

Parks Impact Fees



City of Las Cruces®

TO: Robert Garza, City Manager 
FROM: Mark Johnston, Parks & Recreation Director 
DATE: March 26, 2013
SUBJECT: April 8, 2013 Work Session; Park Impact Fees
FILE NO.: PRD-13-075

At the February 25, 2013 City Council Work Session staff provided Council with an overview of Park Impact Fees, background, process and provided options for further discussion. City Council requested additional information pertaining to the “gap in service” analysis and asked for visual displays mapping the City’s current park and pedestrian infrastructure.

The Las Cruces Municipal Code requires that at least every five (5) years the City update Land Use Assumptions, Park Capital Improvement Plan and Park Development Fees (PIF) or determine that no updates are needed. A determination of park impact fees must be decided upon prior to July 1, 2013.

The draft Park Impact Fee study shows that in order to maintain current service levels (number of acres per citizen) an increase in the fee is needed, or a different funding source identified, or regulatory action requiring developers to provide parks, or a combination of the different actions needs to take place. Staff will be prepared to provide further details associated with each option and a recommendation for Council consideration.

Attached to this memorandum for Council review is the Capital Improvement Advisory Committee (CIAC) recommendation prepared by the CIAC Chair.

Attachments: CAIC Recommendation Memorandum

cc: Brian Denmark, Assistant City Manager/Chief Operating Officer 

January 17, 2013

Las Cruces City Council
700 North Main
Las Cruces, NM 88004

Attention: Robert Garza, City Manager
Ken Miyagishima, Mayor and City Council

Reference: Five year review of City of Las Cruces, New Mexico Parks and Recreation proposed Capital Improvement Plan, Land Use Assumptions and Impact Fees by the Capital Improvements Advisory Committee (CIAC)

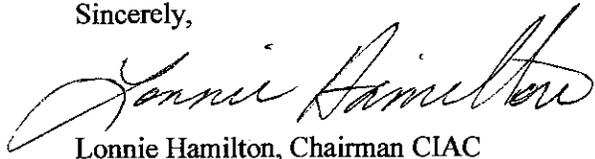
Dear Mr. Garza
Mayor Miyagishima and City Council:

The Capital Improvements Advisory Committee (CIAC) members have reviewed through presentations by Mark Johnston, Director of Parks and Recreation along with his Staff, the current reports of Duncan and Associates along with the TishlerBise, fiscal, economic and planning consultants to draw the following recommendations:

1. Las Cruces, New Mexico population growth creates an environment of providing changing levels of service along with addressing quality of life issues through the City Parks and Recreation department in a cost effective yet marketable standard. The Parks and Recreation equipment and facilities are in part funded through Development Impact Fees generated by subdivision development. The Development Impact Fee initially began at \$249 per single family housing unit in 1995 remaining at this level until 2006 when the Development Impact Fee was increased to \$550; in 2007 the Development Impact Fee was increased to the present \$800. THE RECOMMENDATION OF CIAC IS TO INCREASE THE IMPACT FEE TO A LEVEL OF \$900 BEGINNING FISCAL YEAR 2013-2014, \$1000 BEGINNING FISCAL YEAR 2014-2015, AND \$1100 BEGINNING FISCAL YEAR 2015-2016 REMAINING AT THIS LEVEL (\$415 PER PERSON X 2.65 PERSONS PER HOUSEHOLD AT THE FISCAL YEAR 2015-2016 OR \$1100). *These funds are to be RESTRICTED to Neighborhood Park facilities. Other Park needs, such as, trails, regional parks, etc will have to be funded by other capital fund sources. To maintain the proposed level of service the consultants have provided through their research of similar communities and comparisons of Las Cruces internal guidelines the fee will not necessarily help with the existing neighborhood park gap but will keep us from falling further behind.
2. *The Multi-family fee will remain at the \$800.00 currently assessed through fiscal yearend 2012-2013. THE RECOMMENDATION OF CIAC IS TO INCREASE IN THE IMPACT FEE TO A LEVEL OF \$900 BEGINNING FISCAL YEAR 2013-2014, \$1000 BEGINNING FISCAL YEAR 2014-2015 AND \$1100 BEGINNING FISCAL YEAR 2015-2016 REMAINING AT THIS LEVEL, LEAVING THE OPTION FOR THE PARKS AND RECREATION DEPARTMENT TO NEGOTIATE WITH THE DEVELOPER IF HE INSTALLS PARK-LIKE AMENITIES ON SITE AND MAY QUALIFY FOR A 50% REDUCTION IN THE PARK DEVELOPMENT IMPACT FEE FOR THE PROVISION OF PARK LIKE AMENITIES AS DESCRIBED IN EXHIBIT "B". GENERALLY THE DEVELOPER/BUILDERS ARE IN A POSITION TO BUILD IN A TIMELY AND COST EFFECTIVE MANNER.

3. The creation of new Parks and Recreation facilities places a fiscal burden on Parks and Recreation department in terms of maintenance and repair that is funded primarily from the general operating funds of the City of Las Cruces and cannot be supported by the Impact Fees. The funding of these expenses has declined substantially over the years past leaving Parks and Recreation in a position of needing a dedicated funding source. The CIAC recommends seeking other traditional and alternative funding options such as: General Fund, Revenue/G.O. Bonds, Gross Receipts Tax, returning all fees collected by use of Parks and Recreation facilities to the department, Grants, Philanthropic Gifts (Donor Programs and Capital Campaigns, Volunteer/In-Kind), Partnerships (Single Agency, Multi-Party, Marketing Partnerships and Sponsorships), et al.
4. Parks and Recreation Master Plan was approved by CIAC with assurances from Parks and Recreation Director Mark Johnston that there are only minor grammatical and personnel adjustments.
5. Parks and Recreation Land Use Assumptions were also approved by CIAC with updated population components adjusted for current population growth to the Public Works Consultant report rendered earlier.
6. Parks and Recreation ICIP items were approved by CIAC for 2012-2013 fiscal year; the 2013-2014 budget process is beginning December 2012 and continuing through April 2013 at which time adjustments will be introduced to existing ICIP.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lonnie Hamilton".

Lonnie Hamilton, Chairman CIAC