



BRION &amp; ASSOCIATES

## MEMORANDUM

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To: Brenda Harvey-Williams and Phyllis Hallowell, City of Pasadena, Department of Public Works

From: Joanne Brion, Brion & Associates and Michelle Nilsson, Nilsson Consulting

Subject: Final Draft Comparison of Park Impact Fees in Other Cities

Date: February 19, 2014

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At the request of the City of Pasadena, a study of park impact fees in twelve cities in Southern California and one city in Northern California (San Mateo) has been prepared by Brion & Associates. The study is part of the City's RIF nexus study update. The purpose of this review is to find out:

1. What park fees other cities are charging;
2. How they are levied (by type of unit, by bedroom, etc.);
3. How park fee revenues are spent; and
4. How successful the fee programs have been.

During the months of July, August, and September 2013, each of these cities was contacted by telephone or email. For those cities that responded, we requested that they provide more in-depth information through answering a questionnaire that was created for this effort (a copy of the questionnaire is in **Appendix A**). This memo is based on the telephone and email interviews and the questionnaire responses.

The following cities responded to the in-depth questionnaire:

- Arcadia
- Anaheim
- Burbank
- Culver City (partial)
- Irvine
- Long Beach (partial)
- Riverside
- Thousand Oaks
- Torrance

For some cities that did not respond to the survey, information was gathered online (Glendale, Los Angeles, Monrovia and San Mateo). An online search was also performed for studies with park fee data from other California cities, but no recent studies were found.

## **Background**

Most park fees fall into three categories: Quimby Act fees, Mitigation Fee Act (MFA) fees and Excise Taxes. Fees under the Quimby Act are based on local population and land values and a park standard per 1,000 residents. Fees under the MFA are normally based on a park standard per 1,000 residents as well, although the MFA does not explicitly require this. Many cities use Quimby Act fees to purchase land, and MFA fees to meet park development costs; some cities use MFA fees for both. An Excise Tax is normally charged on a per bedroom basis and was commonly used to fund parks prior to the adoption of the MFA (AB1600 in 1987). It is rarely used today, but is exempt from MFA requirements because it is a tax. The premise of the MFA is that new development should pay a share of new public facilities costs that is fair, not based on a higher standard of park facilities per resident than existing development, and does not address existing development's deficiencies. However, the law is interpreted and applied in many ways.

Quimby Act and MFA fees are generally much higher than excise taxes because 1) they are based on current land costs and park development costs, and 2) they must be updated periodically. Excise taxes are rarely modified because most were adopted before the MFA was implemented; most are a few hundred dollars per bedroom at most. Cities that use excise fees normally also use other means of funding park and recreation facilities.

## **Summary of Findings**

### ***What do other cities charge new development for parks?***

Fees varied greatly among the cities surveyed. Fees in cities like Torrance charge \$550 per unit tax is not comparable for this study because their fees are too low to significantly support parkland purchases and development costs. Fees in cities like Irvine and Thousand Oaks<sup>1</sup>, which have fees based on market land values, have fees that are higher than most. These are therefore more comparable to the fees charged by the City of Pasadena, which are also based on current land market values. Fees based on local land values have the potential to provide new parkland in a reasonable time frame. Per unit fee rates from the cities surveyed (excluding Burbank and Torrance) range from approximately \$5,000 to \$40,000 for a single family home, \$4,500 to \$21,000 per condominium unit, and \$3,000 to \$21,000 per apartment unit.

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<sup>1</sup> The Conejo Park and Recreation District charges Quimby Fees for the City of Thousand Oaks and surrounding areas but information received was specifically for Thousand Oaks.

Several cities, including Anaheim, Arcadia, Long Beach, and Riverside, charge higher fees than Burbank but lower fees than Irvine and Thousand Oaks. Most of these cities were satisfied with their park impact fee revenue and felt that their programs were successful. Some cities, like Anaheim, review their fee rates each year, but have not raised them because of backlash from the development community.

**Table 1** summarizes the fees charged by city and type of use and calculates an average fee for all the cities surveyed. Pasadena's current and proposed fees are compared to this average on a percent basis at the bottom of **Table 1**.

#### ***How do other cities levy park fees?***

Through our research on development impact fees for parks, cities charge fees through a variety of mechanisms, including the Quimby Act, the Mitigation Fee Act, and excise taxes. Fee amounts vary. Flat per-bedroom fees like those in cities like Burbank and Torrance generate very little funding. These do not represent a reasonable charge for park funding, and are not comparable to Pasadena's fee program. Cities with fees that are correlated to current land or market value are more comparable. Of the 13 cities surveyed, nine of them charge either Mitigation Fee Act or Quimby Act fees (Long Beach and Culver City did not state which method they use, but they are likely based on the Mitigation Fee Act or Quimby Act or both).

#### ***How do other cities spend revenues from park fee programs?***

While the survey did not produce detailed responses on this question, cities spend funds collected through park fees on capital improvements, land purchases, and the physical development of parkland as required.

#### ***How successful are other park fee programs?***

Cities that responded to this question felt that their fees were either successful or very successful. Those cities receiving large revenues from their park fees are able to upgrade current parks and recreational facilities and acquire additional parkland.

#### **Conclusion**

In conclusion, for the City of Pasadena to maintain its current high standard of parks and open space, it is justified and realistic to charge the allowed fee in order to be able to meet its plans and goals. The development community may complain about high fees, but it is the City Council's responsibility to determine at what point the fee might hinder projects, and to weigh the pros and cons of the potential outcomes of the fee. Staff will also make recommendations to the City Council on this issue as well. The City can charge a lower fee than the rate implied by the nexus study but it cannot charge a higher rate than that amount.

The average fees charged per single family home and per condominium/multi family apartment unit by city are shown below.<sup>2</sup> As shown, there is a lot of variation in the amount of fees charged. Many cities charge a separate fee for single family units versus multifamily units, which presume that single family units are larger and have more population than multifamily uses. Thus the single family fee rates are higher. Some cities charge a bedroom tax that does not vary by type of unit. In the case of Los Angeles, the fees are based on zoning and land value and the higher density fees are more than the single family rate. Pasadena has chosen to levy the fee based on a per bedroom rate, regardless of the type of unit and thus there is no difference between the two fees (assuming two bedrooms for an average single family home and two bedrooms for an average condominium unit).

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<sup>2</sup> Some cities have fixed fees; others calculate fees for each project based on current land values. This represents average fees for the cities that do not have fixed fees. Burbank and Torrance are not included in these graphs; their fees are not based on the Mitigation Fee Act or the Quimby Act, and they are low and not comparable to Pasadena's fees.

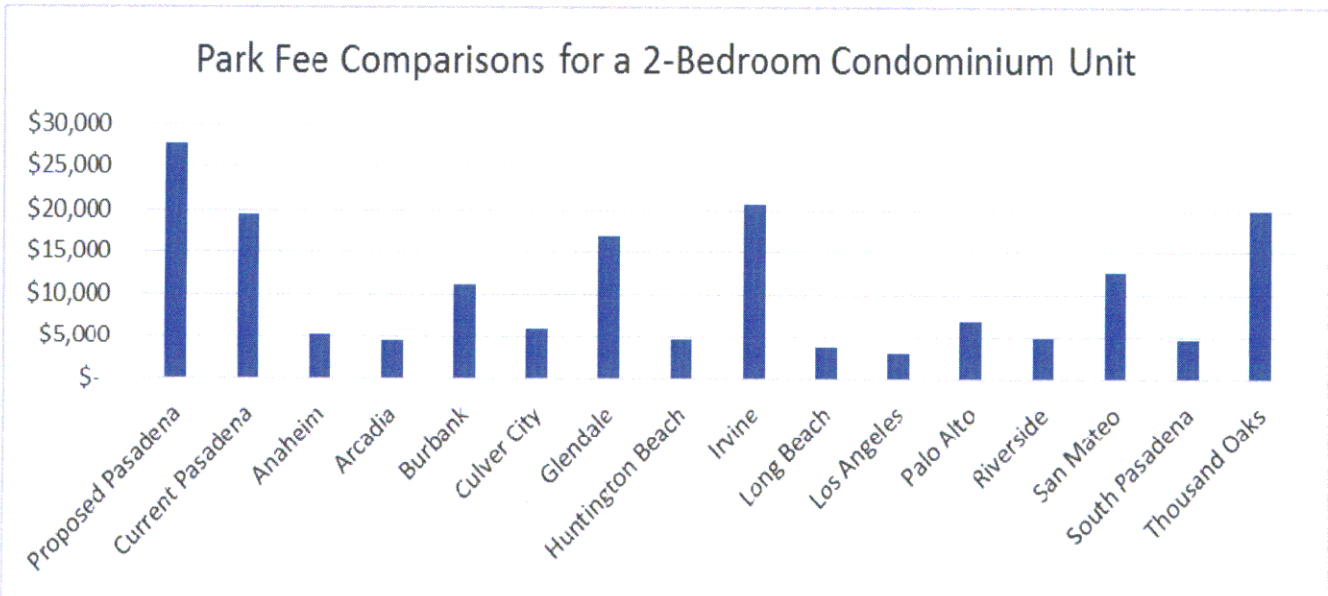
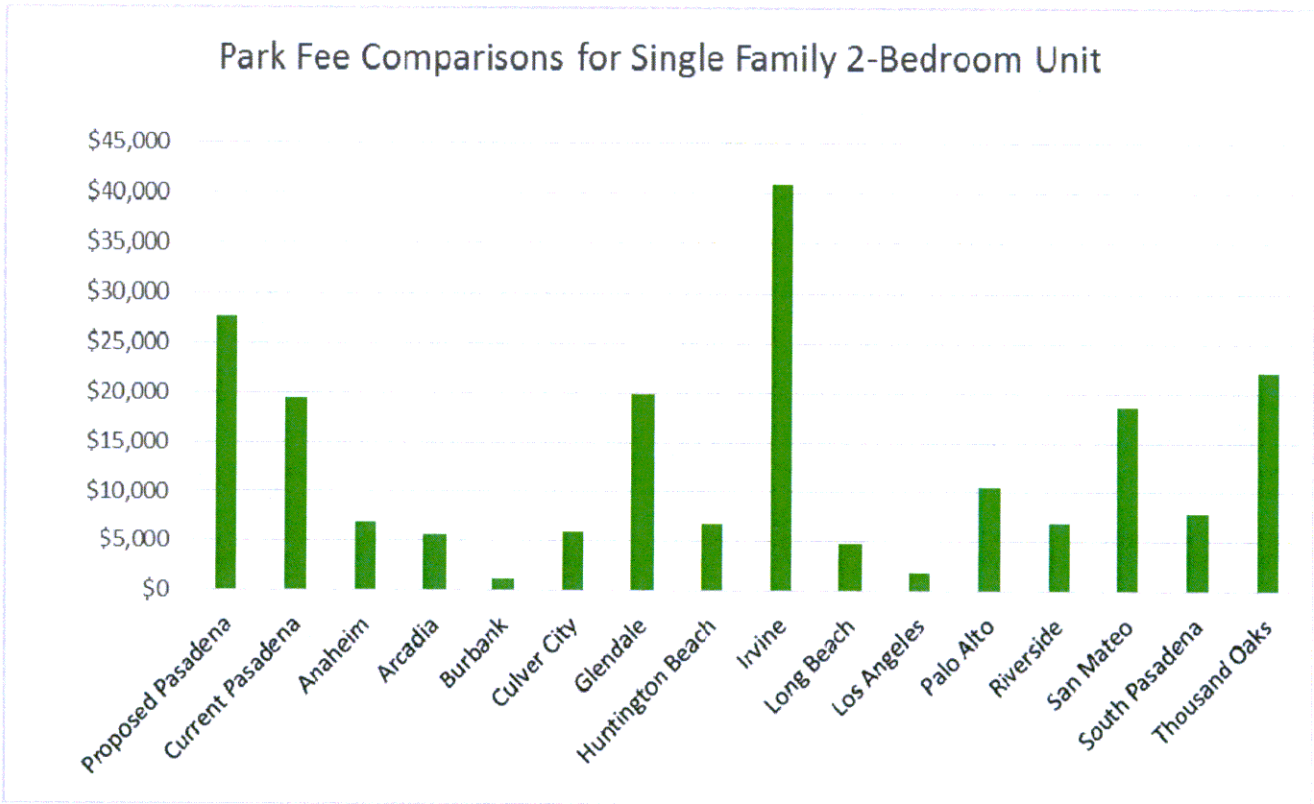
**Table 1**  
**Park Fee Comparisons for Three Prototype Projects**  
**City of Pasadena Park Fee Nexus Study - 2013 Update**

City Surveyed	Park and Open space per 1,000 residents	Estimated Fees (1)				% of New Pasadena Fee		
		For a Single Family Home (2 bedroom)	For Single Condominium (2 bedroom)	For 12 Condominiums	For 72 Apartments	For a Single Family Home	For 12 Condominiums	For 72 Apartments
Current Pasadena	3.66	\$19,478	\$19,478	\$233,733	\$1,402,399	71%	71%	71%
<b>Proposed Pasadena</b>	<b>4.62</b>	<b>\$27,583</b>	<b>\$27,583</b>	<b>\$330,997</b>	<b>\$1,985,984</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
Anaheim	2.00	\$6,936	\$5,388	\$64,658	\$389,432 (2)	25%	20%	20%
Arcadia	N/A	\$5,700	\$4,476	\$53,712	\$241,704 (3)	21%	16%	12%
Burbank	N/A	\$1,249	\$924	\$11,088	\$66,531 (4)	2%	2%	1%
Culver City*	3.00	\$6,000	\$6,000	\$72,000	\$432,000	22%	22%	22%
Glendale	3.00	\$19,883	\$17,080	\$204,960	\$1,229,760 (5)	72%	62%	62%
Irvine	10.00	\$40,960	\$20,800	\$249,600	\$1,497,600 (6)	148%	75%	75%
Long Beach	N/A	\$4,841	\$3,739	\$44,868	\$269,208	18%	14%	14%
Los Angeles	4.00	\$2,013	\$3,022	\$36,264	\$217,584 (7)	7%	11%	11%
Riverside	3.00	\$6,937	\$4,927	\$59,123	\$256,513 (8)	25%	18%	13%
San Mateo	2.00	\$18,563	\$12,659	\$151,908	\$911,448	67%	46%	46%
Thousand Oaks*	9.00	\$22,000	\$20,000	\$240,000	\$1,440,000	80%	73%	73%
Torrance	10.00	\$550	\$550	\$6,600	\$39,600	2%	2%	2%
Averages w/out Pasadena	5.11	\$11,303	\$8,297	\$99,565	\$582,615			
Current Pasadena as % of Av	72%	172%	235%	235%	241%			
New Pasadena as % of Avg.	90%	244%	332%	332%	341%			

\* Where land value is not known, it is assumed to be \$50 per sq ft (\$2,178,000 per acre) where a land value is required to calculate fees. This is for purposes of comparison only; actual values may differ considerably.

- (1) All types of housing assume 2 bedrooms per unit.
- (2) Assuming average land values of \$609,840 per acre and average park development cost of \$167,708 in Anaheim.
- (3) Arcadia fees are \$2.85/sqft for single family and \$3.73/sqft for multifamily. Here we assume single family homes of 2,000 sqft, condominiums of 1,200 sqft, and apartments of 900 sqft.
- (4) The City also has a Community Facilities Fee, which is \$2,402 for single family units, and \$1,777 for multi-family units. According to data provided by Glendale, the City splits this fee between parks at 52%, library at 35%, police at 11% and fire at 2%. Given that this fee is used for more than just parks we have only included 52% of these fee rates in the fee comparison.
- (5) Adopted by the Glendale City Council on January 28, 2014 and will become effective 60 days after this date.
- (6) Open space requirements for developments over 50 units are not available for Irvine, so here requirements for a 50-unit development are used.
- (7) Assumes fees for R1 zoning for single family unit and R3 zoning for condominium and apartments. Los Angeles charges per unit Quimby fees based on zoning.
- (8) This calculation includes Riverside's per-unit fee for local parks and aquatic facilities, plus their portion of regional park and trail fees. Regional and trail fees are based on a per gross acre calculation and for this table it is assumed that the average single family home is on 1/3 acre and condos and apartments are at 12 units/acre.

Sources: Brion & Associates; cities listed above.



## **Survey Results by City**

The following summarizes the park and recreation fees and other pertinent information by city surveyed.

### **Arcadia**

The City of Arcadia adopted a Mitigation Fee Act-based park impact fee 8 to 10 years ago. The City currently provides 2.38 acres per 1,000 residents, not including County facilities that are located in the City including the Arboretum, Arcadia Park, and golf course).<sup>3</sup> The current fee is \$2.85 per square foot for single-family homes and \$3.73 per square foot for multi-family apartment buildings. The fee totals approximately \$5,700 for a single-family home and \$4,800 per unit for condominiums.<sup>4</sup> Credit is given for existing square footage and the fee is only assessed on net new square footage. Because the city is built-out, most projects are remodels of existing homes. The City is not divided into districts. The fee has raised \$2.4 million since it was adopted. The City is currently working on a parks master plan,<sup>5</sup> and no major projects are planned until it is complete. In the meantime, funds have been spent only on capital replacement projects such as renovations, i.e., modernizing a gym and installing a generator. The most expensive project to date was under \$200,000.<sup>6</sup>

### **Anaheim**

The City of Anaheim adopted their Quimby Act-based park impact fee around 1968. The City has a park acreage requirement of 2.0 acres per 1,000 residents and has four districts based on their neighborhood councils – East, West, Central, and Platinum Triangle (which is in the South). Use of park fees must comply with the Quimby Act, so they are used only for land purchase and capital development, including enhancements and facilities at existing parks to increase the benefit of the park to the community. The fees are spent only in the district where they were generated.

Although some infill development opportunities remain in the City, currently the only area with substantial new development is the Platinum Triangle, a redevelopment area around Angel Stadium. The City reviews land cost and development fees every year, but they have not raised the park impact fee in many years, partially due to complaints from developers who feel fees are too high. Overall, the City feels that their fee program has been very successful.<sup>7</sup>

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<sup>3</sup> Per Dominic Lazzaretto, City Manager, City of Arcadia. Via email on January 21, 2014.

<sup>4</sup> Assuming a 2,000 sqft single family home and a 1,200 sqft condo.

<sup>5</sup> An RFP was sent out during the summer of 2013.

<sup>6</sup> Information provided by Ryan Wright, Assistant Director of Recreation and Community Services for the City of Arcadia, by phone on July 16, 2013.

<sup>7</sup> Information and responses to survey were provided by Pamela Galera, Principal Project Planner, Community Services Department, City of Anaheim, on July 30, 2013.

Anaheim's current fee rates are:

- Platinum Triangle residential unit: \$8,114.01
- Single family detached unit: \$6,936.46
- Single family attached unit: \$5,388.14
- Apartment unit (2 to 4 unit building): \$6,998.39
- Apartment unit (5 or more unit building): \$5,408.78
- Mobile home: \$4,149.49

### **Burbank**

The City has a Community Facilities Fee, which is \$2,402 for single family units and \$1,777 for multi-family units. According to data provided by Glendale, the City splits this fee between parks at 52%, library at 35%, police at 11% and fire at 2%. Given that this fee is used for more than just parks we have only included 52% of these fee rates in the fee comparison.<sup>8</sup>

City staff responding to the questionnaire believes that approximately 20.15 new acres of parkland have been added since 1987, but much of this was funded through grants and Redevelopment financing. Overall, there is very little development potential in Burbank aside from tearing down and rebuilding. There are some opportunities for infill development. New bedrooms in existing homes are charged the fee. If someone tears down a home and rebuilds, no credit is given for what was on the property before. If they build a new 3-bedroom house, they will be charged for three bedrooms.

The City does not have park districts, so funds are spent on parks citywide. The City's Open Space and Conservation Element established a citywide parkland level of service goal of 5.0 acres of improved parkland per 1,000 residents, although they have not reached this goal. It also established a requirement for new development of 3.0 acres of new parkland per 1,000 new residents, the maximum allowed to be charged under the Quimby Act if the City does not currently meet that standard. This is intended to correct existing parkland deficiencies as new development and redevelopment occur. The City does not currently have a formal policy to guide how funds are spent. Most recently, over \$2 million was used to expand a pool. Only about \$100,000 remains in the park fee fund currently.

The City has not had complaints from the development community about the fee. Staff feels that the program has been successful but that the fee structure could be more aggressive. Staff states that with the loss of state Redevelopment funding and grant funding becoming more

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<sup>8</sup> We are waiting to confirm these fee rates with Burbank staff and the funding splits as of February 12, 2014. The City of Burbank also has a park fee of \$150 per bedroom (defined as any room with a closet). The fee was adopted in 1987. No exceptions or in-lieu options are available and funds can only be spent on acquisition of new parkland or capacity-enhancing projects. It is not clear if this fee is still being levied.



difficult to secure, cities must be more creative in securing funds for parkland acquisition and development.<sup>9</sup>

### **Culver City**

Culver City has a Residential Development Park Dedication and In Lieu Parkland Fees ordinance. The Municipal Code is online but the actual fee rates are not. Based on a phone call with a city planner, the fee is based on a complicated formula and a 1993 land survey. The formula includes an average number of people by type of units. Single family homes are exempt from the fee; projects of two or more units are automatically subject to the fee. For example, in an R2 zone a lot with one unit where a second unit is added, the fee is calculated only for the new unit. However, if all structures on the lot were torn down and 4 new units were built, there would be no credit for units that were there before. For mixed-use projects, the fee is assessed only for the residential portion of the project. The fee ranges from approximately to \$6,000 to \$12,000 per unit.<sup>10</sup> The Parks Department collects fees and manages how they are spent.<sup>11</sup>

### **Glendale**

The City of Glendale has a Public Facilities Fee and a standard of 3.0 acres of parks per 1,000 residents, though it currently falls short of that standard. The Parks Mitigation Fee Fund saw a decrease of \$3.3 million as a result of fewer projects appropriated relative to last year.<sup>12</sup> As of January 2014, the City of Glendale is proposing a fee per single family residence of \$19,883 and a per multifamily unit fee of \$17,080. The City is also proposing park fees for commercial development. The recommended rates are \$6.04 per square foot of commercial, \$7.36 per square foot of office, and \$3.01 per square foot of industrial space. These park fees have been recommended but have not yet been adopted by the City Council.

### **Irvine**

Irvine has a park acreage standard per 1,000 residents of 5.0 regional park acres, 3.0 neighborhood park acres, and 2.0 community park acres. Neighborhood parks can be public or private (this decision is made by the Community Services Department and Planning Commission) and community parks are always public. Neighborhood parks must be within ½ mile of the development they are serving. Community parks are citywide parks. Developers may provide a larger park than required and save the credit for future projects.

The park fee is calculated by multiplying the number of proposed dwelling units by the acres per dwelling unit shown in the table below. The resulting acreage is multiplied by the fair

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<sup>9</sup> Information provided by Glen Williams, City of Burbank and Jonathan Frank, Administrative Officer with the City of Burbank's Park, Recreation, and Community Services Department, August 2013.

<sup>10</sup> An average of \$9,000 per unit for single family units is shown in the tables on Page 5 of this memorandum.

<sup>11</sup> Five messages were left with the Parks Department between July 18 and August 16 but no calls were returned. Staff who answered the phone did not know who managed the fee.

<sup>12</sup> June 25, 2013 Glendale City Council Meeting Agenda.

market value of the land being developed, which is estimated by a qualified appraiser.<sup>13</sup> Recent appraisals average \$3.2 million per acre.<sup>14</sup> Developers of new, affordable units for households of low and moderate income may reduce the dedication standard to 3.5 acres per 1,000 residents, upon review of the Community Services Commission and approval by the Planning Commission. This is distributed as follows: one and one-half acres to community parks and two acres to neighborhood parks.

The public/private distribution of neighborhood parkland is determined during approval of the park plan. Additionally, the units must be guaranteed affordable for a minimum of 10 years.

Dwelling Units per Net Acre	Average Persons per Dwelling Unit	Acres per Dwelling Unit
0 to 1.0	3.25*	0.0163*
1.1 to 6.5	2.94	0.0146
6.6. to 12.5	2.57	0.0128
12.6 to 31.0	2.29	0.0115
31.1 to 50.0	1.30	0.0065

### Long Beach

The City of Long Beach assesses a Park and Recreation Fee by type of unit. As of March 2013, the Park and Recreation Fees were:

- \$4,841 for a single family home
- \$3,739 for a multi-family unit (in a building of two or more dwelling units)
- \$1,869 for a loft or studio
- \$2,749 for a mobile home or manufactured housing

The opening balance of the park fund in fiscal year 2012 was \$985,463. Revenues were \$279,906 and expenditures were \$512,939, and the ending balance was \$752,430. Funds were used for improvements at existing parks, a new teen center, a new visitor center, and a park impact fees nexus study.<sup>15,16</sup>

### Los Angeles

The City of Los Angeles has a Quimby Act fee which ranges from \$2,013 (Zoning A, RA, RE, RS, R1, RU, RZ, RW1, and R2) to \$5,804 per unit (R5 zoning) depending on the zoning for the property being developed. These fee rates are effective as of March 2013. Most residential projects that request a subdivision or a zoning change are required to either dedicate land for

<sup>13</sup> No average land value was provided.

<sup>14</sup> Per a phone conversation with City Planner, Lena Weiss on September 25, 2013.

<sup>15</sup> Information received from the Planning Department which had information about assessing the fee but not from the Park Department which manages the fund.

<sup>16</sup> I have a contact in the finance department, who said he would respond to the survey during the month of August. I have followed up three times and not received any response.

recreation and parks purposes or pay an in-lieu fee (at the rates listed above). More detailed information can be found in the Los Angeles Municipal Code (Section 17.12H).

The City's long term goal is to provide 2.0 acres per 1,000 residents for neighborhood parks and 2.0 acres per 1,000 for community parks and 4.0 acres per 1,000 residents of combined neighborhood and community parks. However, the City does not currently meet this standard. Their short-term goal is to provide 2 acres of neighborhood and community parks combined per 1,000 residents.<sup>17</sup> Although the city falls under 3.0 acres per 1,000 residents, the Quimby Act Fee allows the City to charge for that standard.

The fee is administered by the Recreation and Parks (RAP) Planning and Construction Division, which plans park, open space and recreational facility acquisitions, development, improvement, and restoration.<sup>18</sup> Funds can only be used to acquire new parkland or fund capital improvements at existing recreational and park facilities that will serve residents of the new development. This means that expenditures on land and capital improvements are focused around the development that paid the fee. Fees cannot be used for staff operation and maintenance costs or for purchasing materials and supplies or to replace equipment. The Public Recreation Plan outlines the definitions of neighborhood and community parks. Further information is available at the City's Department of Recreation and Parks website.

### **Monrovia**

The City of Monrovia has an Open Space Tax, enacted in 2008 as Measure B, which was approved by 77% of voters. The tax is expected to generate about \$80,000 annually and \$10 million over 30 years for the acquisition and maintenance of parkland.<sup>19</sup>

### **Riverside**

The City of Riverside assesses a Mitigation Act parks fee, which funds parks, open space, trails, and aquatic centers. The City's goal is to provide 3.0 acres of parks per 1,000 residents, and it currently provides 2.75 acres per 1,000 residents. Park fee funds can only be used to acquire, develop and improve park facilities that benefit the development. The current Park Fee schedule was passed in March 2007 and is as follows (each development project is responsible for each of these fees):

- Regional/reserve park development fee: \$5,489 per gross residential acre
- Local fee: \$2,832 to \$4,646 depending on unit type
- Aquatic Fee \$280 to \$435 depending on unit type

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<sup>17</sup> City of Los Angeles Planning Department.  
[http://cityplanning.lacity.org/eir/NBC\\_Univplan/DEIR/files/IV.K.4%20Public%20Services%20-%20Parks%20&%20Rec.pdf](http://cityplanning.lacity.org/eir/NBC_Univplan/DEIR/files/IV.K.4%20Public%20Services%20-%20Parks%20&%20Rec.pdf)

<sup>18</sup> City of Los Angeles Department of Recreation and Parks website, <http://www.laparks.org/planning/quimby.htm>

<sup>19</sup> City of Monrovia, Hillside Wilderness Preserve and Hillside Recreation Area Environmental Impact Report and Resource Management Plan, February 7, 2012.

- Trail Fee: \$78 per gross residential acre

Revenue from park fees varies from year to year, but over the last few years it has recently averaged around \$2 million annually. Last year's revenues totaled approximately \$1,780,000.<sup>20</sup>

### **San Mateo**

The City of San Mateo, located on the peninsula of the San Francisco Bay Area, imposes a park fee on all new residential development. Any residential development that requires property to be merged or subdivided is given a choice between dedicating land for parks or paying a fee for the redevelopment of existing or development of new park and recreation facilities or for the purchase of parkland. All new residential units other than one-family detached dwellings or secondary units that do not involve a subdivision or merger are required to pay a Park Impact Fee for the same purposes.<sup>21</sup>

In addition to this Park In-Lieu / Impact Fee, there are two other applicable Park & Recreation fees: the Park & Recreation Plan Check and Inspection Fee and the Park & Recreation Tax. For projects subject to the Park Impact Fee or Park In-Lieu fee, the Park and Recreation Tax would be deducted from either fee or the Tax would not be required if either fee was paid first. The Park and Recreation Plan check fee is applicable for all projects over \$5,000. The fee is calculated at 0.005% of construction valuation.

All residential development is also subject to a Park and Recreation Tax of \$0.30 per \$100 construction valuation. For projects subject to the Park Impact Fee or Park In-Lieu fee, the Park and Recreation Tax would be deducted from either fee or the Tax would not be required if either fee was paid first.

The current fee rates as of September 2013 are:<sup>22</sup>

- Single-Family: \$13,878.00
- Multi-Family 2-4 Units: \$14,099.00
- Multi-Family 5+ Units: \$10,076.00
- Mobile Homes: \$20,340.00

Where private park and recreational facility space is provided in a development, and such space is held in common ownership and is to be privately owned and maintained, partial credit, not to exceed a maximum of 50%, may be allowed against the requirement of land dedication or payment of fees in-lieu thereof, if project meets all credit requirements.<sup>23</sup>

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<sup>20</sup> Information and responses to survey questions were provided by Randy McDaniels, Principal Park Planner, Parks, Recreation, and Community Services, City of Riverside, July 2013.

<sup>21</sup> City of San Mateo 2013-2014 Development Fee Calculator.

<sup>22</sup> Ibid.

<sup>23</sup> Ibid.

### **Thousand Oaks**

The Conejo Recreational & Park District collects park fees and manages the acquisition, development and maintenance of parks in Thousand Oaks. The District's goal is to provide 9.0 acres of parkland and open space per 1,000 residents. The District operates and maintains several passive and active use parks within the City and provides a wide range of recreational programs and activities.<sup>24</sup> Quimby Fees revenues collected are set into basic planning zones and areas, and must be expended to serve the residential area in which they are collected. By code, Quimby fees must be expended for acquisition, rehabilitation, and/or development of parklands. The actual maintenance and operation of the parks is done through the property tax.

The fees are based on unit type, population density, fair market value of the undeveloped land, and recreation and park district standards. Depending on the type of the project, the City code provides a formula for fee calculation. The developer is responsible for 4.5 acres of the 9.0 acres parkland target that are considered the developer's share. The fee is based on 4.5 acres times the number of dwelling unit times the density factor (3.8 for single family, 2.4 for condos, and 2.0 for apartments). This amount is then divided by 1,000 to provide the acreage requirement. Acreage required is then multiplied by the property net acre value of the land, including how the developer intends to develop the property and related street improvements. Currently, the land value per acre is between \$2 and \$3 million. When development and improvements are included in the calculations, it can be closer to \$4 or \$5 million per acre factor used in the Quimby equation. This is the value used to determine fees. A single family home may be subject to fees of \$10,000 to \$30,000 or more. Recent infill developments have seen fees of about \$20,000 per unit.<sup>25</sup> Affordable housing developers' fees are discounted by 50%, and nursing homes and senior housing pay no fees.

Because the City is nearly built out, fee revenues have declined significantly in the last 10 years.

### **Torrance**

The City of Torrance charges a Park and Recreational Facilities tax of \$550 per unit which is collected by the building department.<sup>26</sup> The tax has been in place since 1971. Although it was

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<sup>24</sup> From "Municipal Service Reviews" by Ventura Local Agency Formation Commission, November 14, 2012. [http://www.ventura.lafco.ca.gov/files/2012/11/2012\\_9CitiesMSR\\_Final\\_WEB.pdf](http://www.ventura.lafco.ca.gov/files/2012/11/2012_9CitiesMSR_Final_WEB.pdf)  
Additional information can also be found in the City of Thousand Oak's Municipal Code in Chapter 3, Article 16 and Chapter 4, Article 26.

<sup>25</sup> Per a phone conversation with Bill at Conejo Parks and Recreation, September 26, 2013.

<sup>26</sup> From the City of Torrance Municipal Code, 223.1.1.  
<http://www.codepublishing.com/CA/Torrance/?Torrance02/Torrance0223.html&?f>

raised by \$50 every year between 1971 and 1975, it has not been raised since 1975.<sup>27</sup> The tax is not an impact fee, and it goes into a parks and recreation and open space fund. The City's park standard is 10 acres of parkland per 1,000 residents but they currently have only 3 acres per 1,000 residents.<sup>28</sup>

Moneys in this fund can be used for parks, open space, capital projects, and acquisitions. Because it is a tax, there are fewer restrictions on how the funds can be spent. The Community Development Department manages the account and has a Park and Recreation Commission that makes recommendations to the City Council. The Capital Budget has been frozen for the past five years, but they are now moving forward with making park-related expenditures. Currently there is \$2 million that has not yet been appropriated and has been aggregated since 2007/2008. Fee revenues vary: in years with substantial development, the City receives \$180,000 to \$200,000 per year, but in years when the economy is poor it receives \$40,000 to \$50,000.

The City is built out, so there are few opportunities to acquire new parks. The City recently built soccer fields on the site of a former county courthouse and purchased two residential lots for an ADA-accessible micro-park.

### **Other Cities**

In the process of looking for a comprehensive list of cities in California that have park impact fees, we come across the following information on fees for some additional cities. Because these cities were not in our original scope, limited information is available. This information is useful for comparison purposes.

### **Palo Alto**

The City of Palo Alto charges a Park Fee for new development as follows:<sup>29</sup>

- Single family home: \$10,639 per unit
- Single family home over 3,000 square feet: \$15,887 per unit
- Multi-family unit: \$6,964 per unit
- Multi-family unit under 900 square feet: \$3,521 per unit

### **South Pasadena**

The City of South Pasadena charges a park impact fee for residential development projects. For residential additions, a credit is given for the first 250 square feet of new area. The fee is calculated at \$4 per square foot of new habitable space (minus the 250 square feet if appropriate). Note that 'habitable space' is defined as space for living, sleeping, eating or

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<sup>27</sup> From the City of Torrance Municipal Code, 223.2.2.

<http://www.codepublishing.com/CA/Torrance/?Torrance02/Torrance0223.html&?f>

<sup>28</sup> Information on the City of Torrance came from Andrew Orpe from the Department of Community Services.

<sup>29</sup> City of Palo Alto Development Impact Fees. <http://www.cityofpaloalto.org/civicax/filebank/documents/27226>

cooking. Bathrooms, toilet rooms, closets, halls, storage or utility spaces and similar areas are not considered habitable spaces.<sup>30</sup>

### **Huntington Beach**

The City of Huntington Beach charges a Parkland Acquisition and Park Facilities Impact Fee as follows:<sup>31</sup>

- Detached dwelling unit: \$6,802
- Attached dwelling unit: \$4,632

### **Santa Monica**

The City of Santa Monica is in the process of implementing a park impact fee as follows:<sup>32</sup>

- Single family home: \$7,636 per unit
- Studios and 1-bedroom apartments: \$4,138 per unit
- Apartments with 2 or more bedrooms: \$6,665
- Commercial development: \$1.27 to \$3.11 per square foot

These funds would be for facility improvements, land acquisition and a 2 percent administrative fee for taking care of the funds and planning related improvements. It replaces two existing charges, a \$200 residential unit tax established in 1973 and an in-lieu fee for general office space, a type of construction that has not seen much advancement in recent years. The Recreation and Parks Commission signed off on the measure unanimously in July, and next the measure will go to various community groups and commissions, and finally to the City Council.<sup>33</sup>

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<sup>30</sup> City of South Pasadena Estimated Fees for New Development, effective April 1, 2012. <http://www.ci.south-pasadena.ca.us/modules/showdocument.aspx?documentid=222>

<sup>31</sup> From the City of Huntington Beach website. Ordinance 17.76.  
[http://www.huntingtonbeachca.gov/files/users/city\\_clerk/MC1776.pdf](http://www.huntingtonbeachca.gov/files/users/city_clerk/MC1776.pdf)

<sup>32</sup> Santa Monica Daily Press, July 19, 2013. <http://smdp.com/new-fee-for-parks-passes-first-hurdle/124824>

<sup>33</sup> Ibid.

## **Appendix A: Survey Questionnaire Sample**



## **City of Pasadena Park Fee Study Fee Comparison Survey of Other Cities**

1. What year was your park impact fee adopted?
2. Is your park fee a Quimby Act Fee? AB1600 Development Fee? Or both?
3. What are the current fee rates and how are they charged (by single family or multi family, or by sqft, or by bedroom, etc.)?
4. How many park acres per 1,000 residents do you require?
5. Does your City have a lot of new residential development potential?
6. Are there any exceptions (in-lieu) or discounts for certain types of development? If so, what are they and have they been taken advantage of by developers?
7. Is the city divided up into districts for purposes of park fees? Or is it a city wide fee? If districts, how many are there and do you have a citywide category for parks?
8. Since the adoption of the park fee, how many acres of new park land have you acquired? Open Space?
9. How much money has the fee raised since it was adopted?
10. How much has been spent and how much is available for use?
11. Is there any stipulation as to how funds can be spent? Acquisition of land versus capital improvement? Or funds from development in one specific area having to remain in that area?
12. Is there an ordinance or policy that guides how funds are spent? Do you define capital improvements, capital replacement and/or maintenance?
13. Do you use the fee funding for new amenities and facilities at existing parks to enhance their usefulness to the community?
14. If the fee has been in place for more than 5 years, were adjustments or changes to the fee program made when the fee was reviewed?
15. Have there been any challenges with the fee program? If so, from who and what was the outcome?

16. Overall, how successful do you feel your park fee program has been in providing funding for new parks and park improvements?

17. Any additional comments?