RESOLUTION NO. 15-27

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, TO IDENTIFY AND DETERMINE A METHODOLOGY FOR THE CALCULATION OF PARK IMPACT FEES AND TO ADOPT NEW PARK IMPACT FEES FOR NEW: SINGLE-FAMILY RESIDENTIAL, MULTI-FAMILY RESIDENTIAL (OWNER), AND MULTI-FAMILY RESIDENTIAL (RENTER) IN COSTA MESA

THE CITY COUNCIL OF THE CITY OF COSTA MESA FINDS AND DECLARES AS FOLLOWS:

WHEREAS, California Government Code Section 66477 authorizes the legislative body of a City to require the payment of fees in-lieu of the dedication of land for park and recreation purposes;

WHEREAS, Objective OSR-1A.1 of the Costa Mesa 2000 General Plan establishes the park land-to-population ratio of 4.26 acres for every 1,000 residents;

WHEREAS, Chapter IX, Subdivisions, of Title 13 of the Costa Mesa Municipal Code sets forth provisions relating to the dedication of land and collection of park impact fees for park and recreation purposes;

WHEREAS, Article 5, Section 13-256, Amount of fee in lieu of land dedication, of Title 13 of the Costa Mesa establishes the methodology for calculating parkland in-lieu fees. Based on this methodology, parkland in-lieu fees would be in excess of $23,000 per unit for single-family and multi-family residential development for specified residential subdivisions;

WHEREAS, State Law allows Council to adopt reduced parkland impact fees;

WHEREAS, the City Council reviewed the methodology related to calculating the park impact fees, historic parkland expenditures, historic housing trends, and population density standards;

WHEREAS, a duly noticed public hearing was held by the City Council on August 4, 2015 where public testimony was received for and against the fee methodology and amended park impact fees;

WHEREAS, Any provision of the Costa Mesa Municipal Code or appendices thereto inconsistent with the provisions of this resolution, to the extent of such inconsistencies and or further, is hereby repealed or modified to the extent necessary to affect the provisions of this resolution;

WHEREAS, in accordance with the California Environmental Quality Act (CEQA), the CEQA Guidelines, and the City's environmental procedures, the City Council finds that the adoption of this resolution is covered by CEQA General Rule Exemption [Section 15061(b)(3)] which exempts activities that can be seen with certainty to have no possibility for causing a significant effect on the environment. A significant effect is defined as, "a substantial, or potentially substantial, adverse change in the physical conditions within the area," and the adoption of this resolution is therefore not subject to CEQA;

WHEREAS, If any provision of clause of this resolution or the application thereof to any person or circumstances is held to be unconstitutional or otherwise invalid by any court of competent jurisdiction, such invalidity shall not affect other provisions or clauses or applications of this resolution which can be implemented without the invalid provision, clause or application; and to this end, the provisions of this resolution are declared to be severable;

NOW, THEREFORE, BE IT RESOLVED that the new park impact fees shall apply to: (1) Any discretionary application for a live/work or residential development project which was approved by the final decision making body after the effective date of the resolution;

OR (2) Any pending ministerial application for a residential development project which was not subject to discretionary review and which was submitted into plan check after the effective date of the resolution; OR (3) Any previously-approved live/work or residential development project which has expired after the effective date of this resolution. Pursuant to State Law the above-fees shall go into effect no sooner than **60 days** after Ordinance No. 15-09 is final and effective. Ordinance No. 15-09 shall be final and effective on October 1, 2015. The fees shall be in effect on November 30, 2015.

BE IT FURTHER RESOLVED that the City Council of the City of Costa Mesa hereby finds and determines that the park impact fees shall be calculated based on the methodology described in Exhibit A. This methodology also includes the calculation of park impact fees for apartment projects in the City which do not require a residential subdivision (i.e. multi-family residences; renter).

BE IT FURTHER RESOLVED that the City Council also hereby adopts new parkland impact fees as described in Exhibit B.

BE IT FURTHER RESOLVED that the park impact fees shall be updated to ensure it meets State Government Code 66470 and 66000 in four years but be automatically adjusted on an annual basis every July using the Los Angeles-Riverside-Orange County California Consumer Price Index to adjust for escalation.

PASSED AND ADOPTED this 4th day of August, 2015.

Stephen M. Mensinger, Mayor

ATTEST:

Brenda Green

Brenda Green, City Clerk

APPROVED AS TO FORM:

Yolanda M. Summerhill

for Thomas Duarte, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF COSTA MESA)

I, BRENDA GREEN, City Clerk of the City of Costa Mesa, DO HEREBY CERTIFY that the above and foregoing is the original of Resolution No. 15-27 and was duly passed and adopted by the City Council of the City of Costa Mesa at a regular meeting held on the 4th day of August, 2015, by the following roll call vote, to wit:

AYES:	COUNCIL MEMBERS:	Foley, Genis, Monahan, Righeimer, Mensinger
NOES:	COUNCIL MEMBERS:	None
ABSENT:	COUNCIL MEMBERS:	None

IN WITNESS WHEREOF, I have hereby set my hand and affixed the seal of the City of Costa Mesa this 5th day of August, 2015.

Brenda Green

Brenda Green, City Clerk

EXHIBIT A

For projects that meet California Government Code Section 66477 or Single-Family and Multi-Family Subdivided Residences intended for single unit ownership the following methodology applies:

Maximum Fee = 4.26(D.F. X D.U. X C.A.)/1,000

Definition of terms:

4.26- Number of acres per 1000 persons.

D.F.- Density factor obtained from Section 13-254 POPULATION DENSITY as applicable to the proposed development.

D.U.- Number of dwelling units.

C.A.- Cost of Acquisition of an acre of park land based on appraisal of land within the City of Costa Mesa

Fee Calculation

Single Family Residential: 13,574 per unit = 4.26(2.66 X 1 X 1197900)/1000*

Multi-Family Residential: 13,829 per unit = 4.26(2.71 X 1 X 1197900)/1000*

*Fees are based on calculation from 2005 Park Fee update since fees for these development types have remained the same. This is permissible since State Government Code allows for lower fees than the maximum and the current maximum is greater than the existing fees.

For residential development projects that do not meet California Government Code Section 66477 and are not exempt from fees the following methodology applies:

Maximum Fee = 4.26(A.D.F. X D.U. X P.C.)/1,000

Definition of terms:

4.26- Number of acres per 1000 persons.

A.D.F.- (Average person per household within studios * Average percent share of studio in apartment developments) + (Average person per household within

1 bedroom apartments * Average percent share of 1 bedroom apartments in apartment developments) + (Average person per household within 2 bedroom apartments * Average percent share of 2 bedroom apartments in apartment developments) + (Average person per household within 3 bedroom or more apartments * Average percent share of 3 bedroom or more apartments in apartment developments) = Average person per household within an apartment development

Or in words,

An apartment density factor obtained from; first, calculating the average person per household within each apartment unit type, Studio, 1 Bedroom, 2 Bedroom, 3 or more bedrooms, second, calculating the average distribution of apartment unit types within apartment developments, third, calculate the expected average person per household of an average apartment development by multiplying the corresponding averages (Average person per household and percent share of development by apartment type) and then sum all apartment types.

D.U.- Number of dwelling units.

P.C.- Proportionate cost is the sum of the weighted cost of park land acquisition per acre of land and the cost of construction per acre of land.

Fee Calculation

A.D.F. – 1.77 = (1.2 X .09) + (1.5 X .46) + (2.1 X .41) + (3.2 X .04)

P.C. – 669,750 = (.11)2,500,000 + 390,000
Cost of Acquisition: 2,500,000
Weighting for Acquisition: .11*
Cost of Construction: 390,000

*This weighting is to account for the minimal rate of acquisition within the City and the Common Space provided within apartments which mitigate residences impact on park space in the City.

Apartments: 5,000* per unit = 4.26(1.77 X 1 X 669,750)/1000

*Rounded to nearest thousand.

EXHIBIT B

Development Type	Per Unit Fee
Single Family Residence	$13,572
Condominiums - Multi-Family Residence Owner	$13,829
Apartments – Multi-Family Residence Renter	$5,000

Park Fee shall be implemented as follows, new park impact fees shall apply to: (1) Any discretionary application for a live/work or residential development project which was approved by the final decision making body after the effective date of the resolution; OR (2) Any pending ministerial application for a residential development project which was not subject to discretionary review and which was submitted into plan check after the effective date of the resolution; OR (3) Any previously-approved live/work or residential development project which has expired after the effective date of this resolution.