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DEPARTMENT OF
PARKS AND RECREATION

**CITY OF SACRAMENTO
CALIFORNIA**

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SACRAMENTO, CA
95814-2997

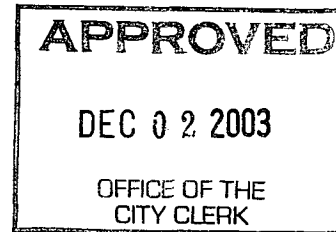
PARK PLANNING, DESIGN
AND DEVELOPMENT

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November 10, 2003

City Council
Sacramento, California



Honorable Members in Session:

SUBJECT: Approve the *Average Land Values per Planning Area* in conjunction with the Ordinance Amending Section 16.64.050 of Chapter 16.64 of Title 16 of the City Code (Quimby Ordinance) pertaining to the calculation of Quimby In-Lieu Fees.

LOCATION AND COUNCIL DISTRICT: Citywide; All Council Districts

RECOMMENDATION:

Staff recommends that City Council approve, by Resolution (page 5), Average Land Values to be utilized as an option for the calculation of Quimby Ordinance In-Lieu Fees when parkland dedication is determined by the City to not be an option. An amendment to the Quimby Ordinance allowing this procedure was approved by the City Council on October 28, 2003 and became effective thirty days after that approval on November 28, 2003.

CONTACT PERSON: JANET R. BAKER, PARK DEVELOPMENT MANAGER, 264-8234

FOR COUNCIL MEETING OF: December 2, 2003

SUMMARY:

The City Council adopted an amendment to the City's Quimby Ordinance on October 28, 2003 which created an alternate method of calculating Quimby In-Lieu fees in order to encourage infill development and create more equity in in-lieu fees paid throughout the City. The amendment did not change the standard parkland dedication calculation provided in the ordinance when the City chooses land dedication rather than payment of fees.



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COMMITTEE/COMMISSION ACTION:

The Quimby Ordinance Amendments were approved by the Law and Legislation Committee on September 2, 2003 and approved by the City Council on October 28, 2003. In addition, the Citizens Advisory Committee for Parks and Recreation reviewed and approved the proposed ordinance amendment and average land values at their September, 2003 meeting.

BACKGROUND INFORMATION:

Under the Subdivision Map Act and Title 16 (the Subdivision Ordinance) of the Sacramento City Code, residential projects are required to dedicate land or pay a fee in-lieu of land dedication to provide for community and neighborhood parks at a rate for 5 acres per thousand residents. Under the City Quimby Ordinance, the in-lieu fee is calculated based upon the appraised value of the land being sub-divided.

The City of Sacramento currently has a policy to promote infill residential development. Under the previous ordinance, the fees required under Quimby for residential development in the Central City, Planning Area 1, were significantly higher than in other areas of the City due to land values. These fees are thought to be a disincentive for downtown and central city residential projects.

In October 2002, the City Council approved an Interim Quimby Ordinance establishing an alternate method of payment for Quimby In-Lieu fees in the Central City. A reasonable "average" land value in combination with the actual appraised value was approved for small (16 or fewer units) residential infill projects in Planning Area 1. The interim ordinance was developed to allow developers of small, residential infill projects within Planning Area 1 to proceed with development, while the City reviewed the Quimby Ordinance with the goal of creating greater equity while continuing to provide for the payment of Quimby In-Lieu fees to support acquisition of new parkland, development of parks and renovation of existing park facilities.

The City Council approved a new citywide ordinance amendment on October 28, 2003. This Quimby ordinance amendment allows for an alternate system by which a developer may have Quimby in-lieu fees calculated based upon an "average land value" per acre of land within each community planning area. These proposed average land values (see Exhibit A, page 6) are proposed to be adopted by resolution with this report.

The land values have been estimated by City Real Estate staff using available comparable sales data for support. They represent an "average" of high and low market values reviewed by City Real Estate staff and outside real estate professionals. The averages do reflect some of the differences in community planning areas that were pointed out by the City Council at their October 28th meeting. It is true that in some planning areas, one neighborhood may have significantly different land values. However, the average established made a best effort to even out those differences. In most of those areas, the incidents of land subdivisions are few and a developer will always have the choice to have an appraisal done if they disagree with the average land value method. Staff recommends that this system be utilized and evaluated over the next year. These average land values will be updated at a minimum on an annual basis as directed by the City Council at the October 28th meeting.

FINANCIAL CONSIDERATIONS:

In the new proposed Quimby Ordinance, in-lieu fees can be calculated using one of two methods:

- ▶ The developer may request an appraisal of the property to be prepared and in-lieu fees shall be calculated based upon the fair market value established in the appraisal.
- ▶ An alternate approach is based upon the average land values per acre of land within each Community Planning Area. At the option of the developer, the community planning area fixed market value may be used in place of the appraisal process.

Staff will assess all Quimby in-lieu fee transactions over the next six months to one year, to determine how the new average land values are working and what impacts occur to the Quimby fund. Staff will report back to the City Council at a minimum of annually to report on any impacts.

In the majority of subdivisions, particularly in newly developing and larger areas, the City will continue to prefer to accept land dedications rather than in-lieu fees in order to provide adequate parkland for new subdivisions to fulfill the standards in the Parks and Recreation Master Plan and area community plans.

ENVIRONMENTAL CONSIDERATIONS:

The Environmental Services Manager has determined that the actions of approval of the amendment to the Quimby Ordinance does not require environmental evaluation.

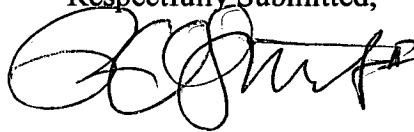
POLICY CONSIDERATIONS:

This project is consistent with goals in the City Sacramento's Strategic Plan in that it enhances and preserves neighborhoods and expands parks and recreation opportunities.

ESBD CONSIDERATIONS:

There are no ESBD considerations with this report.

Respectfully Submitted,



ROBERT G. OVERSTREET
Director of Parks and Recreation

Recommendation Approved:



ROBERT P. THOMAS
City Manager

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- 2) Exhibit A: Average Land Values Proposed Per Community Planning Area, page 6



CITY OF SACRAMENTO
DEPARTMENT OF PARKS AND RECREATION
PARK PLANNING, DESIGN AND DEVELOPMENT

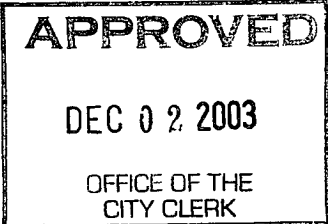
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QUIMBY ORDINANCE REVISION

AVERAGE LAND VALUES PROPOSED PER COMMUNITY PLANNING AREA

COMMUNITY PLANNING AREA:	PROPOSED LAND VALUE: (Per Gross Acre)
PLANNING AREA 1 Central City	\$250,000 per acre
PLANNING AREA 2 Land Park	\$250,000 per acre
PLANNING AREA 3 Pocket	\$275,000 per acre
PLANNING AREA 4 North South Sacramento (North of Florin Road)	\$85,000 per acre (Split Planning Area)
PLANNING AREA 4 South South Sacramento (South of Florin Road)	\$160,000 per acre (Split Planning Area)
PLANNING AREA 5 East Broadway	\$90,000 per acre
PLANNING AREA 6 East Sacramento	\$250,000 per acre
PLANNING AREA 7 Arden Arcade	\$90,000 per acre
PLANNING AREA 8 North Sacramento	\$80,000 per acre
PLANNING AREA 9 South Natomas	\$225,000 per acre
PLANNING AREA 10 North Natomas	\$275,000 per acre
PLANNING AREA 11 Airport/Meadowview	\$85,000 per acre



RESOLUTION NO. 2003-842

ADOPTED BY THE CITY OF SACRAMENTO
ON DATE: _____

**RESOLUTION TO APPROVE THE AVERAGE LAND VALUES PER PLANNING AREA
IN CONJUNCTION WITH THE CITY OF SACRAMENTO QIMBY
ORDINANCE**

WHEREAS, The city council adopted an amendment to the City's Quimby Ordinance on October 28, 2003 which created an alternate method of calculating Quimby In-Lieu fees in order to encourage infill development and create more equity in in-lieu fees paid throughout the City;

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

The City Council hereby:

- 1. Approves the Average Land Values per Planning Area in conjunction with the Ordinance Amending Section 16.64.050 of Chapter 16.64 of Title 16 of the City Code (Quimby Ordinance) pertaining to the calculation of Quimby In-Lieu Fees.

FOR CITY COUNCIL USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

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