

RESOLUTION NO. 14-8174

**A RESOLUTION OF THE CITY OF SANTA CLARA,
CALIFORNIA ESTABLISHING THE FEE SCHEDULE FOR
FISCAL YEAR 2014-2015 FOR NEW RESIDENTIAL
DEVELOPMENT IN ACCORDANCE WITH TITLE 17
("DEVELOPMENT") CHAPTER 35 ("PARK AND
RECREATIONAL LAND") OF THE CODE OF THE CITY OF
SANTA CLARA**

BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:

WHEREAS, The City of Santa Clara is the Government entity responsible for providing public parks, recreation and open space facilities within the City of Santa Clara;

WHEREAS, the 2010-2035 General Plan includes a goal that "[n]ew parks, open space and recreation [be] provided with new development so that existing facilities are not overburdened";

WHEREAS, the City has conducted a nexus study and a review of comparable cities' parkland dedication and impact fees internally and through public processes; and,

WHEREAS, the fees established by this resolution are derived from, are based upon, and do not exceed the costs of providing capital park and recreation land and facilities necessitated by the new residential development for which fees are levied.

NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY OF SANTA CLARA AS

FOLLOWS:

1. Findings and Purpose. The City Council hereby finds and declares that:
 - A. New residential subdivisions and new non-subdivided residential projects generate impacts and demands for public services, facilities, and neighborhood and community parkland, and have a significant effect on the use and availability of park and recreation space and facilities, and that the limited open space and recreation amenities provided by these residential developments are insufficient to meet the needs.

- B. It is the City's intent and desire (General Plan: 5.9.1-G3, -G4; 5.9.1-P14, -P18, -P20) to require that such developments contribute their fair share of land, facilities, or amenities or contribute public costs toward the purchase, development and/or improvement of park and recreational facilities.
- C. The imposition of impact fees is one of the customary methods of ensuring that development bears a proportionate share of the cost of capital facilities necessary to accommodate such development in order to promote and protect the public health, safety and welfare;
- D. The provisions of this Chapter are enacted pursuant to the Charter, the City of Santa Clara General Plan and the authority granted as well as sections 66000-66025, 66477 and 66479 of the State of California Government Code (the "Mitigation Fee Act" and the "Quimby Act"), as may be applicable.
- E. The report entitled "Public Facilities Impact Fee Study" ("Nexus Study") dated April 2014, prepared by Willdan Financial Services, Inc. and reviewed by Council in June 2014, set forth a reasonable methodology and analysis for the determination of the impact of development on the need for and costs for additional capital parks and recreation facilities improvements in the City.
- F. Pursuant to Government Code Section 66016, the City made data available regarding the costs, or estimated costs, to provide services and proposed parkland dedication standards for the public facility impact fees at the June 10, 2014 Council Development Study Session, at least ten (10) days before the Council public hearing on June 24, 2014.

- G. On June 24, 2014, Council heard public testimony and considered evidence in a public hearing held and noticed in accordance with Government Code Section 66016 and 66018 and passed to print Ordinance No. 1928 *“An Ordinance Adding a New Chapter 17.35 “Park and Recreational Land” to Title 17 (“Development”) of “The Code of the City of Santa Clara, California.”*
- H. On July 15, 2014 Council approved the second reading of Ordinance No. 1928 which set the policy objectives, parkland standards, and procedures for ensuring that new residential development provides adequate park and recreational land and/or pays a fee in lieu of dedication in order to mitigate the impacts of the new growth.
- I. After careful consideration, including review of documentary and testimonial evidence and additional information submitted in the administrative review process, the City Council finds the imposition of impact fees to finance major public park and recreational land acquisition, development and rehabilitation as allowed by applicable law, is in the public interest and general welfare of the City and its residents, is equitable, and does not impose an undue burden on new development.

2. Calculation of Fees.

- A. The Nexus Study calculates the parks fees that would fund the fair share cost to new development for additional capital parks and recreational facilities and improvements. The Nexus Study is based on the General Plan planning horizon of 2010-2035 and estimates the future residential population needs for parkland and recreational facilities. The Nexus Study determines a fair share of future planned public facilities using the “system plan” method to assure that new development doesn’t pay for existing service deficiencies. The

Nexus Study uses the “existing inventory” method to calculate the maximum parks fee. This method assumes no existing service deficiencies and sets the fee that will fund the expansion of park facilities at the same standard that currently serves existing residents. The Nexus Study provides a reasonable methodology to determine the impacts and costs of new residential development. The City may adopt development impact fees up to the legally justified amounts in the Nexus Study (100% cost recovery).

- B. Pursuant to Ordinance No. 1928, the maximum amount of the fees due in lieu of required parkland dedication shall be determined by the fair market value of the amount of land that would otherwise be required to be dedicated “*using the average per acre land value for property in the City of Santa Clara, based upon a survey of land values and sale records in the City.*” The Ordinance further instructs that the Council shall set a minimum of three such average values, one for each of the three existing Zip codes in the City (95050, 95051, 95054), for each of the Dwelling Unit Categories (Single Family, Multi-family) on an annual basis in a Council resolution.
- C. To set the average land value for each valuation area of the City, a competitive market analysis survey was conducted by a real estate professional of all properties sold and recorded with the Santa Clara County Tax Assessor’s Office within the City of Santa Clara between January 1, 2013 and December 31, 2013 representing all property types (i.e. single family, multi-family, commercial, industrial, and lots/land), and ZIP Code areas. Based on the survey and analysis, the average per acre land value for each ZIP Code areas for calendar year 2013 was: \$3.299 million per acre (\$75.72/sf) in 95050; \$3.394 million per acre (\$77.91/sf) in 95051; and, \$5.671 million per acre (\$130.18/sf) in 95054.

- D. Parkland Dedication Standard. In calculation of parkland dedication or fees due in lieu thereof, new residential developments subject to the Mitigation Fee Act will use the existing parkland ratio of 2.53 acres per thousand residents; and, new residential subdivisions subject to the Quimby Act will use the City parkland standard of 3.0 acres of property for each one thousand residents for public park and recreational facilities.
- E. Dwelling Unit Categories and Density. In calculation of parkland dedication or fees due in lieu thereof, the types of dwelling units and average density factors (2010 Census) are: (1) Multiple Family Dwelling equals 2.24 persons per household; and, (2) Single-Family Dwelling equals 2.90 persons per household.
- F. In conformance with Code 17.35.050, in subdivisions of over fifty (50) parcels of land, in condominium developments of more than fifty (50) dwelling units, and in residential developments not involving a subdivision, a combination of land dedication and fee payment may be required. Developments of fifty (50) or less parcels or units will be required to pay an in-lieu fee.
- G. In conformance with Code 17.35.070, developers will submit a written request with the project application for any eligible credits against the amount of parkland dedication or the amount of the in-lieu fee. The developer will work with the Director of Parks & Recreation on the proposed credits and project park, recreation and open space conditions. The Approving Authority must make findings that the private open space meets the Code's standards and/or affordable housing needs.

3. Schedule of Fees.

A. Percentage of Cost Recovery. Pursuant to Ordinance No. 1928, fees subject to the Quimby Act and the Mitigation Fee Act based on unit type, and ZIP Code valuation area are calculated at 100% of cost recovery as provided in Table A, Table B, and Table C attached.

B. Fee Policy. For Fiscal Year 2014-2015, Council policy direction will be to charge 100% of cost recovery.

C. Implementation Schedule. Quimby Act Fees will be charged immediately (30 days after the effective date of Ordinance No. 1928) on development projects with applications deemed complete on or after September 13, 2014. Mitigation Fee Act fees will be charged on development projects with applications deemed complete 60 days after the adoption date of the fee resolution, December 13, 2014.

4. Constitutionality, severability. If any section, subsection, sentence, clause, phrase, or word of this resolution is for any reason held by a court of competent jurisdiction to be unconstitutional or invalid for any reason, such decision shall not affect the validity of the remaining portions of the resolution. The City of Santa Clara, California, hereby declares that it would have passed this resolution and each section, subsection, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more section(s), subsection(s), sentence(s), clause(s), phrase(s), or word(s) be declared invalid.

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5. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, AT A REGULAR MEETING THEREOF HELD ON THE 14TH DAY OF OCTOBER, 2014, BY THE FOLLOWING VOTE:


AYES: COUNCILORS: Davis, Gillmor and O'Neill and Mayor Matthews

NOES: COUNCILORS: Kolstad, Mahan and Marsalli

ABSENT: COUNCILORS: None

ABSTAINED: COUNCILORS: None

ATTEST:



ROD DIRIDON, JR.
CITY CLERK
CITY OF SANTA CLARA

Attachments incorporated by reference:

1. Attachment A. Table A—FY2014-15 New Residential Housing Impact Fee Schedule 95050
2. Attachment B. Table B—FY2014-15 New Residential Housing Impact Fee Schedule 95051
3. Attachment C. Table C—FY2014-15 New Residential Housing Impact Fee Schedule 95054

Table A—95050			
FY2014-15 New Residential Housing Impact Fee Schedule			
Applicable Fee Type	Calculation	Quimby	MFA
95050 Average \$/Acre (2013 Survey)	A	\$3,299,000	\$3,299,000
Park Acres/1000 Pop. LOS Standard	B	3	2.53
Total Cost per 1,000	$C = A \times B$	\$9,897,000	\$8,346,470
Cost per capita	$D = C/1000$	\$9,897	\$8,346
Density Single Family (Nexus Study)	$D \times 2.9$	\$28,701	\$24,203
Improvements (Nexus Study)	$\$807 \times 2.90$	\$2,340	\$2,340
Admin Charge (Nexus Study)	0.02	\$621	\$531
Total Single Family (SF) Dwelling Fee		\$31,662	\$27,074
Density Multi Family (Nexus Study)	$D \times 2.24$	\$22,169	\$18,695
Improvements (Nexus Study)	$\$807 \times 2.24$	\$1,808	\$1,808
Admin Charge (Nexus Study)	0.02	\$480	\$410
Total Multi Family (MF) Dwelling Fee		\$24,457	\$20,913
Alternative % of Cost Recovery			
% of Cost Recovery	Unit Type	Quimby	MFA
60%	SF	\$18,997	\$16,245
	MF	\$14,674	\$12,548
65%	SF	\$20,580	\$17,598
	MF	\$15,897	\$13,593
70%	SF	\$22,164	\$18,952
	MF	\$17,120	\$14,639
80%	SF	\$25,330	\$21,660
	MF	\$19,566	\$16,730
90%	SF	\$28,496	\$24,367
	MF	\$22,012	\$18,822
100%	SF	\$31,662	\$27,074
	MF	\$24,457	\$20,913

Table B—95051			
FY2014-15 New Residential Housing Impact Fee Schedule			
Applicable Fee Type	Calculation	Quimby	MFA
95051 Average \$/Acre (2013 Survey)	A	\$3,394,000	\$3,394,000
Level of Service Standard	B	3	2.53
Total Cost per 1,000	$C = A \times B$	\$10,182,000	\$8,586,820
Cost per capita	$D = C / 1000$	\$10,182	\$8,587
Density Single Family (Nexus Study)	$D \times 2.9$	\$29,528	\$24,902
Improvements (Nexus Study)	$\$807 \times 2.90$	\$2,340	\$2,340
Admin Charge (Nexus Study)	0.02	\$637	\$545
Total Single Family Dwelling Fee		\$32,505	\$27,787
Density Multi Family (Nexus Study)	$D \times 2.24$	\$22,808	\$19,234
Improvements (Nexus Study)	$\$807 \times 2.24$	\$1,808	\$1,808
Admin Charge (Nexus Study)	0.02	\$492	\$421
Total Multi Family Dwelling Fee		\$25,108	\$21,463
Alternative % of Cost Recovery			
% of Cost Recovery	Unit Type	Quimby	MFA
60%	SF	\$19,503	\$16,672
	MF	\$15,065	\$12,878
65%	SF	\$21,128	\$18,062
	MF	\$16,320	\$13,951
70%	SF	\$22,753	\$19,451
	MF	\$17,576	\$15,024
80%	SF	\$26,004	\$22,230
	MF	\$20,086	\$17,170
90%	SF	\$29,254	\$25,009
	MF	\$22,597	\$19,317
100%	SF	\$32,505	\$27,787
	MF	\$25,108	\$21,463

Table C—95054			
FY2014-15 New Residential Housing Impact Fee Schedule			
Applicable Fee Type	Calculation	Quimby	MFA
Average \$/Acre (Nexus Study 2014)	A	\$3,658,000	\$3,658,000
Level of Service Standard	B	3	2.53
Total Cost per 1,000	$C = A \times B$	\$10,974,000	\$9,254,740
Cost per capita	$D = C/1000$	\$10,974	\$9,255
Density Single Family (Nexus Study)	$D \times 2.9$	\$31,825	\$26,840
Improvements (Nexus Study)	$\$807 \times 2.90$	\$2,340	\$2,340
Admin Charge (Nexus Study)	0.02	\$683	\$584
Total Single Family Dwelling Fee		\$34,848	\$29,764
Density Multi Family (Nexus Study)	$D \times 2.24$	\$24,582	\$20,731
Improvements (Nexus Study)	$\$807 \times 2.24$	\$1,808	\$1,808
Admin Charge (Nexus Study)	0.02	\$528	\$451
Total Multi Family Dwelling Fee		\$26,918	\$22,990
Alternative % of Cost Recovery			
% of Cost Recovery	Unit Type	Quimby	MFA
60%	SF	\$20,909	\$17,858
	MF	\$16,151	\$13,794
65%	SF	\$22,651	\$19,346
	MF	\$17,497	\$14,944
70%	SF	\$24,393	\$20,834
	MF	\$18,843	\$16,093
80%	SF	\$27,878	\$23,811
	MF	\$21,534	\$18,392
90%	SF	\$31,363	\$26,787
	MF	\$24,226	\$20,691
100%	SF	\$34,848	\$29,764
	MF	\$26,918	\$22,990