

CITY OF PACIFICA

PARK DEVELOPMENT IMPACT FEE UPDATE

ADMINISTRATIVE DRAFT

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1. Introduction

This report summarizes an analysis of the need for public facilities and capital improvements to support future development within the City of Pacifica through 2040. It is the City's intent that the costs representing future development's share of these facilities and improvements be imposed on that development in the form of a development impact fee, also known as a public facilities fee. The public facilities and improvements included in this analysis of the City's public facilities fee program all fall into the parks and recreation facilities category.

Background and Study Objectives

The primary policy objective of a park impact fee program is to ensure that new development pays the capital costs associated with growth. To fulfill this objective, public agencies should review and update their fee programs periodically to incorporate the best available information. The primary purpose of this report is to create fees that incorporate current park acquisition and development costs needed to maintain the City's parkland standards and serve future growth.

The City imposes public facilities fees under authority granted by the *Mitigation Fee Act*, contained in *California Government Code* Sections 66000 *et seq.* This report provides the necessary findings required by the *Act* for adoption of the fees presented in the fee schedules contained herein.

Depending on the characteristics of the development project, the City may use the Quimby Act to calculate impact fees. The Quimby Act only applies to residential subdivisions. The Quimby Act allows a city to require developers to dedicate at least three acres and up to five acres per 1,000 residents, if the city's existing park standard as of the last Census justifies the higher level. In this case, fees charged under the Quimby Act or the Mitigation Fee Act support a standard of five acres of parkland per 1,000 residents.

Organization of the Report

The determination of a public facilities fee begins with the selection of a planning horizon and development of projections for population and employment. These projections are used throughout the analysis of different facility categories and are summarized in Chapter 2.

Chapter 3 is devoted to documenting the maximum justified public facilities fee for parks and recreation facilities.

Chapter 4 describes the fee implementation process. The five statutory findings required for adoption of the proposed public facilities fees in accordance with the *Mitigation Fee Act* (codified in *California Government Code* Sections 66000 through 66025) are summarized in Chapter 5.

Facility Standards and Cost Allocation Approach

A facility standard is a policy that indicates the amount of facilities required to accommodate service demand. Examples of facility standards include building square feet per capita and park acres per capita. Standards also may be expressed in monetary terms such as the value of facilities per capita, or the value of improvements per acre or per capita. The adopted facility standard is a critical component in determining development's need for new facilities and the amount of the fee. Standards determine new development's fair share of planned facilities and ensure that new development does not fund deficiencies associated with the existing city infrastructure.

The parks and recreation facilities fees calculated in this report use an existing inventory demand standard translated into facility costs per capita to determine new development's fair share of

planned facility costs. A cost standard provides a reasonable method for converting disparate types of facilities, in this case parkland and special use recreational facilities, into a single measure of demand (capital cost per capita). The cost standard justified is based on the **existing inventory** of parks and recreation facilities. New development would fund the expansion of facilities at the same rate that existing development has provided facilities to date, thus by definition, there is no existing deficiency. In this case the City's existing inventory justifies a standard that exceeds five acres per 1,000 residents. To be consistent with the maximum standard identified in the Quimby Act, this analysis caps the fees at a five acre per 1,000 resident standard.

2. Land Use Assumptions

This chapter describes the projections of growth used in this study. The existing service population in 2021 is used as the base year of the study and the planning horizon is the year 2040. This chapter also describes the sources of the unit costs for land and buildings used in this study.

Use of Growth Projections for Impact Fees

Estimates of the existing service population and projections of growth are critical assumptions used throughout this report. These estimates are used as follows:

- The estimate of existing service population in 2021 is used as an indicator of existing facility demand and to determine existing facility standards.
- Estimates of total service population in 2040 are used to determine the total amount of public facilities required to accommodate the future service population.
- Estimates of existing population and new development are used to allocate the fair share of total planned facility costs between existing and new development.

Land Use Types

To ensure a reasonable relationship between each fee and the type of development paying the fee, growth projections distinguish between different land use types. The fees calculated in this report are charged per bedroom for residential dwelling units. Relevant terms are defined below.

- *Bedroom*: A room in a dwelling unit that may be used for sleeping accommodation including such spaces that may be labeled as bedroom, master bedroom, den, library, office, study or the like, when such space conforms to the definition of a "Sleeping Unit" in accordance with the requirements for a sleeping accommodation as provided in the building code.

Note that under recently adopted AB 602, fees adopted after July 1, 2022, must either calculate a fee levied or imposed on a housing development project proportionately to the square footage of the proposed units, or make specified findings explaining why square footage is not an appropriate metric to calculate the fees. In this fee study, the fees are calculated per additional bedroom. The justification for calculating fees using this approach is as follows:

Residential building square footage is not an appropriate metric to calculate fees imposed on housing development project because as square footage increases, a building does not necessarily house more people. Since residents are the drivers of demand for parks, it is important to use a metric that scales with increases in residents. In this case, data from the American Housing Survey, and American Community Survey is used to estimate the number of residents associated with each additional bedroom in Pacifica. Scaling fees with increases in residents provides the reasonable relationship between the development project and the burden posed by that project for new park facilities. Further, using increases in bedrooms to estimate occupancy and subsequently calculate impact fees incentivizes smaller developments, since projects with fewer bedrooms pay lower fees than projects with more bedrooms.

- *Dwelling*: A building or structure, or portion thereof, designed for residential occupancy with facilities for cooking, sleeping, and bathing; provided, however, “dwelling” shall not mean any convalescent/nursing home, hospital, hotel/motel, or congregate care facility.
- *Residential Use*: Residential use is a place of residence wherein housing is the primary land use. Types of residential uses include single-family, multifamily, mobile home/trailer, and secondary unit. For the purposes of the development impact fees, “bedroom,” as defined herein, shall be the residential use characteristic used to determine the appropriate fees required by each residential type.
- *Unit*: One or more rooms in a dwelling designed for occupancy by one person, or one group of people, with a common entry and a common cooking facility.

The City should have the discretion to impose the parks and recreation facilities fee based on the specific aspects of a proposed development regardless of zoning. The guideline to use is the probable occupant density of the development. The fee imposed should be based on the land use type that most closely matches the probable occupant density of the development.

Impact Fees for Accessory Dwelling Units

The California State Legislature recently amended requirements on local agencies for the imposition of development impact fees on accessory dwelling units (ADU) with Assembly Bill AB 68 in 2021. The amendment to California Government Code §65852.2(f)(2) stipulates that local agencies may not impose any impact fees on ADU less than 750 square feet. ADU greater than 750 square feet can be charged impact fees in proportion to the size of the primary dwelling unit.

Calculating Impact Fees for Accessory Dwelling Units

For ADUs greater than 750 square feet, impact fees can be charged as a percentage of the single family impact fee. The formula is:

$$\frac{\text{ADU Square Feet}}{\text{Primary Residence Square Feet}} \times \text{Single Family Impact Fee} = \text{ADU Impact Fee}$$

In the case of an 800 square foot ADU and a 1,600 square foot primary residence, the park fees would be 50 percent (800 square feet / 1,600 square feet = 50%) of the primary dwelling unit fee.

Growth Projections for City of Pacifica

Park and recreation facilities in Pacifica primarily serve residents in the City of Pacifica. The City lacks significant private sector employment, and plans for parks to serve its residential population. Therefore, residents comprise the park and recreation facilities service population.

The base year for this study is the year 2021. The planning horizon is 2040. Resident growth between 2021 and 2040 comprises the growth increment in this analysis. The City’s population in 2020 per the US Census is used to calculate the parkland standard under the *Quimby Act*. The projection for 2040 is based on population projections provided by the Association of Bay Area Governments (ABAG).

Table 1 shows estimates of the growth in terms of residents between 2021 and 2040. The table also shows the City’s population in 2020.

Table 1: Parks Service Population

	Residents
Census 2020	38,130
Existing Household Population (2021)	37,708
Growth (2021 - 2040)	<u>2,182</u>
Total (2040)	39,890

Sources: US Census Bureau; CA DOF, Table E-5, 2021; ABAG Projections 2040 by Jurisdiction; Willdan Financial Services.

Occupant Densities

All fees in this report are calculated based on dwelling units. Occupant density assumptions ensure a reasonable relationship between the size of a development project, the increase in service population associated with the project, and the amount of the fee.

Persons per bedroom assumptions ensure a reasonable relationship between the size of a dwelling unit and the residents, and therefore demand for public facilities. For residential development, the fee is based on the number of bedrooms in each additional housing unit, so the fee schedule must convert service population estimates to these measures of bedrooms per dwelling unit and number of dwelling units in the project.

This conversion is done with average household size factors that vary by bedrooms proposed in the dwelling unit, shown in **Table 2**. The data series that was used to statistically establish these household size factors is from the 2019 American Housing Survey (AHS), the most recent AHS data available. Willdan used AHS data from the Pacific Division to estimate the persons per bedroom for the Pacific Division. The estimate of persons per bedroom for the Pacific Division was then adjusted using based on difference in average dwelling unit density for Pacifica compared to the Pacific Division as calculated from US Census' American Community Survey (ACS) data. These adjustments were necessary because data for the City of Pacifica is not specifically available from the American Housing Survey, and the American Community Survey does not provide data at the granularity needed to estimate these factors for the City.

Table 2: Occupant Density

<i>Residential - per Dwelling Unit, by Number of Bedrooms</i>		
0	1.39	Residents per Dwelling Unit
1	1.63	Residents per Dwelling Unit
2	2.49	Residents per Dwelling Unit
3	3.02	Residents per Dwelling Unit
4	3.45	Residents per Dwelling Unit
5	3.99	Residents per Dwelling Unit
Each Additional Bedroom	0.54	Residents per Bedroom

Sources: American Housing Survey, 2019; U.S. Census Bureau, 2019 5-Year American Community Survey, Tables B25024 and B25033; Willdan Financial Services.

3. Parks & Recreation Facilities

The following chapter documents the nexus analysis, demonstrating the need for new park and recreation facilities demanded by new development. This analysis documents two separate fees based on the *Quimby Act* and the *Mitigation Fee Act*. The City would collect the fee based a standard of 5.0 acres per 1,000 residents if the development was subject to the *Quimby Act* land dedication requirement. For all other development, the City would collect based on the existing standard through the *Mitigation Fee Act*. The City would only collect one of the two fees depending on which was appropriate. In this case, because the City's existing standard exceeds 5.0 acres, both fees are calculated at the 5.0 acre per 1,000 resident standard.

Existing Park and Recreation Facilities Inventory

The City of Pacifica maintains several park and recreation facilities throughout the city. **Table 3** summarizes the City's existing parkland inventory. All facilities are located within the City limits. The City has revised this inventory from the prior impact fee analysis in 2012, based on the latest information available. The inventory distinguishes between developed and undeveloped parkland. Developed parkland includes parks that are open for public use with typical park amenities. This includes facilities that are owned by other agencies that the City has joint use agreements for, such as school fields. Undeveloped parkland and open space represents land that the City owns, but does not yet include any improvements or amenities.

Table 3: Parkland Inventory

Park Name	Developed Acreage
<i><u>District Parks</u></i>	
Frontierland Park	63.00
<i><u>Neighborhood Parks</u></i>	
Fairmont Park	6.57
Fairmont West Park	5.84
Fairway Park	16.71
Imperial Park	12.68
Oddstad Park	17.95
Saltaire Park	0.40
Sanchez Park	6.35
Subtotal	66.50
<i><u>Pocket Parks</u></i>	
Edgemar Park	1.20
Brighton Mini-Park	0.10
Horizon Mini-Park	0.10
Palmetto Mini-Park	0.10
Pomo Park	0.80
Portola Mini-Park	0.20
Skyridge Park	1.90
Subtotal	4.40
<i><u>Joint Use Facilities - School Fields</u></i>	
Terra Nova High School	33.00
Subtotal	33.00
<i><u>Special Facilities</u></i>	
Calera Creek Multi-purpose Trail	12.40
Skate Park	1.40
Cattle Hill Open Space - Trailhead Parking Lot	0.14
Cattle Hill Open Space - Baquiano Trail	0.63
APN 009-650-270 (Harry Dean Trail spur)	0.81
Grace McCarthy Vista Point	2.60
Pacifica Beach Park	1.86
Rockaway Beach Promenade	0.10
Beach Boulevard Promenade	0.91
Beach parking lot (Highway 1 & Rockaway Beach)	1.33
APN 018-150-040 (Beach Parking Lot)	0.40
APN 022-161-120 (Beach Parking, Restrooms, Beach)	0.77
APN 022-191-270 et. al (Beach Parking, Restrooms, Beach)	2.12
San Pedro Terrace Trail	0.61
Subtotal	26.08
Total	192.98

Source: City of Pacifica.

Parkland Unit Costs

Table 4 shows the estimated cost per acre for developing parkland, including land acquisition. The land value of \$1.5 million per acre is the average acquisition cost per acre in the City, based on an analysis of land sales comparisons since 2018 in Pacifica and neighboring Half Moon Bay. The assumed cost of park improvements is based on a recent cost estimate from a neighboring City, South San Francisco, and includes the typical improvements that the City would include in a standard park, but excludes special use facilities such as pools or recreation centers. The improvements in the cost estimate include the following: site preparation, grading, construction of curbs, gutters, play area, electrical, furnishings irrigation and planting. City staff confirmed that the example project cost estimate is like the types of park improvements that the City of Pacifica is planning to construct. In total it costs an estimated \$2.9 million to acquire and improve an acre of parkland in Pacifica.

Table 4: Parkland Unit Costs

Item	Cost Per Acre
Land Acquisition ¹	\$1,545,000
Standard Park Improvements ²	\$1,350,000
Vehicles and Equipment	6,800
Total - Improvements	\$1,356,800
Total Cost per Acre	\$2,901,800

¹ Based on an analysis of sales comparisons in Pacifica and Half Moon Bay since 2018.

² Improvement costs are estimated at \$1.35 million per acre for site improvements (curbs, gutters, water, and electrical access), plus basic park and school field amenities such as basketball or tennis court, restroom, parking, tot lot, irrigation, turf, open green space, pedestrian paths, and picnic tables based on recent costs from a neighboring jurisdiction. Excludes special use facilities such as recreation centers and pools.

Sources: Costar; City of Pacifica; Appendix Table A.1, Willdan Financial Services.

City of Pacifica Park Facilities Standards

To calculate new development's need for new parks, municipalities commonly use a ratio expressed in terms of developed park acres per 1,000 residents. **Table 5** shows the existing standard for improved park acreage per 1,000 residents and documents the City's standard as of the last Census for the Quimby Act standard. Since both standard calculations exceed five acres per 1,000 residents, the fees documented in this report are capped at a five-acre standard, consistent with the maximum Quimby Act standard.

Table 5: Park Facilities Level of Service Standards

	Mitigation Fee Act Standard	Quimby Act Standard
Improved Park Acreage	192.98	192.98
Service Population (Residents)	37,708	38,130
Level of Service Standard (Acres per 1,000 Residents)	5.12	5.06
Policy Level of Service (Acres per 1,000 Residents)	5.00	5.00

Sources: Tables 1 and 3.

Facilities Needed to Accommodate New Development

Table 6 shows the park facilities needed to accommodate new development at the policy standard. To maintain this standard through the planning horizon, new development must fund the purchase and improvement of 20.14 acres of parkland, at a total cost of \$58.3 million.

Table 6: Park Facilities to Accommodate New Development

	Calculation	Parkland	Improvements	Total
<i>Parkland (Quimby Act or Mitigation Fee Act), Improvements (Mitigation Fee Act)</i>				
Facility Standard (acres/1,000 residents)	A	5.00	5.00	
Resident Growth (2021-2035)	B	2,182	2,182	
Facility Needs (acres)	$C = (B / 1,000) \times A$	10.91	10.91	
Average Unit Cost (per acre)	D	\$ 1,545,000	\$ 1,350,000	
Total Cost of Parkland To Serve New Development	$E = C \times D$	\$ 16,855,950	\$ 14,728,500	\$31,584,450

Sources: Tables 1, 4 and 5.

Parks Facilities Cost per Capita

Table 7 shows the cost per capita of providing new park facilities at the five acre per 1,000 resident standard. The cost per capita is shown separately for land and improvements. The costs per capita in this table will serve as the basis of three fees:

- A Quimby Act Fee in-lieu of land dedication. This fee is payable by residential development occurring in subdivisions.
- A Mitigation Fee Act Fee for land acquisition. This fee is payable by residential development not occurring in subdivisions.
- A Mitigation Fee Act Fee for parkland improvements. This fee is payable by all residential development.

A development project pays either the Quimby Act Fee in-lieu of land dedication, or the Mitigation Fee Act Fee for land acquisition, not both. All development projects pay the Mitigation Fee Act Fee for park improvements.

Table 7: Park Facilities Cost per Capita

	Calculation	<u>Land</u>		<u>Improvements</u>	
		Quimby Fee	OR Impact Fee	AND	Impact Fee
Parkland Investment (per acre)	A	\$ 1,545,000	\$ 1,545,000	\$	1,350,000
Level of Service (acres per 1,000 residents)	B	5.00	5.00		5.00
Total Cost per 1,000 capita	$C = A \times B$	\$ 7,725,000	\$ 7,725,000	\$	6,750,000
Cost per Resident	$D = C / 1,000$	\$ 7,725	\$ 7,725	\$	6,750

Sources: Tables 4 and 6.

Use of Fee Revenue

The City plans to use park facilities fee revenue to purchase parkland or construct improvements to add to the system of park and recreation facilities that serves new development. The City may only use impact fee revenue to provide facilities and intensify usage of existing facilities needed to serve new development.

Fee revenue collected under the Quimby Act can also be used to rehabilitate park facilities, in addition to acquiring new parkland.

Fee Schedule

To calculate fees by land use type, the investment in park facilities is determined on a per resident basis for both land acquisition and improvements. These cost factors (shown in Table 7) are based on the unit cost estimates and facility standards.

The City anticipates that the park fees would be the primary revenue source to fund new development's investment in park facilities. **Table 8** shows the maximum justified park facilities fee based on a five acre per 1,000 resident standard. Fees can also be charged incrementally for the addition of net new bedrooms.

The total fee includes an administrative charge to fund costs that include: (1) legal, accounting, and other administrative support and (2) impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

Table 8: Park Facilities Impact Fee Schedule

Number of Bedrooms	Land Acquisition per Capita	Improvements Cost per Capita	Total Cost per Capita	Density ¹	Base Fee	Admin Charge ²	Total Fee per Dwelling Unit	Incremental Fee per Bedroom
0	\$ 7,725	\$ 6,750	\$ 14,475	1.39	\$20,120	\$ 402	\$ 20,522	
1	7,725	6,750	14,475	1.63	23,594	472	24,066	\$ 3,544
2	7,725	6,750	14,475	2.49	36,043	721	36,764	12,698
3	7,725	6,750	14,475	3.02	43,715	874	44,589	7,825
4	7,725	6,750	14,475	3.45	49,939	999	50,938	6,349
5	7,725	6,750	14,475	3.99	57,755	1,155	58,910	7,972
Additional Bedroom	7,725	6,750	14,475	0.54	7,817	156		7,972

¹ Persons per dwelling unit.² Administrative charge of 2.0 percent for (1) legal, accounting, and other administrative support and (2) impact fee program administrative costs including revenue collection, revenue and cost accounting, mandated public reporting, and fee justification analyses.

Sources: Tables 2 and 7.

Fee Increases

Per AB 602 “If a nexus study supports the increase of an existing fee, the local agency shall review the assumptions of the nexus study supporting the original fee and evaluate the amount of fees collected under the original fee.”

The assumptions from the nexus study supporting the original fee have been reviewed and updated as necessary. These updates include adjustments to the City’s existing facility inventories, unit cost assumptions, existing and projected service population and parkland standards.

Table 9 displays and analysis of the fees collected under the current fee program. The table shows the previous five years of park fee revenue collection history. During this time period the City collected an average of \$150,352 per year. City staff confirmed that fees collected at this amount are not sufficient to maintain the City’s existing level of service for park facilities.

Table 9: Historic Fee Revenue

	Park Impact Fee/In-Lieu Fee Revenue
FY 2020-21	133,028
FY 2019-20	160,779
FY 2018-19	180,520
FY 2017-18	134,399
FY 2016-17	<u>143,032</u>
Five Year Average	150,352

Sources: City of Pacifica Mitigation Fee Act Annual Report of Development Fees, FY2016-17 through FY2020-21

4. Implementation

Inflation Adjustment

The City can keep its impact fee program up to date by periodically adjusting the fees for inflation. Such adjustments should be completed regularly to ensure that new development will fully fund its share of needed facilities. We recommend that the California Construction Cost Index (<https://www.dgs.ca.gov/RES/RES/Resourses/Page-Content/Real-Estate-Services-Division-Resources-List-Folder/DGS-California-Construction-Cost-Index-CCCI>) be used for adjusting fees for inflation. The California Construction Cost Index is based on data from the Engineering News Record and is aggregated and made available for free by the State of California.

The fee amounts can be adjusted based on the change in the index compared to the index in the base year of this study (2021).

While fee updates using inflation indices are appropriate for periodic updates to ensure that fee revenues keep up with increases in the costs of public facilities, the City will also need to conduct more extensive updates of the fee documentation and calculation (such as this study) when significant new data on growth forecasts and/or facility plans become available. Note that decreases in index values will result in decreases to fee amounts.

Reporting Requirements

The City should comply with the annual and five-year reporting requirements of the *Act*. For facilities to be funded by a combination of public fees and other revenues, identification of the source and amount of these non-fee revenues is essential. Identification of the timing of receipt of other revenues to fund the facilities is also important.

Fee Accounting

The City should deposit fee revenues into separate restricted fee accounts for each of the fee categories identified in this report. Fees collected for a given facility category should only be expended on new facilities of that same category.

Programming Revenues and Projects with the CIP

The City should commit all projected fee revenues and fund balances to specific projects in its Capital Improvements Program. These should represent the types of facilities needed to serve growth as described in this report. The use of the CIP in this manner documents a reasonable relationship between new development and the use of those revenues. The CIP also provides the documentation necessary for the City to hold funds in a project account for longer than five years if necessary to collect sufficient monies to complete a project.

The City may decide to alter the scope of the planned projects or to substitute new projects as long as those new projects continue to represent an expansion of the City's facilities. If the total cost of facilities varies from the total cost used as a basis for the fees, the City should consider revising the fees accordingly.

5. Mitigation Fee Act Findings

Fees are assessed and typically paid when a building permit is issued and imposed on new development projects by local agencies responsible for regulating land use (cities and counties). To guide the imposition of facilities fees, the California State Legislature adopted the *Mitigation Fee Act* with Assembly Bill 1600 in 1987 and subsequent amendments. The *Act*, contained in *California Government Code* §§66000 – 66025, establishes requirements on local agencies for the imposition and administration of fees. The *Act* requires local agencies to document five statutory findings when adopting fees.

The five findings in the *Act* required for adoption of the maximum justified fees documented in this report are: 1) Purpose of fee, 2) Use of fee Revenues, 3) Benefit Relationship, 4) Burden Relationship, and 5) Proportionality. They are each discussed below and are supported throughout this report.

Purpose of Fee

- Identify the purpose of the fee (§66001(a)(1) of the *Act*).

We understand that it is the policy of the City that new development will not burden the existing service population with the cost of facilities required to accommodate growth. The purpose of the fees proposed by this report is to implement this policy by providing a funding source from new development for capital improvements to serve that development. The fees advance a legitimate City interest by enabling the City to provide capital facilities to new development.

Use of Fee Revenues

- Identify the use to which the fees will be put. If the use is financing facilities, the facilities shall be identified. That identification may, but need not, be made by reference to a capital improvement plan as specified in §65403 or §66002, may be made in applicable general or specific plan requirements, or may be made in other public documents that identify the facilities for which the fees are charged (§66001(a)(2) of the *Act*).

Fees proposed in this report, if enacted by the City, would be used to fund expanded facilities to serve new development. Facilities funded by these fees are designated to be located within the City. Fees addressed in this report will be used to fund park and recreation facilities.

Descriptions of the planned facilities such as size and cost estimates are included in Chapter 3 of this report. More thorough descriptions of certain planned facilities, including their specific location, if known at this time, are included in master plans, capital improvement plans, or other City planning documents or are available from City staff. The City may change the list of planned facilities to meet changing needs and circumstances of new development, as it deems necessary. The fees should be updated if these amendments result in a significant change in the fair share cost allocated to new development.

Planned facilities to be funded by the fees are described in the *Existing Park and Recreation Facilities Inventory*, *City of Pacific Park Facilities Standards*, or the *Facility Needed to Accommodate New Development* sections in Chapter 3 of this report.

Benefit Relationship

- Determine the reasonable relationship between the fees' use and the type of development project on which the fees are imposed (§66001(a)(3) of the *Act*).

We expect that the City will restrict fee revenue to the acquisition of land, construction of facilities and buildings, and purchase of related equipment, furnishings, and vehicles used to serve new development as described above under the “Use of Fee Revenues” finding. The City will keep fees in segregated accounts. Facilities funded by the fees are expected to provide a citywide network of facilities accessible to the additional residents and workers associated with new development. Under the *Act*, fees are not intended to fund planned facilities needed to correct existing deficiencies. Thus, a reasonable relationship can be shown between the use of fee revenue and the new development paying the fees.

Burden Relationship

- Determine the reasonable relationship between the need for the public facilities and the types of development on which the fees are imposed (§66001(a)(4) of the Act).

Facilities need is based on a facility standard that represents the demand generated by new development for those facilities. For park facilities, demand is measured by a single facility standard that can be applied across land use types to ensure a reasonable relationship to the type of development. The demand for parks facilities is based on residential population.

The standards used to identify facility needs are also used to determine if the planned facilities will partially serve the existing service population by correcting existing deficiencies. This approach ensures that new development will only be responsible for its fair share of planned facilities, and that the fees will not unfairly burden new development with the share of facilities associated with serving the existing service population.

Chapter 2, Land Use Assumptions, provides a description of how service population and growth projections are calculated. Facility standards are described in the *City of Pacific Park Facilities Standards* section of Chapter 3.

Proportionality

- Determine how there is a reasonable relationship between the fees amount and the cost of the facilities or portion of the facilities attributable to the development on which the fee is imposed (§66001(b) of the Act).

The reasonable relationship between each facilities fee for a specific new development project and the cost of the facilities attributable to that project is based on the estimated service population that will be generated by the project. Fees for a specific project are based on the project’s number of dwelling units and the number of bedrooms in each dwelling unit. New development projects with greater numbers of units or more bedrooms per unit can result in a higher service population, resulting in higher fee revenue than projects with fewer units or bedrooms. Thus, the fees ensure a reasonable relationship between a specific new development project and the cost of the facilities attributable to that project.

See *Chapter 2, Land Use Assumptions* for a description of how facility demand factors are determined for residential uses. See the *Fee Schedule* section of Chapter 3 for a presentation of the maximum justified facilities fees.

Appendix

Appendix Table A.1: Park Vehicles and Equipment Inventory

Vehicle #	Type	Units	Unit Cost	Total Cost
41	Toyota Prius	1	\$ 26,858	\$ 26,858
56	Ford Escape	1	25,547	25,547
85	Chevy Blazer	1	19,551	19,551
89	Ford Taurus	1	14,265	14,265
200	Ford F250	1	17,450	17,450
201	Chevy 1500	1	21,738	21,738
202	Ford F150	1	24,006	24,006
205	Ford F350	1	21,274	21,274
220/221	Ford F250	2	25,179	50,358
222/223	Ford F350	2	29,832	59,664
216	Ford F250 Utility	1	21,886	21,886
224	Ford F350 Utility	1	32,650	32,650
225	Ford F350 Stakebody	1	36,650	36,650
301	Toyota Tacoma 4X4	1	25,719	25,719
307	Ford Ranger	1	15,407	15,407
505	John Deere Wide Area Mower	1	42,569	42,569
533	John Deere 310sk	1	99,440	99,440
534	Bobcat E50	1	51,091	51,091
535	Bobcat Skidsteer	1	24,232	24,232
536	Cat Skidsteer	1	69,423	69,423
537	John Deere Dozer	1	25,000	25,000
539	Diablo Trailer	1	3,929	3,929
561	Bandit Chipper	1	39,197	39,197
563	John Deere Mower	1	20,539	20,539
600	Ford Tree Bucket Truck	1	166,535	166,535
601	John Deere Front Loader	1	36,461	36,461
626	GMC Dump Truck	1	33,172	33,172
627	GMC Dump Truck	1	32,684	32,684
628	Inernational 4400 Dump Truck	1	64,359	64,359
629	Ford F450 Dump Bed	1	54,018	54,018
660	Ziman Tilt Trailer	1	9,472	9,472
661	Ziman Tilt Trailer(SMALL)	1	1,001	1,001
664	Texas Trailer Small Mower	1	1,774	1,774
669	Longhorn Trailer	1	4,225	4,225
670	525 Gallon Water Trailer	1	4,295	4,295
Total				\$ 1,196,439
Total Improved Park Acres				192.98
Vehicles Cost per Improved Acre				\$ 6,200

Sources: City of Pacifica.