

Memorandum

To: City Council Members
From: Donna Gaukler, Director, Parks and Recreation
Jackie Corday, Open Space Program Mgr
Date: September 2007
Re: Impact Fees for Park Development



Staff Recommendation

Retain the full amount of park impact fees in order to continue with park projects as listed and planned below, or consider a much smaller cut than the proposed 55%.

Current Cost of Park Impact Fee

- The cost of the park impact fee for the median priced Missoula home is **less than ¼ of 1%** of the home price.
- Park impact fees only apply to new residential development, not commercial projects.

Benefits & Uses of Park Impact Fees Since 2005

- FY 05 fees were approximately \$50,000. This money contributed to Playfair Park improvements, including expansion of picnic shelter and restrooms.
- FY 06 & 07 fees were approximately \$150,000 each year
 - Pleasant View Homes 5.37 acre park - ~\$86,000. City & developer entered contract for phase one park improvements – developer will provide topsoil, finish grade, install irrigation and seed in return for \$16,000/acre impact fee credit. This work would cost the City significantly more to prepare documents for bid and to contract for similar services.
 - Lafray Park in River Rd area - \$82,190 budgeted for phase one development (\$52,190 in FY07 & \$30,000 in FY08)
 - 44 Ranch 5.86 acre park in Mullan area – Currently working with developer to draft agreement for phase one and phase two park development using impact fees and cash-in-lieu as reimbursement for work developer will perform. Again, this will be at substantial savings to the City.
 - Balance to Fort Missoula Regional Park Development (targeting \$75,000 per year for soccer fields etc.)
- Future FY projects:
 - Neighborhood parks slated to receive benefit of impact fees based upon percentage of growth in the area per Master Park Plan standards and Impact Fee Ordinance:
 - Lafray Park phase two
 - Bellevue Park
 - Farviews area parks
 - South Hills area parks

- Marilyn Park restroom and picnic shelter
- Skyview Park restroom
- Rose Park restroom and other amenities pending outcome of design plan
- Bancroft Duck pond rest station and related amenities needed to maintain pond if directed by Council
- Silver Park per the master site plan
- McCormick Park picnic shelter & other improvements at 100 Hickory per site plan
- New trailheads with parking & signage

- Future neighborhood parks that will be dedicated with large new subdivisions: O’Keefe Ranch and Running W in the Wye area

- Cost of recent park development projects has ranged from \$75,000 to \$200,000 per acre depending on existing conditions, size of park, and amenities to be built.

Why Park Impact Fees are so Important to Citizens

- Subdivision regulations do not specifically require installation of any park improvements on land dedicated through the subdivision process, and thus it has always been up to the developer to choose to turn over a weed lot or a developed green space to the City or HOAs. Some developers have made basic improvements to their dedicated parks, others have not.
- Impact fees have enabled us to work in partnership with developers to complete at least phase one of park development (soil, grading, irrigation & grass) at a cost to the City that’s substantially lower than if we contracted for the services. This is good for the community, the City, Parks Department, the developer and future homeowners as the park dedication becomes usable park space in a timely manner rather than a weed lot.
- Cash-in-lieu of parkland dedication is not a dependable or forecastable source that can be used to budget park improvements throughout the City because we may only get 2 to 3 subdivisions per year within City limits that dedicate such funds.
- CIP requests for park development are often either turned down or reduced substantially.
- Since the 2004 passage of the Master Park Plan, four new neighborhood parks that meet the MPP standards will soon be dedicated that are over 5 acres in size (Pleasant View, 44 Ranch, Running W, and O’Keefe Estates) and 3 other proposed public parks are currently working their way through the subdivision process (2 in the last big phase of Maloney Ranch and one in Linda Vista). This is unprecedented over the past 40 years and will require at least the current funding to ensure that they become green spaces instead of weed lots.
- In summary, impact fees are a dependable and necessary source of funds for initial new neighborhood park development and for expansion/improvement of existing neighborhood, community and regional parks. A 55% reduction in impact fees as currently proposed by the Impact Fee Advisory Committee will result in a substantial reduction in the ability of the Parks Dept. to develop and improve parks.

