

Agenda Report

August 27, 2018

TO: Honorable Mayor and City Council

THROUGH: Finance Committee

FROM: Department of Public Works

SUBJECT: ADOPT THE RESOLUTION GOVERNING THE ADVANCEMENT AND REPAYMENT OF RESIDENTIAL IMPACT FEES FROM ONE PARK IMPACT FEE DISTRICT TO ANOTHER AND AMEND THE FISCAL YEAR 2019 CAPITAL IMPROVEMENT PROGRAM BUDGET

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed actions are not “projects” as defined in the California Environmental Quality Act (CEQA), Public Resources Code Section 21065 and Section 15378(b)(4) and (5) of the State CEQA Guidelines and, as such, are not subject to environmental review;
2. Adopt a resolution governing the advancement and repayment of Residential Impact Fees from one Park Impact Fee District to another; and
3. Amend the Fiscal Year 2019 Capital Improvement Program Budget by appropriating \$4,600,000 to two projects as detailed in the body of this report.

BACKGROUND:

In response to City Council’s direction during the CIP budget process, staff researched the possibility of advancing Residential Impact Fees (RIF) from one park district to another. Specifically, the City Council wanted to know if it was possible for the Central park district to advance funds to the West park district until the estimated \$7.1 million in RIF is received from the Lincoln Properties (100 West Walnut) project. The Pasadena Municipal Code, Chapter 4.17 – *New Residential Impact Fee* allows the City Council to authorize such an action through the adoption of a resolution.

As of June 30, 2018, the remaining RIF balance in the Central park district is \$6.3 million. The RIF balance in the West park district is \$133,000 with an anticipated increase of \$7.1 million during the first quarter of FY 2019 from the Lincoln Properties project. Any dollars borrowed to fund capital improvement projects in the West park district will be repaid to the Central park district upon receipt of adequate funds in the West.

On July 9, 2018, the Finance Committee was presented with these findings and directed staff to return to City Council with recommendations appropriating funds from the Central park district to Capital Improvement Program (CIP) projects in the West park district, and to discuss the impacts to the Central park district if the West park district borrows the RIF funds. Attachment A list the unfunded and partially funded projects in the Central park district. At this time, none of these project are ready to move forward. Therefore, staff does not anticipate any impacts to the Central park district in lending funds to the West district.

Staff recommends that a total of \$4,600,000 be transferred from the Central district and appropriated to the projects detailed below. These recommendations are based on the greatest identified need, and Finance Committee and City Council discussions during the FY 2019 CIP Budget Adoption process.

- 1. Robinson Park Pool and Pool Building Renovation (78085) – Staff** recommends expanding the scope of the project as is provided in the FY 2019 – 2023 CIP Budget document (Attachment B) from design phase to include both design and construction. The scope of the project will include replacing the existing pool with a deeper pool to accommodate lap swimming and/or 1-meter spring board diving; replacing the pool deck, shade structure, bleachers, and perimeter fencing; and renovation of the existing pool building. The total project estimated cost is \$3.88 million. Staff recommends appropriating \$3,880,000 in RIF - Central District to this project. Design of the project will begin immediately and construction is estimated to be completed by the end of FY 2021.
- 2. Installation of Restroom Building at Desiderio Park – Construction Phase (78054) – Staff** recommends appropriating \$720,000 in RIF – Central District to this project to fully fund the construction phase of this project. The action will allow staff to proceed with the construction phase of the project which is anticipated to be completed in the Fall of 2019.

COUNCIL POLICY CONSIDERATION:

The City Council's strategic planning goals of maintaining fiscal responsibility and stability; improving, maintaining and enhancing public facilities; and supporting and promoting the quality of life in Pasadena will be advanced by advancing the Residential Impact Fee from the central park district so these important projects in the west park district can begin.

ENVIRONMENTAL ANALYSIS:

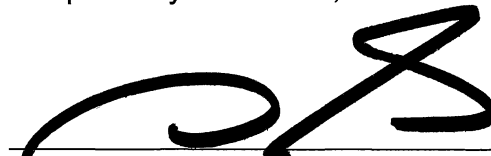
The action proposed herein is exempt from environmental review pursuant to State CEQA Guidelines Section 15061(b)(3), the “general rule” that CEQA does not apply when it can be seen with certainty that a project will not have a significant environmental effect. The action proposed herein is not the acquisition of any particular land or the construction of any particular project. Instead, the action proposed herein is a change to a financial policy regarding how residential impact fees may be spent. CEQA Guidelines Section 15378(b)(4) further exempts from the definition of “project” government funding mechanisms which do not involve any commitment to any specific project that may have a significant environmental effect. If and when such resources may be used on a park project, the project would be subject to environmental review at that time.

FISCAL IMPACT:

Approval of the proposed budget amendments will have a net increase in the FY 2019 Capital Improvement program budget of \$4.6 million. The West park district will borrow \$4,600,000 from the Central park district, and as per the resolution, the funds will be repaid upon receipt of adequate funds. The funds will be used as follows:

PROJECT NAME	AMOUNT	FUNDING SOURCE
Robinson Park Pool and Pool Building Renovation (78085)	\$3,880,000	Residential Impact Fees
Installation of Restroom Building at Desiderio Park – Construction Phase (78054)	\$720,000	Residential Impact Fees
TOTAL	\$4,600,000	

Respectfully submitted,



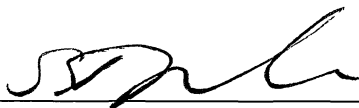
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