



## Parks AB1600 Development Impact Fee Technical Memo

To: Kul Sharma  
From: Alison Bouley  
cc:  
Date: May 2012  
Re: **City of Tracy**  
**2013 Parks Master Plan**  
**AB1600 Development Impact Fee Study**

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### **BACKGROUND**

On April 16, 2013, the City of Tracy “Parks Master Plan (New Developments),” prepared by MIG was adopted by City Council. The park master plan studied the existing level of service within the City and set guidelines for future park development. The locations and exact sizes of parks will be determined as new development moves forward.

The purpose of this memo is to calculate the City wide park fee and provide the findings necessary under Government Code Section 66000, et seq., also known as Assembly Bill 1600 (AB1600).

### **LEVEL OF SERVICE**

The City of Tracy currently has 335 acres of park land at 73 sites. This provides park land at a service level of 4.1 acres per 1,000 residents. At a minimum, the City wants to maintain a service level of 4.0 acres/1,000 in the future. This would provide 3 acres of neighborhood parks and 1 acre of community park per 1000 residents. To maintain the existing service level as the community continues to grow, approximately 154 acres of new park land will be needed to serve future service areas at build out.

### **COST ESTIMATES**

The cost estimates that form the basis of the fee calculations were provided by MIG and developed in coordination with the City of Tracy. Table 1 shows the cost estimate for a typical 5-acre neighborhood park under the design guidelines set forth in the 2013 master plan. A site acquisition cost of \$100,000 per acre is added to the various amenity costs and a cost per acre of parks was calculated. The estimated cost per neighborhood park acre is \$580,000 per acre.

**Table 1 – Neighborhood Park Cost Estimate**

Site Development	Estimated Cost	Notes
Site Infrastructure	\$ 600,000	Grading, planting areas with irrigation, trees, lighting, site utilities, limited off-street parking (estimated @\$120,000/acre)
Site Furnishings	\$ 40,000	Approximately 6-benches, 8-trash receptacles, 2-park rule signs, 1-entry sign, 2-bike racks, 3-picnic tables
Children's Play Area (Small)	\$ 200,000	Playground equipment ages 2-5 and ages 6-12, with climber, swings; non-synthetic surfacing
Small Turf Area	\$ 120,000	2 acre graded, irrigated grass area for unstructured play
Group Picnic Shelter (Basic)	\$ 100,000	Serves 30-32 people (4 -8' long picnic tables)
Allowance: Active Use	\$ 60,000	Sports court (e.g., single tennis, full-court basketball, sand volleyball) skate spot or other active use feature
Hard-surfaced Looped Path	\$ 120,000	8' wide - 3,000 lf , concrete perimeter path and path through natural area and park
Bathroom	\$ 375,000	
Natural Area	\$ 35,000	1 ac natural area; basic restoration @ \$35,000 per acre
Interpretive Signage	\$ 8,000	2 signs; basic design, text development, fabrication and installation at \$4,000 per sign
<b>Site Development Subtotal</b>	<b>\$ 1,658,000</b>	
Design	\$ 165,800	10 % of total development cost
Contingency	\$ 331,600	20% of total development cost
Program Administration & Construction Management	\$ 248,700	15% of total development cost
<b>TOTAL</b>	<b>\$ 2,404,100</b>	
<b>Neighborhood Park Cost per Acre</b>		
<b>Site Acquisition</b>	<b>\$ 100,000</b>	
<b>Site Development</b>	<b>\$ 480,000</b>	
<b>Total Cost</b>	<b>\$ 580,000</b>	

Table 2 shows a typical community park estimate. This estimate assumed a 40-acre community park and included amenities that would be expected in such a park. A site acquisition cost of \$100,000 per acre was added to the various amenity costs and a cost per acre of parks was calculated. The total estimated cost, per community park acre, is \$550,000.

**Table 2 – Community Park Cost Estimate**

Site Development	Estimated Cost	Notes
Site Infrastructure	\$ 4,800,000	Grading, paving, landscape, irrigation, trees, lighting, site utilities, parking (estimated @\$140,000/acre)
Site Furnishings	\$ 200,000	24-benches, 32-trash receptacles, 8-park rule signs, 2-entry sign, 8-bike racks, 12-picnic tables.
Children's Play Area (Large)	\$ 600,000	Thematic playground area ages 2-5 and ages 6-12, including climbing apparatus, swings and surfacing
Interactive Water Feature Allowance	\$ 500,000	Sprayground with filtration and recirculating system
Turf Area	\$ 960,000	1 acre graded, irrigated grass area for unstructured play
Group Picnic Shelter (Large)	\$ 500,000	3,000 sf shelter - serves 100 people (12 - 8' tables; barbecue, food preparation area with sink
Family Picnic Area	\$ 80,000	10 tables with barbecues; 5 have individual shade structures
Soccer Fields (3)/Softball Overlay (2)	\$ 880,000	Lighted, sand based turf field including drainage and irrigation; 3 soccer with 2 softball overlay on outfield with backstop, side fencing, dugout, 2 - 3 row bleachers
Basketball Court (Full & Half)	\$ 80,000	Sports court surfacing, viewing seating
Tennis Courts (4) & Practice 1/2 Court	\$ 240,000	Concrete Tennis courts with lights
Allowance: Recreation Amenity	\$ 100,000	Allowance for facility such as sand volleyball, climbing spire, disc golf, outdoor exercise equipment
Hard-surfaced Looped Pathway	\$ 300,000	8' wide -6400 lf , concrete perimeter path
Natural Area	\$ 350,000	Restoration costs @ \$35,000 per acre for 10 acres
Soft-surfaced Nature Trail	\$ 90,000	2400 lf x 6
Interpretive Signage	\$ 25,000	For basic design, text development, fabrication and installation at \$4,000 per sign for 5 signs, plus tree markers
Restroom (Large)	\$ 1,700,000	8-unit single occupancy restroom building, plumbing chase and storage
Maintenance Facility	\$ 750,000	Staff Office, Restroom, Covered Equipment Storage, parking and fencing
Sustainable Site Design (Allowance)	\$ 300,000	Pemeable paving,use of recycled or reclaimed water for irrigation, solar lights, etc.
<b>Site Development Subtotal</b>	<b>\$ 12,455,000</b>	
Design	\$ 1,245,500	10 % of total development cost
Contingency	\$ 2,491,000	20% of total development cost
Program Administration & Construction Management	\$ 1,868,250	15% of total development cost
<b>TOTAL</b>	<b>\$ 18,059,750</b>	
<b>Community Park Cost per Acre</b>		
Site Acquisition	\$ 100,000	
Site Development	\$ 450,000	
<b>Total</b>	<b>\$ 550,000</b>	

**FEE CALCULATIONS**

The park fee is calculated based on the cost per capita to provide the required 4 acres per 1000 people. Table 3 shows the cost per capita calculation.

**Table 3 – Cost Per Capita**

	<b>Park Cost (per ac)</b>	<b>Acres per 1000 People</b>	<b>Cost per 1000 People</b>	<b>Cost per Capita</b>
Neighborhood Park Cost	\$ 580,000	3	\$ 1,740,000	\$ 1,740
Community Park Cost	\$ 550,000	1	\$ 550,000	\$ 550
<b>Total</b>			<b>\$ 2,290,000</b>	<b>\$ 2,290</b>

The cost per capita is then converted into a fee per unit for the various densities. A low density unit is assumed to contain 3.3 people per unit, an attached medium density unit contains 2.7 people per unit and a high density unit contains 2.2 people per unit. Table 4 below shows the fee for each unit type.

**Table 4 – Fee per Unit**

	<b>Cost per Capita</b>	<b>People Per Unit</b>	<b>Fee Per Unit</b>
Low Density	\$ 2,290	3.3	\$ 7,557
Medium Density (attached 2-4 units)	\$ 2,290	2.7	\$ 6,183
High Density (attached 4+)	\$ 2,290	2.2	\$ 5,038

## AB 1600 FINDINGS

This section proves the nexus findings for establishing development impact fees for parks pursuant to the **Mitigation Fee Act**, California Government Code sections 66000, et seq., AB 1600.

*Description of assumptions and design criteria regarding existing level of service, including a description of the existing public facilities and the existing users.*

The City of Tracy provides 336 acres of park land at 73 sites. Existing parks provide a level of service of 4.1 acres per 1,000 residents.

An estimated 81,548 people live in Tracy today. The City has many families, with a high percentage of children, youth, and middle-aged adults. Tracy's future service areas are anticipated to be developed to attract a similar mix of ages, including families who will need multi-generational recreation opportunities. City parks and facilities will also need to be able to serve older adults and seniors.

*Description of assumptions regarding the type of development planned for the City of Tracy.*

There are 19 service areas anticipated to develop within the City's sphere of influence, which will include approximately 38,447 new residents at build-out.

*Description of the impacts that new development will have on the level of service to existing City residents.*

The City of Tracy currently provides park land at a service level of 4.1 acres per 1,000 residents. At a minimum, the City wants to maintain a service level of 4.0 acres/1,000 in the future. To

maintain this service level as the community continues to grow, approximately 154 acres of new park land will be needed in future service areas at build out.

*Description of the facilities required for the new development to meet the City's design criteria and level of service standards*

While park land needs continue to be based on a service level comparable to the existing LOS, acreage needs for neighborhood and community parks should be allocated differently to support the community's vision for larger parks and a greater variety of close-to-home recreation opportunities. Needs for neighborhood and community parks are based on the following allocation:

- Three (3) acres per 1,000 residents for new neighborhood parks. Based on population forecasts, approximately 115 acres of park land will be needed for new neighborhood parks at build-out.
- One (1) acre per 1,000 residents for new community parks. Based on population forecasts, approximately 38 acres of park land will be needed for a new community park(s) at build-out.

Consistent with the community's vision for the future, no new mini parks are needed.

*Description of how new development will benefit from the new parks facilities*

New parks facilities will be built to maintain a level of service of 4 acres per 1000 residents. 3 acres of new neighborhood parks per 1000 people will be built and one acre of community park.

*Pursuant to Government Code section 66005(a), an estimate of the total cost for providing the required public facilities necessary to support the buildout condition*

Land acquisition costs for both types of parks are based on a City standard of \$100,000 per acre. As noted in the tables, preliminary per-acre construction costs are estimated at approximately \$480,000 per acre for neighborhood parks and \$450,000 per acre for community parks. To serve new development, it is estimated that a total of approximately \$88 million will be needed to build parks to serve new development.

*Description of the basis upon which the total estimated cost of providing the required park facilities will be allocated*

The total estimated cost of providing the required park facilities to serve new development is allocated to new development based on a per capita basis. This per capita cost is then converted to a cost per unit for the various residential landuse types based on an estimated number of people per residence.

*Findings with Respect to the Mitigation Fee Act*

This sub-section provides findings which comply with the requirements of California Government Code Section 66000, et seq. The capital improvements to be funded by impact fees are required to mitigate the impacts of new development within the City, consistent with the land use and policies set forth by the City. The parks impact fees are not being imposed to improve or correct deficiencies in existing condition service levels. The impact fees are based on a fair share

cost analysis which: 1) determines capital improvements required to mitigate impacts of new development, and 2) equitably distributes the costs of improvements to the new development areas that cause the impacts, per the provisions of the *Mitigation Fee Act*.

The *Mitigation Fee Act* requires mitigation fee programs incorporate the following basic requirements and information relating to reasonable relationship:

- Identification of the purpose of the fee.
- Identification of how the fee will be used.
- Determination of how there is a reasonable relationship between the fees use the type of development projects on which the fee is imposed.
- Determination of how there is a reasonable relationship between the need for the park facilities and the type of development projects on which the fee is imposed.
- Determination of how there is a reasonable relationship between the amount of the fee and the cost of the park facilities (or portion of facilities) attributable to new development.

The following findings address these requirements on reasonable relationship:

1. Identify the purpose of the fee. The purpose of the fee is to provide a source of funding to be used to construct park facilities to serve new development in the City.
2. Identify how the fee will be used. The impact fees will be used to construct the needed program parks facilities to maintain 4 acres of park per 1000 residents.
3. Determine how there is a reasonable relationship between the fees use and the type of development projects on which the fee is imposed. New residents in the proposed developments will generate additional demand for recreation facilities. The establishment of fees to fund the facilities required to serve and mitigate the impact of new development is directly related to residential development.
4. Determine how there is a reasonable relationship between the need for public park facilities and the type of development on which the fee is imposed. Each new resident in the City creates additional needs for park facilities. The park impact fee is based on the cost of creating new park land to maintain the existing level of service within the City. This fee is based on a cost per capita for new residential developments.
5. Determine how there is a reasonable relationship between the amount of the fee and the cost of the park facilities attributable to new development. The estimated costs of park facility improvements that are needed to serve new development have been prepared. These are considered to be reasonable order of magnitude estimates of costs that will be incurred to construct the required improvements, and have been corroborated with actual bids and experiences on prior park improvement projects. The Park Impact Fee allocates the fair share of the estimated park costs and benefits to the various proposed residential land uses associated with new development based on the estimated number of people per unit.