

CHAPTER 6

Funding New Park and Recreation Facilities



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Currently, new park and recreation facilities required to serve new development are funded through two development impact fee based programs, the recreation component of the Public Facilities Development Impact Fee program and the Parkland Acquisition and Development (PAD) Fee program. Implementation of the two fee programs has resulted in a successful park system that adds to the quality of life of Chula Vista residents. The narrative below provides a description of the two programs.

With the recent mandate to include prevailing wage bid prices for park construction, staff is comparing recent park bids to the current park development fees with the aim of quantifying cost increases attributed to prevailing wage requirements and proposing a Park Development Impact Fee for City Council to approve (see Part “C” of this chapter).

Furthermore, while the traditional means by which funding for park development as described below has enabled the City to provide recreational opportunities for its residents, the City should be flexible so that it can take advantage of new funding opportunities as they become available or as circumstances change in the future. Any strategy to fund capital projects will depend on economic conditions at that time. Grants, philanthropic donations and public-private partnerships are some strategies that could be pursued as alternate funding sources.

A. Public Facilities Development Impact Fee (PFDIF) - Recreation Component

In 1987, CVMC 17.10 was revised to include major recreation facilities in community parks. Historically, however, park development fees have not been sufficient to construct these additional, large capital improvements.



As part of the 2002 Parks & Recreation Master Plan study, the City determined that the PFDIF should be a mechanism to collect funds needed to build major recreation facilities. These facilities include community centers, gymnasiums, special population centers and swimming pools.

To facilitate the construction of facilities in a timely manner and to keep developer fees within reasonable levels, a recreation component was added to the City’s PFDIF program.

As detailed in the *Public Facilities DIF, November 2002 Amendment*, a new baseline recreation standard for the City was established with the introduction of the recreation component of the PFDIF.

A baseline recreation service standard (1.32 square feet per person) was established based on methodologies described in the 2002 PFDIF Amendment. Based on the established service standard, the 2002 PFDIF Amendment stated, "...pending an 'extraordinary' increase in dwelling unit (DU) totals, the total square footage required from developers will not exceed 140,595 SF." An "extraordinary" DU increase is defined as an increase in excess of 2,000 residential dwelling units above and beyond what was anticipated in the previously forecasted growth projections under the General Plan in effect in 2002. The General Plan Update adopted in December 2005 and subsequent General Plan Amendments collectively represent an "extraordinary" dwelling unit increase. The increase in dwelling units represents square footage of major recreation facilities in addition to the 140,595 square feet identified in the 2002 PFDIF Amendment.

The 2002 recreation service standard of 1.32 square feet per capita will continue to be applied. A preliminary application of this standard to the projected buildout population results in the need to construct approximately 83,720 additional square feet of major recreation facilities. A subsequent PFDIF Amendment will update and revise this calculation using current population and dwelling unit projections, as appropriate. Note that population and dwelling unit projections are approximated based on the anticipated pace of development in the City and are subject to change.

In addition to future park sites, a portion of the recreation facilities may be accommodated within private and quasi-public facilities venues.

Table 6-1
Existing and Future Recreational Facilities

Facility Name/Park Location	Facility Area (Square Feet)				Total
	Community Center	Gymnasium	Aquatic Center	Senior Center	
EXISTING^a					
Chula Vista Woman's Club	3,900	-	-	-	3,900
Heritage Community Center	5,900	-	-	-	5,900
Lauderbach Center	8,300	-	-	-	8,300
Loma Verde Complex	10,348	-	37,886	-	48,234
Monteville Recreation Center	9,700	11,300	-	-	21,000
Norman Senior Center	-	-	-	17,804	17,804
Otay Gym & Recreation Center	5,684	9,280	-	-	14,964
Parkway Center/Memorial Park ^b	5,248	20,263	20,862	-	46,373
Rohr Manor	4,972	-	-	-	4,972
Salt Creek Recreation Center	7,600	12,400	-	-	20,000
Veterans Recreation Center	10,000	9,700	-	-	19,700
Subtotal Existing	71,652	62,943	58,748	17,104	211,147
FUTURE^c					
Unnamed Bayfront - Harbor District	5,500	-	-	-	5,500
Unnamed Memorial Park Annex	3,000	-	-	-	3,000
Unnamed Village 4 Recreation Center	15,200	24,800	63,710	-	103,710
Unnamed Village 8E Recreation Center	9,700	11,300	-	-	21,000
Unnamed Village 9 Recreation Center	9,700	11,300	-	-	21,000
Unnamed Recreation Center East of I-805	TBD	TBD	TBD	-	83,720
Subtotal Future	43,100	47,400	63,710	-	237,930
Total	114,752	110,343	122,458	17,804	449,007

Recreation Area Standard	1.32	SF per Capita			
	Estimated Population	SF Needed	Existing SF (2018)	Future SF	Shortfall
2018	270,596	357,187	211,147	-	146,040
Buildout	340,215	449,084	211,147	237,930	7

NOTES

- a. Existing facility areas for Chula Vista Woman's Club, Lauderbach Center, Loma Verde Complex, Norman Senior Center, Otay Gym & Recreation Center, Parkway Center, and Rohr Manor were obtained from the Public Facilities Development Impact Fee Report. The areas of the remaining facilities were estimated from aerial imagery.
- b. Parkway Center is a combination of the Parkway Community Center consisting of a 5,684 SF Community Center, a 4,752 SF Gymnasium, and a 15,511 SF Gymnasium in addition to the Aquatic Center.
- c. Area split between Community Center and Gymnasium square footage where shown is estimated and subject to change.

B. Park Acquisition and Development Fees

The primary funding mechanism of new parks related to new development is established in CVMC 17.10. The code requires developers of residential subdivisions and residential developments not requiring a subdivision of land, to dedicate, improve, or make payment of fees in lieu thereof or a combination thereof, of parkland as required by the City. Developer dedication of parkland to the City, when deemed suitable for park purposes by the City, results in a credit toward the parkland obligation related to new residential development.

The cost of delivering park facilities changes over the years based on market conditions, sound engineering, financing, and planning information related to land cost and construction costs. CVMC 17.10 identifies how the parkland development and parkland acquisition fees are periodically reviewed and amended to reflect the true cost of parkland delivery. The City of Chula Vista Master Fee Schedule outlines PAD Fee requirements for each residential unit type.

It is important to emphasize that park development costs do not include costs for construction of major recreation facilities, as these are included in the PFDIF program.

The development portion of the fee is subject to adjustment on each October 1, based on the one-year change (from July to July) in the 20-City Construction Cost Index, as published monthly in the Engineering News Record. These fees provide the funds necessary to construct the planned parks in the City. Neighborhood parks and smaller, within a particular development will typically be constructed by the community's developer by way of a "turnkey" method or as specified in the community's park agreement. Community parks, however, are anticipated to be constructed by the City as part of the design-build development process unless otherwise noted in a park agreement.

C. Recommended Parks Development Impact Fee (DIF)

AB 1191, also known as the Quimby Act, forms the legal basis for the City's existing PAD fee program, which defined the three acres per 1,000 residents ratio that was adopted by the PAD fee. The Quimby Act mandates that the funds collected can only be spent in the subdivision in which they were collected. As such, restrictions on PAD funds may limit the amount of park development that can occur in a specific subdivision. This constraint may also limit the acquisition and development of parks that can provide services to the broader community outside the subdivision.

In contrast, the Mitigation Fee Act (GC 66000), allows for a system-wide management of the funding and construction of public facilities. A Parks DIF program would identify anticipated parkland Citywide and include their estimated costs when calculating the Parks DIF rate. The Parks DIF fee would be assessed on new dwelling units Citywide, applying only to residential development as the PAD fee does.

Therefore, replacing the PAD fee program with a Parks DIF would allow for more flexible management of funding the expansion of the City's Parks system and provide for a clearer, more defined plan for spending DIF/PAD funds than currently exists. Any unexpended funds from the closed PAD fee program would remain with their originating subdivision and would supplement the Parks DIF for funding new parks in that subdivision.

