

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA  
TO ESTABLISH THE AVERAGE PER-ACRE LAND VALUES IN  
ORDER TO SET THE PARKLAND IN LIEU FEE SCHEDULE FOR  
NEW RESIDENTIAL DEVELOPMENT IN ACCORDANCE WITH  
CHAPTER 17.35 ("PARK AND RECREATIONAL LAND") OF  
TITLE 17 ("DEVELOPMENT") OF THE CODE OF THE CITY OF  
SANTA CLARA**

**BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:**

**WHEREAS**, the City of Santa Clara is the Government entity responsible for providing public parks, recreation and open space facilities within the City of Santa Clara; and,

**WHEREAS**, the 2010-2035 General Plan includes a goal that new parks, open space and recreation be provided with new development so that existing facilities are not over-burdened; and,

**WHEREAS**, the report entitled "Public Facilities Impact Fee Study" dated June 25, 2014 ("Nexus Study"), was prepared by Willdan Financial Services, Inc. and approved by Council in June 2014; and,

**WHEREAS**, on July 15, 2014, the City Council adopted Ordinance No. 1928, which added Chapter 17.35 to the City Code, and requires new residential development to provide adequate community and neighborhood park land for active recreational uses, and/or under certain conditions to pay a fee in lieu of parkland dedication; and,

**WHEREAS**, on February 24, 2015, the City Council adopted Ordinance No. 1937, adding duplex dwellings to the types of developments subject to the parkland dedication requirement, and removing the one (1) acre minimum parkland dedication prior to a developer being able to receive financial credit for private recreational amenities and open space; and,

**WHEREAS**, on August 27, 2019, Council approved Resolution No. 19-8749 which included the statutory findings required pursuant to the California Quimby Act (Quimby) and Mitigation Fee Act (MFA), including the report entitled "Santa Clara Park and Recreation Facilities Impact Fee Update Study" dated April 9, 2019 ("Nexus Study Update") prepared by Willdan Financial

Services, Inc., and the professional land valuation appraisal report with a valuation date of December 31, 2017, and the park improvements replacement costs with values as of 2017; and,

**WHEREAS**, on October 29, 2019 Council approved Resolution No. 19-8769 to establish the Parkland In Lieu Fee Schedule for New Residential Development in Accordance with Chapter 17.35 of the Code of the City of Santa Clara, and directed staff to phase in the 2018 Park Improvement Costs over four years and to use the annual Land Valuation Appraisal Report at 100% of cost recovery in the calculation of annual fees; and,

**WHEREAS**, in 2020, due to the global COVID19 pandemic, and through the regular adoption of the Municipal Fee Schedule process, only the Park Improvement Cost portion of the Parkland In Lieu Fees were raised using 50% of the Park Improvement Costs and the City continued to use the Land Valuation Appraisal Report with a valuation date of December 31, 2018 in the calculation of annual fees; and,

**WHEREAS**, on June 10, 2021, Council approved Resolution No. 21-8970 to establish the Parkland In Lieu Fee Schedule for New Residential Development in Accordance with Chapter 17.35 of the Code of the City of Santa Clara, which used 75% of the Park Improvement Costs and used the annual Land Valuation Appraisal Report with a valuation date of December 31, 2020 at 100% of cost recovery in the calculation of annual fees; and,

**WHEREAS**, pursuant to SCCC Chapter 17.35, the City has surveyed land values and sales records, and has conducted a professional appraisal with a valuation date of December 31, 2021 to determine the fair market value of property in the City, and the City posted the Appraisal Report on the City website from April 4, 2022 to April 18, 2021 for public review and comment, the Council now wishes to use the applicable values for calculating the fees due in lieu of parkland dedication and to adopt the updated fee schedule for parkland in lieu fees; and,

**WHEREAS**, on April 4, 2022, a copy of the Annual Land Valuation Report was placed on the City website.

**NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:**

1. Findings and Purpose. That the City Council hereby finds and declares that the land valuation component will be subject to the updated annual land value appraisal report and supplemental instructions as adopted by Council June 7, 2016 with valuation dates of December 31 of each calendar year for use in calculating the following (next) fiscal year's fee update.
2. Land Valuation Appraisal. An independent real estate appraisal firm, Frank Schmidt & Associates, was retained to provide a "Fair Market Value" opinion (valuation date of December 31, 2021) conforming to Uniform Standards of Professional Appraisal Practice and using the City's Supplemental Instructions for an average acre of land (hypothetical, rectangular, useable site) for property in each of the three existing City of Santa Clara Zip Codes 95050, 95051, 95054. The data set included all property types: Single Family (low and very low density), High Density Residential, Medium Density Residential, Commercial/Retail, Industrial, Lots and Land. Excluded were transactions considered not "arms-length", having encumbered or clouded title, environmentally impaired sites, or more than three (3) years old. An inflation factor was computed and applied to comparable sales over one year old based on reasonable and rational considerations such as sales and rental trends or other appropriate methods. The weighted average of each property type was based on the percentage of land area in the sales transactions.
2. Land Valuation Appraisal Findings. Based on the findings of the Appraisal Report, the City Council hereby sets the average per acre land value for each ZIP Code area as of December 31, 2021, as: \$5.715 million per acre (\$131.20/sf) in 95050; \$6.000 million per acre (\$137.74/sf) in 95051; and, \$5.495 million per acre (\$126.15/sf) in 95054. If a developer objects to this determination of fair market value, the developer may elect to have the value established by appraisal, in conformance with City Code Section 17.35.040(b)(2).

4. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED  
AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A REGULAR MEETING  
THEREOF HELD ON THE \_\_\_\_ DAY OF \_\_\_\_\_, 2022, BY THE FOLLOWING VOTE:

AYES: COUNCILORS:

NOES: COUNCILORS:

ABSENT: COUNCILORS:

ABSTAINED: COUNCILORS:

ATTEST: \_\_\_\_\_  
NORA PIMENTEL, MMC  
ASSISTANT CITY CLERK  
CITY OF SANTA CLARA

Attachments incorporated by reference:

1. Santa Clara Land Valuation Appraisal Report 12-31-2021

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## **Attachment 1**

### **Santa Clara Land Valuation Appraisal Report 12-31-21**