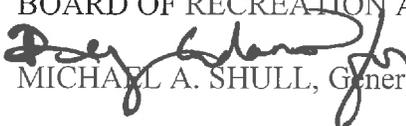


FOR INFORMATION ONLY

CITY OF LOS ANGELES
DEPARTMENT OF RECREATION AND PARKS

May 6, 2015

TO: BOARD OF RECREATION AND PARK COMMISSIONERS
FROM:  MICHAEL A. SHULL, General Manager
SUBJECT: QUIMBY/PARK FEE UPDATE PROGRAM

Background

Pursuant to various City ordinances, some, but not all, residential development projects in the City are required, as a condition of approval, to either dedicate land for recreation and park purposes or pay a fee in-lieu. The in-lieu fees collected through these ordinances are variously called “Quimby Fees”, “Park Fees”, or “Finn Fees”. These in-lieu fees are paid to the Department of Recreation and Parks (RAP) and may be expended by the Board of Recreation and Park Commissioners (Board) only for the acquisition of park land or for the development of park and recreation facilities.

The Department of City Planning (DCP) is leading an initiative (Park Program) to review and update the General Plan policies and City ordinances that regulate the City’s park fee programs. The key objective of the Park Program is to increase park acreage and park access citywide, with a focus on expanding resources available in underserved communities. The scope of the Park Program includes the creation of a Park Advisory Committee, stakeholder outreach, and the completion of various technical analyses (e.g. existing conditions analysis, nexus study, financial analysis, etc.).

Existing Regulations and Policies

The State Quimby Act (California Government Code §66477) was originally adopted by the California legislature in 1965. The State Quimby Act allowed local agencies to establish ordinances that require developers to dedicate land, or pay an in-lieu fee, for parks and recreational facilities as a condition of residential subdivision map approval.

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In 1971 the City adopted Ordinance No. 141,422 as the local implementing ordinance of the State Quimby Act. This ordinance is codified in Los Angeles Municipal Code (LAMC) Section 17.12. In-lieu fees collected pursuant to this ordinance are typically called “Quimby Fees”.

In 1985 the City adopted Ordinance No. 159,691, which established a new park fee that applied to multi-unit residential projects that require a change in zoning. This Ordinance is codified in LAMC Section 12.33. The fees collected pursuant to this ordinance are typically called “Finn Fees”, for the City Councilmember that proposed the new fee.

The City’s regulations and policies governing the collection, use, and administration of any land or in-lieu fees provided pursuant to LAMC Sections 17.12 and 12.33 are identical.

Any land acquired pursuant to LAMC Sections 17.12 and 12.33 may only be used for recreation and park purposes that serve the recreation needs of the future residents of the development that dedicated land to the City or that paid the fee used to acquire that land.

Any fees collected pursuant to LAMC Sections 17.12 and 12.33 may be used to either acquire new public park land that would serve the future residents of the development that paid those in-lieu fees or to fund capital improvements at existing recreational and park facilities that would serve the future residents. The fee schedule for Quimby and Finn Fees is a tiered fee schedule with higher fees for higher use zone classifications. Quimby and Finn Fees are calculated on a per unit basis and are owed for each dwelling unit approved to be developed as a part of the project. The City’s fee schedule is increased (or decreased) by DCP on March 1st of each year. As of March 1, 2015, the fee schedule ranges between \$2,634 per unit to \$7,596 per unit.

Quimby and Finn Fees can be allocated to park acquisition and park capital improvement projects within a service radius of one to two miles from the development that paid those fees. This geographic restriction is based on a requirement in LAMC Section 17.12E that indicates that required land dedications and in-lieu fees payments must be used in a manner that complies with the principles and standards of the City’s Public Recreation Plan (a portion of the Service System Element of the City’s General Plan). The Public Recreation Plan, which was adopted by the City in 1980, includes definitions, standards, and policies for the City’s park and recreational facilities and amenities. According to the Public Recreation Plan a park’s service radius is the geographic area the park or facility serves. Neighborhood parks and facilities have a service radius of up to one mile from the park or facility. Community parks and facilities have a service radius of two miles.

Summary of Park Program Key Issues

Below is a brief summary of the current direction of the Park Program and the key items and issues currently proposed to be included and addressed in the revised park fee and land dedication regulations.

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A. Subject Properties

- All net new residential units, regardless of occupancy type (e.g. apartment, single-family home, condominium, etc.), would be required to dedicate land, pay the park fee, or make improvements to City parks and facilities.
- Per the State Quimby Act, only residential subdivisions with 50 or more units can be required to dedicate park land.

B. Use of Fees

- Only be used for acquisition and development of publically accessible parks and recreational facilities.

C. Affordable Housing (rental or for-sale) Incentives

- Affordable housing units under a certain threshold (currently proposed to include those below 80% of Area Median Income) would be exempt from the requirement to dedicate land or pay the park fee.
- Affordable housing units between certain thresholds (currently proposed to include those between 81% of Area Median Income to 120% of Area Median Income) would receive a 50% reduction in the requirement to dedicate land or pay the park fee.

D. Service Standard

- RAP currently provides 4.2 acres of parkland per 1,000 City residents. This standard will be used to determine the new requirements for land dedication and the new park fee.

E. Board Policy and Guidelines

- In order to provide RAP with the ability to develop and use flexible criteria for the use and allocation of Park Fees, targeted revisions are proposed to be made to the existing definitions and standards in the Public Recreation Plan.
- Board would have responsibility to develop policy and guidelines relative to the use of the park fees, the dedication of park land, and the types of private recreational amenities eligible for credits.

F. Early Consultation for Certain Residential Subdivisions

- Residential subdivisions with 50 or more units would be required to meet with RAP and DCP before submitting an entitlement application.
- Purpose of the required early consultation is to determine feasibility for land dedication. Board would have final authority to require and/or accept land dedication.

G. New Park Fee and Fee Schedule

- A new fee schedule is currently being developed and reviewed by staff.
- The new fee schedule will be developed using the current service standard and will reflect the cost to acquire and develop park land to that current service standard.

H. Credits for Private Recreational Facilities

- Developers would be eligible to receive a credit against required fees for private on-site recreational facilities (currently proposed not to exceed 35%).
- Developers would be eligible to receive a credit against required fees for publically accessible on-site recreational facilities (currently proposed not to exceed 100%).
- Developers would not be eligible to receive credits for any open space areas required by LAMC or any DCP planning document.

As previously noted, the above summary does not represent the final proposal for the new park fee program. DCP staff continues to gather input and feedback from stakeholders as it works to finalize their recommendations for revisions to the City's park fee and land dedication regulations.

Park Program Timeline:

- May 2015: Presentations to RAP Board and City Planning Commission
- May 2015: Public Release of draft ordinance
- June 2015: RAP consideration and adoption of park fee guidelines and standards

- June 2015: DCP Staff hearing on draft ordinance
- July 2015: City Planning Commission hearing

This report was prepared by Darryl Ford, Principal Project Coordinator, Planning, Construction, and Maintenance Branch.