



CITY of BRISBANE

Infrastructure, Utilities & Franchise Subcommittee Agenda

Wednesday, August 4th, 2021 at 2:30 PM • Virtual Meeting

This meeting is compliant with the Governors Executive Order N-08-21 issued on June 21, 2021 allowing for deviation of teleconference rules required by the Brown Act. The purpose of this is to provide the safest environment for staff, Subcommittee and the public while allowing for public participation. The public may address the council using exclusively remote public comment options. The Subcommittee may take action on any item listed in the agenda.

TO ADDRESS THE SUBCOMMITTEE

The meeting will be an exclusively virtual meeting. The agenda materials may be viewed online at www.brisbaneca.org at least 72 hours prior to the meeting.

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Email: aibarra@brisbaneca.org

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Meeting ID: 955 4718 8883 (After entering the meeting ID and pressing #, simply press # a second time to enter the meeting waiting room. No participant code is required. Please wait on the call until a Subcommittee or Staff Member announces that the phone line is open. Dial *6 to mute/unmute and dial *9 to "raise hand")

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SPECIAL ASSISTANCE

If you need special assistance to participate in this meeting, please contact Angel Ibarra at (415) 508-2109. Notification in advance of the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

SUBCOMMITTEE MEMBERS:

Councilmember O'Connell, Councilmember Mackin

PRESENTATIONS AND DISCUSSION ITEMS

- A. Discuss Hiring a Consulting Group to Conduct a Park Development Impact Fee Study

PUBLIC COMMENT**ADJOURNMENT**

A.

File Attachments for Item:

A. Discuss Hiring a Consulting Group to Conduct a Park Development Impact Fee Study



CITY COUNCIL AGENDA REPORT

STAFF MEMO RE: Park Development Impact Fee Study

MEETING DATE: 8/4/2021

Recommendation

Contract NBS Financial Consulting Group to conduct a park development impact fee study.

Background

Staff is proposing contracting NBS Financial Consulting Group to assist the City in studying park development impact fees. This supports a strategic approach to funding improvements and reducing the impact on the City's General and CIP funds to develop parks and recreational facilities.

Development Impact Fees (DIF) are a one-time fee imposed to generate funds for new or expanded infrastructure required because of development, whether commercial or residential. They are generally not used for ongoing operations and maintenance. Impact fees are a fiscal tool used nationwide, and specifically in California, have proven to be a valuable tool for development and rapid growth.

The Quimby Act (AB 1359) was approved by the Governor on September 28, 2013. It has long been used by municipalities to develop parkland and recreational facilities, as a fee on landowners as a condition of public approval. It authorizes the legislative body of a city or county to require the dedication of land or impose fees for park or recreational purposes as a condition to the approval of a tentative or parcel subdivision map, if specified requirements are met. One of these requirements is that the dedicated land or fees, or combination thereof, shall be used only for the purposes of developing or rehabilitating neighborhood or community park or recreational facilities to serve the subdivision for which the land was dedicated or fees were paid. The act provides that the dedication of land, or the payment of fees, or both, shall not exceed the proportionate amount necessary to provide 3 acres of park area per 1,000 persons residing within a subdivision subject to the act, except as specified.

The Quimby Act authorizes fees paid pursuant to the act to also be used for the purpose of developing or rehabilitating park or recreational facilities in a neighborhood other than the neighborhood in which the subdivision for which fees were paid as a condition to the approval of a tentative map or parcel map is located, if certain requirements are met. The legislative body is required to hold a public hearing before using fees as prescribed. The Quimby Act also authorizes the use of joint or shared use agreements to facilitate access to park or recreational facilities for residents in specified areas.

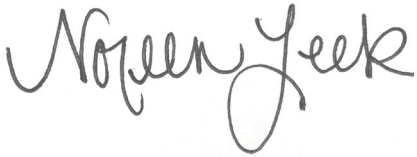
NBS would support the City through this process, analyzing the impacts of future development and proposing impact fees based on their assessment. Their complete scope of work is outlined in Attachment 2, enclosed herein.

Fiscal Impact

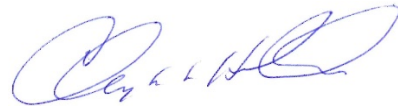
The cost for services outlined in the attached proposal is \$24,800.

Attachments

1. Brisbane Municipal Code excerpt (Chapter 16.24.010-16.24.040)
2. NBS Proposal for Quimby/Park Development Impact Fee Study



Noreen Leek, Parks & Recreation Director



Clay Holstine, City Manager

ATTACHMENT 1

Brisbane Municipal Code

Chapter 16.24.010-16.24.040

- **16.24.010 - Dedication of land for park and recreational purposes.**

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The subdivider shall provide for adequate and appropriate recreational facilities for the subdivision by the dedication of land in the subdivision or by the payment of fees in lieu thereof, in accordance with the conditions and requirements of this section; provided, however, that the requirements of this section may be satisfied by a development agreement between the subdivider and city council. The land, fees, or combination thereof are to be used only for the purpose of developing new or rehabilitating existing neighborhood or community park or recreational facilities to serve the subdivision. Any fees collected shall be committed within five years after the payment of the fees or the issuance of building permits on one-half of the lots created by the subdivision, whichever occurs later.

(Ord. No. 566, § 9, 10-7-13)

- **16.24.020 - Amounts of area to be dedicated.**

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Where there are more than fifty (50) lots to be established in the subdivision or when a condominium project, stock cooperative, or community apartment project exceeds fifty (50) dwelling units even though the number of parcels may be less than fifty (50), and where land therein can be properly located for public recreational facilities in accordance with the policies and standards for parks and recreation facilities contained in the general plan or applicable specific plan, the subdivider shall dedicate an area for such purposes on the basis of three (3) acres dedicated for each one thousand (1,000) population within the subdivision to be developed, assuming 2.35 persons per proposed unit.

(Ord. No. 566, § 9, 10-7-13)

- **16.24.030 – Dedication—Payment of fees in lieu.**

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Where there are fifty (50) lots or less in the subdivision or fifty (50) units or less in a residential condominium project, stock cooperative, or community apartment project, the subdivider shall, in lieu of dedication of land, pay a fee in a sum equivalent to the following formula: Number of proposed units times 2.35 persons per household divided by 1,000 times 3 acres times the fair market value of 1 acre of the subject property as determined by the planning director at the time of the filing of the tentative map. A residential condominium project, stock cooperative, or community apartment project with more than fifty (50) units may be required to dedicate land, even though the number of lots may be less than fifty (50), or pay a fee in lieu.

(Ord. No. 566, § 9, 10-7-13)

- **16.24.040 - Dedication credits for park and recreational improvements and for private open space.**

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A.

If the subdivider provides park and recreational improvements to the dedicated land, the value of the improvements together with any equipment located thereon shall be a credit against the payment of fees or dedication of land required by this chapter.

B.

If a condominium project or other common interest development provides private open space within the development which is usable for active recreational uses, the value of such land shall be a credit against the payment of fees or dedication of land required by this chapter.

(Ord. No. 566, § 9, 10-7-13; Ord. No. 612, § 7, 12-8-16)

July 9, 2021

Noreen Leek
Recreation Manager
City of Brisbane
Via email to nleek@brisbaneca.org

RE: Proposal for Quimby / Park Development Impact Fee Study

Dear Noreen,

The City anticipates future development that could potentially double the size of the City's population, including up to 2,200 homes, commercial space, and hotels. Identifying funding for park improvements needed to serve new development is of concern. Fortunately, development impact fees are one of several funding options the City can pursue.

We will assist the City with a well thought out approach to an impact fee study, and we are pleased to submit this proposal. The following demonstrates our experience in preparing studies of park-focused impact fees, the community policies woven into them, and the administrative practices that sustain them. We trust that the work program we have proposed in this document exemplifies our commitment to perform strongly on behalf of the City.

SCOPE

We will analyze the impacts of new development on the City's park and recreation facilities and calculate impact fees based on that analysis. In general, the scope of services involves the work necessary to comply with the requirements of the California Mitigation Fee Act (Government Code Sections 66000 et seq.). A review of Quimby Act fees in lieu of park land dedication will also be covered.

We will calculate three types of fees for park land acquisition and park improvements:

- Quimby Act fees in lieu of park land dedication for residential subdivisions.
- Park land acquisition impact fees for development not involving a subdivision.
- Park improvement impact fees for all types of development.
- Recreation facilities fees, if needed.

The specific scope of services offered in this proposal is defined by the tasks described in the work plan that follows. That scope excludes legal, engineering, architectural, cost estimating and appraisal services.

Information to be Provided by the City

The work to be performed on this impact fee study will depend heavily on information to be provided by the City. Among the types of information that may be needed for this study are:

- The City's capital improvement program, level of service policies Parks Master Plan, plus inventories of existing facilities and vehicles and equipment of types to be funded by impact fees.
- Cost estimates for land, capital improvements, vehicles, and/or equipment to be funded by impact fees.
- Information on relevant funding sources and financing plans and any outstanding debt related to existing park facilities.
- Information on the population served by the City, which may come from one or more of the following sources: the City, the California Department of Finance, and/or the U.S. Census Bureau.

This proposal assumes that all information needed to perform the work covered by the scope of this proposal will be provided by the City or is readily available from other sources.

Detailed Work Plan

The following tasks comprise the detailed work plan for this study. These tasks represent the typical requirements of an impact fee study and may be adjusted to meet the needs of this project.

TASK 1. KICKOFF MEETING/PROJECT INITIATION

To kickoff this study, we will attend a kickoff meeting with key City staff and carry out other activities required to initiate the study, including:

- Discuss the goals, work plan and schedule for the project.
- Establish coordination, communication and reporting procedures.
- Conduct initial interviews with key City staff members.
- Evaluate available information resources.
- Review the existing impact fee program and identify any issues of concern to the City.
- Assess current development patterns and growth potential in the area served by the City.

TASK 2. COMPILE DATA ON EXISTING AND FUTURE DEVELOPMENT

In this task, we will collect, review, organize and analyze data on existing and future development in the City, and compile it in a form useful for this study. Steps in that process may include:

- Establish boundaries of the study area to be used in the analysis.
- Define the breakdown of land use types to be used in the study.
- Analyze land use data provided by the City and other agencies to establish a baseline of existing development and a forecast of future development by land use type.
- Identify the demand factor that will be used to represent the impact of development in the impact fee calculations.
- Prepare development data tables to incorporate into the fee calculation model and the study report.

TASK 3. FACILITY NEEDS ANALYSIS

Using data from Task 2, we will review available plans and work with staff to identify additional park improvements, vehicles and equipment needed to serve future development. Steps in that process will include the following:

- Review adopted level-of-service standards and actual service levels for relevant park and recreation facilities.
- Work with City staff to identify the operative level-of-service standard to be used in the impact fee analysis.
- Project the additional service demand that will be created by new development, based on the selected service level.
- Compile cost estimates for parks and recreation facilities.
- Identify costs eligible for impact fee funding.

TASK 4. IMPACT FEE ANALYSIS

Using the information developed in Tasks 2 and 3, we will conduct the impact fee analysis and calculate impact fees by land use type for each type of facility addressed in the study. That process typically includes these steps:

- Review the methods used to calculate existing impact fees and consider alternative methods where appropriate.
- Construct a spreadsheet fee calculation model incorporating data on existing and future development, demand factors and facility costs.
- Specify formulas in the model to allocate facility costs in proportion to the impact of new development by land use type.
- Calculate a cost per unit of service for each facility type.
- Convert the cost per unit of service into a schedule of impact fees per unit of development by development type.
- Project potential revenue from the proposed fees.

TASK 5. DRAFT AND FINAL STUDY REPORTS

The impact fee study report will explain the data, methodology, and formulas used in the fee calculations and document the nexus between the proposed fees and the impacts of development for each type of impact fee calculated in the study. The report will also propose findings to satisfy the requirements of the Mitigation Fee Act regarding the purpose of the fees, the use of the fees, and the reasonable relationship between the fees and development.

As the study progresses, we will submit preliminary drafts of portions of the study report for review and comment by City staff. Once all sections are in draft form, an administrative draft of the entire study report, incorporating any previous staff comments, will be submitted for review. Then a final draft document will be prepared for the City Council. As needed, additional changes will be incorporated into the final study report.

The study report will include the following components:

- An Executive Summary including summary impact fee tables.
- A chapter discussing the legal requirements for impact fees and methods used to calculate the fees.
- A chapter presenting data on existing and future development in the study area, and the factors used to measure the impacts of development on individual facility types.

- A chapter presenting the data and methodology used in the analysis, a detailed explanation the impact fee calculations, and documentation of the nexus.
- A chapter on implementation recommendations, covering steps needed to comply with the Mitigation Fee Act through proper administration of the impact fees, including but not limited to:
 - ✓ Findings and enactment of fees
 - ✓ Collection and expenditure of fees
 - ✓ Accounting and reporting requirements
 - ✓ Administrative appeals, waivers, and exemptions
 - ✓ Credits and reimbursements for developer-provided facilities
 - ✓ Updating and indexing the fees
 - ✓ Recovery of administrative costs for the impact fee program

Deliverables include: (1) Preliminary chapter drafts; (2) a complete draft report for staff review; (3) a final draft report; (4) the final report. All drafts and the final report will be submitted electronically in .PDF format.

TASK 6. MEETINGS AND PRESENTATIONS

This proposal assumes the following regarding meetings during the study and presentations of results:

Meetings with Staff – We will conduct meetings with staff to initiate the study process, review and discuss work products, and gain insight from staff on the direction of the study. All work-in-progress meetings will be held via conference call or video conferencing format. We also expect to have regular email exchanges and phone conversations with staff to review data, discuss the study’s progress, solicit input, and review the study’s results.

Presentations – We will prepare PowerPoint presentations and present findings to City Council, Council Subcommittees, or industry stakeholders as needed. Within the professional fees proposed for the project, we have included up to two remotely conducted meetings. In person presentations/meetings are included as an optional task in this proposal.

ESTIMATED PROJECT TIMELINE

A study of this nature typically requires two to three months to issue a final report. The timeline for adoption would be determined by the City following acceptance of the final report. We are available to initiate this project at any time. Upon project commencement, a schedule and task plan will be developed for mutual acceptance by the City and consultants. During the data collection tasks of the proposed work plan, we will proactively remind the City of agreed upon submittal dates and strive to process submittals quickly to keep the project moving forward.

PROPOSED STAFF

For this engagement, NBS will engage Colgan Consulting as a subcontractor. NBS and Colgan Consulting have been working together exclusively on impact fee studies in California since 2018. We have completed

numerous similar studies together over the past three years, and Joe Colgan has more than 30 years of impact fee experience. A sampling of recently completed projects is shown in the following table:

Agency	TYPE OF IMPACT FEE					
	Park Land / Improvements	Public Safety	Public Buildings	Roads / Traffic	Storm Drain	Water / Sewer
City of Angels Camp	✓	✓	✓	✓		
City of Beaumont	✓	✓	✓	✓		
City of Cloverdale	✓	✓	✓	✓	✓	✓
City of Encinitas	✓	✓	✓			
City of Indio	✓	✓	✓	✓	✓	✓
City of La Quinta	✓	✓	✓	✓		
City of Lemoore	✓	✓	✓	✓		✓
City of Madera	✓	✓	✓	✓	✓	✓
City of Moreno Valley	✓	✓	✓	✓		
City of Orland	✓	✓	✓	✓		✓
City of Plymouth (AB 1600 Reporting)	✓		✓		✓	
City of Rancho Cucamonga	✓		✓	✓		
City of Rocklin	✓	✓	✓			
City of Vista	✓	✓		✓		
City of Wildomar	✓	✓	✓	✓	✓	
Groveland Community Services District	✓	✓				✓
Hesperia Recreation and Parks District	✓					
Lathrop Manteca Fire District		✓				
Rancho Cucamonga Fire District		✓				
Sacramento Metropolitan Fire District		✓				
Town of Ross				✓	✓	
Town of Windsor	✓	✓	✓			

NBS will manage the project and provide technical support as needed, and Joe Colgan of Colgan Consulting will assume the role of Impact Fee Specialist providing extensive industry experience and technical leadership required for the project.

NICOLE KISSAM, PROJECT DIRECTOR

Role and Responsibilities: Nicole Kissam will manage the ongoing administration of the project, serving as the primary point of contact for City's staff and directing the work efforts of our project team. She will be fully conversant in all findings and available for public events as needed. She will work closely with the City's designated project manager to monitor the schedule and delivery of work products to the City's satisfaction. While designing and directing analytical efforts, she will also provide senior-level technical analysis as warranted.

Work Experience: Nicole Kissam is Director of NBS' Financial Consulting Group. She has an extensive background in public sector consulting, city government, corporate management, marketing and public relations. Nicole has been a financial and management consultant to local government for more than 20 years, specializing in cost recovery policy, strategy, and analysis. Her subject matter expertise includes cost allocation plans, user and regulatory fee analysis, impact fee analysis, financial plans, business process improvement, and operational best management practices for California agencies. Nicole holds a Bachelor of Science in Business Administration from California Polytechnic State University in San Luis Obispo. She has completed similar projects as requested by the City for many agencies across California.

JOE COLGAN, COLGAN CONSULTING, IMPACT FEE SPECIALIST

Role and Responsibilities: Joe Colgan will work closely with NBS team members as the technical expert on this impact fee analysis.

Work Experience: Joe Colgan is the President of Colgan Consulting and a recognized expert in impact fee analysis with over 30 years of experience in the field. He is a professional planner with 10 years of direct experience in local government as a planner and planning director, and extensive experience in land use planning and capital facilities planning. He has served three terms on the board of the National Impact Fee Roundtable (now the Growth and Infrastructure Consortium), including one term as vice chair, and has spoken on impact fees at conferences and seminars nationally.

LAUREN GUIDO, CONSULTANT

Role and Responsibilities: Under the direction of the project manager, Lauren Guido will support this project as needed with the completion of key aspects of the project's Task Plan, including but not limited to fee model development, data collection and analysis, timeline management, draft production, and documentation efforts.

Work Experience: Lauren is a Consultant with NBS and brings more than a decade of accounting and financial management experience in the public and private sector to our project team. She has extensive applied skills in analytical software, databases, and spreadsheets and a special talent for graphical display of complex information in presentations to elected and community stakeholders. Lauren has a Bachelor of Fine Arts and Multimedia from Woodbury University.

TIM SEUFERT, CLIENT SERVICES DIRECTOR

Role and Responsibilities: As Client Services Director, Tim Seufert will ensure that the City's fundamental objectives are being met at all times and that the project is proceeding on a timely basis. He is included on the team as an active representative of our company's commitment to the highest level of service.

Work Experience: Tim Seufert has two decades of local government experience with a wide variety of revenue tools. He also has a decade of corporate financial experience. Tim has been involved with many projects from their inception and feasibility stage to their completion. He has been a presenter at dozens of training seminars, and he is an author on local government finance issues for the California League of Cities, the California Special Districts Association, California Society of Municipal Finance Officers, and other forums.

(Full-length resumes available upon request.)

SAMPLE REFERENCES

CITY OF ROCKLIN

IMPACT FEE STUDY – PARK IMPROVEMENTS AND PUBLIC FACILITIES

Project Dates: July 2019 – 2021



Contact Information

Marc Mondell
Assistant City Manager
3970 Rocklin Road
Rocklin, CA 95677
P: 916-625-5176
E: marc.mondell@rocklin.ca.us

NBS and Colgan updated Rocklin's impact fees for park improvements and public facilities including community and recreation facilities and general government facilities. Those fees had not been updated since 2006. We worked with a committee consisting of the City Manager, Assistant City Manager and several department heads to identify an approach to the impact fee update, and to address the existence of a development agreement that controlled park impact fees for much of the new development in the City. We also worked closely with the City's Finance Department to address outstanding debt on some facilities. The Final Report for this project is complete and pending a second date for Council review and adoption, to be determined by the City. NBS and Colgan have met several times with the local building industry to answer questions about methodology and industry standards, and to support a collaborative process for implementation of the updated fee program.

CITY OF LA QUINTA

IMPACT FEE UPDATE STUDY

Project Dates: January 2019 - October 2019



Contact Information

Julie Mignogna
Management Analyst
Design and Development Dept.
78495 Calle Tampico
La Quinta, CA 92253
P: 760-777-7041
E: jmignogna@laquinta.gov

This study updated all of La Quinta's existing impact fees, including fees for parks, community and cultural centers, civic center, library, fire protection and transportation. This was the first impact fee study La Quinta has contracted out since Joe Colgan prepared an impact fee study for the City in 1998. Since that time, the City has conducted several in-house updates. In this study, NBS expanded the scope of the community center impact fee to include cultural facilities and updated costs used in some other impact fees to reflect interest costs for debt used to fund those facilities. The transportation impact fees were calculated in two parts. Costs for improvements that add capacity for vehicular traffic were allocated entirely to future development, while costs for improvements to bikeways and pedestrian facilities were split between existing and future development. The final draft impact fee study was presented to the La Quinta City Council on October 1, 2019 and was referred to the Financial Advisory Commission which strongly endorsed the study and recommended adoption of the fees. The City Council adopted the impact fees in April 2020 to be phased in over two years.

CITY OF INDIO

DEVELOPMENT IMPACT FEE STUDY

Project Dates: June 2019 – May 2020



Contact Information

Rob Rockwell
Assistant City Manager and
Finance Director
100 Civic Center Mall
Indio, CA 92201
P: 760-391-4029
E: rrockwell@indio.org

This comprehensive review and update of the City of Indio's impact fee program included the following fees: Park Land and Improvements, Police Facilities, Fire Protection Facilities, Public Buildings, Roads and Bridges, Traffic Signals, Storm Drainage Improvements, and Water System Improvements. The final report for this Study was completed in May 2020 and adoption was delayed due to pandemic related issues. The results will be reviewed by City Council in the near future.

PROPOSED PROJECT COST

Our professional fees are based on our understanding of the City's needs and the effort we believe is necessary to complete the scope of services/task plan described. We express this honestly and transparently through our price proposal.

Work will be performed on a time and materials basis, at the hourly labor rates shown in the budget table below. Our all-inclusive maximum pricing for this project is **\$24,800**.

Title	Hourly Rate
Director - NBS	\$205
Colgan Consulting	\$150
Consultant – NBS	\$140

NBS' hourly rates are inclusive of all costs associated with professional time, such as document production, and incidentals. These rates will apply for the duration of our contract. As pertains to implementation related meetings and presentations discussed in Task 6 of the Detailed Work Plan:

- Two remotely conducted presentations of the final report are included in the project budget.
- In person meetings are not to exceed \$1,750 per meeting, which includes professional fees of \$1,000 per meeting plus any travel expenses not to exceed \$750 per meeting.

We recommended the City authorize a project contingency budget for the cost of the desired number and location of presentations for the project. This contingency budget would be utilized only if in-person presentations are needed during the implementation phase of the project.

Terms

We invoice on a monthly basis, following recorded consultant time on the project, paralleling our completion of the work. At no time will we invoice for charges in excess of the fee to which the City and NBS mutually agree. Should the City specifically request additional services beyond those described in this document, we will discuss those requests and associated costs at that later time and only invoice for additional fees upon separate written authorization from the City.

CONCLUSION

Thank you for the opportunity to serve the City in this capacity. Please contact me at 800.434.8349 or via email at nkissam@nbsgov.com for further discussion. We would genuinely like to work on this project and help the City move forward.

Sincerely,



Director, NBS Financial Consulting Group