

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

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

**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;

**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 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 developments 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 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 Recreational Facilities Impact Fee Update Study” dated April 2019 (“Nexus Study Update”) 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**, SCCC 17.35.030 provides the formula for determining a developer’s parkland dedication acreage requirement as follows: the average density for the specific dwelling unit category (single family/multi-family); multiplied by the parkland dedication standard; divided by one thousand (1,000) population; and,

**WHEREAS**, the methodology for calculating fees in-lieu of parkland dedication is based on the average cost to purchase lands for parks in Santa Clara, the average cost per capita to develop the land into a useable park facility, and the cost to administer the program; and,

**WHEREAS**, the City desires to update the average density standard for single family and multi-family dwelling units as used to determine a developer's parkland dedication requirement with the most recently available Federal census data and, in addition, update the average per-acre land values and park development costs as used in setting the park in-lieu fee; and,

**WHEREAS**, the City has surveyed land values and sales records, and has conducted a professional appraisal with a valuation date of December 31, 2024 to determine the fair market value of property in the City and made available to the public for review and comment the appraisal report as posted on the City website on March 4, 2025; and,

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

1. Land Valuation Appraisal.

A. An independent real estate-appraisal firm, Frank Schmidt & Associates, was retained to provide a "Fair Market Value" opinion (valuation date of December 31, 2024) 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.

B. Based on the findings of the appraisal report, the City Council hereby sets the average per acre land value for each ZIP Code as of December 31, 2024, as: \$5.180 million per acre in 95050; \$5.340 million per acre in 95051; and \$5.000 million per acre 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 SCCC 17.35.040(b)(2).

2. Park Improvement Cost.

A. The cost to construct the park improvements (landscape, furnishings, buildings, etc.) is based on an average cost per capita for the City's existing park system improvements and recovers no more than 100% of the actual cost to develop new park assets and features to serve new residents at the same standard as existing residents. A cost analysis was conducted, including a review of recent/actual City park improvement project costs and a review of increases/decreases in the State of California, Department of General Services Construction Cost Index (CCCI) reported by the Real Estate Services Division of the Bay Area. In accordance with Resolution No. 23-9220, annual changes (increases/decreases) in the park improvement value used in calculation of In-Lieu Fees shall be indexed to changes in CCCI for the previous calendar year as reported by the Real Estate Services Division for the Bay Area, not to exceed a change of more than 10%.

B. The 2024 Santa Clara average park improvement value per capita is \$4,177. From 2023 to 2024, construction costs have increased by 2.3% according to the State of California, Department of General Services Construction Cost Index reported by the Real Estate Services Division for the Bay Area, such that the park improvement value of \$4,177 per capita would be \$4,273 per capita as of January 1, 2025. The Council hereby sets for use in the Park in Lieu Fee calculations a park improvement value of \$4,273 per capita for use in the FY 2025/2026 fees.

3. Implementation Schedule. The fees set forth herein shall be effective on July 1, 2025. For development project applications "deemed complete" prior to this date, the existing fees will apply as adopted in Resolution No. 24-144.

4. 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 \_\_\_\_\_, 2025, 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 12-31-2024  
2. Fee Calculation Tables A, B, C