

RESOLUTION NO. 16046

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDWOOD CITY ADOPTING THE NEXUS STUDY AND ASSOCIATED IMPACT FEE PROJECT LIST FOR THE PARKS FEE UPDATE, AND SETTING UPDATED CHARGES FOR THE PARKS IMPACT FEE (REDWOOD CITY MUNICIPAL CODE CHAPTER 18, ARTICLE XVI)

WHEREAS, the Redwood City Municipal Code (“RMC”) Chapter 18, Article XVI imposes upon new residential and nonresidential development the requirement to pay a Parks Impact Fee (“Parks Impact Fee”); and

WHEREAS, RMC Section 18.259(E) empowers the City Council to establish the amount of the Parks Impact Fee by resolution in accordance with a nexus study that demonstrates the reasonable relationship between the fee’s use and the type of development project on which the fee will be imposed and that demonstrates the reasonable relationship between the need for park facilities and the type of development projects on which the fee will be imposed; and

WHEREAS, new development projects attract new residents and employees to the City, generating an increased demand for parks, parkland, and recreation facilities and impacting existing park and recreation service levels; and

WHEREAS, the City has determined that City park and recreation facilities are reaching capacity, and that the City requires a cost-effective and efficient way of serving future residents and employees while maintaining existing levels of service; and

WHEREAS, the City contracted with Economic & Planning Systems (EPS) to perform studies for a proposed park development fee update to address the Parks Impact Fee; and

WHEREAS, EPS prepared and submitted a Nexus Analysis for the Redwood City Parks Fee Update, dated May 11, 2022, attached hereto as Exhibit A and incorporated by reference (the “Nexus Study”); and

WHEREAS, the City desires to increase the amount of the Parks Impact Fee upon residential development projects, and impose a new Parks Impact Fee on nonresidential development, to ensure that new development contributes its fair share

to parkland acquisition and park development in the City consistent with the City's standards for parks provision; and

WHEREAS, the Nexus Study substantiates a methodology that will charge each new development project only for the costs necessary to mitigate the impacts expected to be caused by that development project; and

WHEREAS, there is a reasonable relationship between the Parks Impact Fee's use and development projects on which the Parks Impact Fee will be imposed because the Parks Impact Fee will only fund costs necessitated by each new development; and

WHEREAS, the Parks Impact Fee does not exceed the estimated reasonable cost of providing the land and facilities for which the Fee is imposed; and

WHEREAS, the Parks Impact Fee is not levied, collected or imposed for general revenue purposes, but is levied specifically to fund facilities of the types set forth in the Nexus Study; and

WHEREAS, the Nexus Study establishes a proposed amount and provides an evaluation of the need for an updated Parks Impact Fee and establishes the nexus between the imposition of the new Parks Impact Fee and the estimated reasonable cost of providing the service for which the fee is charged; and

WHEREAS, the Nexus Study substantiates the need for the update to the Parks Impact Fee; and

WHEREAS, the Nexus Study identifies the City's existing level of public parks service, identifies the proposed new level of service, and includes an explanation of why the new level of service is appropriate; and

WHEREAS, the Nexus Study includes information that supports the City's actions, as required by subdivision (a) of Section 66001 of the Government Code; and

WHEREAS, the Nexus Study reviewed the assumptions of the prior nexus study, which supported the existing Parks Impact Fee, and evaluated the amount of fees collected under the existing fees; and

WHEREAS, the City is adopting an Parks Impact Fee Project List, which serves as its capital improvement plan pursuant to subdivision (a)(6) of Section 66016.5 of the

Government Code, as part of the Nexus Study for the development and maintenance of parks; and

WHEREAS, the Parks Impact Fee Project List indicates the approximate location, size, time of availability, and estimates of cost for all facilities or improvements to be financed with the fees; and

WHEREAS, the Nexus Study was presented to the City Council; and

WHEREAS, the Parks Impact Fee includes two fee components: (1) a fee to fund the costs of park land acquisition, which is imposed on nonresidential development and on non-subdivision residential development that is not subject to the Quimby Act; and (2) a fee to fund the costs of park facilities, which is imposed on all residential and non-residential development; and

WHEREAS, the City desires to set rates for the Parks Impact Fee, which shall serve as the Parks Impact Fee Schedule, as provided in **Exhibit B**, attached hereto; and

WHEREAS, pursuant to Government Code Sections 66016, 66016.5, 66018, and 6062a and RMC, the City must adopt the updated Parks Impact Fee only after notice and public hearing; and

WHEREAS, pursuant to Government Code Sections 66002, 66016.5, 66018, 6062a, a notice of a public hearing on the proposed fee schedule and the adoption of the Nexus Study and Impact Fee Project List was published on April 22, 2022 and May 12, 2022 in the San Mateo Daily Journal, a newspaper of general circulation; and

WHEREAS, pursuant to Government Code Sections 66019 and 66016.5, notice of the time and place of the meeting, including a general explanation of the matters to be considered and a statement that required data is available was mailed at least thirty (30) days prior to the meeting to those members of the public who filed a written request with the City; and

WHEREAS, at least ten (10) days prior to the public hearing referenced above, the City made available for public inspection information required under Government Code Section 66000, et seq.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF REDWOOD CITY AS FOLLOWS:

Section 1. Findings. The City Council finds and determines as follows:

- a) The above recitals are correct and are material to this Resolution and are incorporated into this Resolution as findings of the City Council.
- b) The fees proposed bear a reasonable relationship to the use of the park and recreational facilities by the future inhabitants of new development.

Section 2. Adoption of Nexus Study. The City Council finds and determines that the Nexus Study complies with California Government Code section 66000 et seq., and is consistent with the General Plan, and hereby approves and adopts the Nexus Study.

Section 3. Adoption of the Impact Fee Project List. The City Council hereby approves and adopts the Impact Fee Project List included as Appendix B in the Nexus Study.

Section 4. Rates for Parks Impact Fee. The City Council hereby sets rates for the Parks Impact Fee as shown in Exhibit B, attached hereto and incorporated by this reference. These rates will be incorporated into the Master Fee Schedule.

Section 5. Exemption. Pursuant to Government Code Section 65852.2(f)(2), the Parks Impact Fee shall not apply to accessory dwelling units of less than 750 square feet.

Section 6. Effective Date. This Resolution shall take effect immediately. In accordance with Government Code Section 66019, the updated Parks Impact Fees, set forth in Exhibit B, shall be in full force and effect 60 days after the adoption of this Resolution, on July 22, 2022 and shall be published or posted as required by law.

Section 7. Phase-in of Rates for Residential Parks Impact Fees. The Parks Impact Fees for residential development, including both the parkland acquisition and the park facilities components of the Parks Impact Fees, shall be phased-in. On July 22, 2022, the Parks Impact Fees for residential development shall be set at fifty percent (50%) of the rates set forth in Exhibit B. One year later, on July 22, 2023, the Parks Impact Fees for residential development shall increase to one hundred (100%) of the rates set forth in Exhibit B.

Section 8. Environmental Review. The City Council finds that the adoption of the amendments to the Parks Impact Fee Ordinance are not considered a project under Public Resources Code Section 21065 and CEQA Guidelines Section 15378 because the amendments do not have the potential for resulting in either a direct physical

change in the environment, or a reasonably foreseeable indirect physical change in the environment, and the amendments create government funding mechanisms which do not involve any commitment to any specific project. They are also exempt from CEQA as there is no possibility for causing a significant effect on the environment, per Section 15061(b)(3).

No specific park projects are associated with these amendments to the Parks Impact Fee Ordinance. The proposed project is policy-oriented and would establish a park standard and create a funding mechanism for future park development. When and if specific park projects are developed and proposed for implementation, the environmental impacts of such facilities would be evaluated in accordance with CEQA and City practice.

Section 9. Severability. Should any section, subsection, paragraph, sentence, clause, or phrase of this Resolution be declared unconstitutional or invalid for any reason, such declaration shall not affect the validity of the remaining portions of this Resolution. The City Council hereby declares that it would have passed this and each section, subsection, phrase, or clause thereof irrespective of the fact that any one or more sections, subsections, phrase, or clauses be declared unconstitutional on their face or as applied.

Section 10. Effectiveness. This Resolution shall be effective upon adoption.

* * *

Passed and adopted by the Council of the City of Redwood City at a
Joint City Council/Successor Agency Board/Public Financing Authority Meeting
thereof held on the 23rd day of May 2022 by the following votes:

AYES: Aguirre, Espinoza-Garnica, Gee, Howard, Reddy, Smith
and Mayor Hale
NOES: None
ABSENT: None
ABSTAINED: None
RECUSED: None



Giselle Hale
Mayor of the City of Redwood City

Attest:

Pamela Aguilar, CMC
City Clerk of Redwood City

I hereby approve the foregoing resolution this
24th day of May 2022.



Giselle Hale
Mayor of the City of Redwood City

TECHNICAL MEMORANDUM

To: Chris Beth, Parks, Recreation & Community Services Director
Lucas Wilder, Parks, Recreation & Community Services
Assistant Director

From: Teifion Rice-Evans

Subject: Nexus Analysis for Redwood City Parks Fee Update;
EPS #181151

Date: May 11, 2022

The Economics of Land Use



This Nexus Analysis for the Redwood City Parks Impact Fee Update (Report) is designed to provide the City of Redwood City (City) with the necessary technical documentation to support the adoption of an update to both its existing Parks Impact Fee and Parkland In-Lieu Fee. It has been prepared by Economic & Planning Systems, Inc. (EPS) in collaboration with MIG, Inc. and City staff.

The City of Redwood City adopted a Parks Impact Fee Ordinance (Ordinance No. 2318) in 2007 that authorized the imposition of a parks impact fee covering parkland and park improvements costs under the Mitigation Fee Act with the parks fee established through Resolution or Ordinance. The City also adopted, in 2007 through Ordinance No. 2319, park dedication requirements and a parkland in-lieu fee calculation procedure under the Quimby Act through the Subdivision Map Act. The Parks Impact Fee Ordinance is clear that development subject to the parkland dedication requirements/parkland in-lieu fees through the Subdivision Map Act/Quimby Act will be exempt from the portion of the impact fee associated with land acquisition.

This Parks Fee Update conducts the necessary technical analysis to determine the maximum, justifiable parks impact fees under the Mitigation Fee Act (AB 1600 or CA Government Code §66000 et seq "Fees for Development Projects") as well as the appropriate parks dedication requirements and associated parkland in-lieu fees under the Quimby Act (California Government Code §66477). Fees are adopted under both statutes to ensure that all new development appropriately contributes to both park land acquisition and park improvements. The City may choose to adopt parks fees below this maximum level based on economic or policy considerations.¹

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¹ For example, as was done in 2007, the City could choose to reduce in half the maximum justifiable fees.

Updated Fees

As shown in **Table 1**, this 2021 fee update considers a broader range of land use categories by including nonresidential uses, while also modestly refining the residential land use categories based on changes in information availability and for clarity.²

Table 1 Existing vs. New Parks Fee Land Use Categories

Existing Parks Fee Land Use Categories	New Parks Fee Land Use Categories
Residential¹	Residential¹
Single Family	Single Family (Subdivision)
Multifamily	Single Family (Not Subdivided)
Low Density (8-20 units)	Multifamily (Owned)
Owned	Multifamily (Rental)
Rented	Bedroom Additions
High Density (21+ units)	ADU's
Owned	Nonresidential¹
Rented	Office
	Commercial
	Industrial
	Hotel (per room)

[1] Residential fees are per-unit; nonresidential fees are per building square foot, except hotel, which is per room.

Table 2 shows the existing parks fees and the updated maximum fees under the new set of land use categories. Similar to other fee programs, the updated fees also include an additional administrative charge to cover the City's costs of collecting, reporting, and updating the fee program over time. The City can choose to adopt fees at the maximum level or at a level below based on policy and other considerations. The City can also choose to exempt or discount fees for specific land uses, though that will typically result in the City collecting less revenue than what is required to serve new development.

² The U.S. Census no longer makes certain sets of population and households readily available. As a result and for reasons of clarity, the number of distinctions between multifamily uses has been reduced to allow for use of pretabulated Census American Community Survey (ACS) summary table data. This is consistent with a large number of other parks development impact fees. In addition, the distinctions and separate fee calculations for Single-family development as part of a subdivision and non-subdivided Single-family developments have been added.

Table 2 Summary of Total Maximum Fees (Quimby Act and Mitigation Fee Act) by Land Use Type

Land Use Category	Existing Parks Fee	Updated Parkland Fee Component ¹	Updated Parks Improv. Fee Component ²	Total Updated Maximum Fee Per Unit/Sq. Ft.	Maximum Fee w/ Admin. Charge Per Unit/Sq. Ft. ⁵
Residential per Unit					
<u>Subdivided</u>					
Single Family ³	\$12,733	\$30,826	\$15,950	\$46,776	\$47,414
Multi Family (Condos) ⁴	\$9,544	\$26,468	\$13,695	\$40,163	\$40,711
<u>Not Subdivided</u>					
Single Family ³	\$12,733	\$30,826	\$15,950	\$46,776	\$47,414
Mutli Family (Apts) ⁴	\$11,290	\$26,468	\$13,695	\$40,163	\$40,711
Bedroom Additions	n/a	\$11,913	\$6,164	\$18,077	\$18,323
ADU's ⁶	n/a	<i>For ADU's over 750 square feet, fee is tied to size of primary dwelling unit</i>			
Nonresidential					
Office per Bldg Sq. Ft.	n/a	\$5.11	\$2.64	\$7.75	\$7.86
Commercial per Bldg Sq. Ft.	n/a	\$3.51	\$1.82	\$5.33	\$5.40
Industrial per Bldg Sq. Ft.	n/a	\$1.65	\$0.86	\$2.51	\$2.54
Hotel per Room	n/a	\$2,162	\$1,119	\$3,281	\$3,326

* Table shows existing fees and updated total maximum potential fees for new residential and non-residential development. Numbers shown include a mix of parkland in-lieu fees under the Quimby Act and park land and park improvement fees under the Mitigation Fee Act. Fees under the different statutes must be tracked separately.

[1] The Parkland Fees are authorized under two different statutes. The Quimby Act under the Subdivision Map Act establishes the parkland fees for Single Family Subdivisions and subdivided Multi-Family Development (Ownership/Condo Units). The Parkland Fees for unsubdivided Single Family Units, Apartments, Bedroom Additions, and all non-residential land uses are established under the Mitigation Fee Act.

[2] The Parks Improvement Fee for all land uses is authorized under the Mitigation Fee Act.

[3] Single Family fee applies to single family development in subdivisions and outside of subdivisions. They are calculated separately and involve different park land fee statutes but the fee levels are the same.

[4] Multifamily fee applies to both ownership multi-family units and rental multi-family units. They are calculated separately and involve different park land fee statutes but result in same updated fee level. The existing fees shown represent an average of the current multi-family fee levels. The number of multi-family fee categories has been consolidated in the fee update due to the more limited information available from the most recent Census data and in order to be more consistent with typical fee practice.

[5] Incorporates an additional 4% charge on improvement component of the fee to cover City costs associated with collecting, reporting, and updating the fee.

[6]The fee on ADU's (unlike all other types of units) is not governed by new persons added but is governed by its own legislation. Calculation of fees for ADUs 750 sq.ft. or larger shall comply with Government Code § 65852.2(f)(3)(A). For ADU's over this minimum threshold, the City is allowed to charge a maximum fee based on the ADU size as a percent of the primary dwelling unit, that is then applied to the single family home fee.

Source: Economic & Planning Systems, Inc.

The parks fees shown in **Table 2** are a combination of parkland in-lieu fees under the Quimby Act and parkland and park improvement fees under the Mitigation Fee Act. **Table 3** indicates the statute under which the different components of the overall fee will be established. As shown, single-family development and some multifamily development will pay parkland in-lieu fees (or provide equivalent dedication) under the Quimby Act through the Subdivision Map Act. These same developments will also pay park improvement fees under the Mitigation Fee Act. For all other uses, including all nonresidential uses and pertinent multifamily developments, fee

payments towards parkland acquisition and park improvements are all under the Mitigation Fee Act. As under the City’s current practice and to avoid double-payment, development will either pay the parkland in-lieu fee (or provide equivalent dedication) or pay the parkland component of the parks impact fee. Because there are different requirements in terms of tracking and accounting for funds under the different statutes, it is important to keep separate accounts for the funding.

Table 3 Authorizing Statute of Fee Components by Land Use Type

Development Type	Parkland	Improvements
Residential		
Single Family		
Subdivision	<i>Quimby Act</i>	Mitigation Fee Act
Non-Subdivision	Mitigation Fee Act	Mitigation Fee Act
Multifamily		
Owned	<i>Quimby Act</i>	Mitigation Fee Act
Rented	Mitigation Fee Act	Mitigation Fee Act
Additions	Mitigation Fee Act	Mitigation Fee Act
Nonresidential		
Office	Mitigation Fee Act	Mitigation Fee Act
Commercial	Mitigation Fee Act	Mitigation Fee Act
Industrial	Mitigation Fee Act	Mitigation Fee Act
Hotel (per room)	Mitigation Fee Act	Mitigation Fee Act

Technical Analysis: Quimby Act

This section provides the technical analysis used to determine the new parkland in-lieu fees. California Government Code Section 66477, a section of the Subdivision Map Act (commonly known as the Quimby Act), allows California jurisdictions to require parkland dedication from new subdivided residential development. This includes single-family development subdivisions as well as multifamily ownership/condominiums units. The Quimby Act also allows for the establishment of a corresponding fee that can be paid in lieu of dedicating parkland.

The Quimby Act specifies the methodology for determining the amount of parkland dedication that can be required on a per 1,000-residents basis that can, in turn, be translated into an in-lieu fee. The subsections below identify the parkland dedication requirements and estimate the equivalent in-lieu fee.

Parkland Dedication Requirement

The parkland dedication requirement under the Quimby Act depends on the appropriate service standard and persons per household.

Service Standard

The Quimby Act allows jurisdictions to determine parkland dedication requirements/parkland in-lieu fees based on a minimum service standard of 3.0 acres per 1,000 residents and up to a service standard of 5.0 acres per 1,000 residents, if the existing provision of parkland is above the 3.0 acre base level. The City of Redwood City currently has 189.3 acres of parkland³ (not including School District facilities⁴), resulting in an existing park service level of 2.25 acres per 1,000 residents.⁵ As a result, the City can apply a 3.0 acre per 1,000 resident standard to establish its parkland in-lieu fee but no more. The City can also choose to base its parkland in-lieu fee on a standard below 3.0 acres per 1,000 residents. To be consistent with the fees under the Mitigation Fee Act (see below), for this update, the City will apply a standard of 2.75 acres per 1,000 residents to determine its parkland in-lieu fee.

Persons per Household

U.S. Census data provides estimates of the number of persons per household for single-family units and multifamily units, as shown in **Table 4**.

Table 4 Persons per Household/Unit

Development Type	Population	Units	Average Persons per Unit ⁽¹⁾
Single-Family ²	52,061	17,982	2.90
Multifamily Total ³	30,464	12,229	2.49

NOTE: Rounded to the nearest hundredth but all digits are used in calculation.

[1] Most recently available Census data showing persons by unit type is the 2015-2019 5-Year American Community Survey.

[2] Census data provides population and unit counts for single family units defined as attached and detached one-unit structures.

[3] Census data provides population and unit counts for multi family buildings with 2-4 and 5+ units.

Sources: 2015-2019 5-Year American Community Survey; Economic & Planning Systems, Inc.

³ See City’s Parks and Recreation Needs Assessment (March 2019).

⁴ The School sites in the City of Redwood City provide some recreational space for residents, similar to how they do in other jurisdictions, though the availability of that space is constrained due to school hours of operation and limited access to certain sites due to after school programs and ongoing school infrastructure projects.

⁵ Derived using 2020 U.S. Census Data City population estimate of 84,292 persons.

Parkland Dedication Requirement

The amount of parkland dedication per unit of new residential development is calculated using the established service standard and the persons per household estimates. **Table 5** shows that the application of the parkland service standard of 2.75 acres per 1,000 residents to the estimated persons per household results in parkland dedication requirements of 0.00798 acres (347 square feet) per single-family unit (subdivision) and 0.00685 acres (298 square feet) per owned multifamily (condominium) unit.

Table 5 Parkland Dedication Requirement per Unit

Item		Quimby Land Dedication Calculation	Source/Calculation
Quimby Requirement ¹ Acres per Resident	(a)	2.75 acres / 1,000 residents	Quimby Act
	(b)	0.00275 per acre	(b) = (a) / 1,000
Single Family HH Size	(c)	2.90 persons / housing unit	ACS 2015-2019
Owned Multifamily HH Size	(d)	2.49 persons / housing unit	ACS 2015-2019
Single Family (Subdivided)	(g)	0.00798 acres / housing unit	(g) = (b) * (c)
	(h)	347 square feet / housing unit	(h) = (g) * 43,560
Multifamily (Ownership)	(i)	0.00685 acres / housing unit	(i) = (b) * (d)
	(j)	298 square feet / housing unit	(j) = (i) * 43,560

[1] Quimby Act allows local jurisdictions to require 3.0 acres of parkland per 1,000 residents and up to 5.0 acres per 1,000 residents under specific circumstances. City can also choose to establish lower requirement.

Sources: American Community Survey (ACS) 2015-2019; Economic & Planning Systems, Inc.

Parkland In-Lieu Fee

The parkland in-lieu fee calculation combines the parkland dedication requirement with planning-level estimates of the average value of land.

Land Values

The value of land varies depending on a number of factors including zoning, surrounding uses, off-site infrastructure, and specific site conditions. Based on third-party appraisals commissioned by the City of existing vacant and under-utilized parcels (see **Table 6**), EPS calculated an average land value. Given that all but three parcels are less than three acres and because the City anticipates that much of the future acquisition of parkland will be in the form of parcels of less than three acres, EPS estimates an average land value of about \$3.9 million per acre.

Table 6 Land Transaction Values

Property Address	Size (Acres)	Price/ Value Per Acre	Property Type	Secondary Type	Proposed Use	Source	Sale/ Appraisal Date	Sale/ Appraisal Price
611 Heller Street	0.11	\$1,089,000	Land	Vacant Site	Mixed Use	Management Partners	1/1/2016	\$125,000
1240 Ruby Street	0.14	\$217,800	Residential	Vacant Site	Mixed Use	Management Partners	1/1/2016	\$20,000
3080 Middlefield Rd ^{1,2}	0.15	\$3,823,595	Land	Commercial	Unknown	CoStar	11/16/2016	\$584,950
3511 Altamont Way	0.16	\$1,089,000	Civic	Vacant Site	Multifamily	Management Partners	1/1/2016	\$175,000
31 Center St	0.22	\$6,941,653	Land	Commercial	Commercial	CoStar	6/19/2017	\$1,530,000
3101 Middlefield Rd ²	0.28	\$3,933,668	Land	Residential	Multifamily	CoStar	3/31/2017	\$1,100,000
1306 Main Street	0.29	\$6,969,600	Civic/Industrial	Multifamily	Commercial	Management Partners	1/1/2016	\$2,000,000
826 Winslow Street	0.32	\$2,178,000	Land	Surface Parking	Single-Family	Management Partners	1/1/2016	\$700,000
Undeveloped lot at the corner of Lathrop and Maple Streets	0.33	\$3,014,533	Civic	Vacant Site	Mixed Use	Management Partners	1/1/2016	\$1,000,000
53 Perry Street	0.37	\$2,178,000	Land	Surface Parking	Mixed Use	Management Partners	1/1/2016	\$800,000
955 Woodside Rd	0.43	\$7,992,662	Land	Commercial	Commercial	CoStar	5/18/2018	\$3,400,000
120 El Camino Real	0.44	\$10,227,273	Land	Commercial	Commercial	CoStar	Unavailable	\$4,520,000
150 El Camino Real	0.46	\$9,641,288	Land	Commercial	Mixed Use	CoStar	12/21/2015	\$4,455,000
536 Whipple Ave	0.58	\$10,169,492	Land	Commercial	Commercial	CoStar	Unavailable	\$5,950,000
"Bradford Street Assemblage"	0.75	\$3,466,667	Land	Vacant Site	Multifamily	Management Partners	1/1/2016	\$2,600,000
410 Blomquist St	0.92	\$5,440,648	Land	Commercial	Commercial	CoStar	11/17/2015	\$5,000,000
"Library Parkig Parcels Assemblage"	1.19	\$3,183,231	Land	Surface Parking	Multifamily	Management Partners	1/1/2016	\$3,800,000
Sequoia YMCA Site (1445 Hudson Street)	1.40	\$5,910,714	Civic	Recreation Facility	Multifamily	Fabbro, Moore & Associates, Inc.	3/1/2019	\$8,275,000
739 Valota Road ("Redwood Armory")	1.68	\$1,575,594	Land	Recreation Facility	Mixed Use	SSMI - Dept. of Gen. Services, State of California	12/1/2018	\$4,391,000
2201 Bay Rd	2.73	\$1,639,823	Land	Industrial	Commercial	CoStar	3/1/2016	\$4,480,000
"Chesapeake Drive and Cardinal Way Assemblage"	2.90	\$2,206,897	Land	Boat Storage	Mixed Use	Management Partners	1/1/2016	\$6,400,000
1402 Maple Street	4.73	\$1,575,594	Land	Vacant Site	Mixed Use	Kidder Mathews	4/1/2017	\$7,450,000
1548 Maple St	8.25	\$2,484,848	Land	Residential	Multifamily	CoStar	6/29/2018	\$20,500,000
1400 Broadway Street (Corporation Yard)	9.46	\$3,489,029	Land	Mixed Use	Mixed Use	Management Partners	1/1/2016	\$33,000,000
Total/ Average (All Properties)	38.30	\$3,192,355						\$122,255,950
Total/ Average (Excludes properties with more than 3 acres)	15.86	\$3,865,382						\$61,305,950

[1] Part of Multi-property Sale

[2] Properties located in an Unincorporated Area oof North Fair Oaks outside Redwood City

Sources: CoStar Group; Redwood City Parks Department Appraisals; Economic & Planning Systems, Inc.

Parkland In-Lieu Fee Calculation

Under the Quimby Act, the parkland in-lieu fee is applied to residential development that occurs through the Subdivision Map Act. The Quimby Act requires the maximum parkland in-lieu fee to be established based on (1) parkland service standard per 1,000 residents, (2) land value estimates, and (3) persons per household. The City’s Quimby Act Ordinance provides the formula for the amount of parkland required to serve as a subdivision: [required parkland (acres)] = [expected population] * 0.00275. This is the equivalent of a parkland service standard of 2.75 acres per 1,000 residents. Based on this service standard, average land values of \$3.9 million per acre (see above), and persons per unit of 2.90 persons per single-family unit and 2.49 persons per multifamily ownership unit, the Parkland In-Lieu Fee per Unit is calculated as shown in **Table 7**.

Table 7 Parkland In-Lieu Fee per Unit

Item		Quimby In-Lieu Fee Calculation	Source/Calculation
Quimby Requirement ¹	(a)	2.75 acres / 1,000 residents	Quimby Act
Land Cost per Acre	(b)	\$3,865,382 per acre	CoStar / EPS Research
Land Cost per 1,000 Residents	(c)	\$10,629,800	(c) = (a) * (b)
Cost per Resident	(d)	\$10,630	(d) = (c) / 1,000
Single Family HH Size	(e)	2.90 persons / housing unit	ACS 2015-2019
	(f)	\$30,826 per unit	(f) = (d) * (e)
Average Multifamily HH Size	(g)	2.49 persons / housing unit	ACS 2015-2019
	(h)	\$26,468 per unit	(h) = (d) * (g)

[1] The City’s Quimby Act Ordinance will be adjusted to indicate the following lower formula for the amount of parkland [required parkland (acres)] = [expected population] * .00275. This is equivalent to 2.75 parkland per 1,000 residents.

Sources: CoStar; American Community Survey (ACS) 2015-2019; Economic & Planning Systems, Inc.

As shown, the resulting cost per new resident is \$10,630, which translates into the following parkland in-lieu fees under the Quimby Act:

- **Single-family Development (Subdivisions):** \$30,826 per unit
- **Multifamily (Ownership) Development:** \$26,468 per unit

Technical Analysis: Mitigation Fee Act

This section provides the technical analysis used to determine the new maximum supportable park fees under the Mitigation Fee Act (MFA). These fees cover park improvement costs associated with all land use categories and parkland costs associated with those land uses not covered by the Quimby Act (non-subdivided single-family units, multifamily apartments, residential additions, and nonresidential land uses). Subsections address the relative levels of parks use/demand between residents and workers based on the MIG Park User Survey, the

appropriate service standards/service levels, parkland values and park improvement costs, and finally, the calculation of the maximum parks development impact fees.

Parks User Survey Results and Equivalencies

In consultation with EPS and City staff, MIG, Inc. conducted a parks user survey of the public to determine the relationship between park usage and nearby residents as well as commercial activity. The results of this user survey inform the determination of the nexus between residential and commercial land uses and City parkland and park facilities. Staff from MIG conducted “intercept surveys” at eight Redwood City-owned parks. The full Parks User Survey Methodology and Findings are available in the **Appendix A**.

Based on the survey findings, as shown in **Table 8**, the share of residents that use parks and recreation facilities amounted to 91.5 percent (including residents who lived and worked in Redwood City) while the remaining 8.5 percent is accounted for by nonresident workers.

Table 8 Park Usage Survey Results

Item	Total No.	Percent %	Formula
<u>Survey Results¹</u>			
Live and Work in RWC	36	34.0%	(a)
Live in RWC, Work Elsewhere	61	57.5%	(b)
Work in RWC, Live Elsewhere	<u>9</u>	<u>8.5%</u>	(c)
Total	106	100.0%	
<u>Allocation to Residential or Commercial Uses</u>			
% Residents		91.5%	$d = a+b$
% Non-Resident Employees		8.5%	$e = c$
Total²		100.0%	

[1] 134 people were surveyed by MIG. Of those, 28 neither lived nor worked in Redwood City. This proportion has been excluded from the calculation as they cannot be reliably assigned to either residential or commercial development.

[2] Rounded to nearest tenth of one percent.

Sources: MIG, Inc.; Economic & Planning Systems, Inc.

Using this information, EPS calculated the relative parks demand from residents and nonresident workers. As shown in **Table 9**, one resident’s demand on City parks and recreation facilities is equivalent to that of 7.6 nonresident workers. This results in one worker representing 0.13 resident equivalents.

Table 9 Relative Parks Demand from Residents and Workers

Item	Residential		Commercial		Formula
	Formula	Amt. Description	Formula	Amt. Description / Formula	
Residents/ Nonresident Employees ¹	(a)	84,273 residents	(b)	59,211 employees	--
Survey Results: % of Total Park Use	(c)	91.5%	(d)	8.5%	--
Population/Employment which Results in 1% of Total Use	(e)	921 residents	(f)	6,966 employees	$e = ((a * 1\%)/(c)); f = ((b * 1\%)/(d))$
1 Resident is Equal to:²	(g)	1.00 residents	(h)	7.56 employees	$g = e / e; h = f / e$
1 Resident Equivalent is Equal to:	(i)	1.00 resident equiv.			$i = g$
1 Worker Equivalent is Equal to:			(j)	0.13 Resident Equivalent	$j = g / h$

NOTE: In order to apply the results of the survey which are based on existing development to expected new development, the existing levels of residential and commercial development in Redwood City are combined with the survey results, linking existing development with park usage. Residents and non-resident employees' impacts on park usage is described here. A mathematical relationship is drawn between them to be applied to expected future development.

[1] Residents are estimated based on the California Department of Finance information for 2017. Non-resident employees are estimated through two steps: (1) Total employees in Redwood City are estimated from 2017 LEHD On the Map; and (2) The number of employees who are Redwood City residents is excluded from the employee count.

[2] This equivalency signifies that, in terms of park demand generated, 1 resident is equal to 7.56 non-resident employees.

Sources: DOF; LEHD On the Map; Economic & Planning Systems, Inc.

Service Population

Given that new development will add to the City’s resident and day-time populations, these additional people will increase demand for a range of public services, capital facilities, and public infrastructure, including parks, open space and recreational facilities. The service population metric blends resident and worker demand and supports the appropriate calculation of development impact fees where facilities demand is generated by nonresidential, as well as residential development. The existing service population corresponding to the parks user survey’s resident-worker equivalency is shown in **Table 10**. Given the existing number of residents and employees, the current estimated service population sums to 92,102.

Table 10 Existing City Resident-Equivalents and Resulting Service Population

Park User Group	Population/ Employment (2017)	Resident Equivalency Factors	Estimated Service Population
Residents	84,273	1.00	84,273
Employees	59,211	0.13	7,829
Total Service Population			92,102

Sources: DOF; LEHD On The Map; Economic & Planning Systems, Inc.

Park Service Standard

The City has adopted a standard of 3.0 acres per 1,000 new residents. As a result, new development can be required to contribute through development impact fees for this level of parkland and the associated level of park improvements. However, in cases where the new demand for parks is also driven by new workers as well as new residents, the City’s standard of 3.0 acres per 1,000 residents can be converted into a 3.0 acres per 1,000 service population, a measure that covers both residents and workers. More specifically, when the 3.0 acre requirement is spread across both existing residents and existing employees (weighted for their resident equivalency), the equivalent service standard becomes 2.75 acres per 1,000 service population. This is the standard that is then applied to all land use categories in calculating the maximum fees justifiable under the Mitigation Fee Act.

Cost Estimates

The two components of the park development impact fees—parkland acquisition and park improvements—are determined by land values and improvement costs respectively. The costs applied in estimating these fee components are described below.

Land Value

The value of land varies depending on a number of factors including zoning, surrounding uses, off-site infrastructure, and specific site conditions. As shown in **Table 6** (above), the average land values are estimated at about \$3.9 million per acre.

Site Improvement Costs

Improvements are necessary in order to provide the public with safe, high-quality public open spaces and recreation facilities. MIG reviewed typical park improvement costs, recognizing that they vary widely based on the scale of the park and the types of improvements envisioned. For the types of specialized amenities and improvements generally envisioned in the City’s Parks Needs Assessment, MIG estimated an average park improvement cost of \$2,000,000 per acre.

Table 11 Land Acquisition and Site Improvement Cost Estimate

Item Description	Amount
Land Cost Per Acre	\$3,865,382
Site Improvement Costs Per Acre	\$2,000,000

Sources: CoStar; MIG, Inc.; Redwood City Parks Department; Economic & Planning Systems, Inc.

Persons per Household and Nonresidential Employment Density

In addition to the persons per household calculations provided in **Table 4** above, additional demographic and employment data is required to develop impact fees for bedroom additions and nonresidential development.

Table 12 shows the Census data used to estimate the average number of persons per bedroom. The average of 1.12 persons per bedroom provides an estimate of the number of new persons for each new bedroom addition.

Table 12 Persons per Room and Bedroom

Item	Formula	Amount
Housing Units	<i>a</i>	31,927
Total Number of Bedrooms	<i>b</i>	75,147
Resident Population	<i>c</i>	84,217
Average Persons per Bedroom	$d = c / b$	1.12

Sources: 2015-2019 5-Year American Community Survey; Economic & Planning Systems, Inc.

Table 13 provides estimated employment densities for different nonresidential development categories. These estimates represent typical estimates used in commercial real estate studies.

Table 13 Nonresidential Employment Density

Nonresidential Land Uses ¹	Square Feet per Employee
Office	275
Commercial	400
Industrial	850
Hotel (per Room)	0.65

[1] The number of square feet per employee is based on current commercial real estate industry standards.

Maximum Development Impact Fees

The Mitigation Fee Act requires the maximum parkland impact fees to be established based on: (1) the parkland service standard, (2) land value estimates, (3) park improvement cost estimates, and (4) persons per household for all residential land use types as well as employment density for all nonresidential land use types.

With the parkland service standard of 2.75 acres per 1,000 service population, the worker:resident equivalence of 0.13, average land values of \$3.9 million per acre and park improvement costs of \$2.0 million per acre (see **Table 11**), and population and employment densities as shown in **Tables 4, 12, and 13**, maximum park impact fees under the Mitigation Fee Act are calculated in **Table 14**.

Table 14 Mitigation Fee Act Maximum Development Impact Fees

Land Use Category	Average Persons per Unit/Sq. Ft. per Employee ¹	Resident-Equivalent Factors ²	Service Standard per 1,000 resi-equiv.	Parkland Cost per 1,000 resid-equiv. ³	Park Improv. Cost per 1,000 resi-equiv.	Parkland Fee per Unit/Sq.Ft. ³	Park Improv. Fee per Unit/Sq.Ft.	Total MFA Fee Component per Unit/Sq. Ft.
Residential								
<u>Single Family per Unit</u>								
Subdivision	2.90	1.00	2.75	n/a	\$5,500,000	n/a	\$15,950	\$15,950
Non-Subdivision	2.90	1.00	2.75	\$10,629,800	\$5,500,000	\$30,826	\$15,950	\$46,776
<u>Multifamily per Unit</u>								
Subdivided (Condos)	2.49	1.00	2.75	n/a	\$5,500,000	n/a	\$13,695	\$13,695
Not Subdivided (Rental)	2.49	1.00	2.75	\$10,629,800	\$5,500,000	\$26,468	\$13,695	\$40,163
Bedroom Additions	1.12	1.00	2.75	\$10,629,800	\$5,500,000	\$11,913	\$6,164	\$18,077
Nonresidential								
Office	275	0.13	2.75	\$10,629,800	\$5,500,000	\$5.11	\$2.64	\$7.75
Commercial	400	0.13	2.75	\$10,629,800	\$5,500,000	\$3.51	\$1.82	\$5.33
Industrial	850	0.13	2.75	\$10,629,800	\$5,500,000	\$1.65	\$0.86	\$2.51
Hotel (per Room)	0.65	0.13	2.75	\$10,629,800	\$5,500,000	\$2,162	\$1,119	\$3,281

[1] The average persons per unit is shown in Table 4. The average persons per addition is shown in Table 12. The number of square feet per employee is based on current commercial real estate industry standards.

[2] Resident-equivalent standard for nonresidential development shown in Table 9 and based on MIG survey work.

[3] Parkland costs and parkland fees are Not Applicable (NA) for subdivided single family and multi family development under the Mitiation Fee Act as they pay parkland in-lieu fees through the Quimby Act.

Source: Economic & Planning Systems, Inc.

Maximum Combined Fee Calculations

Table 15 shows the maximum fees that could be charged on new development, including: (1) the maximum parkland in-lieu fees under the Quimby Act; (2) the maximum parkland and parks improvement fees under the Mitigation Fee Act; and, (3) the additional administrative charge.⁶ Given the existing ratio of average persons per unit and per addition as well as the average square feet per employee, the maximum fees for residential development range from \$18,323 for bedroom additions to \$47,414 for a single-family home. The maximum fees for nonresidential development range from \$2.54 per industrial square foot to \$7.86 per office square foot. The maximum fee for hotels is \$3,326 per room.

Table 15 Detailed Summary of Total Updated Maximum Fee by Land Use Type

Land Use Category	Updated Parkland In-Lieu Fee Component (Quimby Act)	Updated Parkland Fee Component (Mitigation Fee Act)	Updated Parks Improv. Fee Component (Mitigation Fee Act)	Total Updated Maximum Fee Per Unit/Sq. Ft.	Maximum Fee w/ Admin. Charge Per Unit/Sq. Ft.
Residential					
<u>Single Family per Unit</u>					
Subdivision	\$30,826	n/a	\$15,950	\$46,776	\$47,414
Non-Subdivision	\$0	\$30,826	\$15,950	\$46,776	\$47,414
<u>Multifamily per Unit</u>					
Subdivided (Condos)	\$26,468	n/a	\$13,695	\$40,163	\$40,711
Not Subdivided (Rental)	\$0	\$26,468	\$13,695	\$40,163	\$40,711
Bedroom Additions	\$0	\$11,913	\$6,164	\$18,077	\$18,323
ADU's	<i>ADU > 750sqft, then (Project ADU Sqft / Primary DU SqFt) x SFH Park Impact Fee</i>				
Nonresidential					
Office	\$0	\$5.11	\$2.64	\$7.75	\$7.86
Commercial	\$0	\$3.51	\$1.82	\$5.33	\$5.40
Industrial	\$0	\$1.65	\$0.86	\$2.51	\$2.54
Hotel (per Room)	\$0	\$2,162	\$1,119	\$3,281	\$3,326

Source: Economic & Planning Systems, Inc.

The fee on ADU's (unlike all other types of units) is not governed by new persons added but is governed by its own legislation. Calculation of fees for ADUs 750 sq.ft. or larger must comply with Government Code § 65852.2(f)(3)(A). For ADU's over this minimum threshold, the City can charge a maximum fee based on the ADU size as a percent of the primary dwelling unit, that is then applied to the single-family home fee. **Table 15** shows the formula for calculating park fees for ADU's over 750 square feet.

⁶ An administrative charge is included to cover the administrative fee program costs associated with collecting, administering, and updating the fee program. The administrative charge is 4 percent of the improvement component of the fee.

Mitigation Fee Act Nexus Findings

Under the Mitigation Fee Act (MFA), the parkland fee is applied to residential development that is not subject to the Quimby Act as well as to nonresidential development so as to enable the City to acquire the land necessary to meet its adopted service standard. In addition, under the Mitigation Fee Act, all land uses are subject to a park improvements fee that enables the City to develop the types of specialized amenities and park improvements that are outlined in the City's 2019 Park Needs Assessment.

Development impact fees can be charged to new development under the Mitigation Fee Act and require a specific set of nexus findings. A summary of the key nexus findings are provided below. The technical information and calculations provided in the prior chapters support these nexus findings/requirements.

- **Identify the Purpose of the Fee.** . The purpose of the fee is to ensure that new development contributes its proportionate share to fund Park Improvements as that term is defined in Section 18.257 of the City's Municipal Code.
- **Identify the Use to which the Fee is to be Put.** The fee revenues will be used both to acquire land for new parks and land to expand existing parks as well as to improve newly acquired and existing parkland. Based on the City's Park Needs Assessment and Parks Impact Fee Project List, the City will need to acquire land as available to create new and expand existing mini parks, neighborhood parks, community parks, and special-use parks in order to maintain the park service standard.
- **Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed.** The fee is differentiated by land use to reflect different levels of need/demand for parkland and park improvements in relation to the City's standards and to provide a direct relationship between the type of development project and the use of the fees.
- **Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is imposed.** The City has set a service standard for the provision of parks in relation to City population. The City has also studied parks use and established the proportionate use of and demand for parks by residents and workers in the City. These established standards/needs and metrics ensure a reasonable relationship between the land uses paying the fees and the public facilities.
- **Determine how there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which it is imposed.** The level of the fee is based on the combination of park service standards/demands, current estimates of the costs of providing the additional park land and improvements required, and the relative demand from different land uses. As a result, the technical analysis ensures that the fee schedule (amount of the fee) is directly and proportionally tied to the costs of the public facilities.

Parks Impact Fee Administration

The parks fee program includes both parkland in-lieu fees under the Quimby Act as well as parkland and park improvement development impact fees under the Mitigation Fee Act. There is also an administrative charge added on to the parks fees. The revenues from the parkland in-lieu fees and for the administrative charges should be tracked and reported separately from the development impact fees under the the Mitigation Fee Act. The Mitigation Fee Act specifies a series of requirements for managing and administering a development impact fee program.

Annual Review

This Report and the technical information contained herein should be maintained and reviewed periodically by the City as necessary to ensure alignment of parks needs and new development and to enable the adequate programming of funding sources. To the extent that parkland needs, improvement requirements, or costs change over time, the Fee Program may need to be updated. Specifically, AB 1600 (at Gov. Code §§ 66001(c), 66006(b)(1)) stipulates that each local agency that requires payment of a fee make specific information available to the public annually within 180 days of the last day of the fiscal year:

- A description of the type of fee in the account.
- The amount of the fee.
- The beginning and ending balance of the fund.
- The amount of fees collected and interest earned.
- Identification of the improvements constructed.
- The total cost of the improvements constructed.
- The fees expended to construct the improvement.
- The percentage of total costs funded by the fee.

If sufficient fees have been collected to fund the construction of an improvement, the agency must specify the approximate date for construction of that improvement. Because of the dynamic nature of growth and infrastructure requirements, the City should monitor development activity, the need for improvements, and the adequacy of the fee revenues and other available funding. Formal annual review of the fee program should occur, at which time adjustments should be made as necessary.

Five-Year Update

Updated fees will be collected from new development within the City once the updated Ordinance or Resolution takes effect. The use of these funds, however, may need to wait until a sufficient fund balance can be accrued. According to Government Code Section 66006, the City is required to deposit, invest, account for, and expend the fees in a prescribed manner. The fifth fiscal year following the first deposit into the Fee account or fund, and every five years thereafter, the City is required to make all of the following findings with respect to that portion of the account or fund remaining unexpended:

- Identify the purpose for which the fee is to be put;
- Demonstrate a reasonable relationship between the fee and the purpose for which it is charged;

- Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements; and
- Designate the approximate dates on that the funding referred to in the above paragraph is expected to be deposited in the appropriate account or fund.

In addition, it is common for cities to undertake a comprehensive update of the nexus study and associated development impact fee program every five years to account for changes in improvement costs among other factors.

AB 602 Requirements

AB 602 went into effect on January 1, 2022 and adds additional requirements for development impact fee programs and updates adopted under the Mitigation Fee Act.⁷ Three topics that must be addressed in or in association with updated Nexus Studies, include: (1) the adoption of a capital improvement plan; (2) a discussion of the level of service; and, (3) review of the original nexus study. These topics are discussed below.

Capital Improvement Plan

AB 602 notes that "large jurisdictions shall adopt a capital improvement plan as a part of the nexus study." The City of Redwood City falls under the definition of a large jurisdiction. Likewise, the City's Municipal Code requires the City to maintain a Parks Impact Fee Project List, which lists all park improvements that are intended to be funded by the park impact fees. As a result, the City has compiled its Parks Impact Fee Project List for adoption as shown in **Appendix B**.

As well as being a requirement of AB 602, the Parks Impact Fee Project List helps ensure that there is a need for the potential impact fee revenues that are anticipated to be collected from the updated fees. The discussion below estimates, based on available growth projections, the potential revenues raised through the maximum updated fees and compares these revenues to the estimated costs in Parks Impact Fee Project List.⁸

As described above, the maximum updated parks fees (both through the Quimby Act and Mitigation Fee Act) established in this technical memorandum are based on the requirement of 2.75 acres of parkland acquisition and park improvements per 1,000 new service population. Available projections of future growth in the City of Redwood City include:

- **New Residents.** The Plan Bay Area 2040 (2017 Projections) from MTC/ABAG indicate an expected increase in City residents of about 13,550 between 2015 and 2035.
- **New Workers.** The Plan Bay Area 2040 (2017 Projections) from MTC/ABAG indicate an expected increase in City jobs of about 6,040 between 2015 and 2035.

⁷ AB 602's new requirements do not apply to fees established under the Quimby Act.

⁸ The Parks Impact Fee Project List includes projects that will be funded by Mitigation Fee Act and Quimby Act fees, as required by the City's Municipal Code and for ease of parks planning.

- **New Service Population.** Based on the resident equivalencies of workers established by the MIG survey work, the projection new serve population in the City between 2015 and 2035 is estimated at 14,335.

Applying the standard of 2.75 acres per 1,000 service population to this new growth indicates the need for an estimated 39.4 acres of additional parkland and the same extent of improvements to parkland for new development to meet the City service standards. The total cost of these acquisitions and improvements, based on the estimated per acre costs of parkland acquisition and park improvements, are estimated at about \$231 million.

The City's Parks Impact Fee Project List, shown in **Appendix B**, indicates potential investments including their general project location, estimated size, estimated cost, and timeline. As shown, the City has identified potential investment through 2035 of about \$679.2 million including 177.4 acres of land acquisition. The level of envisioned investment is significantly above the level that can be appropriately charged to new development, indicating there is sufficient need to charge fees at their maximum level as well as the fact that the City will seek to use other funds to help close the current parkland gap relative to its service standard.

Levels of Service

AB 602 also notes that "when applicable, the nexus study should identify the existing level of service for each public facility, identify the proposed new level of service, and include an explanation of why the new level of service is appropriate." As noted in the sections above, the City currently provides an existing level of service of 2.25 acres per 1,000 residents. However, the City's General Plan and Parks Needs Assessment set a service standard of 3 acres per 1,000 residents and the City believes new development should meet this standard in order to avoid further reduction of park resources. Because the City is also interested in introducing fees on nonresidential development, when the service standard is spread across residents and workers (as described in the sections above), the equivalent service standard is 2.75 acres per 1,000 residents/resident-equivalents.

Original Nexus Study

AB 602 also notes that "if a nexus study supports the increase of an existing fee, the local agency shall review the assumptions of the nexus study supporting the original fee and evaluate the amount of fees collected under the original fee." The amount of fee revenues collected under the existing fee are set forth in the City's AB 1600 reports and are insufficient to meet the City's park needs as set forth in the Parks Impact Fee Project List. The original City of Redwood City Parks and Recreation Fee Nexus Study was conducted in 2007. The updated fee is based on the same general methodology as the existing fee established under the original Nexus Study. However, the increased cost of park land acquisition and park improvements necessitate increased fees in order to meet the City's service standards.



APPENDICES:

- Appendix A: Redwood City Park Fee Study:
Intercept Survey Summary
- Appendix B: Parks Impact Fee Project List

APPENDIX A:

**Redwood City Park Fee Study:
Intercept Survey Summary**





REDWOOD CITY
PARKS, RECREATION & COMMUNITY SERVICES
Park Fee Study

Redwood City Park Fee Study: Intercept Survey Summary

September 2019

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Introduction

The City of Redwood City (City) is conducting a study to update its park impact fees. This effort includes a survey of the public to determine the relationship between park usage and nearby commercial activity and to determine if there is a nexus between commercial uses and City parks. Park impact fees will be used to help the City keep up with its growing need for parks and recreation services as the City's population increases.

Methodology

Staff from MIG, Inc., conducted intercept surveys at eight Redwood City-owned parks to study the relationship between the parks and local businesses. The project team surveyed 211 park users between Monday, August 5, 2019 and Saturday, August 17, 2019.

The project team developed the survey instrument and protocols in collaboration with the City. The survey objectives were to determine where the park user lived and worked, their primary reason for visiting the park and if there was any relationship between their use of nearby commercial activities and their park visit. Participants were asked:

1. Do you live in Redwood City?
2. Do you work in Redwood City?
3. What is your main reason for visiting the park today? (check all that apply, but note primary)
 - a. Fitness/walk
 - b. Relax/socialize
 - c. Lunch/break
 - d. Dog walking
 - e. Team sports
 - f. Bring children to play
 - g. Other
4. Did you visit any nearby businesses related to your park visit today? This might include buying food or drinks to enjoy in the park, taking a break from running errands or going to a local business. If yes, note the reason briefly.

The project team identified a sample of eight City-owned parks, including parks of each park type and parks located in each of the seven planning areas used by the Redwood City Parks, Recreation and Community Services Department. A map of the Redwood City Parks, Recreation and Community Services Department planning areas is available in

Figure 1. The sample further considered nearby land uses, particularly the mix of residential and commercial uses. The eight selected parks were intended to be representative cross sample of the City-owned park inventory.

Park users were surveyed by a two-person team, one of whom is fluent in Spanish. Surveyors surveyed each park for a 2-hour block of time in the afternoon or early evening. Six parks were surveyed on weekdays and two parks were surveyed on a Saturday. An effort was made to avoid surveying during a special event or activity that might influence park attendance. Surveyors were careful to approach every park user, excepting users who were actively talking on the phone or engaged in a physical activity, such as playing tennis or basketball. Surveyors recorded survey responses using recording sheets and also noted those who declined to participate. The park survey schedule and response count is listed in Table 1.

Figure 1. Park Planning Areas Map

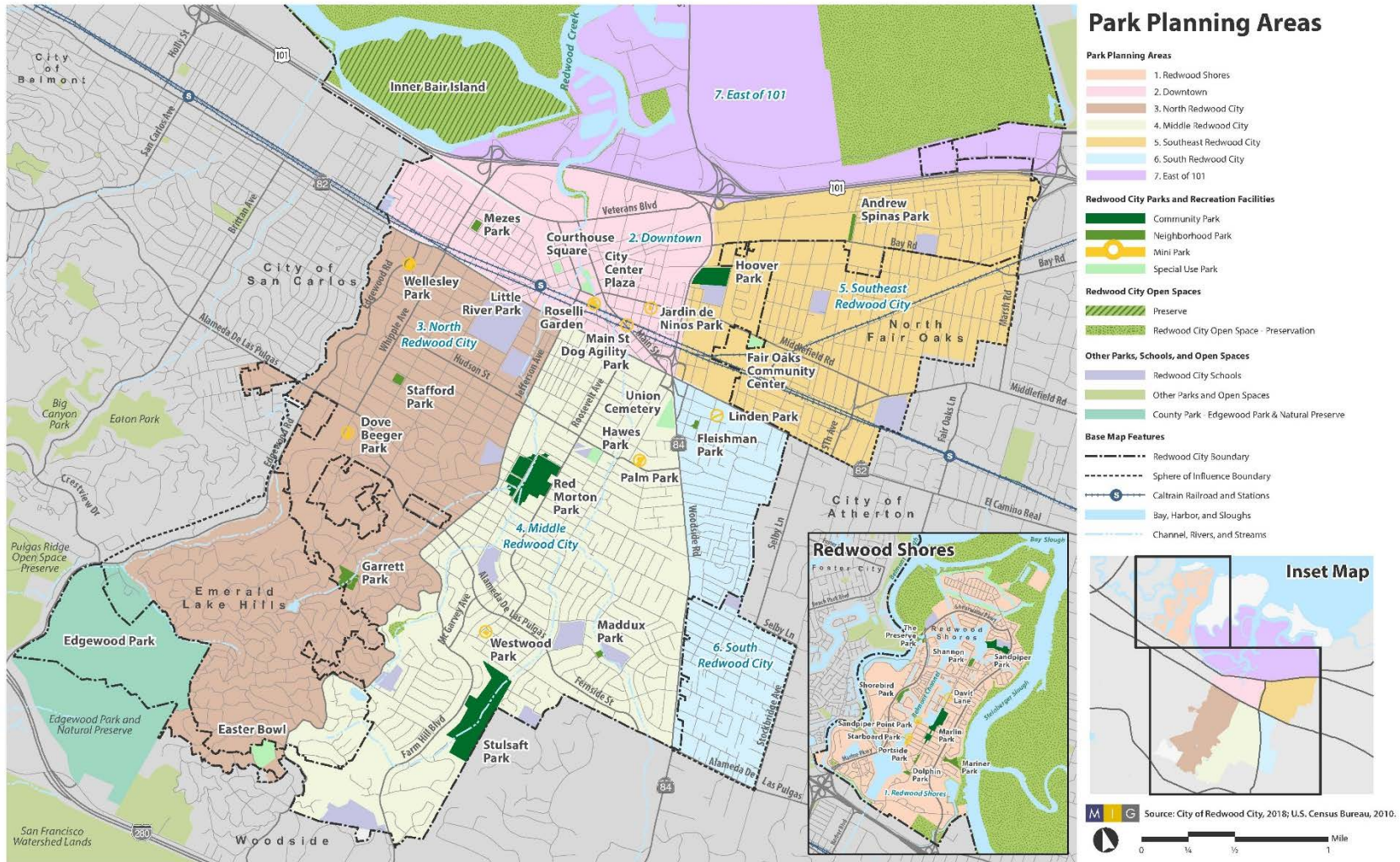


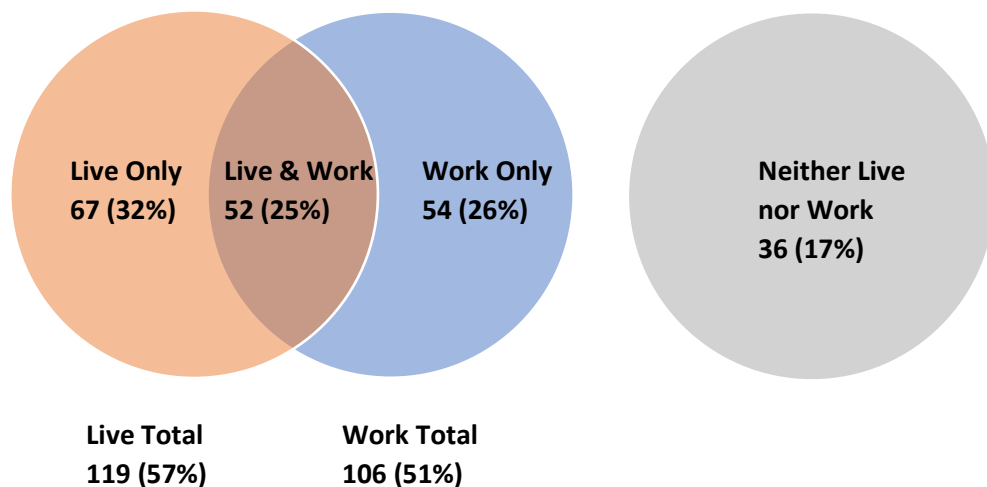
Table 1. Park Survey Schedule and Response Count

Park	Date	Planning Area	Park Type	Participants (#)	Park Users Who Declined to Participate (#)
<i>Courthouse Square</i>	Monday, August 5, 2019 11:30 am – 1:30 pm	Downtown	Special Use Park	76 (36%)	37
<i>Jardin de Ninos Park</i>	Monday, August 5, 2019 4:00 – 6:00 pm	Downtown	Mini Park	11 (5%)	0
<i>Marlin Park</i>	Wednesday, August 7, 2019 11:30 am – 1:30 pm	Redwood Shores	Community Park	19 (9%)	7
<i>Andrew Spinis Park</i>	Wednesday, August 7, 2019 4:00 – 6:00 pm	Southeast Redwood City	Neighborhood Park	27 (13%)	7
<i>Dove Beeger Park</i>	Tuesday, August 13, 2019 11:30 am – 1:30 pm	North Redwood City	Mini Park	6 (3%)	0
<i>Fleishman Park</i>	Tuesday, August 13, 2019 4:00 – 6:00 pm	South Redwood City	Neighborhood Park	19 (9%)	1
<i>Red Morton Park</i>	Saturday, August 17, 2019 9:30 – 11:30 am	Middle Redwood City	Community Park	33 (16%)	25
<i>Stulstaff Park</i>	Saturday, August 17, 2019	North Redwood City	Community Park	19 (9%)	7
Total	--	--	--	211	84

Findings

- Of the 211 total survey participants, more than half (51%) work in Redwood City.
- Among participants who work in Redwood City, half, or 26% of total participants, do not live in Redwood City.
- Twenty-five percent (25%) of participants live and work in Redwood City. Figure 2 illustrates how these groups of participants overlap.
- Forty-eight percent (48%) of participants work near the park in which they were surveyed.
- Nearly one-third of participants (30%) visited the park during their workday: 26% of participants indicated their primary reason for visiting the park was to take their lunch or work break and 4% indicated their primary reason was to work.

Figure 2. Redwood City Residents and Employees



- Half (49%) of survey participants visited nearby businesses related to their park visit to go shopping, run errands and/or purchase refreshments. Participants most frequently cited coffee shops and cafes, Starbucks, grocery stores and restaurants. Participants also frequented nearby auto body shops, pharmacies, gyms and shopping centers.

The results by park indicate that responses collected at Courthouse Square, which account for 36% of total survey responses, influence the overall results. Park users surveyed at Courthouse Square disproportionately work nearby (80%), visited the park to take their lunch or break (66%) and visited nearby businesses related to their park visit (67%). In contrast, 29% of park users surveyed at the remaining seven parks work nearby, 3% visited the park to take their lunch or break and 39% visited nearby businesses related to their park visit. Results by park are available below.

Table 2. Results by Park

Park	Live Only	Live and Work	Live (Total)	Work Only	Work (Total)	Neither Live Nor Work	Work Nearby – Yes	Primary Reason – Lunch / Break	Visit Nearby Businesses – Yes
<i>Courthouse Square*</i> (n = 76)	6 (8%)	16 (21%)	22 (29%)	46 (61%)	62 (82%)	8 (11%)	61 (80%)	50 (66%)	51 (67%)
<i>Jardin de Ninos Park*</i> (n = 11)	4 (36%)	5 (45%)	9 (82%)	0 (0%)	5 (45%)	2 (18%)	4 (36%)	0 (0%)	3 (27%)
<i>Marlin Park*</i> (n = 19)	9 (47%)	1 (5%)	10 (53%)	2 (11%)	3 (16%)	6 (32%)	4 (21%)	1 (5%)	4 (21%)
<i>Andrew Spinas Park*</i> (n = 27)	11 (41%)	9 (33%)	20 (74%)	3 (11%)	11 (41%)	4 (15%)	8 (30%)	2 (7%)	10 (37%)
<i>Dove Beeger Park*</i> (n = 6)	2 (33%)	1 (17%)	3 (50%)	2 (33%)	3 (50%)	1 (17%)	3 (50%)	0 (0%)	1 (17%)
<i>Fleishman Park*</i> (n = 19)	9 (47%)	8 (42%)	17 (89%)	0 (0%)	8 (42%)	2 (33%)	8 (42%)	1 (5%)	9 (47%)
<i>Red Morton Park*</i> (n = 34)	19 (56%)	9 (26%)	28 (82%)	1 (3%)	10 (53%)	5 (15%)	10 (29%)	0 (0%)	16 (47%)
<i>Stulsaft* Park</i> (n = 19)	7 (37%)	3 (16%)	10 (53%)	1 (5%)	4 (21%)	8 (42%)	3 (16%)	0 (0%)	10 (53%)
Overall** (n = 211)	67 (32%)	52 (25%)	119 (56%)	54 (26%)	108 (51%)	36 (17%)	101 (48%)	54 (26%)	104 (49%)

* The percentages listed indicate the percent of park users surveyed at that specific park.

** The percentages listed indicate the percent of total park users surveyed across all eight parks.

Survey results varied between parks located within a 10-minute walk to a commercial corridor with parks located outside a 10-minute walk to a commercial corridor. A map of the City’s commercial corridors located within a 10-minute walk to a City-owned park is available in Figure 3.

Courthouse Square, Jardin de Ninos Park, Fleishman Park, Red Morton Park and Andrew Spinus Park are located within a 10-minute walk to a commercial corridor, whereas Dove Beeger Park and Stulsaft Park are not. Higher proportions of park users surveyed at parks located within a 10-minute walk to a commercial corridor work nearby (53%), visited the park to take their lunch or break (29%) and visited nearby businesses (50%) compared to park users surveyed outside a 10-minute walk to a commercial corridor. Table 3 compares results for park users surveyed within and outside a 10-minute walk to a commercial corridor.

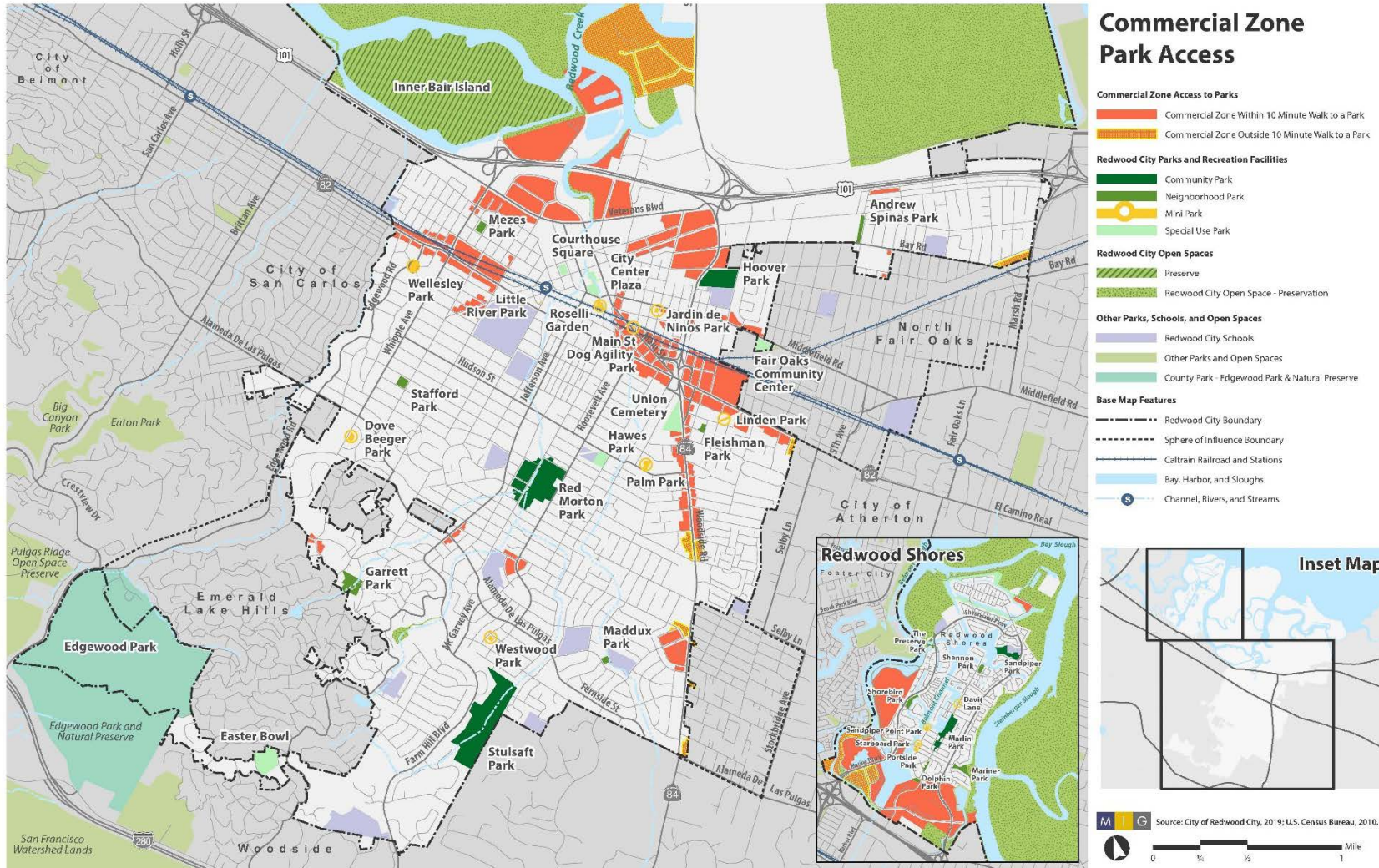
Table 3. Results by Proximity to Commercial Corridors

Parks	Live (Total)	Work (Total)	Work Nearby – Yes	Primary Reason – Lunch / Break	Visit Nearby Businesses – Yes
<i>Parks Located Within a 10-Minute Walk* (n = 186)</i>	106 (57%)	99 (53%)	98 (53%)	54 (29%)	93 (50%)
<i>Parks Located Outside a 10-Minute Walk* (n = 19)</i>	13 (52%)	7 (28%)	6 (24%)	0 (0%)	11 (44%)
Overall** (n = 211)	119 (56%)	108 (51%)	101 (48%)	54 (26%)	104 (49%)

* The percentages listed indicate the percent of park users surveyed at the specified parks.

** The percentages listed indicate the percent of total park users surveyed across all eight parks.

Figure 3. Commercial Zone Park Access Map

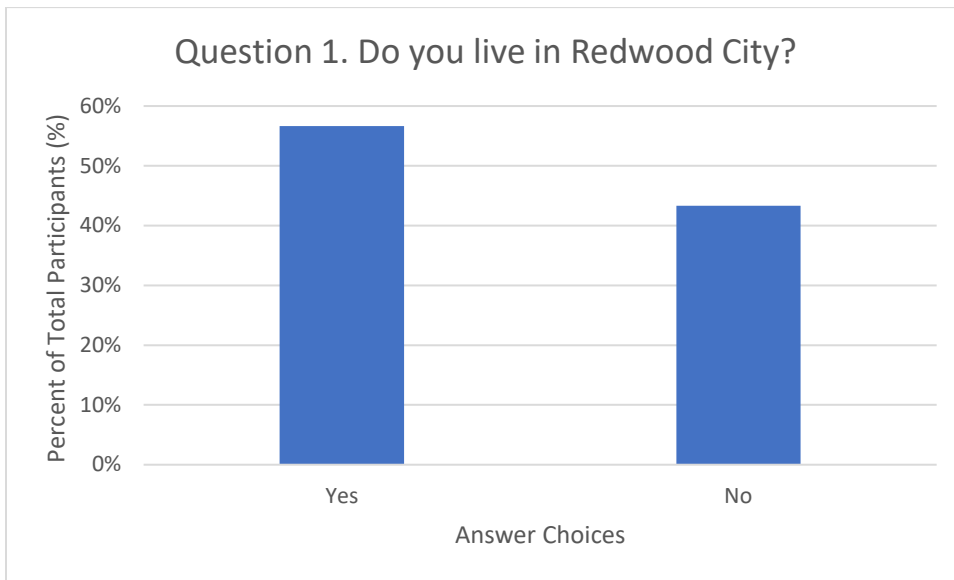


Survey Results by Question

Questions 1. Do you live in Redwood City?

There are four types of relations participants have with Redwood City: those who live but do not work in Redwood City, those who live and work in Redwood City, those who work but do not live in Redwood City and those who neither live nor work in Redwood City. Overall, 57% of participants live in Redwood City and 51% of participants work in Redwood City. Figure 4 provides a breakdown of participants' relation to Redwood City.

Figure 4. Park Users Who Live in Redwood City



Question 2. Do you work in Redwood City?

Nearly half of participants (48%) work nearby the park at which they were surveyed. Forty-four percent (44%) of participants work nearby and were on break or off work during their visit and 4% work nearby and were commuting between their home and workplace. Twenty-one percent (21%) of participants do not work nearby but were visiting the park during their break or commute.

Figure 5. Park Users Who Work in Redwood City

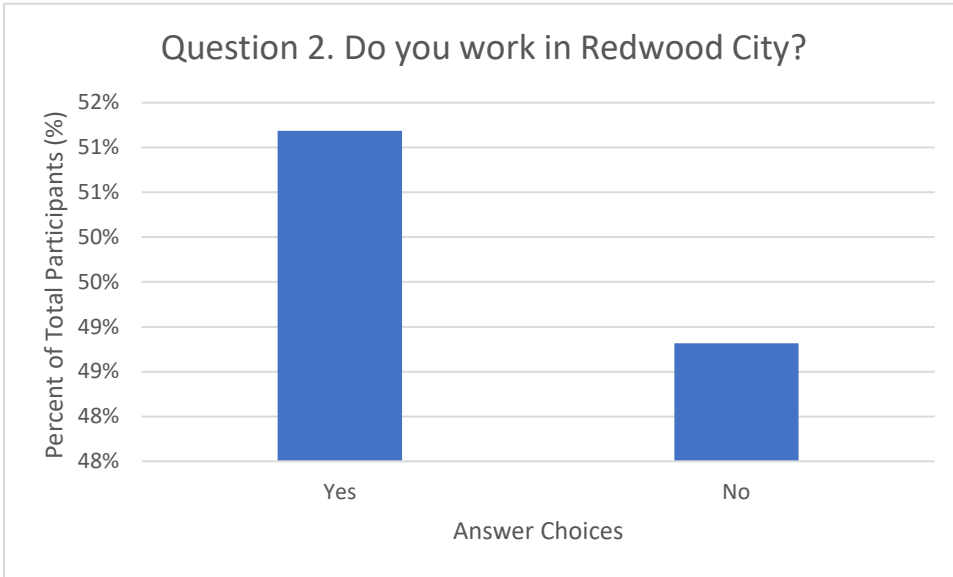
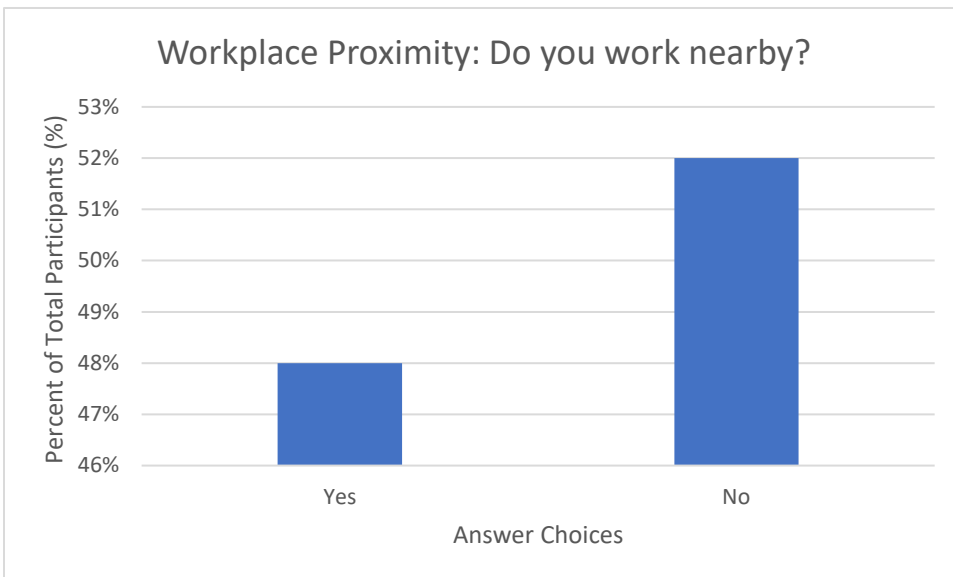
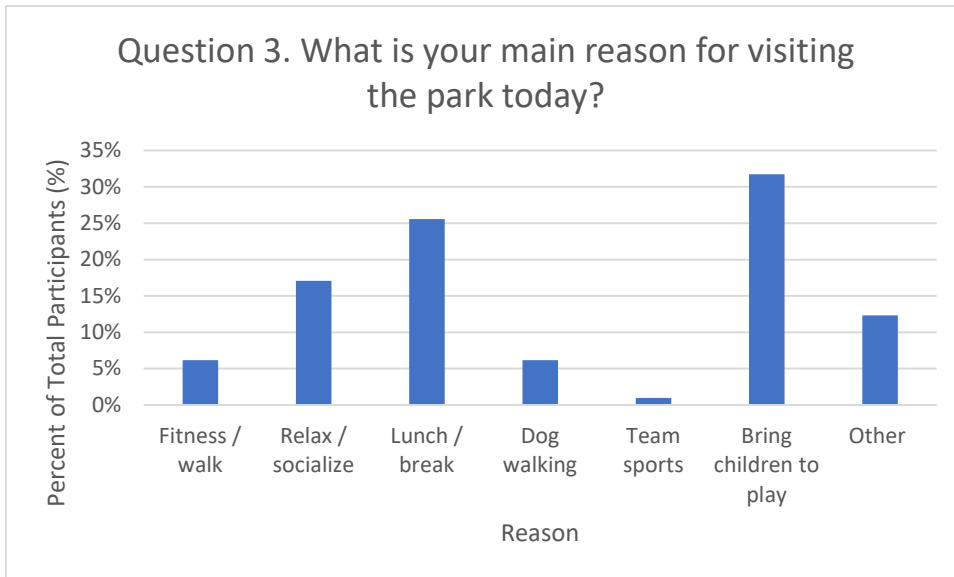


Figure 6. Proximity of Workplace



Question 3. What is your main reason for visiting the park today?
Participants' primary reasons for visiting the park was to bring children to play (32%), take their lunch or break from work (26%), exercise or walk (17%) and other (12%). "Other" answer responses include working (4%) and waiting (2%).

Figure 6. Main Reason for Park Visit



Question 4. Did you visit any nearby businesses related to your park visit today?

Half (49%) of participants visited nearby businesses related to their park visit. Most of these visits were to go shopping, run errands and/or purchase food or drinks. Among participants who visited nearby businesses, less than half, or 20% of total participants, do not work in Redwood City. Participants identified coffee shops and cafes, Starbucks, grocery stores, restaurants, auto body shops, gyms and shopping centers as businesses they visited related to their park visit.

Figure 7. Visits to Nearby Businesses





APPENDIX B:
Parks Impact Fee Project List

Parks Impact Fee Improvement List

Misc Park Projects	Total Funds Required	Land or Development	Timing	Size (acres)
85087 Downtown Park Planning/Construction	3,000,000	Both	5 Years	1
Bay Front Park	6,000,000	Both	5 Years	5
85074 Community Garden - Maple/Lathrop	400,000	Both	5 Years	0.32
Sub Total	9,400,000			6.32

Synthetic Turf Projects	Total Funds Required	Land or Development	Timing	Size (acres)
Roosevelt School Synthetic Turf Project	1,500,000	Development	10 Years	1.89
John Gill School Synthetic Turf Project	1,500,000	Development	10 Years	0.93
Taft School Synthetic Turf Project	1,500,000	Development	10 Years	2
Garfield School Synthetic Turf Project	2,000,000	Development	10 Years	3.37
Sub Total	6,500,000			8.19

Land Acquisition & Development Options	Total Funds Required	Land or Development	Timing	Size (acres)
Downtown Neighborhood (4,185)			20 Years	
	48,046,698	Land		12.4
	24,860,000	Development		
Friendly Acres Neighborhood (4,185)			20 Years	
	6,629,130	Land		1.7
	3,430,000	Development		
Redwood Oaks Neighborhood (4,852)			20 Years	
	52,205,849	Land		13.5
	27,012,000	Development		
Mt Carmel/Eagle Hill/Edgewood Neighborhoods (8,511)			20 Years	
	89,920,381	Land		23.3
	46,526,000	Development		
Centennial Neighborhood (3,116)			20 Years	
	30,760,710	Land		8.0
	15,916,000	Development		
Canyon Neighborhood (1,227)			20 Years	
	0	Land		3.0
	6,082,000	Development		
Land Acquisition Next To Existing City Parks	392,954,734	Land	20 Years	
Dove Beeger, Fleischman, Garrett, Hawes, Jardin, Linden, Maddux, Palm, Stafford, Red Morton, Stulsaft, Union Cemetery, West				variable size
	6,082,000	Development		
City Wide (84,292)			20 Years	
	201,684,037	Land		101.66
	104,354,000	Development		
City Wide Sub Total	306,038,037			101.66

Convert Traffic Islands to Pocket Parks	Total Funds Required	Land or Development	Timing	Size (acres)
Laurie Duncan Parkway		Development	10 Years	
add amenities, connect islands, improve safe access	1,480,000			
				0.74
Buckeye Corner		Development	10 Years	
add amenities, connect islands, improve safe access; pending rail cor	260,000			
				0.13

Parks Impact Fee Improvement List

Dinghee Circle	Development	10 Years	
add amenities, improve safe access; pending Hopkins Ave improvem	580,000		
			0.29
Sub Total	2,320,000		1.16

Amenity Improvements	Total Funds Required	Land or Development	Timing	Size (acres)
73853 City Wide Play Equipment Program	1,250,000	Development	20 Years	
Garrett Park Restroom	400,000	Development	5 Years	Single Amenity
Dove Beeger Park Restroom	400,000	Development	5 Years	Single Amenity
Palm Park Restroom	400,000	Development	10 Years	Single Amenity
Pathway Improvements	500,000	Development	5 Years	Single Amenity
Park Shade Structures	100,000	Development	10 Years	Single Amenity
Tot Lot Amenities (various parks)	2,000,000	Development	10 Years	Single Amenity
Porta Play Rotating Play Features (8)	2,000,000	Development	10 Years	Single Amenity
Athletic Field Lights	2,500,000	Development	10 Years	Single Amenity
Sub Total	9,550,000			

Park Renovation Projects	Total Funds Required	Land or Development	Timing	Size (acres)
Garrett Park Expansion / Renovation	6,082,000	Both	5 Years	3.041
Spinas Park Renovation	2,000,000	Development	5 Years	Single Amenity
Union Cemetery Renovation	150,000	Development	10 Years	Single Amenity
Armory Recreation Center Renovation	1,000,000	Development	5 Years	Single Amenity
RWS Playground	500,000	Development	10 Years	Single Amenity
Roselli Garden Renovation	1,000,000	Development	5 Years	Single Amenity
Jardin de Ninos Park Expansion	300,000	Both	5 Years	Single Amenity
Sub Total	11,032,000			3.041

Sports Complex Projects	Total Funds Required	Land or Development	Timing	Size (acres)
Small Sports Complex (4 bball / 2 Soccer)	52,788,438	Both	20 Years	9
Medium Sports Complex (8 bball / 4 Soccer)	105,576,876	Both	20 Years	18
Large Sports Complex (12bball / 6 Soccer)	175,961,460	Both	20 Years	30
Sub Total	334,326,774			57

Misc Park Projects	\$9,400,000	6.3
Synthetic Turf Projects	\$6,500,000	8.2
Land Acquisition and Development	\$306,038,037	101.7
Convert Traffic Islands to Pocket Parks	\$2,320,000	1.2
Amenity Improvements	\$9,550,000	0.0
Park Renovation Projects	\$11,032,000	3.0
Sports Complex Projects	\$334,326,774	57.0
Total	\$679,166,811	Total Acres 177.4