TO: HONORABLE CITY COUNCIL

FROM: CITY MANAGER

DATE: MARCH 12, 2007

SUBJECT: PRIORITIZATION OF POTENTIAL PARK PROJECTS UTILIZING PARK DEVELOPMENT FEES FROM THE FINANCE COMMITTEE MEETING OF FEBRUARY 21, 2007

RECOMMENDATION
The Finance Committee recommends by a 3-1 vote (Mossar, “no”) that the Council:

1) Approve the use of development impact fees for the top ten ranked 2006-2011 park improvement projects (Attachment A); and

2) Consistent with the prioritized list, direct staff to proceed with the planning and development of proposed park projects as funds are available from the Park Development Fee Fund.

BACKGROUND
On March 25, 2002, Council adopted an ordinance (Ordinance 4742 creating Chapter 16.58 of the PAMC) to establish development impact fees for parks, community centers and libraries (CMR:188:02) under the provisions of California Assembly Bill 1600. Park development impact fees are legally required to be expended to augment recreational opportunities through the improvement of parks in order to compensate for increased demand for City facilities and services brought about by new residential and commercial development. The ordinance became effective April 24, 2002, and applied retroactively to those project applications receiving final approval after January 28, 2002. As of December 31, 2006, the balance of accumulated development impact fees for parks was $1,628,497.

After Council established the development impact fee ordinance in 2002, staff has worked with community groups, recreation clubs and the Parks and Recreation Commission to study strategies for enhancing park and recreational facilities in order to mitigate for increased usage caused by new development.

The attached list of proposed park projects, including three projects that have been previously approved by Council, include the renovation of sports playing fields at Cubberley, El Camino Park and Greer Park with synthetic turf to increase use by 10 percent to 2 percent; the addition of restrooms at Cubberley, Seale and Eleanor Pardee parks where field and play area usage is notably high; and the addition of lights at the Cubberley Community Center tennis courts to result in an increase in tennis usage by an estimated 30 percent annually.
The actually funding of each of these prioritized conceptual projects will be reviewed and approved by Council as part of the annual Capital Improvement Program budget. Each project will be described in detail in the Capital Improvement Program budget document together with the amount of park development fees that will be used and the amount of grant funding or matching partnership contributions, if any.

**FINANCE COMMITTEE REVIEW AND RECOMMENDATIONS**

At its February 21, 2007, meeting the Committee voted 3 to 1 to recommend to Council the approval of the use of developmental impact fees for the top ten 2006-2011 park improvement projects, and consistent with the prioritized list, that staff be directed to proceed with the planning and development of proposed park projects as funds are available from the Park Development Fee Fund (CMR:146:07). The Committee reviewed and discussed the evaluation criteria that were used to rank the potential projects and approved the list (Attachment A) with two additional criteria:

1) Does the project upgrade existing facilities?; and
2) Does the project create efficiency or result in lower maintenance or operation costs?

Council Member Mossar suggested adding a criterion to consider the project’s ability to make it easier to access parks or for visitors to get to existing parks and facilities. This suggestion failed to gain a second from other Committee members.

**RESOURCE IMPACT**

The development of new or expanded parks or City recreational facilities will result in some increased operational and maintenance expense. Development impact fees may not be used for the operation or maintenance of facilities or programs. The anticipated annual maintenance expense required for new restroom facilities is estimated at $5,000 per restroom. The annual maintenance expense for the Greer Park expansion (Phase IV) is estimated at $9,000.

The renovation of playing fields, replacing irrigated turf with synthetic turf, and thereby eliminating mowing, fertilizing, de-thatching and irrigating costs, would result in an annual operational saving to the City estimated at $30,000 per field. Anticipating that the turf surface must be replaced every eight to ten years at a cost of approximately $350,000 per field, the net savings is neutral. The renovation of fields with synthetic turf will, however, result in significant increase in efficiency by increasing the number of playable days each year the fields would be accessible for field sports.

**POLICY IMPLICATIONS**

This report does not represent any change to existing City policies. Improvement and enhancement of City parks and facilities is consistent with policy C-22 of the Community Services element of the Comprehensive Plan: Design and construct new community facilities to have flexible functions to ensure adaptability to the changing needs of the community; and Policy C-24: Reinvest in aging facilities to improve their usefulness and appearance.
ATTACHMENTS
Attachment A: Prioritization of Potential Park Projects
Attachment B: Except of Minutes of the Parks and Recreation Commission July 25, 2006, Regular Meeting
Attachment C: Except of the Minutes of the Finance Committee February 21, 2007, Regular Meeting

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