



RESOLUTION NO.
OF THE BOARD OF SUPERVISORS OF THE COUNTY OF EL DORADO
RESOLUTION ESTABLISHING DEVELOPMENT IMPACT FEES
ON BEHALF OF
EL DORADO HILLS COMMUNITY SERVICES DISTRICT
FOR THE SERRANO SPECIFIC PLAN

WHEREAS, AB 1600 was passed and codified in California Government Code Sections 66000-66025 (“Mitigation Fee Act”) allowing the establishment of a development impact fee as a condition of approval where the purpose and use of the fee are identified and a reasonable relationship to the development project can be demonstrated; and

WHEREAS, the County of El Dorado has adopted Ordinance No. 5057, codified in Chapter 13, Section 20 of the El Dorado County Code authorizing the establishment of a development impact fee collected on behalf of a special district upon the issuance of all building permits for development within the special district in order to fund the construction or purchase of public facilities and equipment necessary to mitigate the impacts of such development on the district’s ability to provide public services; and

WHEREAS, the Board of Supervisors has previously established fees within the boundaries of the El Dorado Hills Community Services District (“District”), for the purpose of funding the construction or purchase of parks and recreation facilities and equipment necessary to mitigate the impacts of new development on the District’s ability to provide parks and recreation services within the District, and the previously established fees are documented by Resolution 135-2018 adopted July 17, 2018; and

WHEREAS, several developers have filed appeals, pursuant to County Ordinance Code Section 13.20.050, to the application of District’s impact fees to development within the Serrano Specific Plan; and

WHEREAS, County has determined, based on a third-party independent analysis, incorporated herein, that developments within the Serrano Specific Plan are entitled to a reduction of the District’s impact fee, necessitating the establishment of specific fee amounts for such developments, which are based on the Fee Nexus Study and Report from Resolution 135-2018 and the independent analysis, both of which are incorporated herein and made by reference a part hereof (collectively, “Report”); and

WHEREAS, on July 11, 2019, District approved specific fees for developments within the Serrano Specific Plan; and

WHEREAS, the establishment of specific fees for developments within the Serrano Specific plan shall have no effect on the fees established for all other developments in accordance with Resolution 135-2018 and the Fee Nexus Study and Report incorporated therein; and

WHEREAS, Resolution 135-2018 shall continue in effect as to development within the District and outside of the Serrano Specific Plan; and

WHEREAS, notice of this hearing was published in the *Mountain Democrat* on July 5, 2019, and July 12, 2019, in accordance with Section 66018 of the Mitigation Fee Act; and

WHEREAS, the Board of Supervisors finds as follows:

- A. The purpose of these fees is to finance public facilities and equipment to mitigate the impact new of development on parks and recreation services within the District.
- B. The fees collected pursuant to this Resolution shall be used to finance the facilities and equipment as described and identified in the Report, provided that any expenditure will be reimbursed only if the District submits adequate supporting information to show that there is a reasonable relationship between the use of the fee and the type of development project for which the fee was imposed, including the percentage of the development project funded from the fee, and a reasonable relationship between the need for the public facility and the type of development for which the fee was imposed.
- C. Upon consideration of the Report and testimony received at this hearing, the Board approves the Report, incorporating such herein by reference, and further finds that new development within the boundaries of the District will generate an additional need for parks and recreation equipment and facilities and will contribute to the degradation of current services within the area.
- D. The facts and evidence presented in the Report establish a reasonable relationship between the need for the public facilities and equipment and the impact of the development for which the fee is charged, and a corresponding relationship between the fee's use and the type of development for which the fee is charged, as these reasonable relationships are described in more detail in the Report.
- E. The cost estimates set forth in the Report are reasonable cost estimates for constructing these facilities or acquiring the equipment needed and the fees expected to be generated by new development will not exceed the total of these costs.

NOW, THEREFORE, BE IT RESOLVED, the Board of Supervisors hereby resolves and determines as follows:

- 1. *Residential* means and includes, but is not limited to, residential structures used for the following purposes:
 - a. Single Family detached homes;
 - b. Multi-family, including buildings with attached residential units including apartments, town homes, condominiums, duplexes, and all other residential units not classified as Single Family Detached;
 - c. Age-restricted, including residential development developed, substantially rehabilitated, or substantially renovated for, senior citizens and having at least 35 dwelling units. At least 80% of the occupied units include at least one resident who is verified to be over the age of 55, and the community follows a policy that demonstrates an intent to provide housing for those aged 55 or older.
- 2. Effective sixty (60) days following adoption of this resolution, the following fees shall be charged upon issuance of any building permit within the Serrano Specific Plan and shall be paid to the County prior to the issuance of the building permit.

Land Use Type	Total Fee
Serrano Specific Plan Single Family Residential	\$6,265 per Unit
Serrano Specific Plan Multi Family Residential	\$4,135 per Unit
Serrano Specific Plan Age-Restricted	\$3,634 per Unit

- 3. Accessory Dwelling Units, which shall be defined as Secondary Dwellings as defined in the Zoning Ordinance Glossary, and in any amendments for Accessory Dwelling Units pursuant to Government Code 65852.2, shall be exempt from the above fees.

4. Fees collected on the reuse of an existing building shall be calculated based upon the current land use category less any previous fee paid to the District. The land owner shall be required to provide evidence of prior payment of the fee.
5. The fee established by this Resolution shall be collected and expended in compliance with the Mitigation Fee Act and El Dorado County Chapter 13.20 and, notwithstanding any examples provided in the Report, any expenditure will be reimbursed only if adequate supporting information is provided to show that there is a reasonable relationship between the use of the fee and the type of development project for which the fee was imposed, including the percentage of the development project funded from the fee, and a reasonable relationship between the need for the public facility and the type of development for which the fee was imposed.
6. Any judicial action or proceedings to attack, review, set aside, void, or annul this Resolution shall be brought forward within 120 days of adoption of the Resolution.
7. Any adjustment or increase to the fees adopted herein, including any adjustment for inflation, must be requested by the District and shall comply with the Mitigation Fee Act. No automatic adjustment will occur.
8. All fees shall be paid to and maintained by County and disbursed to District only upon a request with sufficient supporting documentation as provided in this Resolution. Any credit or reimbursement will be determined by the County pursuant to El Dorado County Chapter 13.20.
9. Except as provided herein for development within the Serrano Specific Plan, Resolution 135-2018 shall continue in effect as to development within the District that is outside of the Serrano Specific Plan.

PASSED AND ADOPTED by the Board of Supervisors of the County of El Dorado at a regular meeting of the Board of Supervisors, held the _____ day of _____, 20____, by the following vote of said Board:

Attest:
James S. Mitrisin
Clerk of the Board of Supervisors

Ayes:
Noes:
Absent:

By: _____
Deputy Clerk

Chair, Board of Supervisors

MEMORANDUM

To: **Don Ashton, El Dorado County Administrative Officer**

From: Isabel Domeyko

Date: May 30, 2019

Re: El Dorado Hills Community Services District Park Impact Fee Review

Introduction

El Dorado County (County) retained New Economics & Advisory (New Economics) to provide a professional opinion regarding recently submitted protest letters contesting the obligation to pay full park impact fees. This memo describes New Economics' findings related to whether these projects should pay full park impact fees or if they are owed credits or reimbursements for a portion of the fee.

To develop a professional opinion about the applicability of the current park impact fees, New Economics reviewed a variety of documents and/or conducted interviews with representatives from:

- the County;
- El Dorado Hills Community Services District (CSD), the special district providing park and recreation services;
- Parker Development Company, the project's master developer;
- David Taussig & Associates, the firm that prepared the 2018 Park Impact Fee Nexus Study adopted by the CSD and the County; and,
- Economic & Planning Systems, the firm that prepared multiple prior CSD park impact fee nexus studies.

Figure A-1 in **Appendix A** contains a comprehensive list of documents provided by all the parties listed above.

Project Background

The El Dorado Hills Specific Plan (EDHSP) was approved by the County in July of 1988. The EDHSP was envisioned to accommodate up to 6,162 residential units and a variety of other land uses on approximately 3,896 acres. **Figure 1** contains the land use plan from the EDHSP.

A Development Agreement (D.A.) was subsequently executed in January of 1989 (and became effective in February of 1989) between El Dorado Hills Investors and the County

for development of approximately 3,646 acres, or 94% of the total EDHSP area. This portion of the EDHSP became known as Serrano and has been gradually developed by Parker Development (the Master Developer) over the last 30 years. As of January of 2019, most, though not all, of Serrano has been developed. **Figure 2** shows a recent development status map of Serrano.

The CSD, not a signatory to the D.A., was included as the potential recipient of an identified set of park and open space lands in the Project and has been involved in the development and management of parks in the EDHSP over time. Within Serrano, the CSD currently owns and maintains one 10-acre park (the Village Green at Serrano), as well as a 45-acre archery range. The balance of existing parks in Serrano, which include 10 neighborhood parks, are privately owned and maintained. Serrano also owns approximately 900 acres of open space, which is maintained by its homeowners association (Serrano El Dorado Owners Association or Serrano HOA).

Historically, the CSD has developed and/or updated park impact fee rates and the County has adopted the recommended fee rates; new development has paid park fees to the County and the County has remitted fee payments to the CSD. Park impact fee nexus studies prepared for the CSD during the 1990's and first decade of 2000 consistently met the obligations of the D.A. The D.A. provisions resulted in a park fee for new development in Serrano that was lower than the remaining area of the CSD service area. The lower park fee rates for Serrano were designed to recognize a credit for private-sector development of parks as identified in the D.A. and the EDHSP.

Summary of Park Fee Protest

In 2018, the CSD adopted an updated park fee nexus study (2018 Nexus Study¹) and the County subsequently adopted the updated fee rates consistent with the 2018 Nexus Study. The 2018 Nexus Study presents a different approach to funding park development than previous versions; it funds only publicly-owned parks and no longer contains any reduction/credit for Serrano's privately-owned neighborhood parks, publicly-owned village parks, or privately-owned open space.

Serrano Associates, LLC, on behalf of numerous builders, recently submitted protest letters to the County contesting the applicability of the full park impact fee rate to these projects, which are all located within Serrano. These letters assert that the updated park fee rates violate Government Code section 66001 and County Code Section 13.20 by effectively double charging new Serrano development for the neighborhood and village park fee component—once by providing (privately owned and maintained) neighborhood parks and open space, as well as (publicly owned) village parks as provided for in the D.A., and again by paying all of these fee components contained within in the updated park impact fee rate.

¹ The Nexus Study was prepared in 2017 but was adopted in 2018.

Summary of Findings

Finding 1: The CSD’s 2016 Parks Master Plan establishes the agency’s current level of service, or LOS, (7.2 acres per 1,000 residents) and its LOS standard (8.0 acres per 1,000 residents). The established LOS and LOS Standard, summarized in **Figure 3**, include publicly- and privately-owned neighborhood parks, village parks, and community parks, as well as open space.

Privately-owned parks are acknowledged and included in the Developed Park Land section of the Numerical Standards and Guidelines Analysis included in the 2016 Parks Master Plan. Moreover, the description of key attributes for parks in the Master Plan design guidelines makes no mention of ownership status for the development of new parks. In contrast, the open space component is based solely on District-owned land.

Finding 2: Between 1995 and 2018, including 9 years past the expiration of the Project’s D.A. and 7 years after the completion of the CSD’s prior Parks Master Plan (2007), neighborhood and village parks were constructed consistent with the plan described in the EDHSP and D.A. Moreover, new development in Serrano received a fee credit for the “park development” component of approved park impact fees. Park development expectations set forth by the EDHSP, Serrano D.A., and Serrano Financing Plan are cited in **Figure 4** and summarized by category in **Figure 5**. To date, Serrano has provided 87.1 acres of onsite parks, as shown in **Figure 5**; the number and sizes of developed parks appear to be largely consistent with Project approval documents. The Master Developer plans to provide approximately 15.1 more acres of parks (already identified), which would exceed the total requirements set forth in the EDHSP and/or Serrano D.A.

Figure 6 summarizes historical fee rates adopted by the CSD and County. Up until the most recent nexus study, Serrano was granted a credit for 100 percent of the park development component.

As shown in **Figure 7**, Serrano currently provides 6.76 acres per 1,000 residents of neighborhood, village, and community parks, as well as publicly-owned open space, compared to the 2016 Parks Master Plan existing LOS of 7.22 acres per 1,000 residents for these park components. With the completion of remaining planned parks in Serrano and remaining planned residential development, the Project’s LOS will be 6.91 acres per 1,000 residents at Project buildout.

On a related note, Serrano provides approximately 900 acres of privately-owned open space through the D.A. and EDHSP. This translates to 63.89 acres of privately-owned open space per 1,000 residents at Project Buildout, a level that exceeds the EDHCSD Parks Master Plan guideline of 40.5 acres of public and private open space.

Finding 3: All neighborhood parks developed in Serrano continue to be owned and maintained by the Serrano HOA, consistent with the parameters established in the Project approval documents. One village park and one special use park in Serrano are owned and maintained by the CSD, also consistent with the D.A. A transfer of

ownership for neighborhood parks from the HOA to the CSD, which is allowable, would likely shift maintenance responsibility from the HOA to the CSD (which receives a portion of the 1 percent general property tax levy from all development in Serrano). However, because there is no publicly-funded maintenance mechanism (such as a Services CFD or assessment district), the CSD has stated that it would prefer not to own the neighborhood parks and absorb the maintenance and maintenance funding obligation. This maintenance challenge appears to be one of the reasons that the neighborhood parks have remained private instead of converting to public ownership over time.

Finding 4: There is not a reasonable relationship between the need for some parks and the fee being charged to new development in Serrano. As shown in **Figure 7**, Serrano will provide approximately 6.91 acres of neighborhood, village, and community parks, as well as publicly-owned open space at buildout. This figure represents 96 percent of the CSD’s existing LOS for these park categories. By providing these parks and also being required to pay 100 percent of the current park impact fee, new development in Serrano is effectively being charged twice—once by providing parks and open space and a second time by having to pay the park and open space fee component.

Serrano is also providing an estimated 900 acres of privately-owned open space, which are accessible to the public. According to Serrano representatives, public parking is available at the Village Green and on Silva Valley Parkway (near the overhead power lines).

Finding 5: A credit for new development in Serrano appears to be reasonable for the ongoing provision of onsite parks, and both the CSD and Serrano have recently calculated a potential fee credit. Serrano is proposing a 100 percent fee credit for the parks and open space component of the current fee, while the CSD, at the request of the County, has also calculated a fee credit; the CSD’s analysis recalculates the LOS to include Serrano’s privately-owned neighborhood parks and also states that the park credit should be applied to the neighborhood and village park fee components only. **Appendix B** contains recent photos of a selection of Serrano parks and other parks in the CSD service area; Serrano parks appear to have similar types of amenities as other parks elsewhere in the CSD service area.

Recommended Serrano Fee and Fee Credit

New Economics recommends a partial fee credit against the park and open space fee component of a revised fee. This section describes how a revised fee and recommended fee credit were calculated.

Based on a review of the Serrano D.A., New Economics first revised the CSD’s parks inventory, by category, to include all of Serrano’s parks. **Figure 8** shows the inventory of parks included in the CSD Master Plan, 2018 Nexus Study, the CSD’s 2019 revised inventory, and an inventory revised per the Serrano D.A. The adjustments include:

- **Reclassifying the 5.50-acre Allan Lindsey Park from a neighborhood park to a community park.** Policy A.6 of the CSD’s Master Plan states that community parks should have sports fields and front an arterial or collector street. This park, originally planned as a “district” park in the Serrano D.A., has active sports fields and fronts an arterial street.
- **Adding the 12.5-acre planned Village J Lot H park as a community park.** This park was originally planned to be 10 acres in size and was described in the Serrano D.A. as a “district” park. In actuality, this parcel is being planned as part of the 200-acre Bass Lake Community Park, and is expected to contain the west parking lot (off-street parking), a group shade structure with bbq’s and tables, adventure play area, bocce courts, and a portion of the dog park and wetland area.
- **Classifying the 10-acre Village Green as a village park,** consistent with its classification by the CSD. The park’s size, location fronting a public street, and amenities are consistent with the CSD’s definition of a village park.

Figure 8 also calculates the CSD’s LOS, which is 6.28 acres per 1,000 residents when including Serrano’s parks.

Next, using the CSD’s nexus study methodology, New Economics recalculated the parks and open space fee rate based on the revised inventory and revised LOS. **Figure 9** shows the revised cost per EDU.

New Economics also estimated a fee credit by park and open space component based on Serrano’s onsite LOS compared to the CSD’s revised LOS. **Figure 10** summarizes the total amount of Serrano’s onsite parks at buildout, by category, compared to the CSD’s revised LOS. For each category, the recommended fee credit can reach up to a maximum of 100 percent:

- A 100% credit is recommended for neighborhood parks;
- A 70% credit is recommended for village parks;
- A 70% credit is recommended for community parks; and,
- A 100% credit is recommended for open space.

Figure 11 applies the recommended credit to the revised cost per EDU to calculate a revised fee, fee credit, and net fee for single-family, multifamily, and age-restricted units in Serrano. For purpose of convenience, **Figure 12** provides a comparison, for single-family units, of the 2018 Adopted Fee, CSD 2019 revised fee and Serrano fee, and the County 2019 revised fee and Serrano fee identified in this analysis.

Supporting Technical Analysis

California Government Code Section 66000 Requirements

The Mitigation Fee Act allows a local agency to establish, increase, or impose a fee as a condition of approval of a development project (including a project that requires a construction permit). This fee can be used to fund the development of public facilities, which are defined as public improvements, public services, and community amenities. To implement a fee (or updated fee), the local agency must follow a number of steps, including:

1. identifying the purpose of the fee;
2. identifying the use to which the fee will be put;
3. determining a reasonable relationship between the fee's use and the type of development on which the fee is to be imposed;
4. determining a reasonable relationship between the need for the public facility and the type of development project on which the fee is to be imposed; and
5. discussing how there is a reasonable relationship between the amount of the fee and the cost of the public facility attributable to the development on which the fee is imposed.

The protest letters contend that step #3 and step #4 are not applicable—i.e. that “the fee bears no reasonable relationship to the impacts of [their] development within the Serrano project.”

County Code Requirements

County Code Title 13, *Chapter 13.20: Development Impact Mitigation Fees for Special Districts* describes how the County will establish and administer development impact fees collected by the County on behalf of a Special District. This section of the code requires that the Special District ensure that any fee collected by the County complies with the Mitigation Fee Act, described above. The code also provides an opportunity for developers to appeal a fee if the requirements have been incorrectly applied to the development project and/or the application of the requirements is unlawful or conflicts with federal, state, or local laws or regulations.

The protest letters posit that “the project is being forced to mitigate twice, once by building facilities and again by paying fees for the very same type of facilities.”

Project: Park Development Approach and Status

Park Plan

The EDHSP, D.A., and Financing Plan cumulatively present a park plan that includes numerous components for Serrano. **Figure 4** summarizes park components from each of these documents.

The D.A. requires the developer to offer parkland for dedication to the CSD and/or County; conversely, any private parks must be 100% maintained by a master association.

Residential and Park Development To Date

Figure 5 shows the amount of residential and park acreage developed to date, as well as the remaining planned number of units. Based on discussions with the County, CSD, and Master Developer, parkland dedication and improvements have proceeded consistent with the terms of the Specific Plan, D.A., and Financing Plan. In 2009 the D.A. expired. Between 2009 and 2018, additional units in Serrano developed; all of these units were subject to a reduced park impact fee that provided credit for the provision of privately-owned and maintained neighborhood parks.

Each of the developed parks have irrevocable offers of dedication (IODs); these IODs enable the CSD to take ownership and maintenance responsibilities for the park should the homeowners association fail to operate and maintain the park. The developer also submitted a letter to the CSD and the County in 2016 to gauge either entity's interest in accepting the dedication of open space; both agencies declined, and the CSD's response clarified that a public funding mechanism would need to be put in place to advance any dedication. It remains unclear whose responsibility it would be to create a public funding mechanism (such as a Services CFD or property assessment) to convert private maintenance funding to public maintenance funding.

Serrano has estimated the HOA maintains approximately 900 acres of privately-owned open space within the project area. According to Section 3.2.3 of the Serrano D.A., "Prior to the actual dedication of the park and open space lands, the lands shall remain under the control of Developer as private property, provided that Developer agrees not to grade, ditch or channel on land which has been designated as public parkland although not yet dedicated. Upon dedication, the property shall be controlled by the accepting governmental entity and maintained pursuant to the terms of the Financing Plan." In addition, in 2016 Serrano reached out to both the CSD and the County to inquire as to their interest in receiving an offer of dedication for the privately-owned open space; both agencies declined, resulting in the HOA's ongoing ownership of this land.

CSD Park Standards

Since the EDHSP was approved, the CSD has developed park master plans and park impact fee nexus studies to plan and fund new parks throughout its territory.

The CSD's current Parks Master Plan, updated in 2016, calls for a level of service of 5.0 developed park acres per 1,000 residents of neighborhood parks, village parks, and community parks. This level of service includes 1.5 acres of Neighborhood Parks, 1.5 acres of Village Parks, and 2.0 acres of Community Parks.

The 2016 Master Plan also includes a LOS standard of 3.0 acres of District-owned open space per 1,000 residents, creating a total LOS standard of 8.0 acres per 1,000 residents.

The CSD's 2016 Parks Master Plan also summarizes the key attributes of each type of park category. Relevant to this evaluation, the following policies guide the development of parks and open space:

- Policy A.3: Provide neighborhood parks within a ½ mile walking or biking distance of residents and village parks within a 1-mile distance of residents.
- Policy A.4: Acquire and develop new parks to provide the desired level of service and park distribution...
- Policy A.4: Consider allowing 50% credit for HOA-provided neighborhood parks that meet the District's neighborhood park design guidelines.
- Policy A.5: Develop and maintain partnerships to increase access to recreation facilities owned or managed by others, such as fire stations, schools, churches or HOA facilities.
- Policy A.6: Implement design guidelines for new parks, reviewing private park proposals, and/or re-investing in existing parks. Ensure that neighborhood parks at a minimum have a playground, picnic shelter, sports court and an internal pathway system. Ensure that village parks have all of the amenities within neighborhood parks plus at least two additional compatible recreation facilities, restrooms, and perhaps sport fields. Ensure that community parks have sports fields and other facilities designed to serve a community wide audience.
- Policy C.1: Retain the goal of providing 40.5 acres of protected open space per 1,000 residents, including District-owned, other agency-owned and HOA-owned lands.
- Policy C.1: Pursue a standard of 3.0 acres per 1,000 residents of District-owned and managed open space.

Appendix C of the Parks Master Plan contains park design guidelines, which identify the key attributes for new parks:

Neighborhood Park Design Guidelines

- 1-3 acres in size; 50% of site area relatively level and usable.
- Reasonably central to the neighborhood it is intended to serve.
- Access via sidewalks of local streets.
- One-half mile walking/bicycling distance.

- 200 fee of public street frontage.
- Suggested amenities for planned and/or new neighborhood parks include multi-use sports fields, sports courts, bocce ball courts, tot lot/playground, internal paths, and nature play areas.
- Importantly, the Parks Master Plan does not define public ownership as a key criterion of existing or new neighborhood parks. In addition, the LOS standard (shown in Table B-1 in the Parks Master Plan) includes both privately-owned and publicly-owned neighborhood parks.

Village Park Design Guidelines

- 3-15 acres in size.
- Walking or bicycling distance should not exceed ½ to 1 mile for the park service area.
- Fronting a public street.
- Compatible amenities for new village parks include sports fields, multi-use sports fields, sports courts, bocce ball courts, tot lot/playground, internal paths, nature play areas, large picnic shelters, and permanent restrooms.

Community Park Design Guidelines

- 15-100 acres in size.
- Reasonably central to the neighborhood being served.
- Accessible via collector or arterial streets.
- Compatible amenities for new community parks include sports fields, multi-use sports fields, sports courts, tot lot/playground, internal paths, nature play areas, bike skills areas, small and large picnic shelters, permanent restrooms, and off-street parking.

Current Nexus Study and Fee Rates

LOS Standard

The CSD's current nexus study was prepared in 2017 and adopted in 2018. The 2018 Nexus Study states that the nexus for new park facilities is tied to a standards-based approach (instead of a capital improvement program) and identifies a LOS standard of 5.4 acres of public parks per 1,000 residents. Further, the 2018 Nexus Study posits that this LOS standard should be considered a cumulative impact, meaning that that new projects generally contribute to the system's overall public parks and recreation facilities at a level of 5.4 acres per 1,000 residents.

The LOS of 5.4 acres of public parks per 1,000 residents is *different* than the existing LOS identified in the EDHCS D's existing Master Plan. **Figure 3** provides a comparison of existing park service standards identified in the Parks Master Plan compared to the 2018 Nexus Study.

There are two primary reasons the LOS standard in the 2018 Nexus Study differs from the Parks Master Plan:

1. Serrano has a long history of providing privately-owned and maintained neighborhood parks and open space through its D.A. and the EDHSP. Until the 2018 Nexus Study was prepared (and including 9 years after the D.A. expired), the CSD appeared to agree that privately-owned neighborhood parks were part of the CSD's parks inventory and level of service.
2. The 2018 Nexus Study reclassifies some facilities, producing total acreage by category that is different from the acreage totals in the CSD Parks Master Plan. For example, open space acreage totals excluded the acres for Governors/Crown Power Lines, Ridgeview Village ABC Parcels, and Silva Valley Power Lines; in this case, these properties were excluded because they were undeveloped at the time of the report.

In addition, the 2018 Nexus Study includes an open space component of 3.0 acres per 1,000 residents. While most of the CSD's previous nexus studies did not include an open space component, the 1998 Nexus Study's parks LOS comprised 4.0 acres of active parks and 1 acre of passive parks per 1,000 residents; this 1 acre of passive open space may or may not have included open space. Even including publicly-owned open space only, Serrano's open space exceeds the CSD's existing LOS, as shown in **Figure 7**.

Lack of Fee Credit for Serrano

Because the 2018 Nexus Study does not count any privately-owned parks in its existing LOS calculations, it fails to recognize the neighborhood park amenities provided within Serrano under the D.A.

Therefore, whereas prior nexus studies (summarized in **Figure 6**) dating back to 1998 provided Serrano with a credit to recognize its onsite parks provided under the D.A, the 2018 Nexus Study provides no credit to Serrano for existing park facilities. It also does not provide any credit to Serrano for existing or planned onsite village park, community park, or publicly-owned open space facilities (as identified in **Figure 5** and **Figure 7**).

Recommendation for Serrano Park Fee Credit

Given the history of and D.A. addressing park development in this project and Serrano's status as mostly built out, it seems infeasible and unreasonable to charge Serrano the full adopted park impact fee. This memorandum recommends that the County consider granting Serrano a fee credit for onsite parks provided by the Project.

Since protest letters were submitted to the County, both the CSD, at the request of the County, and Master Developer have commissioned revised calculations to provide Serrano with a fee credit against the current, adopted park impact fee.

The Master Developer's revised calculations, prepared by Economics & Planning Systems, Inc. (EPS), recognize all of Serrano's privately-owned neighborhood parks,

including the 2.59-acre Village J-6 park, which is anticipated to be constructed this summer, a 12.5-acre planned Village J Lot H park, and all of Serrano's open space holdings, including privately-owned and publicly-owned open space. EPS's technical memo proposes a 100 percent fee credit against the park and open space component of the existing, adopted park impact fee, resulting in a credit of \$7,414 per EDU for parks and open space.

The CSD's revised calculations, prepared by David Taussig & Associates (DTA), are approached in a different manner. DTA's technical memo recognizes all of Serrano's privately-owned neighborhood parks, including the 2.59-acre Village J-6 park, the Village Green park (classified as a village park), and Allan Lindsey Park (classified as a neighborhood park). However, it does not include the planned Village J Lot H park (12.5 acres). In addition, the revised fee continues to include the 45-acre archery range as public open space but does not provide any credit to Serrano for it, nor does it recognize any of Serrano's privately-owned open space (about 900 acres). Based on a higher inventory of neighborhood parks, the DTA memo calculates a revised neighborhood park fee and applies a 100 percent credit for neighborhood and village park fees, but not community parks or open space. The resulting park credit identified for Serrano is \$4,273.47 per EDU, applied to a higher, revised fee.

Based on a review of the Serrano D.A., New Economics revised the CSD's parks inventory, by category, to include all of Serrano's parks. **Figure 8** shows the inventory of parks included in the CSD Master Plan, 2018 Nexus Study, the CSD's 2019 revised inventory, and an inventory revised per the Serrano D.A. The adjustments include:

- **Reclassifying the 5.50-acre Allan Lindsey Park from a neighborhood park to a community park.** Policy A.6 of the CSD's Master Plan states that community parks should have sports fields and front an arterial or collector street. This park, originally planned as a "district" park in the Serrano D.A., has active sports fields and fronts an arterial street.
- **Adding the 12.5-acre planned Village J Lot H park as a community park.** This park was originally planned to be 10 acres in size and was described in the Serrano D.A. as a "district" park. In actuality, this parcel is being planned as part of the 200-acre Bass Lake Community Park, and is expected to contain the west parking lot (off-street parking), a group shade structure with bbq's and tables, adventure play area, bocce courts, and a portion of the dog park and wetland area.
- **Classifying the 10-acre Village Green as a village park,** consistent with its classification by the CSD. The park's size, location fronting a public street, and amenities are consistent with the CSD's definition of a village park.

Figure 8 also calculates the CSD's revised LOS, which is 6.28 acres per 1,000 residents when including Serrano's parks.

Using the CSD's nexus study methodology, New Economics recalculated the parks and open space fee rate based on the revised inventory and revised LOS. **Figure 9** shows the revised cost per EDU.

New Economics estimated a fee credit by park and open space component based on Serrano's onsite LOS compared to the CSD's revised LOS. **Figure 10** summarizes the total amount of Serrano's onsite parks at buildout, by category, compared to the CSD's revised LOS. For each category, the recommended fee credit can reach up to a maximum of 100 percent:

- A 100% credit is recommended for neighborhood parks;
- A 70% credit is recommended for village parks;
- A 70% credit is recommended for community parks; and,
- A 100% credit is recommended for open space.

Figure 11 applies the recommended credit to the revised cost per EDU to calculate a revised fee, credit, and net fee for single-family, multifamily, and age-restricted units in Serrano. For purpose of convenience, **Figure 12** provides a comparison, for single-family units, of the 2018 Adopted Fee, CSD 2019 revised fee and Serrano fee, and the County 2019 revised fee and Serrano fee identified in this analysis.

May 30, 2019

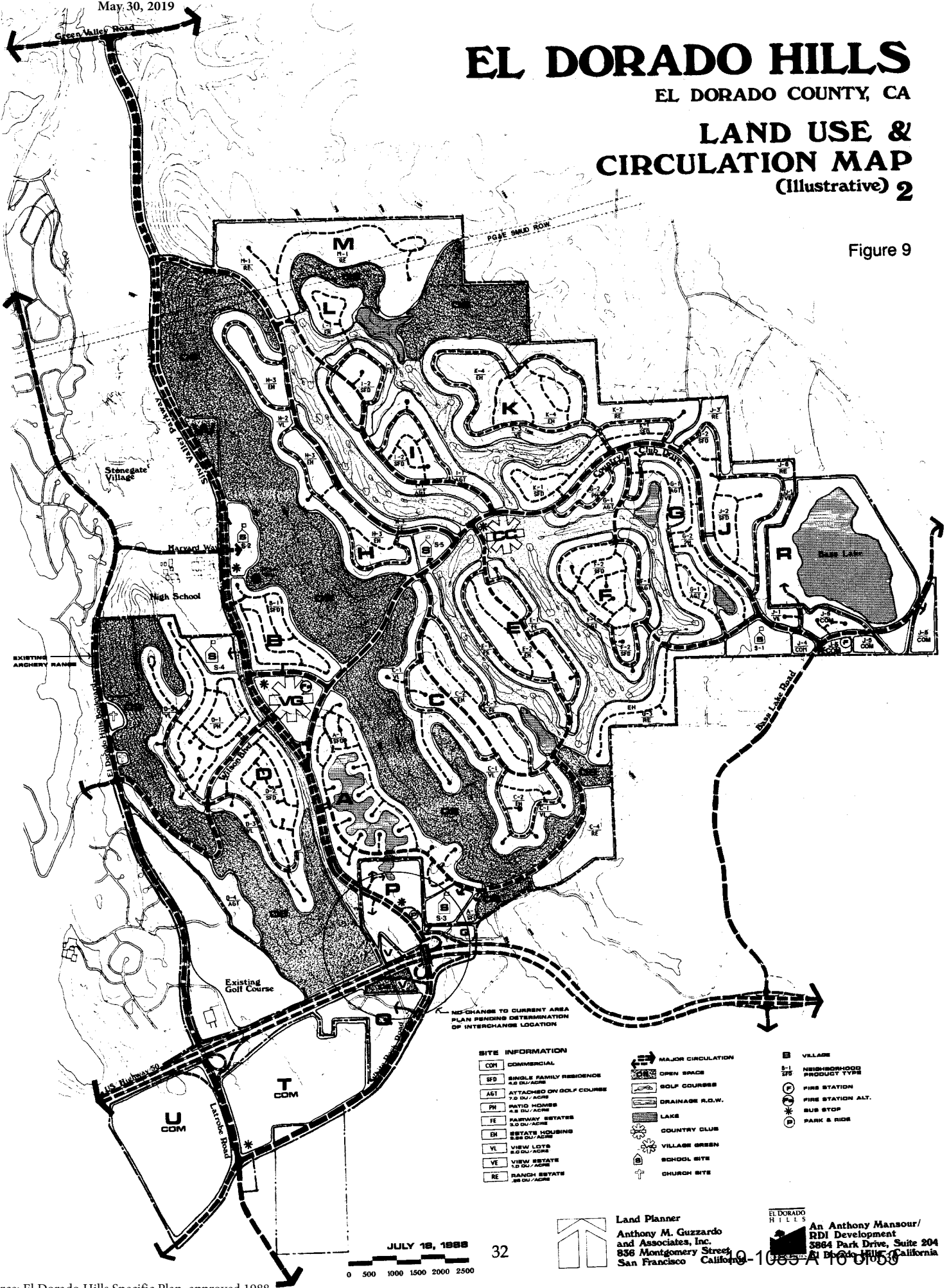
EL DORADO HILLS

EL DORADO COUNTY, CA

LAND USE & CIRCULATION MAP

(Illustrative) 2

Figure 9



SITE INFORMATION

CDM	COMMERCIAL
SFB	SINGLE FAMILY RESIDENCE 4.0 DU/ACRE
AG1	ATTACHED ON GOLF COURSE 7.0 DU/ACRE
PH	PATIO HOMES 4.0 DU/ACRE
FE	FARMWAY ESTATES 3.0 DU/ACRE
EN	ESTATE HOUSING 3.5 DU/ACRE
VI	VIEW LOTS 8.0 DU/ACRE
VE	VIEW ESTATE 1.0 DU/ACRE
RE	RANCH ESTATE 1.0 DU/ACRE

MAJOR CIRCULATION

[Symbol]	OPEN SPACE
[Symbol]	GOLF COURSE
[Symbol]	DRAINAGE R.O.W.
[Symbol]	LAKE
[Symbol]	COUNTRY CLUB
[Symbol]	VILLAGE GREEN
[Symbol]	SCHOOL SITE
[Symbol]	CHURCH SITE

VILLAGE

[Symbol]	NEIGHBORHOOD PRODUCT TYPE
[Symbol]	FIRE STATION
[Symbol]	FIRE STATION ALT.
[Symbol]	BUS STOP
[Symbol]	PARK & RIDE

JULY 18, 1988
 0 500 1000 1500 2000 2500

Land Planner
 Anthony M. Guzzardo
 and Associates, Inc.
 836 Montgomery Street
 San Francisco, California

EL DORADO HILLS
 An Anthony Mansour/
 RDI Development
 3884 Park Drive, Suite 204
 El Dorado Hills, California
 Q-1065-A 10 0153

Source: El Dorado Hills Specific Plan, approved 1988

THIS MAP IS INTENDED AS A GENERAL DESCRIPTION OF LAND USE AND LOT LOCATIONS. FURTHER SUBDIVISION, RE-SUBDIVISION OR LOT LINE ADJUSTMENTS MAY AFFECT LOT SIZES AND OTHER CONFIGURATIONS SHOWN.

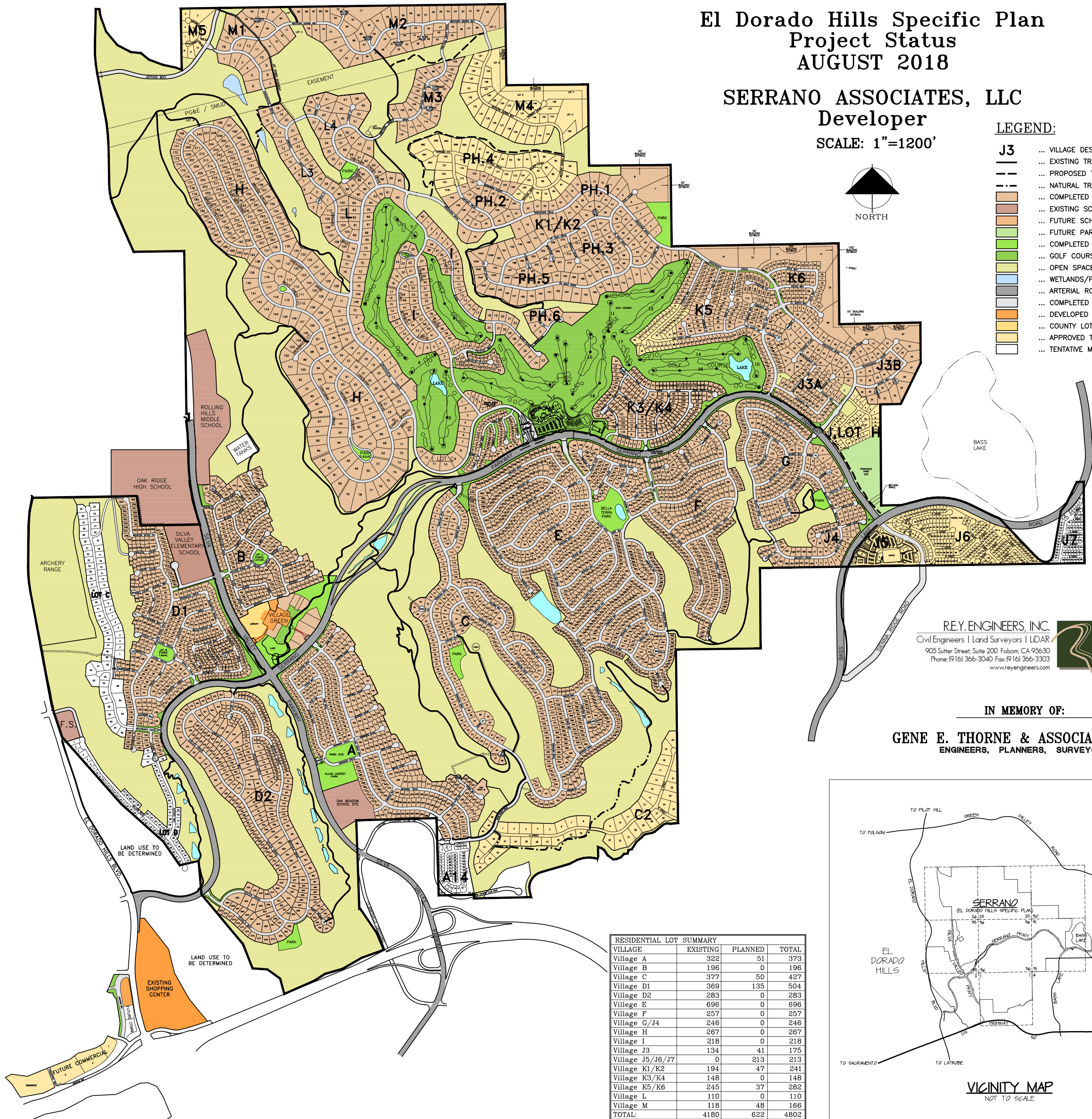
Exhibit Map -SERRANO-

El Dorado County, California
 El Dorado Hills Specific Plan
 Project Status
 AUGUST 2018

SERRANO ASSOCIATES, LLC
 Developer
 SCALE: 1"=1200'

LEGEND:

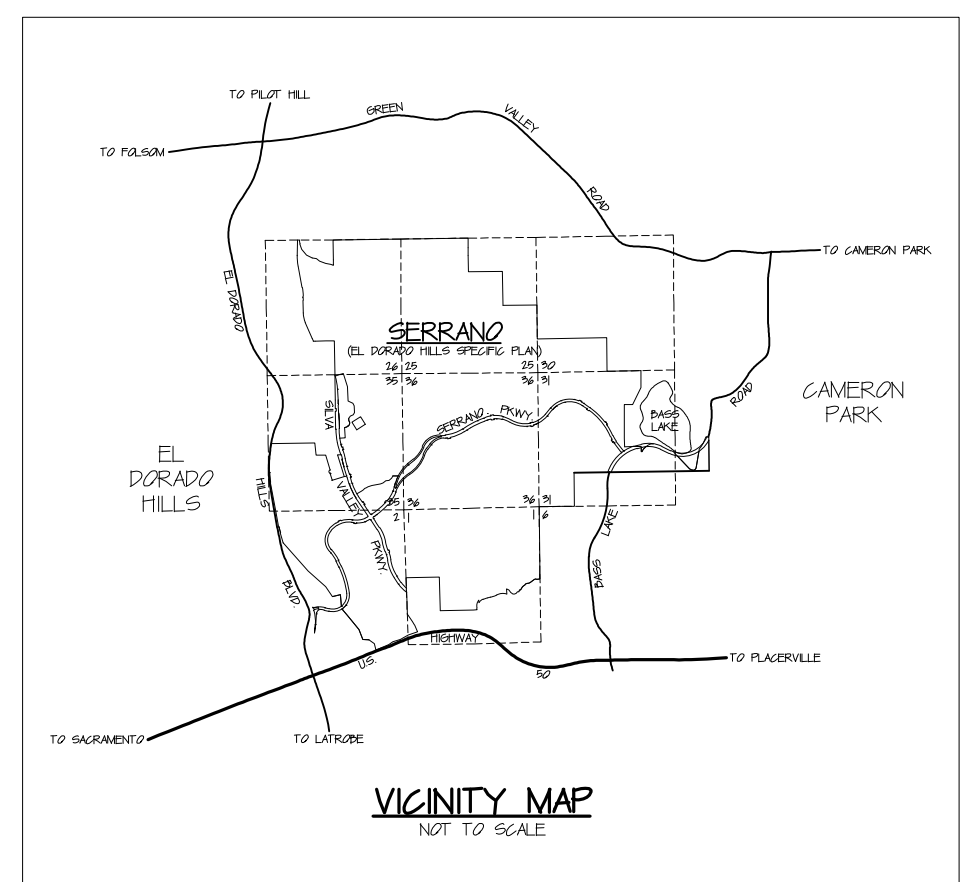
- J3** ... VILLAGE DESIGNATION
- EXISTING TRAIL
- PROPOSED TRAIL (SUBJECT TO CHANGE)
- NATURAL TRAIL
- COMPLETED LOTS
- EXISTING SCHOOL/FIRE STATION (F.S.)
- FUTURE SCHOOL SITES
- FUTURE PARKS
- COMPLETED PARKS
- GOLF COURSE/VILLAGE GREEN
- OPEN SPACE
- WETLANDS/PONDS
- ARTERIAL ROADS
- COMPLETED VILLAGE ROADS
- DEVELOPED COMMERCIAL OR OFFICE
- COUNTY LOT
- APPROVED TENTATIVE MAP
- TENTATIVE MAP IN PROCESS



REY ENGINEERS, INC.
 Civil Engineers | Land Surveyors | LIDAR
 905 Sutter Street, Suite 200, Folsom, CA 95630
 Phone: (916) 366-3040 Fax: (916) 366-3303
 www.reyengineers.com

IN MEMORY OF:
GENE E. THORNE & ASSOCIATES, INC.
 ENGINEERS, PLANNERS, SURVEYORS

RESIDENTIAL LOT SUMMARY			
VILLAGE	EXISTING	PLANNED	TOTAL
Village A	322	51	373
Village B	196	0	196
Village C	377	50	427
Village D1	369	135	504
Village D2	283	0	283
Village E	696	0	696
Village F	257	0	257
Village G/J4	246	0	246
Village H	267	0	267
Village I	218	0	218
Village J3	134	41	175
Village J5/J6/J7	0	213	213
Village K1/K2	194	47	241
Village K3/K4	148	0	148
Village K5/K6	245	37	282
Village L	110	0	110
Village M	118	48	166
TOTAL:	4180	622	4802



3

Master Plan vs Nexus Study LOS Amounts
CSD Park Impact Fee Review

Category	2016 MASTER PLAN				2018 NEXUS STUDY	
	Existing LOS		LOS Standard		Existing LOS	
	Acres	Notes	Acres	Notes	Acres	Notes
	<u>per 1,000 residents</u>		<u>per 1,000 residents</u>		<u>per 1,000 residents</u>	
Neighborhood Parks	1.6	Includes privately-owned acres	1.5	Includes privately-owned acres	1.0	
Village Parks	1.5		1.5		1.0	
Community Parks	1.3		2.0		1.3	
Subtotal (Neighborhood and Community Parks)	4.4		5.0		NA	
Open Space	2.9	Includes archery range	3.0	District-owned acres only, includes archery range.	2.1	
Total	7.2		8.0		5.4	

Source: El Dorado Hills Community Services District Park and Recreation Facilities Master Plan, June 2016; Park and Recreation Development Impact Fee Justification Study, 2017.
 Prepared by New Economics & Advisory, May 2019.

4 *Park and Open Space Requirements*
CSD Park Impact Fee Review

Category	EDHSP	Serrano D.A.	Serrano Financing Plan (Appendix B in D.A.)
Section Reference	Section 7.6 (Parks) & Section 6.2 (OS)	Section 3.2	Section E
Neighborhood Parks	25 acres total. A 1-2 acre park site in every residential Village with at least 200 dwelling units. Villages with over 500 dwelling units will have a second park of equal size or a single park with double the size.	A 1-2 acre neighborhood park in each non-private residential village containing 200 or more residential units or 2 parks in a non-private residential village with 500 or more residential units.	A 1-2 acre neighborhood park, public or private, shall be located in each residential village containing 200 or more dwelling units. Villages with over 500 dwelling units shall have a second park of equal size or a single park double in size.
Community Parks	10 acres in the Village Green/Community Center	10 acres	10 acres
District Parks	18 acres of district parks, including 10 acres next to the school in Village G and 8 acres adjacent to the school in Village A.	18 acres including a 10-acre park and a 8-acre park	18 acres including a 10-acre park and a 8-acre park
Village Green	2 acres of Village Green for informal recreation and outdoor gatherings.	NA	NA
Open Space	978 acres of natural open space (excl. golf course)	Public, natural space (consistent with the area shown in the EDHSP).	Approximately 450 acres (as provided by the Specific Plan) [1]
Other	NA	45-acre archery range	45-acre archery range

[1] Amount seems to differ from the amount identified in EDHSP (978 acres).

Source: El Dorado Hills Specific Plan Public Improvements Financing Plan, December 1988; Development Agreement by and between EDC and the El Dorado Hills Investors, January 1989; El Dorado Hills Specific Plan, December 1987.

Prepared by New Economics & Advisory, May 2019.

5 *Serrano Parks: Existing + Remaining Development*
CSD Park Impact Fee Review

Category	Required Park Acres [1]	Existing Development			Remaining Development			Buildout Development		
		Developed Park Acres	Residential Units	Pop.	Future Park Acres	Residential Units	Pop.	Existing + Remaining Park Acres	Residential Units	Pop.
Neighborhood Parks	25.0	26.6	4,180	12,874	2.6	622	1,916	29.2	4,802	14,790
Village Parks	18.0 [2]	10.0 [4]	4,180	12,874	0.0	622	1,916	10.0	4,802	14,790
Community Parks	10.0 [3]	5.5 [5]	4,180	12,874	12.5 [7]	622	1,916	18.0	4,802	14,790
Subtotal Parks								57.2		
Public Open Space: Archery Range	45.0	45.0	4,180	12,874	0.0	622	1,916	45.0	4,802	14,790
Total Parks and publicly-owned Open Space	98.0	87.1			15.1			102.2		

[1] As defined in the D.A. or EDHSP.

[2] The Serrano D.A. includes requirement for 18 acres of District Parks. These are initially shown in the Village Parks category.

[3] The Serrano D.A. includes 10 acres of Community Parks, specifically referencing a village green park. The Village Green is initially shown in the Community Park category.

[4] Includes Village Green Park which was originally classified as a Community Park in the D.A. but was reclassified as a Village Park in the CSD Master Plan.

[5] Includes Allan Lindsey Park which was originally envisioned in the EDHSP to be an 8-acre "district" park. This was reclassified in the CSD Master Plan as "special use" park but is included in this analysis as a Community Park.

[6] Assumes 3.08 persons per household, consistent with CSD Parks Master Plan.

[7] Will include a 12.5 acre park in Village J Lot H. The EDHSP originally envisioned this to be 10 acres but was increased to 12.5 acres in order to makeup for a 2.5 acreage reduction at Allan Lindsey Park. The increase in acreage allows the development to fulfill the original 18-acre district park requirement identified in the Serrano D.A. It is included in this analysis as a Community Park.

Sources: EDHCSD Park & Recreation Facilities Master Plan, Table A-1, 2016; Parker Developmet, 2019; Development Agreement, 1989; EDHSP, 1987.

Prepared by New Economics & Advisory, May 2019.

6 *Prior CSD Nexus Study Rates*
CSD Park Impact Fee Review

Document	Calculated Rates (per SF unit)	Serrano Credit		Serrano Rate (per SF unit)
		Amount	Description	
1997 Nexus Study	\$1,686	NA	NA	NA
1998 Nexus Study	\$1,772	\$1,331	For developed parks and admin charge	\$441
2002 Nexus Study	\$4,907	\$3,595	For developed parks, admin charge, and fees collected to date.	\$1,312
2004 Nexus Study	\$6,449	\$3,800	For park development, CSD admin, and County admin.	\$2,649
2007 Nexus Study	\$9,806	\$7,354	For park development, CSD admin, and County admin.	\$2,452
2018 Nexus Study	\$11,718	\$0	NA	\$11,718

Source: Nexus Study 1997, 1998, 2002, 2004, 2007, 2018.

Prepared by New Economics & Advisory, May 2019.

7 *Serrano Parks LOS: Existing + Remaining Development*
CSD Park Impact Fee Review

Serrano LOS Snapshot

Category	Existing Parks and Existing Pop.	Existing Parks and Buildout Pop	Buildout Parks and Buildout Pop	CSD Existing LOS	Serrano as % of Existing LOS	2018 Nexus Study LOS
Neighborhood Parks	2.06	1.80	1.97	1.55	127%	0.96
Village Parks	0.78	0.68	0.68	1.47	46%	0.97
Community Parks	0.43	0.37	1.22	1.33	92%	1.33
Subtotal Parks	3.27	2.84	3.86	4.35	89%	3.26
Public Open Space: Archery Range	3.50	3.04	3.04	2.87	106%	2.07
Total Parks and publicly-owned Open Space	6.76	5.89	6.91	7.22	96%	5.33

Source: El Dorado Hills Community Services District Park & Recreation Facilities Master Plan. Table A-1, 2016; Parker Development, 2019.

Prepared by New Economics & Advisory, May 2019.

Facility Type	CSD Master Plan	2018 Nexus Study	2019 CSD (revised for Serrano)	2019 Revised Inventory (per Serrano D.A.)
Neighborhood Parks				
Publicly-Owned Parks	31.72	31.76 [1]	31.76	31.76
Serrano (Privately-Owned Parks)				
Village A	2.79		2.79	2.79
Village B	1.00		1.00	1.00
Village C	2.18		2.18	2.18
Village D1	1.61		1.61	1.61
Village D2	1.65		1.65	1.65
Village E/F	6.08		6.08	6.08
Village G	3.90		3.90	3.90
Village H	0.90		0.90	0.90
Village J			2.59	2.59
Village L	2.18		2.18	2.18
Village K1/K2	4.27		4.27	4.27
Subtotal Serrano	26.56	0.00	29.15	29.15
Subtotal Other Privately Owned Parks	9.64	0.00	0.00	0.00
Other (Re-Classified Parks)				
Allan Lindsey Park (Special Use Park)	0.00	5.50	5.50	0.00
Valley View Sports Park (Special Use Park)	0.00	5.00	5.00	5.00
Subtotal Re-Classified Parks	0.00	10.50	10.50	5.00
Total Neighborhood Parks [2]	67.92	42.26	71.41	65.91
Village Parks				
Village Green at Serrano	10.00	10.00		10.00
Other Village Parks	32.65	32.65		32.65
Total Village Parks	42.65	42.65	42.65	42.65
Community Parks				
EDH Community Park	39.50	39.50	39.50	39.50
Promontory Community Park	18.72	18.72	18.72	18.72
Allan Lindsey Park (Serrano)	0.00	0.00		5.50
Village J Park Lot H (Serrano)	0.00	0.00		12.50
Total Community Parks	58.22	58.22	58.22	76.22
Open Spaces				
Governor's West Power Lines (undeveloped)	7.30	7.30	7.30	7.30
Governors Crown Power Lines (undeveloped)	18.22			
New York Creek Natural Area	27.91	27.91	27.91	27.91
Promontory Power Line Trails	0.00			
Ridgeview Village ABC Parcels (undeveloped)	6.93			
Silva Velly Power Lines (undeveloped)	10.25			
Wild Oaks Park	10.38	10.38	10.38	10.38
Subtotal Open Space	80.99	45.59	45.59	45.59
Archery Range (at Serrano, reclassified from Special Use)	0.00	45.00	45.00	45.00
Total Open Space	80.99	90.59	90.59	90.59
LOS Calculation (Acres per 1,000 Persons)				
Total Persons in CSD Territory	43,862	43,862	43,862	43,862
Neighborhood Parks	1.55	0.96	1.63	1.50
Village Parks	0.97	0.97	0.97	0.97
Community Parks	1.33	1.33	1.33	1.74
Open Spaces	1.85	2.07	2.07	2.07
Total LOS	5.69	5.33	5.99	6.28

[1] There is a small discrepancy (0.04 acres) between the amount of neighborhood park acreage included in the CSD Nexus Study Inventory and the CSD Master Plan Inventory.

[2] Excludes any additional privately-owned neighborhood parks.

Prepared by New Economics & Advisory, May 2019.

9

Calculation of Adjusted Parks Nexus Study Cost per EDU
 CSD Park Impact Fee Review

I. Inventory of Existing Park Facilities

Facility Type	2018 Nexus Study	2019 County (revised per Serrano DA)
Neighborhood Parks	42.26	65.91
Village Parks	42.65	42.65
Community Parks	58.22	76.22
Open Space (publicly owned, developed)	90.59	90.59

III. Existing Facility Standard

Facility Type	Facility Unit	2018 Nexus Study	2019 Revised LOS (per Serrano DA)
Neighborhood Parks	acres	0.96	1.50
Village Parks	acres	0.97	0.97
Community Parks	acres	1.33	1.74
Open Space	acres	2.07	2.07

IV. Future Recreation and Park Facilities EDU Calculation

Land Use Type	Facility Unit	Number of New Residents	Total Number of EDUs
Single-Family		9,906	3,216
Multi-Family		1,790	410
Age-Restricted		1,415	459
Total		13,111	4,085

V. Future Facility Standard

Facility Type	Funded by New Development
Neighborhood Parks	19.70
Village Parks	12.75
Community Parks	22.78
Open Space	27.08
Total	82.31

VI. Park and Open Space Summary Cost Data

Facility Type	Acres Being Developed	Park Development Per Acre	Planning & Design (per Park/Site)	Administration (10%)	Total Facility Cost for New Development	Serrano D.A. Cost per EDU
Neighborhood Parks	19.70	\$376,777	\$25,000	\$37,678	\$8,215,368	\$2,011
Village Parks	12.75	\$602,844	\$30,000	\$60,284	\$8,514,035	\$2,084
Community Parks	22.78	\$803,792	\$50,000	\$80,379	\$20,244,324	\$4,956
Open Space	27.08	\$32,152	\$25,000	\$3,215	\$1,007,697	\$247
Subtotal Park and Open Space						\$9,298
Other Park Facilities						\$798
Recreation Park Facilities						\$2,208
Aquatic Facilities						\$956
Total Park Development Cost						\$13,260

[1] Existing LOS consistent with the EDHCSD Parks Master Plan.
 Prepared by New Economics & Advisory, May 2019.

10

Recommended Serrano Credit

CSD Park Impact Fee Review

Serrano LOS Snapshot

Category	Buildout Inventory	Buildout Parks and Buildout Pop	Buildout LOS	2019 Revised CSD LOS (per Serrano D.A.)	Serrano as a % of Revised CSD LOS	Recommended % Credit for Serrano
Neighborhood Parks	29.15	14,790	1.97	1.50	131%	100%
Village Parks	10.00 [1]	14,790	0.68	0.97	70%	70%
Community Parks	18.00 [2]	14,790	1.22	1.74	70%	70%
Subtotal Parks	57.15	14,790	3.86	4.21		
Public Open Space: Archery Range	45.00	14,790	3.04	2.07	147%	100%
Total Parks and Open Space	102.15	14,790	6.91	6.28		

[1] Includes 10-acre Village Green park.

[2] Includes 5.5-acre Allan Lindsey park and 12.5-acre Village J Lot H park.

Source: El Dorado Hills Community Services District Park & Recreation Facilities Master Plan. Table A-1, 2016; Parker Development, 2019; El Dorado County.

Prepared by New Economics & Advisory, May 2019.

11 Summary of Revised Fees and Credits
CSD Park Impact Fee Review

Category	Serrano Single-Family						Serrano Multifamily					Serrano Age Restricted				
	Revised Cost per EDU	EDU Factor [1]	Revised Fee	Credit (%)	Credit (\$)	Net Fee	EDU Factor [1]	Revised Fee	Credit (%)	Credit (\$)	Net Fee	EDU Factor [1]	Revised Fee	Credit (%)	Credit (\$)	Net Fee
Neighborhood Parks	\$2,011	1.0	\$2,011	100%	\$2,011	\$0	0.66	\$1,327	100%	\$1,327	\$0	0.58	\$1,166	100%	\$1,166	\$0
Village Parks	\$2,084	1.0	\$2,084	70%	\$1,449	\$635	0.66	\$1,376	70%	\$956	\$419	0.58	\$1,209	70%	\$841	\$368
Community Parks	\$4,956	1.0	\$4,956	70%	\$3,471	\$1,485	0.66	\$3,271	70%	\$2,291	\$980	0.58	\$2,874	70%	\$2,013	\$861
Public Open Space	\$247	1.0	\$247	100%	\$247	\$0	0.66	\$163	100%	\$163	\$0	0.58	\$143	100%	\$143	\$0
Total Parks & Open Space	\$9,298		\$9,298		\$7,178	\$2,120		\$6,137		\$4,737	\$1,399		\$5,393		\$4,163	\$1,230
Park Facilities	\$798	1.0	\$798	0%	\$0	\$798	0.66	\$527	0%	\$0	\$527	0.58	\$463	0%	\$0	\$463
Recreation Facilities	\$2,208	1.0	\$2,208	0%	\$0	\$2,208	0.66	\$1,457	0%	\$0	\$1,457	0.58	\$1,281	0%	\$0	\$1,281
Aquatic Facilities	\$956	1.0	\$956	0%	\$0	\$956	0.66	\$631	0%	\$0	\$631	0.58	\$555	0%	\$0	\$555
Subtotal (Park Dev., Park Facilities, Rec. Facilities, Admin (3%))	\$13,260		\$13,260		\$7,178	\$6,082		\$8,752		\$4,737	\$4,014		\$7,691		\$4,163	\$3,528
Total	\$13,658		\$13,260		\$7,393	\$6,265		\$9,014		\$4,879	\$4,135		\$7,922		\$4,288	\$3,634

Source: El Dorado Hills Community Services District Park & Recreation Facilities Master Plan. Table A-1, 2016; Parker Development, 2019.

[1] From Memorandum documenting the EDH CSD adjustments to the impact fee program, prepared by DTA, April 1, 2019.

Prepared by New Economics & Advisory, May 2019.

12 *Single-Family Rate Comparison*
CSD Park Impact Fee Review

Category	Single-Family Rate Comparison				
	Adopted 2018 Fee	CSD 2019 Fee (incl. Serrano parks)	CSD 2019 Fee: Serrano Rate	County 2019 Fee (incl. Serrano parks)	County 2019 Fee: Serrano Rate
Neighborhood Parks	\$1,306	\$2,190	\$0	\$2,011	\$0
Village Parks	\$2,084	\$2,084	\$0	\$2,084	\$635
Community Parks	\$3,778	\$3,778	\$3,778	\$4,956	\$1,485
Public Open Space	\$247	\$247	\$247	\$247	\$0
Total Parks & Open Space	\$7,414	\$8,298	\$4,025	\$9,298	\$2,120
Park Facilities	\$798	\$798	\$798	\$798	\$798
Recreation Facilities	\$2,208	\$2,208	\$2,208	\$2,208	\$2,208
Aquatic Facilities	\$956	\$956	\$956	\$956	\$956
Subtotal (Park Dev., Park Facilities, Rec. Facilities, Admin (3%))	\$11,377	\$12,261	\$7,987	\$13,260	\$6,082
Total	\$11,718	\$12,628	\$8,227	\$13,658	\$6,265

Prepared by New Economics & Advisory, May 2019.

A-1

Reviewed Documents
CSD Park Impact Fee Review

Title	Date
Updated Village J Park Plan	March 18, 2019
El Dorado Hills CSD, Adjustments to Impact Fee Program	April 1, 2019
Proposed El Dorado Hills CSD-Serrano Park Development Impact Fee Credit; EPS #182131	April 2, 2019
EDC Code of Ordinances, Chapter 13.2	December 4, 2018
County Memo	September 27, 1999
County Resolution, EDHCSD Park Development Fee	November 2, 1999
EDC Code of Ordinances, Title 13-Public Services	October 29, 2017
Executed Resolution No. 135-2018	July 17, 2018
EDC Ordinance No. 4404	January 6, 1997
2017 Nexus Study Update Board of Directors Meeting 1/1/18	January 10, 2018
Hefner Law Response	January 4, 2019
Park and Open Space Analysis Memo	February 6, 2019
2017 Nexus Study Update Administrative and Finance Committee Meeting July 27, 2017-Agenda Item No. 2	July 26, 2017
Protest of EDC CSD Impact Fees; (Government Code Section 66020)	October 17, 2018
Appeal to Pursuant to County Code Section 13.20.050	November 6, 2018
	November 7, 2018
	January 7, 2019
	January 15, 2019
4003 Rent Ct, Lot 61 Serrano Village M2/Permit No. 0303695 Protest of El Dorado Hills Community Services District Park Impact Fees;	November 7, 2018
(Government Code Section 66020) Appeal Pursuant to County Code Section 13.20.050	
Nexus Study Request for backup documentation from Parker Development	May 5, 2017
El Dorado Hills CSD Nexus Study-Serrano Fees Memo	July 27, 2017
Email from District to Parker Development, Serrano Park Impact Fee Reduction-Research Completed	July 27, 2017
	March 31, 1997
El Dorado Hills CSD Park and Recreation Facilities Plan and Nexus Study Update	December 18, 1998
	March 11, 2002
	March 11, 2004
	March 11, 2004
	March 11, 2004
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	March 11, 2004
	March 11, 2004
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	March 11, 2004
	March 11, 2004

Prepared by New Economics & Advisory, May 2019.

Title	Date
Parks and Recreation Development Impact Fee Justification Study, El Dorado Hills CSD	August 21, 2017
Response to Comments provided by North State Building Industry Association and Parker Development Company, Re. 2017 Nexus Study Update	February 5, 2018
El Dorado CSD Open Space & Special Use Areas Inventory	January 25, 2019
El Dorado Community Services District Parks and Recreation Facilities Master Plan	January 2007
El Dorado Community Services District Parks and Recreation Facilities Master Plan	June 2016
El Dorado Hills Community Services District Impact Fee Nexus Study Responses	Distributed May 3, 2018
Dedication and Maintenance Agreement of Village Green Community Park	November 18, 1999
Grant Deed	December 20, 1999
	September 20, 1999
El Dorado Hills CSD Policy Guide Services 6000-Facility Development	Amended January 10, 2008
Serrano-Agreement Village 6	January 9, 2019
Serrano Village A Agreement and IOD	December 19, 2002
Serrano Village B Agreement and IOD	August 14, 1995
Serrano Village C1 Agreement and IOD	July 22, 2003
Serrano Village D Agreement and IOD	December 8, 2004
Serrano Village D1 Agreement and IOD	August 14, 1995
Serrano Village D2 Agreement and IOD	January 2, 2003
Serrano Village E Agreement and IOD	November 6, 2002
Serrano Village K1/K2 Agreement and IOD	March 3, 2004

Prepared by New Economics & Advisory, May 2019.

Appendix B: EDHCSD Park Photos

February 2019

Select photos of parks in Serrano and other areas of the EDHCSD service area.

Serrano Parks



Park A



Park B



Park C



Park D1



Park D2



Park E/F

Serrano Parks



Park E/F



Park G/J4



Park H



Park K1/K2



Park L

Other EDHCS D Parks



Laurel Oaks



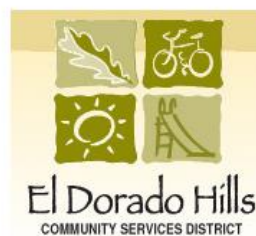
Overlook



Waterford

**PARK AND RECREATION
DEVELOPMENT IMPACT FEE
JUSTIFICATION STUDY**

**EL DORADO HILLS
COMMUNITY SERVICES DISTRICT**



AUGUST 21, 2017

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APPENDICES

APPENDIX A: FEE DERIVATION WORKSHEETS

In order to adequately plan for new residential development and identify the public park and recreation facilities and costs associated with mitigating the direct and cumulative impacts of new development, David Taussig & Associates, Inc. (“DTA”) was retained by the El Dorado Hills Community Services District (the “District”) to prepare an AB 1600 Fee Justification Study (the “Fee Study”) for park and recreation improvements. The Fee Study is intended to comply with Section 66000 *et seq.* of the Government Code, which was enacted by the State of California in 1987, by identifying additional public facilities required by new residential development (“Future Facilities”) and determining the level of fees that may be imposed to pay the costs of the Future Facilities (“Park Fees”). Fee amounts have been determined that will finance park and recreation facilities at the standard established in the District’s Master Plan or approximately 5.33 acres of improved park and recreation land and facilities for every 1,000 new residents. The Future Park Facilities and estimated land acquisition and associated construction costs per residential dwelling unit are identified in Section IV of the Fee Study. A description of the methodology used to calculate the fees is included in Section IV. All new residential development may be required to pay its “fair share” of the cost of the new infrastructure through the development fee program.

ORGANIZATION OF THE REPORT

Section I of this report introduces the Fee Study including a brief description of the District, and background information on development fee financing. Section II provides an overview of the legal requirements for implementing and imposing the fee amounts identified in the Fee Study. Section III includes a discussion of projected new residential development and demand variables such as future population, extrapolated through buildout in 2035. Projections of future development are based on data provided by the District’s Master Plan and data provided by the Sacramento Area Council of Governments. Section IV includes a description of the Future Facilities needed to serve new residential development that are eligible for funding by the impact fees, including estimated costs, net costs to the District, and costs attributable to new residential development. Section IV discusses the findings required under the Mitigation Fee Act and requirements necessary to be satisfied when establishing, increasing, or imposing a fee as a condition of new development, and satisfies the nexus requirements for each facility included as part of this study. Section IV also contains the description of the methodology used to determine the fees for all facility types. Finally, Section V includes a summary of the proposed fees justified by this Fee Study. Appendix A includes the calculations used to determine the various fee levels.

IMPACT FEE SUMMARY

The total fee amounts required to finance new residential development’s share of the costs of facilities are summarized in Table ES-1 below. Fees within this Fee Study reflect the maximum fee levels that may be imposed on new residential development.

TABLE ES-1
DEVELOPMENT IMPACT FEE SUMMARY

Fees Per Unit			
	Park Fees	Admin. (3%)	Total Fees
Single Family Residential	\$11,377	\$341	\$11,718
Multi-Family Residential	\$7,509	\$225	\$7,734
Age-Restricted	\$6,649	\$199	\$6,848

*Numbers may not sum due to rounding.

EXEMPTIONS

California Government Code permits fee exemptions for affordable housing and other product types at the discretion of local jurisdictions. Such fee exemptions are a policy matter that should be based on the consideration of the greater public good provided by the use exempted from the fee.

The El Dorado Hills Community Services District (the “District” or “EDHCSD”) was formed on May 21, 1962 by the El Dorado County Board of Supervisors (Resolution No. 98-62) and under Government Code §61600, as an independent special district. The District serves a large, densely developed suburban population located on the western edge of El Dorado County, in the Sierra Nevada foothills, 25 miles east of Sacramento. To the north, El Dorado Hills is bounded by Folsom Lake and the Folsom Lake State Recreation Area and to the east by the neighboring community of Cameron Park. The District also borders the community of Latrobe to the south and the Sacramento County line and the City of Folsom lie to the west. The EDHCSD boundary encompasses approximately 28 square miles (14,400 acres), and the District serves the most populated community in the County. The District impressively owns and manages approximately 300 acres of land, including 175 acres of parks and 125 acres of open space.

To adequately plan for new residential development and identify the public park and recreation facilities and costs associated with mitigating the direct and cumulative impacts of new development, David Taussig & Associates, Inc. (“DTA”) was retained by the District to prepare a new AB 1600 Fee Justification Study (the “Fee Study”). The need for this Fee Study is driven by anticipated residential development.

The Fee Study is intended to comply with Section 66000 *et seq.* of the Government Code, which was enacted by the State of California in 1987, by identifying additional public park and recreation facilities required by new residential development (“Future Facilities”) and determining the level of fees that may be imposed to pay the costs of the Future Facilities. Fee amounts have been determined that will finance park and recreation facilities at the current level of service (“LOS”), currently set at 5.33 acres of improved park and recreation land and facilities for every 1,000 new residents. The Future Facilities and estimated land development and associated construction costs per residential unit are identified in Section IV of the Fee Study. All new residential development may be required to pay its “fair share” of the cost of the Future Facilities through the development fee program.

The fees are calculated to fund the cost of facilities needed to meet the needs of new residential development. The steps followed in the Fee Study include:

1. **Demographic Assumptions:** Identify future growth that represents the increased demand for facilities.
2. **Facility Needs and Costs:** Identify the amount of public facilities required to support the new development and the costs of such facilities.
3. **Cost Allocation:** Allocate costs per equivalent dwelling unit.
4. **Fee Schedule:** Calculate the fee per residential unit.

The levy of impact fees is one authorized method of financing the public facilities necessary to mitigate the impacts of new residential development. A fee is “a monetary exaction, other than a tax or special assessment, which is charged by a local agency to the applicant in connection with approval of a development project for the purpose of defraying all or a portion of the cost of public facilities related to the development project...” (California Government Code, Section 66000). A fee may be levied for each type of capital improvement required for new development, with the payment of the fee typically occurring prior to the beginning of construction of a residential unit. Fees are often levied at final map recordation, issuance of a certificate of occupancy, or more commonly, at building permit issuance. However, Assembly Bill (“AB”) 2604 (Torrico) which was signed into law in August 2008, encourages public agencies to defer the collection of fees until the close of escrow to an end user to assist California’s building industry.

AB 1600, which created Section 66000 *et seq.* of the Government Code was enacted by the State of California in 1987.

In 2006, Government Code Section 66001 was amended to clarify that a fee cannot include costs attributable to existing deficiencies, but can fund costs used to maintain the existing level of service (“LOS”) or meet an adopted level of service that is consistent with a general plan or similar.

Section 66000 *et seq.* of the Government Code thus requires that all public agencies satisfy the following requirements when establishing, increasing, or imposing a fee as a condition of new development:

1. Identify the purpose of the fee. (Government Code Section 66001(a)(1))
2. Identify the use to which the fee will be put. (Government Code Section 66001(a)(2))
3. Determine that there is a reasonable relationship between the fee’s use and the type of development on which the fee is to be imposed. (Government Code Section 66001(a)(3))
4. Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is to be imposed. (Government Code Section 66001(a)(4))
5. Discuss how there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed. (Government Code Section 66001(b))

This section presents each of these items as they relate to the imposition of the proposed fees within the District.

A. THE PURPOSE OF THE FEE (GOVERNMENT CODE SECTION 66001(A)(1))

Based upon projections from the Sacramento Area Council of Governments, new residential development is expected to result in approximately 13,111 new residents within the District by 2035. These future residents will create an additional demand for public park and recreation facilities that existing public park and recreation facilities cannot accommodate. To accommodate new residential development in an orderly manner, without adversely impacting the current quality of life in the District, additional public park and recreation facilities will need to be constructed.

It is the projected direct and cumulative effect of future residential development that has required the preparation of this Fee Study. Each new residential property will contribute to the need for new public park and recreation facilities, and as such, the proposed impact fee will be charged to all future development, irrespective of location, within the District. While a portion of the District's future development might be characterized as "in fill" development projects, these projects contribute to impacts on public park and recreation facilities because they are an interactive component of a much greater universe of development located throughout the District. First, the residents associated with any new residential development in the District have access to, and in fact, may regularly utilize and benefit from, the District's park and recreation facilities. Second, these residents may have chosen to purchase the specific piece of property in which they reside partially because of the parks and other recreational opportunities located nearby. Third, the availability of park and recreational facilities throughout the District has a growth-inducing impact, in that it enhances the District's reputation as a great place to live and work, thereby attracting new development that may have otherwise gone elsewhere. As a result, all development projects in the District contribute to the cumulative need for new park and recreation facilities throughout the District. The development impact fees, when collected, will be placed into a dedicated fund that will be used solely for the design, acquisition, installation, and construction of public park and recreational facilities and other appropriate costs to mitigate the direct and cumulative impacts of new residential development within the District.

The discussion in this subsection of the Fee Study sets forth the purpose of the development impact fee as required by Section 66001(a)(1) of the California Government Code.

B. THE USE TO WHICH THE FEE IS TO BE PUT (GOVERNMENT CODE SECTION 66001(A)(2))

The development impact fee will be used specifically for the design, acquisition, installation, and construction of the public park and recreational facilities discussed in Section IV of the Fee Study and related costs necessary to mitigate the direct and cumulative impacts of new residential development in the District. By directly funding these costs, the development impact fees will both enhance the quality of life for future District residents and protect their health, safety, and welfare.

The discussion presented in this subsection of the Fee Study identifies the use to which the development impact fee is to be put as required by Section 66001(a)(2) of the California Government Code.

C. DETERMINE THAT THERE IS A REASONABLE RELATIONSHIP BETWEEN THE FEE'S USE AND THE TYPE OF DEVELOPMENT PROJECT UPON WHICH THE FEE IS IMPOSED (BENEFIT RELATIONSHIP) (GOVERNMENT CODE SECTION 66001(A)(3))

As discussed in Subsection A above, it is the projected direct and cumulative effect of future residential development that has prompted the preparation of this Fee Study. Each residential unit will contribute to the need for new public park and recreation facilities. Even future "in fill" development projects, which may be adjacent to existing park and recreational facilities, contribute to impacts on such facilities because they are a collaborative component of a much greater universe of development located throughout the District. Consequently, all new residential development within the District, irrespective of location, contributes to the direct and cumulative impacts of development on public park and recreational facilities and creates the need for new facilities to accommodate growth.

As set forth in Section IV of the Fee Study, the fees will be expended for the design, acquisition, installation, and construction of new public park and recreational facilities identified in Section IV, as that is the purpose for which the development impact fee is collected. As previously stated, all new residential development creates either a direct impact on park and recreational facilities or contributes to the cumulative impact on park and recreational facilities.

For the foregoing reasons, there is a reasonable relationship between the design, acquisition, construction, and installation of the public park and recreational facilities and new development as required under Section 66001(a)(3) of the Mitigation Fee Act.

D. DETERMINE HOW THERE IS A REASONABLE RELATIONSHIP BETWEEN THE NEED FOR THE PUBLIC FACILITY AND THE TYPE OF DEVELOPMENT PROJECT UPON WHICH THE FEE IS IMPOSED (IMPACT RELATIONSHIP) (GOVERNMENT CODE SECTION 66001(A)(4))

As set forth in Subsection A above, all new residential development contributes to the direct and cumulative impacts on public park and recreational facilities and creates the need for new facilities to accommodate growth. Also, as previously stated, all new residential development within the District, irrespective of location, contributes to the direct and cumulative impacts of development on public park and recreational facilities and creates the need for new facilities to accommodate growth. Moreover, the public park and recreational facilities identified in Section IV are specifically a function of the number of projected future residents within the District and do not reflect any unmet needs of existing development.

For the reasons presented herein and in Section IV, there is a reasonable relationship between the need for the public park and recreational facilities and all new residential development within the District as required under Section 66001(a)(4) of the Mitigation Fee Act.

E. THE RELATIONSHIP BETWEEN THE AMOUNT OF THE FEE AND THE COST OF THE PUBLIC FACILITIES ATTRIBUTABLE TO THE DEVELOPMENT UPON WHICH THE FEE IS IMPOSED (“ROUGH PROPORTIONALITY” RELATIONSHIP) (GOVERNMENT CODE 66001(B))

Again, as set forth above, all residential development in the District impacts public park and recreational facilities. Moreover, each individual development project and its related increase in population will adversely impact existing park and recreational facilities. Thus, imposition of the development impact fee to finance new public park and recreational facilities is an efficient, practical, and equitable method of permitting development to proceed in a responsible manner.

New residential development impacts the need for public park and recreational facilities directly and cumulatively. Even new residential development located adjacent to existing facilities will have access to and benefit from new public park and recreational facilities. Again, the design, acquisition, construction, and installation of the public parks and recreational facilities in Section IV are specifically a function of projected new residents within the District and do not reflect any unmet needs of existing development.

As demonstrated, the proposed development impact fee amounts are roughly proportional to the impacts resulting from new residential development. Thus, there is a reasonable relationship between the amount of the development impact fee and the cost of the public park and recreational facilities.

In order to determine the public park and recreational facilities needed to serve new residential development as well as establish fee amounts to fund such facilities, the District provided DTA with projections of future population and development within the District. DTA categorized developable residential land uses as Single Family, Multi-Family, and Age-Restricted. Additional details are included in the table below. Based on these designations, DTA established fees for the following three (3) land use categories to acknowledge the difference in impacts resulting from various land uses and to make the resulting fee program implementable.

LAND USE CLASSIFICATION FOR FEE STUDY	DEFINITION
Single Family	Includes single family detached homes.
Multi-Family	Includes buildings with attached residential units including apartments, townhomes, condominiums, and all other residential units not classified as Single Family Detached.
Age-Restricted	Includes residential development developed, substantially rehabilitated, or substantially renovated for, senior citizens that has at least 35 dwelling units. At least 80 percent (%) of the occupied units include at least one resident who is verified to be over the age of 55, and the community follows a policy that demonstrates an intent to provide housing for those aged 55 or older.

Data provided by the County of El Dorado, the Sacramento Area Council of Governments, Co-Star, and Nielsen were used to estimate the number of housing units to be built within District. These figures are generally confirmed by the California Department of Finance and the U.S. Census Bureau. In addition, the reports and census were used to project the additional population generated from new residential development.

Notably, DTA attempted to utilize metrics (e.g. average household size) that standardized existing demographics with the projections provided by the Sacramento Area Council of Governments (“SACOG”) and forecasts provided by Nielsen.

The following sections summarize the existing and future development figures that were used in calculating the impact fees.

1. EXISTING POPULATION FOR LAND USE CATEGORIES

According to information provided by SACOG, and generally confirmed by the U.S. Census Bureau, there are currently 34,355 existing Single Family, 6,208 Multi-Family and 3,299 Age-Restricted residents residing in 11,154, 2,156, and 1,833 units respectively, within the District.

DTA has used the following demographic information provided by the California Department of Finance, which assumes resident-per-unit factors of 3.08, 2.88, and 1.80 per Single Family unit, Multi-Family unit, and Age-Restricted unit, respectively.

Therefore, the District’s population is generally comprised of 43,862 residents living in 15,143 Single Family, Multi-Family, and Age-Restricted homes.

Table 1 below summarizes the existing demographics for the residential land uses.

TABLE 1
EL DORADO HILLS COMMUNITY SERVICES DISTRICT
ESTIMATED EXISTING RESIDENTIAL DEVELOPMENT

Residential Land Use	Existing Residents	Existing Housing Units	Average Household Size
Single Family Residential	34,355	11,154	3.08
Multi-Family Residential	6,208	2,156	2.88
Age-Restricted	3,299	1,833	1.80
Total	43,862	15,143	NA

2. FUTURE POPULATION FOR LAND USE CATEGORIES (2035)

According to information provided by SACOG, and generally confirmed by the U.S. Census Bureau, in 2035 (the time horizon utilized for this Fee Study) the District is projected to include an additional 3,216 Single Family units, 622 future Multi-Family units, and 786 Age-Restricted units.

DTA has used the following demographic information provided by the California Department of Finance, which assumes future District resident-per-unit factors of 2.94, 2.88, and 1.80 per Single Family unit, Multi-Family unit, and Age-Restricted unit respectively. This results in an additional 13,111 residents living in 4,624 Single Family, Multi-Family, and Age-Restricted Homes District-wide.

Table 2 below summarizes the future demographics for the residential land uses.

TABLE 2
EL DORADO HILLS COMMUNITY SERVICES DISTRICT
FUTURE RESIDENTIAL DEVELOPMENT

Residential Land Use	Projected Residents	Projected Housing Units	Average Household Size
Single Family Residential	9,906	3,216	3.08
Multi-Family Residential	1,790	622	2.88
Age-Restricted	1,415	786	1.80
Total	13,111	4,624	NA

Pursuant to the nexus requirements of Government Code 66000 *et seq.*, a local agency is required to “determine how there is a reasonable relationship between the amount of the fee and the cost of the public facility or portion of the public facility attributable to the development on which the fee is imposed.” Of course, it is impossible to accurately determine the impact that a *specific* new residential unit, commercial project, or industrial development will have on existing facilities. Predicting future residents’ specific behavioral patterns such as recreation and park requirements is extremely difficult, and would involve numerous assumptions that are subject to substantial variances. Recognizing these limitations, the Legislature drafted AB 1600 to specifically require that a “reasonable” relationship be determined, not a direct cause and effect relationship. This reasonable relationship, which was discussed in detail in Section II of the Fee Study, is summarized in Table 3.

**TABLE 3
EL DORADO HILLS COMMUNITY SERVICES DISTRICT**

Public Park and Recreational Facilities AB 1600 Nexus Test	
Identify Purpose of Fee	Park and Recreational Facilities.
Identify Use of Fee	The design, acquisition, installation, and construction of public park and recreational facilities.
Demonstrate how there is a reasonable relationship between the need for the public facility, the use of the fee, and the type of development project on which the fee is imposed	New development will generate additional residents who will increase the demand for active and passive park and recreational facilities within the District. Land will have to be purchased and improved to meet this increased demand, thus a reasonable relationship exists between the need for park and open space facilities and the impact of development. Fees collected from new development will be used exclusively for park, recreational, and open space facilities identified here in Section IV.

1. LEVEL OF SERVICE FOR PARK FACILITIES

There are many methods or ways of calculating fees, but they are all based on determining the cost of needed improvements and assigning those costs equitably to various types of development. Fees for recreational and park facilities have been calculated utilizing the “Standards-Based Approach.” This methodology utilizes a facility “standard” established for future development, against which facilities costs are determined based on “units of demand” or a “level of service” from a development. This approach establishes a generic unit cost for capacity, which is then applied to each land use type per unit of demand. This standard is not based on the cost of a specific existing or future facility, but rather on the cost of providing a certain standard of service, such as the 5.33 acres of park and recreational facilities per 1,000 residents, which is the current level of service for the District. To meet the standard of service required, the District will need to develop new park land and open space. Therefore 100% of the costs of land acquisition and development will be allocated to new residential development. The table below summarizes the existing park and recreational facilities located within the District that meet the required standard of 5.33 acres of park and recreational facilities per 1,000 residents.

TABLE 4
EL DORADO HILLS COMMUNITY SERVICES DISTRICT
EXISTING LEVEL OF SERVICE

Facility Type	Existing Acres	Facility Units per 1,000 Residents
Neighborhood Parks	42.26	0.96
Village Parks	42.65	0.97
Community Parks	58.22	1.33
Open Space	90.59	2.07
Total:	233.72	5.33

2. LAND ACQUISITION AND PARK DEVELOPMENT COSTS

Notably, land acquisition costs are dependent on the real estate market at the time of acquisition. Location, demand for land, encumbrances, comparable acquisitions, and construction costs are a few of the many variables that play into appraisals and negotiations. Each park has its own location and improvement requirements. However, District Staff was able to provide DTA with general cost assumptions for new park development, based on the *District’s Park & Recreation Facilities Master Plan*, recently updated in June 2016 (the “Master Plan”).¹ Please see Table 5 below for more detail regarding the costs for new parks in the District.

TABLE 5
EL DORADO HILLS COMMUNITY SERVICES DISTRICT
COST ASSUMPTIONS FOR NEW PARK DEVELOPMENT

Project	Cost/Unit
Land Acquisition*	\$60,000/acre*
Planning and Design (Per Park/Site)	
Neighborhood Park	\$25,000
Village Park	\$30,000
Community Park	\$50,000
Open Space	\$25,000
Park Development (Rounded)	
Neighborhood Park	\$377,000/acre
Village Park	\$603,000/acre
Community Park	\$804,000/acre
Open Space	\$32,000/acre
Additional Costs	
Administration	10%

*For reference only. In light of development patterns within the CSD and the CSD’s Quimby Fee, Land Acquisition Costs have been excluded from this analysis at this time.

Using both the level of service and cost assumptions, DTA calculated a total of \$30,294,239 for park development costs. Please see **Appendix A** for more information.

¹ Available at http://www.eldoradohillscsd.org/images/community_interest/master_plan/edh_park_and_rec_master_plan_final.pdf. Figures escalated to Fiscal Year 2017-2018.

3. ADDITIONAL PARK IMPROVEMENT COSTS

Furthermore, the District intends to expand and enhance existing District-owned facilities to accommodate increased demand. The Master Plan has identified the need for the following park facilities improvements to serve the 13,111 total new residents within the District: a new disc golf course, a new sprayground, an additional restroom facility, a new rectangular sports field, a new diamond sports field, and the conversion of a sports fields to artificial turf. The District also intends to build a 40,000-square foot multi-generational recreation center and a second aquatic center. The total cost for these facilities is currently estimated at \$16,189,219 per the Master Plan. The LOS for the Multi-Generational Recreation Center is 1,034.64 square feet per 1,000 residents. Please see **Appendix A** for more detail on the costs and LOS associated with these facilities.

Based on the development projections in **Appendix A**, the fee amounts presented in Table 6 will finance \$46,483,458 of Park and Recreation Facilities.

TABLE 6
EL DORADO HILLS COMMUNITY SERVICES DISTRICT
FEE DERIVATION SUMMARY (NET OF ADMINISTRATIVE COMPONENT)

Land Use Type	EDUs per Unit	Fee per Unit	Number of Units	Cost Financed By Fees
Single Family Residential	1.00	\$11,377	3,216	\$36,590,530
Multi-Family Residential	0.66	\$7,509	622	\$4,667,037
Age-Restricted	0.58	\$6,649	786	\$5,225,892
Total Facilities Costs:				\$46,483,458

*Numbers may not sum due to rounding.

The total fee amounts required to finance new residential development's "fair share" of the costs of facilities are summarized in Table 7 below.

TABLE 7
DEVELOPMENT IMPACT FEE SUMMARY

Fees Per Unit			
	Park Fees	Admin. (3%)	Total Fees
Single Family Residential	\$11,377	\$341	\$11,718
Multi-Family Residential	\$7,509	\$225	\$7,734
Age-Restricted	\$6,649	\$199	\$6,848

*Numbers may not sum due to rounding.



Appendix A
Fee Derivation Worksheets

**APPENDIX A
EL DORADO HILLS COMMUNITY SERVICES DISTRICT
PARK AND RECREATION FACILITIES FEE CALCULATION**

I. Inventory of Existing Park Facilities

Facility [1]	Facility Unit	Quantity (CSD)
Neighborhood Parks	Acres	42.26
Village Parks	Acres	42.65
Community Parks	Acres	58.22
Open Space	Acres	90.59

II. Existing Recreation and Park Facilities EDU Calculation

Land Use Type	Number of Residents	Number of Units [2]	Residents Per Unit [3]	Adjusted EDUs per Unit	Total Number of EDUs
Single Family	34,355	11,154	3.08	1.00	11,154
Multi-Family	6,208	2,156	2.88	0.66	1,423
Age-Restricted	3,299	1,833	1.80	0.58	1,071
Total	43,862	15,143	NA	NA	13,648

III. Existing Facility Standard

Facility Type	Quantity (CSD)	Facility Unit	Facility Units per 1,000 Residents
Neighborhood Parks	42.26	Acres	0.96
Village Parks	42.65	Acres	0.97
Community Parks	58.22	Acres	1.33
Open Space	90.59	Acres	2.07

IV. Future Recreation and Park Facilities EDU Calculation

Land Use Type	Number of Residents	Number of Units [2]	Residents Per Unit [3]	Adjusted EDUs per Unit	Total Number of EDUs
Single Family	9,906	3,216	3.08	1.00	3,216
Multi-Family	1,790	622	2.88	0.66	410
Age-Restricted	1,415	786	1.80	0.58	459
Total	13,111	4,624	NA	NA	4,086

V. Future Facility Standard

Facility Type [4]	Facility Units per 1,000 Residents	Facility Unit	Facilities Units Funded by New Development
Neighborhood Parks	0.96	Acres	12.63
Village Park	0.97	Acres	12.75
Community Parks	1.33	Acres	17.40
Open Space	2.07	Acres	27.08

VI. Park and Open Space Summary Cost Data

Facility Type [5]	Facility Unit	Acres Being Acquired	Land Acquisition per Acre [6]	Acres Being Developed	Park Development per Acre [7]	Planning & Design (Per Park/Site)	Administration (10%) [8]	Total Facility Cost for New Development	Cost per EDU
Neighborhood Parks	Acres	12.63	\$0	12.63	\$376,777	\$25,000	\$37,676	\$5,335,454	\$1,305.84
Village Parks	Acres	12.75	\$0	12.75	\$602,844	\$30,000	\$60,284	\$8,514,032	\$2,083.78
Community Parks	Acres	17.40	\$0	17.40	\$803,792	\$50,000	\$80,379	\$15,437,065	\$3,778.18
Open Space	Acres	27.08	\$0	27.08	\$32,152	\$25,000	\$3,215	\$1,007,688	\$246.63
Total:								\$30,294,239	\$7,414.43

**APPENDIX A
EL DORADO HILLS COMMUNITY SERVICES DISTRICT
PARK AND RECREATION FACILITIES FEE CALCULATION**

VII. Park Facility Cost Summary

Facility Type	Facility Unit	Current Development	Future Development	Buildout Population	Facilities Units per 1,000 Residents	Facilities Funded by New Development	Cost per Unit	Total Facilities for New Development	Cost per EDU
New Disc Golf Course	Integrated Unit	1	1	56,973	0.04	0.46	\$25,000	\$11,506	\$3
Sprayground	Integrated Unit	5	1	56,973	0.11	1.00	\$500,000	\$500,000	\$122
Additional Restroom	Integrated Unit	16	1	56,973	0.30	1.00	\$250,000	\$250,000	\$61
Sports Field Conversion to Artificial Turf	Integrated Unit	26	1	56,973	0.47	1.00	\$800,000	\$800,000	\$196
New Rectangular Sports Field	Integrated Unit	15	1	56,973	0.28	1.00	\$1,200,000	\$1,200,000	\$294
New Diamond Sports Field	Integrated Unit	12	1	56,973	0.23	1.00	\$500,000	\$500,000	\$122
Total:								\$3,261,506	\$798.24

VIII. Recreation Facility Cost Summary

Facility Type	Facility Unit	Current Development	Future Development	Buildout Population	Facilities Units per 1,000 Residents	Facilities Funded by New Development	Cost per Unit	Total Facilities for New Development	Cost per EDU
Community Activities Building (EDH Park)	SF	8,400	NA						
The Pavilion (EDH Park)	SF	1,900	NA						
Community Pool (EDH Park)	SF	NA	NA						
Teen Center (EDH Park)	SF	745	NA						
Oak Knoll Club House	SF	384	NA						
The Ramona Mori Gilmore Senior Center	SF	7,517	NA						
Valley View, Oak Meadow, and Brooks Elementary Scho	SF	NA	NA						
Jackson Elementary School	SF	NA	NA						
Multi-Generational Recreation Center	SF	NA	40,000						
Total:		18,946	40,000	56,973	1,034.63	13,565.04	\$665.05	\$9,021,453	\$2,207.97

IX. Aquatic Facilities Cost Summary

Facility Type	Facility Unit	Current Development	Future Development	Buildout Population	Facilities Units per 1,000 Residents	Facilities Funded by New Development	Cost per Unit	Total Facilities for New Development	Cost per EDU
Aquatic Center	Integrated Unit	1	1	56,973	0.04	0.46	\$8,487,200	\$3,906,260	\$956.05

NOTES:

- [1] The Archery Range Acreage is included in the Open Space Total Acreage, and the Allan Lindsey Park and Valley View Sports Park are included in the Neighborhood Park Total Acreage.
- [2] Population estimates based on data collected by SACOG (April 2015).
- [3] Residents per Unit estimated by DTA based on total number of residents and given number of existing and expected units.
- [4] Estimates based on current Park and Open Space inventory of 5.33 per 1,000 residents.
- [5] Estimates based on cost assumptions for New Park Development, found in the El Dorado Hills Parks and Recreation Master Plan (June 2016).
- [6] In light of development patterns within the CSD and the CSD's Quimby Fee, Land Acquisition Costs have been excluded from this analysis at this time.
- [7] Park development costs have been escalated by the CCI for Fiscal Years 2016 and 2017.
- [8] Administration costs have been increased to 10% to appropriately reflect District Staff's time.

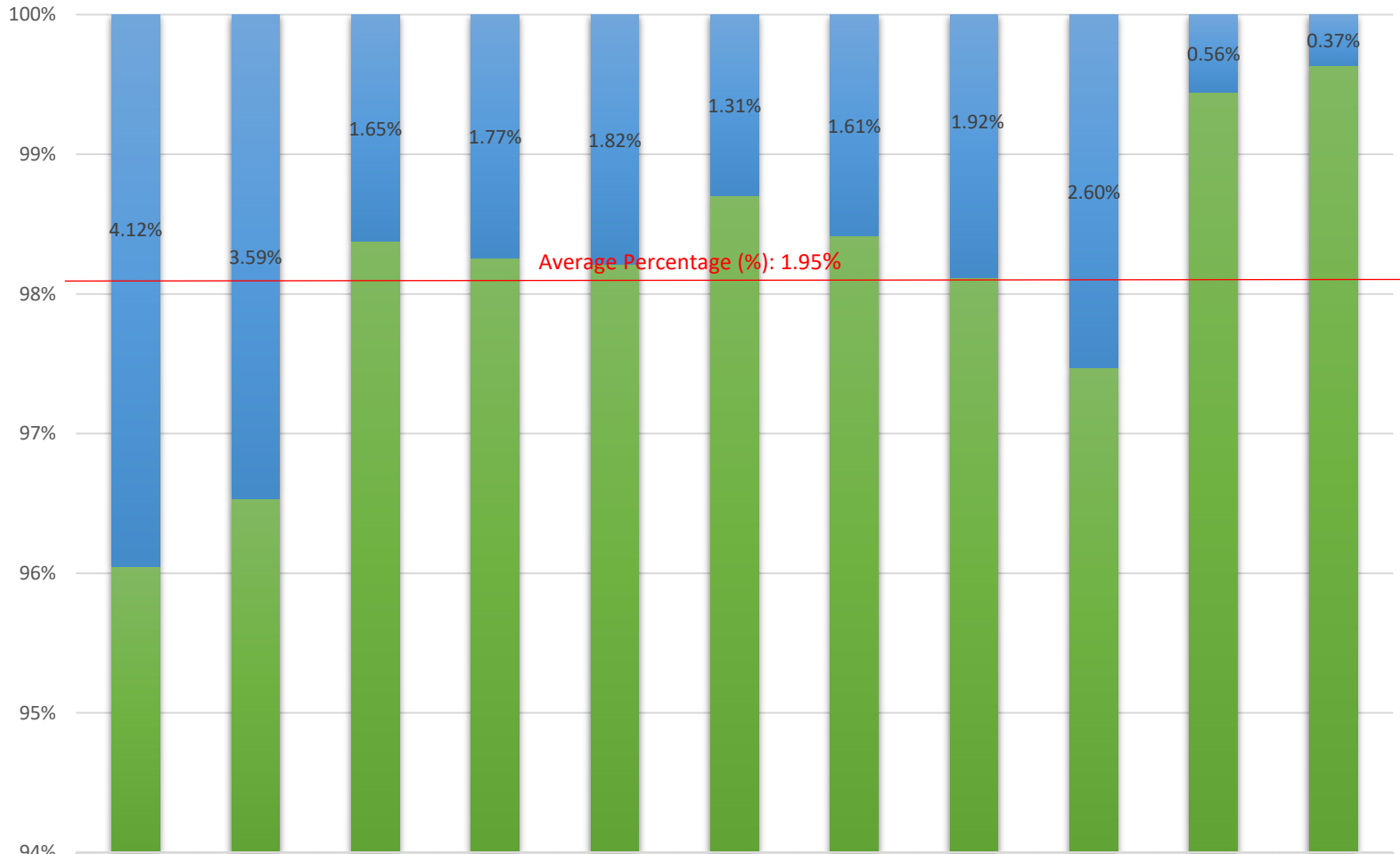


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Park Fee as a Percentage (%) of New Construction, Single Family Dwelling (SFD)



	Elk Grove (Laguna Ridge)	West Sacramento	El Dorado Hills (Proposed)	Folsom	Placer Vineyards	Roseville	Elk Grove (Eastern Elk Grove)	Sacramento County (Eight District Avg.)	Rancho Cordova	Rocklin	Placerville
■ Park Fee	\$16,059	\$15,430	\$11,718	\$8,508	\$7,112	\$6,304	\$6,280	\$6,342	\$9,085	\$2,696	\$1,320
■ New Construction (SFD)	\$390,000	\$430,000	\$710,000	\$480,000	\$390,000	\$480,000	\$390,000	\$330,000	\$350,000	\$480,000	\$360,000

■ New Construction (SFD) ■ Park Fee