic Planning Goals:

1. Investment Strategies/Risk Management
2. New Revenue
3. Operational Efficiencies
4. Public Safety

DEPARTMENTAL COORDINATION:

The Finance Department worked close with the Library and Community Services, Public Works, City Attorney and the Community Development Departments.

FISCAL AND SUSTAINABILITY IMPACT:

There is no fiscal impact related to this item at this time. The park fee schedule is updated by adding the unique CASP fee:

Park Impact Fee Summary Table

Land Use	CASP*
Single Family	\$11,624
Multifamily	\$ 9,895

*Park fee unique to the Central Area Specific Plan (CASP)

ATTACHMENTS:

1. Resolution – CASP Park Impact Fee
2. Willdan’s Park Facilities Development Impact Fee Update Study