

On Monday night, the City Council will vote on a change to the Residential Impact Fee funding methodology, which determines how the fees that are assessed against new development (which mostly occurs in Downtown Pasadena) will be spent. The fees are assessed for the specific purpose of building new parks on the assumption that new residents require additional park space.

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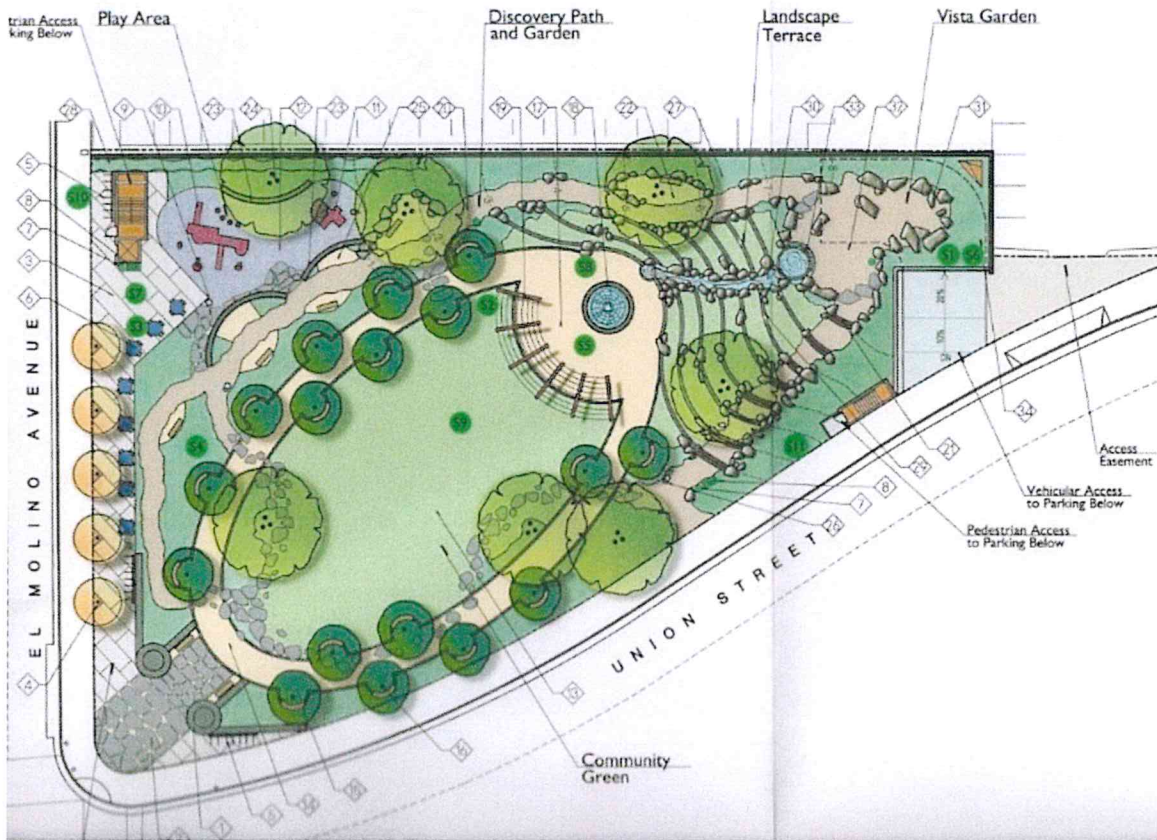
DOWNTOWN
PASADENA
NEIGHBORHOOD
ASSOCIATION

ALERT: CITY COUNCIL TO VOTE ON PARK FEES

On Monday night, the City Council will vote on a change to the Residential Impact Fee funding methodology, which determines how the fees that are assessed against new development (which mostly occurs in Downtown Pasadena) will be spent.

Residential Impact Fees (RIFs) are assessed for the specific purpose of satisfying the additional demands on parks that new residents create. New residents = additional impacts on parks.

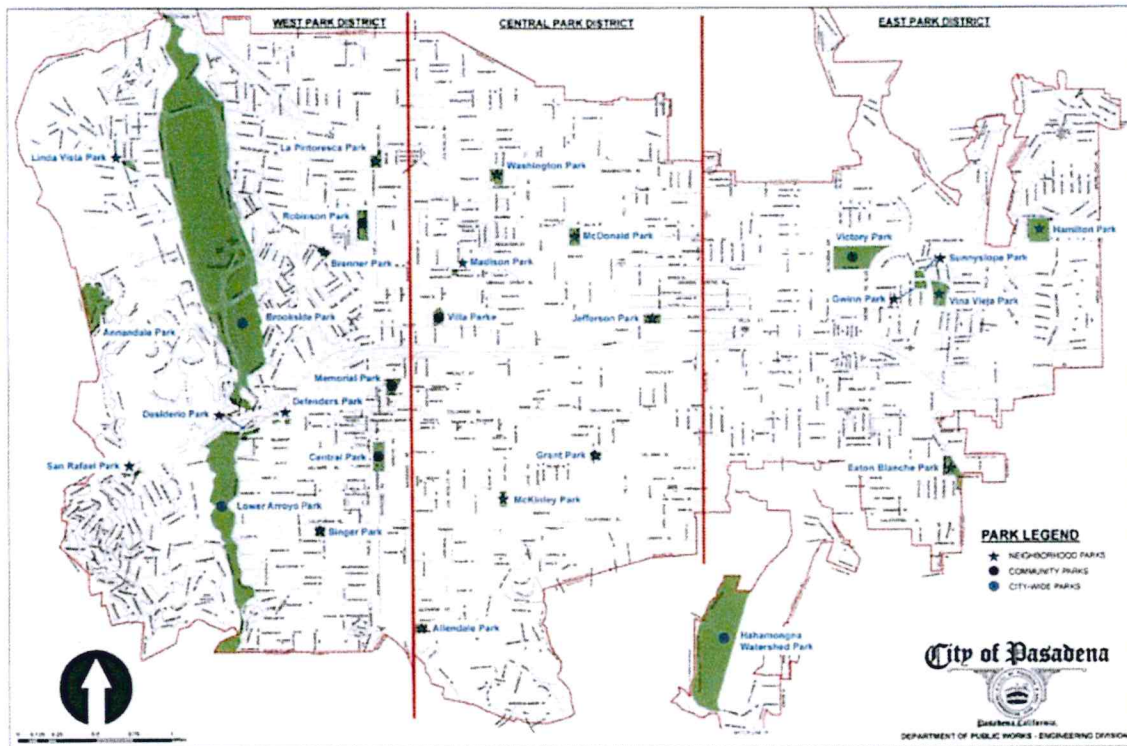
**09/28/2015
Item 15**



“Playhouse Park” design by Korn Randolph, for corner of El Molino & Union St. When this park was being proposed, the Residential Impact Fees fund (in the “Central” park district) was empty. “Park Now” proponents of the Playhouse District park had to seek funding elsewhere, by applying for a state grant, which was unsuccessful.

Current law:

As it stands, the city is divided into 3 "park districts", pictured below. Park fees have to be spent in the district in which they are collected. This 3-district division does nothing to insure that the fees are spent close to the apartments & condos building from which they are collected. In addition, the 3 districts are a clunky, arbitrary division that has resulted in lots of funds in the West District (because of the Westgate project, etc), and fewer funds in the Central and East District.



The 3 "Park Districts". A new apartment building built in the "West" district would be taxed the Park Fee, and those fees have to be spent in the "West" district, for example. Ideally, a resident should be able to WALK to a nearby park. However, the districts are so large that there is only a driving relationship (or "nexus") between where the funds come from and where the funds are spent.

Proposed Change:

The Council is considering changes that would add "Flexibility" to allow the funds to be spent *anywhere* in the city, under certain conditions. That added "flexibility" does nothing to establish a relationship between the residents who pay the fees and where those fees are spent. There needs to be a **Proximity Nexus—residents should be able to walk to the parks that they paid for**. The proposed changes do not guarantee or even mention a proximity nexus.

See the council agenda [here](#), scroll down to read the staff report (item #15).

These proposed changes are aggravating to the DPNA, since we've been sounding the *walkable nexus* issue [since 2012](#), and in light of our recent (hard fought) expansion of how these funds can be used – expanding application to plazas, pocket parks and other urban amenities.

How much did you pay in Park Fees?

How much is built into your rent? Look it up!

City of Pasadena Residential Impact Fee Worksheet

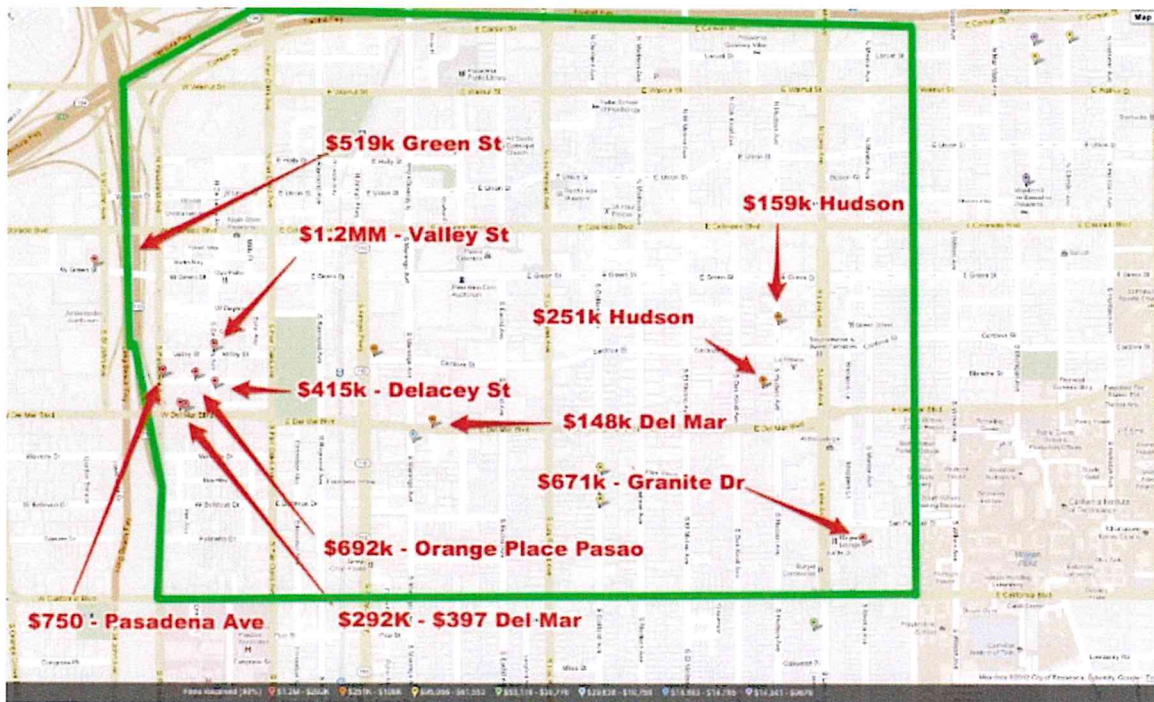
Instructions: To calculate the fee per unit type, If at least fifteen percent of the development is fee for the remaining units.

# of Bedrooms	Rate as of 9/22/14	# of Units
Studio	\$17,544.38	
1 Bedroom	\$18,514.91	
2 Bedrooms	\$20,563.04	
3 Bedrooms	\$23,646.66	
4 Bedrooms	\$28,731.50	
5 or more Bedrooms	\$32,475.38	
Other Housing Options		# of Units
Affordable Housing	\$909.21	
Student Housing	\$909.21	
Skilled Nursing Units	\$909.21	

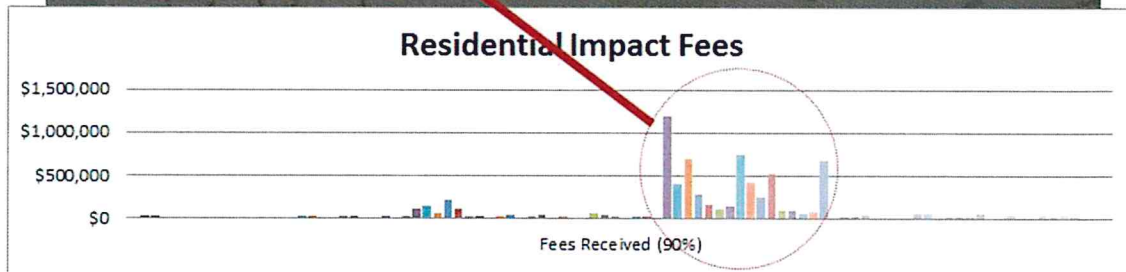
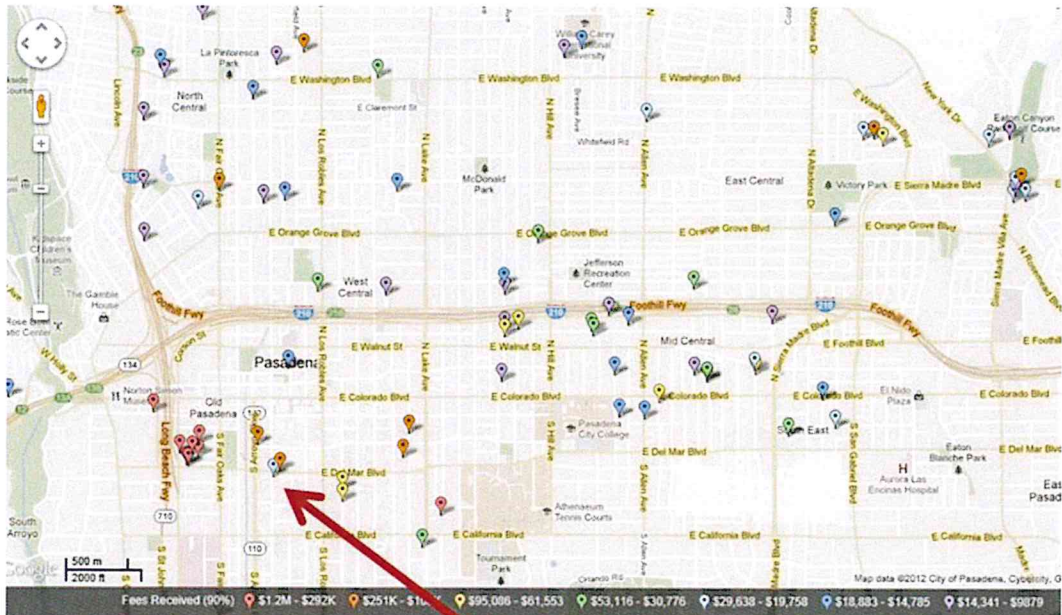
*Projects built before about 2005 were not assessed a fee. Fees are paid upfront by developers when they pull a building permit and trickle down to unit owners and renters indirectly. The actual economic

consequences to unit owners and renters is complex and is dependent on how developers respond to increased costs (which effects the supply of housing and therefore the overall price of housing), whether or not fees are actually used to improve parks nearby, and how the market responds to such park improvements, among other factors.

The majority of Park Fees are collected from new apartment & condo buildings that are built in Downtown—the Central District.



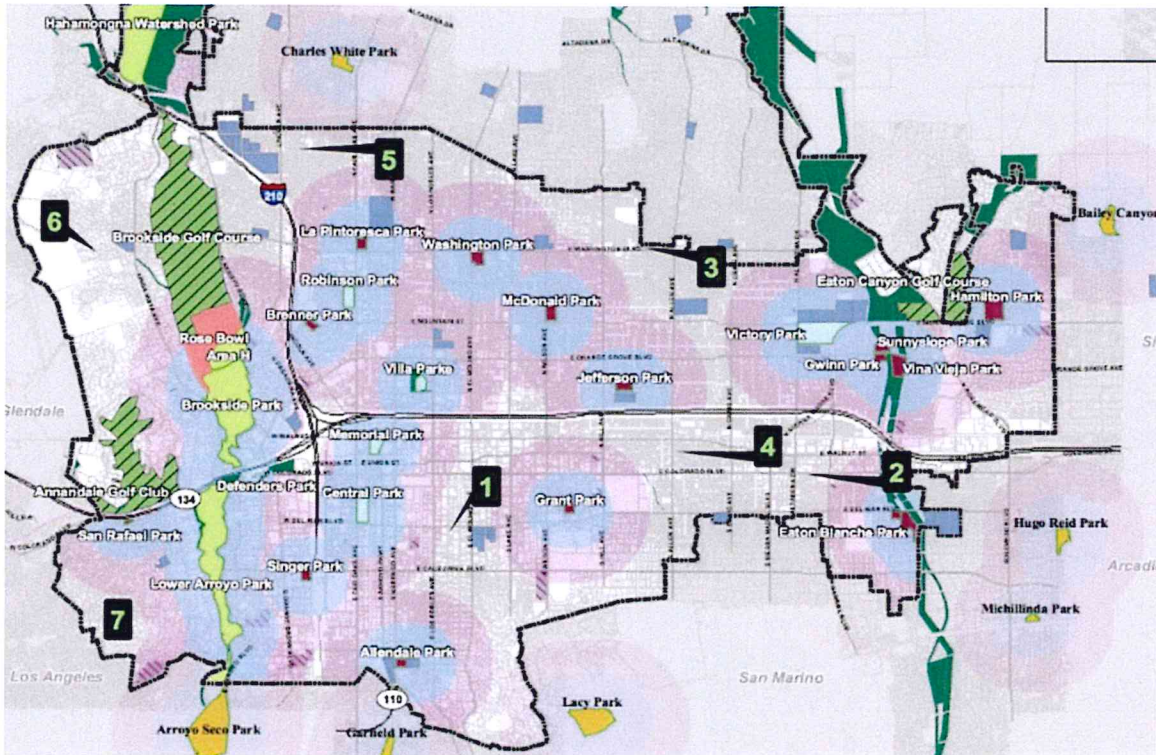
Major development projects from 2007-2011 in the Central District raised \$Million\$ in Residential Impact Fees



Residential Impact Fees have come mostly from new development in the Central District.

(Red & orange dots show fees collected from \$100,000 to \$1,200,000; green, blue, and purple dots show fees collected from \$10,000 to \$53,000.)

There is a large "gap" in Downtown with no park.



Green Space "Gaps," where parks are more than 1/2 mile away (grey areas).
The Downtown Gap (#1) has the highest population.

There are about 20,000 residents in Downtown Pasadena.
1/7 of the city's population.

The majority of Downtown residents (12,000 - 16,000 residents estimated) live more than 1/4-mile from a park, and many of those (probably 8,000-12,000) live more than a 1/2 mile from the closest park.

Legend

	Golf Course		OS (Open Space)
	Citywide Park		1/2 Mile Buffers
	Community Park		1/4 Mile Buffers
	Neighborhood Park		Public Schools
	Rose Bowl		Private Schools
	Park Outside City		City Boundary

So... where have new parks been built from the \$19 Million raised in Park Fees?

New Parks – Since 2005	Acres
Annandale Canyon	24.30
Desiderio Park	3.80
Linda Vista School Park	2.00
Madison Elementary	1.50
Subtotal – New Parks	31.60

Added Acreage to Existing Parks – Since 2005	Acres
Robinson Park	2.36
Hahamongna Watershed Park Annex	30.00
Subtotal – Existing Parks	32.36

Total - Increased Park Acreage 63.96

ANSWER: Not in Downtown Pasadena.

In fact, the city is proposing to reduce or eliminate the Civic Gardens in front of City Hall, by building the YWCA-Kimpton Hotel project, further reducing park space in Downtown.



However, some of the funds were spent to improve existing parks, including a new playground in Central Park.



Steve Madison and Bill Bogaard at the dedication of Central Park's new playground.

MESSAGE TO COUNCIL:

The DPNA believes that the Residential Impact Fees need to be spent close to where they are raised.

Downtown Pasadena has a shortage of parks.

- The "nexus" between new buildings and new residents and the fees that are charged to them needs to be at least partially based on proximity. **At least some of the money needs to be spent on parks that are within walking distance of the people that are paying the fees.**
- The current 3-District scheme does not

serve as an equitable nexus and needs to be completely abandoned, not reformed. (The proposal on the table simply layers on some additional "flexibility" onto the 3-district scheme, but does not solve the inequitable lack of a Walkable Proximity Nexus.)

- Thanks to your action last year, at our urging, fees can now be spent on small plazas, **pocket parks**, and other amenities where land acquisition costs are high. Please amend the ordinance to create a "*Walkable Proximity Nexus*" so that at least some of funds MUST be spent on these small walkable parks.

CITY COUNCIL VOTE WILL OCCUR ON:

MONDAY, SEPT 28, 2015

6:30pm*

**Council Chamber, Pasadena City Hall
100 North Garfield Avenue, Room S249**

*the Parks item is late in the agenda and may not actually be discussed until probably around 7:30-ish, at the earliest.