Title: Northwest Land Park Project Park Impact Fee Allocation for Reimbursement

Location: District 4

Recommendation: Adopt a Resolution authorizing the City Manager or City Manager’s designee to increase the expenditure budget in the Olympians Park Development Project (L19145100) by appropriating $167,383 from the Park Impact fees (PIF) (Fund 3204) available fund balance.

Contact: Dana Repan, Senior Planner, (916) 808-2762; Raymond Costantino, Manager, Park Planning and Development Services, (916) 808-1941, Youth, Parks & Community Enrichment Department

Presenter: None

Attachments:
1. Description/Analysis
2. Resolution
Description/Analysis

Issue Detail: On September 3, 2019, City Council approved the First Amendment to the Quimby and Park Impact Fee Credit and Reimbursement Agreement for the Northwest Land Park Project, which is known as The Mill at Broadway. Under the amended agreement, the total Park Impact Fee (PIF) credits available based on the City’s park construction, park planning and City staff costs was $1,738,882. These credits covered a portion of the costs of developing the neighborhood park (Olympians Park) at the residential development. The developer chose to participate in the City’s Fee Deferral Program and did not use its PIF credits when applying for building permits. Under the Fee Deferral Program, all credits for impact fees must be accounted for prior to entering the fee deferral program. Because the developer failed to apply the credits, the developer was required to pay the PIF before final inspection of the housing units.

The developer is now requesting reimbursement of the park impact fee funds they paid. Construction of Olympians Park has been completed. At this time, the balance of funds from the payment of PIF for the building permits is $167,383. It is anticipated that more funds will be received from the developer through the Fee Deferral Program until build out of The Mill at Broadway project is close to completion, and as such, further requests will be made for reimbursement. Due to the PIF Fund allocation process, subsequent Council approval may be required to provide PIF reimbursements.

Policy Considerations: Using PIF available fund balance to fund and augment project budgets is consistent with Sacramento City Code Section 18.56.230, as these funds will be expended for reimbursement of the cost of park facilities constructed to serve the residents of the development project.

Economic Impacts: None

Environmental Considerations: The proposed action is not a “project” subject to the California Environmental Quality Act under Section number 15378(b)(4) because it is an administrative activity that consists of government fiscal activities.

Sustainability: Not Applicable

Commission/Committee Action: None

Rationale for Recommendation: Staff recommends City Council approve the fund transfer to allow for reimbursement under the amended Quimby and Park Impact Fee Credit and Reimbursement Agreement for The Mill at Broadway project because the park improvement
project has been constructed and PIF was paid in lieu of applying the PIF credits for this project.

Financial Considerations: The Fee Ordinance authorizes reimbursements of PIF paid by a developer who undertakes the design and construction of park facilities that otherwise would be built by the City with PIF revenues. There are sufficient funds available in the PIF available fund balance (Fund 3204) to support the funding transfer of $167,383 to the Olympians Park Development project (L19145100).

Local Business Enterprise (LBE): None
RESOLUTION NO. 2020-

Adopted by the Sacramento City Council

May 19, 2020

APPROPRIATION OF FUNDING FOR OLYMPIANS PARK
COST REIMBURSEMENT

BACKGROUND

A. Olympians Park is a 3.356± acre neighborhood park located at The Mill at Broadway that was constructed by Northwest Land Park, LLC (“Developer”). The Master Plan for Olympians Park was approved on April 10, 2018 and the park naming was approved on September 3, 2019.

B. On September 3, 2019, City Council approved the First Amendment to the Quimby and Park Impact Fee Credit and Reimbursement Agreement for the Northwest Land Park Project, known as The Mill at Broadway. Under the amended agreement, the total Park Impact Fee credits available for the cost of Olympians Park was $1,738,882.

C. The Developer has been deferring all impact fees under the Fee Deferral Program and then paying the park impact fees at the time of final inspection of the residential units. The Developer is now requesting reimbursement of the park impact fees they paid since they did not use the credits. The Developer is requesting to be reimbursed for the $167,383 in park impact fees that have been paid since the park construction has been completed.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The City Manager or his designee is authorized to appropriate $167,383 from Park Impact Fees available fund balance (Fund 3204) to Olympians Park Development Project (L19145100).