



May 11, 2004

CITY OF LONG BEACH

Department of Parks, Recreation and Marine

2760 N. Studebaker Road, Long Beach, CA 90815-1697

(562) 570-3100 • FAX (562) 570-3109

www.lbparks.org

RES-27

HONORABLE MAYOR AND CITY COUNCIL

City of Long Beach

California

SUBJECT: Adopt Resolution and Findings Approving Park Impact Fee Report for Fiscal Year 2003 (Citywide)

DISCUSSION

The Fiscal Year 2003 (FY 03) Park Impact Fee Report was prepared in accordance with Long Beach Municipal Code Section 18.18.160, and California Government Code Section 66006, to update the City Council on the status of the Park Impact Fee Fund. This report covers the Fiscal Year ending September 30, 2003.

In February 1989, the Long Beach City Council established the Park Impact Fee for parkland acquisition and improvements. The Park Impact Fee was originally imposed on all new residential development to mitigate the impact of increased population from those new developments on parks and park facilities. The fees were based on a citywide recreation standard, the projected growth in population, and the estimated cost to provide the new and expanded recreational facilities needed to serve the increased population at the citywide standard.¹

Based on the projected housing growth from 1989 to 2000, the Park Impact Fee program was estimated to collect \$43,290,000 during this period of time. Through September 30, 2003, \$9,607,444 in fees, interest, and "in lieu" contributions have been received. Attachment "A" summarizes Park Impact Fee revenues and expenditures. The lower receipts noted above have caused a delay in implementing many of the planned projects. Attachment "B" is the program of completed and planned projects. The difference between the actual receipts and the projected receipts is the result of residential construction being significantly lower than the projected rate. A comparison of the accomplishments of the program compared to the original goals is included in the following table. Attachment "C" compares the original plan to the current plan and indicates completed, in progress, and future projects.

¹ A service level standard of 1.35 acres of park space per 1,000 persons was adopted. This ratio was one-half the citywide average service level of 2.7 acres per 1,000 persons that was estimated to exist in 1989. The standard for the Park Impact Fee was set at half the cost of providing the then existing service level because it was believed the same level of service could be achieved more efficiently by utilizing school land for public recreation and by providing recreational equipment to allow more intense park use. The current level of service is 3.1 acres per 1,000 residents, as determined from data in the Open Space and Recreation Element of the General Plan, October 2002.

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Park Impact Fee Program

<u>Category</u>	<u>Original Total Program Goals</u>	<u>Cumulative Total Accomplished 9/2003</u>
Additional recreational land	46 acres	4.00 acres*
Recreation center area	26,018 square feet	1,145 square feet*
Softball fields	4.60 fields	3.00 fields
Soccer fields	1.80 fields	1.25 fields**
Tennis courts	5.70 courts	0
Bike trail	3.20 miles	0

*Prorated from partial funding from Park Impact Fees.

**Includes lighting of an existing field, which is equivalent to ¼ of a new field, based on the increase in use hours.

The Park Impact Fee is \$2,680 for each single-family dwelling, \$2,070 for each two-family or multi-family dwelling unit, \$1,522 for a mobile home unit, and \$1,015 for a work/live unit. Projected revenue for FY 04 is \$750,000.

During FY 03, \$1,702,030 was received from fees and \$35,178 from interest, for a total of \$1,737,208. During FY 03, \$500,000 was budgeted in the Capital Improvement Budget. This included \$300,000 to match a grant to build a teen center at Admiral Kidd Park (District 7) and \$200,000 to build a mini-park at Plymouth Street and Elm Avenue (District 8).

In the FY 04 CIP budget, \$1,200,000 was budgeted from Park Impact Fees. This funding is being used to begin design to expand and purchase a mini-park on leased land at Miracle on Fourth Street Park (\$160,000 - District 2), renovate Chittick Field (\$50,000 - District 6), to match grants to add a teen center to California Recreation Center (\$80,000 - District 6), to match a grant to build the Homeland Cultural Arts Center at MacArthur Park (\$50,000 - District 6), to add a teen center at Admiral Kidd Park (\$290,000 - District 7), to develop the mini-park at Plymouth Street and Elm Avenue (\$380,000 - District 8), and to plan 55th Way Community Park development (\$190,000 - District 9).

Minor changes are being proposed to the Park Impact Fee development program as follows:

- Prorate the completed developments by the portion of the total funding provided from Park Impact Fees.
- Add 0.14 acres at Miracle on Fourth Street Park, 0.23 acres at Chittick Field, 1.12 acres at Plymouth and Elm Avenue, and 0.32 acres at 55th Way Community Park to the planned acquisition and development sites, prorated to the Park Impact Fee share of the estimated acquisition and/or development costs.
- Decrease the planned expansion of the Martin Luther King, Jr., Park Community Recreation Center by 1,106 square feet (from 4,534 square feet to 3,428 square feet); and Silverado Community Recreation Center by 2,348 square feet (from 4,534 square feet to 2,186 square feet).

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- Add 406 square feet to the planned addition to Homeland Cultural Arts Center at MacArthur Park, add 650 square feet to the prorated share of the California Recreation Center Teen Center addition, and add 1,350 square feet to the prorated share of the Admiral Kidd Park Teen Center.

No changes to the existing ordinance or fees are recommended at this time. The Park Impact Fee has not been adjusted for inflation in the 14 years since it was established. Any revision to the fee requires a new study of the nexus of the fee to the impact it is intending to mitigate. Such a study is currently under way, and recommendations that could increase the existing park impact fees will be presented in the near future.

This item was reviewed by Principal Deputy City Attorney Mike Mais on April 7, 2004, and Budget Manager Michael Killebrew on April 6, 2004. The Department of Financial Management assisted in the preparation and review of the FY 03 Park Impact Fee Report.

TIMING CONSIDERATIONS

Long Beach Municipal Code Section 18.18.160 requires that the City Council review this report annually.

FISCAL IMPACT

There is no fiscal impact associated with the recommended action.

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Adopt the attached resolution approving the FY 2003 Park Impact Fee Annual Report and making the finding relative thereto, and amend the Park Impact Fee Development Program as indicated.

Respectfully submitted,



PHIL T. HESTER
DIRECTOR OF PARKS, RECREATION AND MARINE

PTH:DLE:lr
Attachments

APPROVED:



GERALD R. MILLER
CITY MANAGER