



## **CITY OF SALINAS**

### **COUNCIL STAFF REPORT**

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**DATE:** **DECEMBER 1, 2020**

**DEPARTMENT:** **FINANCE**

**FROM:** **MATT N. PRESSEY, CPA, FINANCE DIRECTOR**

**TITLE:** **CITYWIDE 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:**

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. City Council has previously approved the WASP (December 3, 2019) and CASP (November 17, 2020) park impact fees. The Citywide fee is now being brought forward separately as an update to the park fee schedule.

**BACKGROUND:**

On December 5, 2018, the City released a request for proposals (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 unique park fees for the Central Area Specific Plan (CASP), West Area Specific Plan (WASP), and Citywide.

**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. The Citywide park fee will be charged to new development as their fair-share of 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, Affordable Housing Technical Advisory Committee, and the Chamber of Commerce.

#### 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 Citywide fee:

#### Park Facilities Impact Fee Summary Table

<b>Land Use</b>	<b>Citywide Fee</b>	
	<b>Mitigatin</b>	<b>Quimby</b>
	<b>Fee</b>	<b>Act*</b>
Single Family	\$ 6,571	\$ 7,646
Multifamily	\$ 5,595	\$ 6,509

\*The Quimby Act Citywide fee only applies to land subdivisions.

**ATTACHMENTS:**

1. Resolution – Citywide Park Impact Fee
2. Willdan's Park Facilities Development Impact Fee Update Study