

OFFICE OF THE CITY CLERK
200 NORTH SPRING STREET, ROOM 360
LOS ANGELES, CALIFORNIA 90012

CALIFORNIA ENVIRONMENTAL QUALITY ACT

NOTICE OF EXEMPTION

(State CEQA Guidelines Section 15062)

Filing of this form is optional. If filed, the form shall be filed with the County Clerk, 12400 E. Imperial Highway, Norwalk, CA 90650, Pursuant to State CEQA Guidelines Section 15062(d), the filing and posting of this notice starts a 35-day statute of limitations on legal challenges to the approval of the project.

LEAD CITY AGENCY City of Los Angeles Department of City Planning	COUNCIL DISTRICT All
--	--------------------------------

PROJECT TITLE Parks Dedication and Fee Program Update	LOG REFERENCE ENV-2015-2329-CE
---	--

PROJECT LOCATION
Citywide

DESCRIPTION OF NATURE, PURPOSE, AND BENEFICIARIES OF PROJECT:
The proposed project includes an ordinance amending Sections 12.21, 12.33, 17.03, 17.07, 17.12, 17.58 and adding Section 19.17 of the Los Angeles Municipal Code (LAMC) and a resolution amending the definitions of park sites and recreational amenities and facilities within the Public Recreation Plan of the Service Systems Element of the City of Los Angeles General Plan to: (1) update existing Quimby in-lieu fees for land dedication required of subdivision projects, with an exception for affordable housing units; (2) create a park dedication and in-lieu park fee for non-subdivision multifamily residential projects, with an exemption for affordable units; (3) expand credit options toward the land dedication or fee amount for projects providing park-related amenities greater than the minimum open space requirements; (4) expand project radii within which parks may be built from park fee funds; (5) require a predevelopment meeting to review land dedication options for large subdivision projects; and (6) clarify the applicability of Quimby fees to the Greater Downtown Housing Incentive Area open space incentive.

NAME OF PERSON OR AGENCY CARRYING OUT PROJECT, IF OTHER THAN LEAD CITY AGENCY:

CONTACT PERSON Yi Lu	AREA CODE TELEPHONE NUMBER (213) 978-1287	EXT.
--------------------------------	---	-------------

EXEMPT STATUS: (Check One)	STATE CEQA GUIDELINES	CITY CEQA GUIDELINES
<input type="checkbox"/> MINISTERIAL	Sec. 15268	Art. II, Sec. 2b
<input type="checkbox"/> DECLARED EMERGENCY	Sec. 15269	Art. II, Sec. 2a (1)
<input type="checkbox"/> EMERGENCY PROJECT	Sec. 15269 (b) & (c)	Art. II, Sec. 2a (2) & (3)
<input checked="" type="checkbox"/> STATUTORY EXEMPTION	Sec. 15273(a)(4)	Art. II, Sec. 2a
<input checked="" type="checkbox"/> CATEGORICAL EXEMPTION Class 1, 2, 3, 4, and 16 - State CEQA Guideline Sections 15301, 15302, 15303, 15304, and 15316	Sec. 15300 et seq.	Art. III, Sec. 1
<input checked="" type="checkbox"/> OTHER/GENERAL EXCLUSION	Sec. 15378(b)(4)	n/a

JUSTIFICATION FOR PROJECT EXEMPTION: Pursuant to State CEQA Guidelines Section 15378(b)(4), the fee update is not a "project" within the meaning and scope of CEQA because it is a government funding mechanism that does not involve a commitment to any specific project that may result in a potentially significant physical impact on the environment. If it is found to be a CEQA project, the fee update is statutorily exempt pursuant to State CEQA Guidelines Section 15273(a)(4) covering the establishment, modification, structuring, restructuring or approval of rates, tolls, fares, or other charges by a public agency for the purpose of obtaining funds for capital projects, necessary to maintain service within existing service areas because the proposed fee update is necessary to maintain the City's established park level of service standard within the existing service area (citywide) and does not include the development of any site. (See also Pub. Resources Code § 21080(b)(8).) The fee update is also categorically exempt in accordance with Sections 15301, 15302, 15303, 15304, and 15316 of the State CEQA Guidelines (classes 1, 2, 3, 4, and 16, respectively) applicable to: Minor Alterations of Existing Facilities; Replacement or Reconstruction of Existing Structures; Construction or Conversion of Small Structures; Minor Alterations to the Condition of Land; and the Acquisition or Transfer of Land for the Creation of Parks.

IF FILED BY APPLICANT, ATTACH CERTIFIED DOCUMENT ISSUED BY THE CITY PLANNING DEPARTMENT STATING THAT THE DEPARTMENT HAS FOUND THE PROJECT TO BE EXEMPT.

SIGNATURE <i>Nicholas P. Marin</i>	TITLE Senior City Planner	DATE 3/11/16
--	-------------------------------------	------------------------

FEE:	RECEIPT NO.	REC'D. BY	DATE
-------------	--------------------	------------------	-------------

NAME (PRINTED) _____ SIGNATURE _____
DATE _____

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) NARRATIVE

Parks Dedication and Fee Program Update

CPC-2015-2328-CA-GPA

ENV-2015-2329-CE

I. PROJECT DESCRIPTION

The proposed project includes an ordinance amending Sections 12.21, 12.33, 17.03, 17.07, 17.12, 17.58 and adding Section 19.17 of the Los Angeles Municipal Code (LAMC) and a resolution amending the definitions of park sites and recreational amenities and facilities within the Public Recreation Plan of the Service Systems Element of the City of Los Angeles General Plan to: (1) update existing Quimby in-lieu fees for land dedication required of subdivision projects, with an exception for affordable housing units; (2) create a park dedication and in-lieu park fee for non-subdivision multifamily residential projects, with an exemption for affordable units; (3) expand credit options toward the land dedication or fee amount for projects providing park-related amenities greater than the minimum open space requirements; (4) expand project radii within which parks may be built from park fee funds; (5) require a predevelopment meeting to review land dedication options for large subdivision projects; and (6) clarify the applicability of Quimby fees to the Greater Downtown Housing Incentive Area open space incentive.

Staff has concluded that the proposed fee update and fee structure modification program is not a “project” within the meaning and scope of California Public Resources Section 21000 *et seq.* (CEQA) as defined under CEQA Guidelines Section 15378 (b)(4) and is otherwise exempt pursuant to the statutory and categorical exemptions discussed below.

II. PROJECT BACKGROUND

Abundant and accessible parks are essential components of healthy and sustainable neighborhoods. As new residential units are built, the City of Los Angeles currently receives land dedication or an in-lieu fee from certain subdivision and multifamily projects requiring a zone change (Quimby and Finn Fees, respectively). Yet factors such as the high cost and scarcity of land and population increases limit the City’s ability to maintain its existing level of service (LOS) standard of 4.2 acres of parkland per 1,000 residents for city-owned parks.¹ This ordinance addresses the limitations of the current fee program, and is supported by five Council Motions (Council Files 05-1562, 07-3619, 07-3387-S2, 12-1000-S2, 12-1178-S2), a Mayoral Directive, and the recently-adopted Park and Recreation Plan and Health and Wellness Element of the City’s General Plan. The Park and Recreation Site and Facility Development Impact Fee Study dated June 23, 2015 provides technical analysis supporting the adoption of a citywide

¹ The Public Recreation Plan of the Service Systems Element of the City’s General Plan includes park LOS standards (park acreage per 1,000 residents) for community and recreation sites. Based on the City’s inventory of park and recreational facilities and population estimates, the established LOS standard of 4.2 acres per 1,000 residents for city-owned parks.

impact fee and an updated park in-lieu fee as necessary to achieve the City's establish park LOS standard.

Specifically, the narrow and restrictive nature of the existing parkland dedication and in-lieu fee program limits the City's ability to achieve open space policies and objectives set forth in the General Plan as well as the existing park LOS standard. While all new residential units increase the demand for park and recreation facilities, only certain residential projects are required to provide a land dedication or in-lieu fee under the current fee program, resulting in funds that are insufficient to acquire land for the establishment of new parks. In addition, the radius in which the fees can be spent around each project site is too restrictive to permit meaningful land acquisitions, particularly where the cost of land is high and available sites are scarce. The current park fee program is also derived from outdated metrics that do not accurately reflect the actual cost and is further hindered by inflexible and outdated definitions of park types. In addition, existing park facility capital improvement credits available to developers for projects that exceed minimum open space code requirements are insufficient to incentivize greater land dedication.

The proposed park fee update and fee structure modification will address limitations of the current fee program through the following:

- Update fees by: (1) revising the subdivision project in-lieu fee (Quimby) to reflect present land values and park development costs, and (2) creating a park fee for non-subdivision projects to achieve the park, recreation and open space objectives in a wider range of neighborhoods, particularly those with high concentrations of multifamily residential units.
- Permit expenditures of collected fees by: (1) expanding the radius of fee-source sites in which funds are allocated to permit greater flexibility in land acquisition and park rehabilitation, and (2) revising outdated definitions of park types that limit how fee monies can be allocated.
- Encourage land dedication by: (1) expanding credit options for private and public park space that established beyond the minimum requirements set forth in LAMC, and (2) requiring a pre-development meeting for large projects (50 units or more) to review land dedication options in the early stages of project review.

III. ENVIRONMENTAL REVIEW UNDER CEQA

The proposed park fee update and fee structure modification is exempt from CEQA, because the action does not qualify as a "project" for the purposes of CEQA.

State CEQA Guidelines Section 15378(b) identifies specific actions that do not constitute "projects" within the meaning of CEQA. Section 15378(b)(4) provides that a "project" does *not* include "[t]he creation of government funding mechanisms or other government fiscal activities which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment."

The proposed fee update and fee structure modification enables the collection and allocation of fees for the continued establishment and rehabilitation of parks and recreational facilities. No development or

construction is planned or included in the proposed fee update, nor does the City have a citywide master park plan that earmarks funds for certain parks or recreation facilities for receipt of funds under this ordinance. Therefore, the proposed rate program does not involve a commitment to any specific project, which may result in a potentially significant physical impact on the environment. Based on this, the fee update and fee structure modification is not a "project" for the purposes of CEQA.

Notwithstanding that the fee program is not a "project" for the purposes of CEQA, it is exempt from CEQA pursuant to the following statutory and categorical exemptions:

- A. *State CEQA Guidelines Article 18, Section 15273(a)(4) statutorily exempts "the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, or other charges by public agencies obtaining funds for capital projects, necessary to maintain service within existing service areas."*

The proposed fee update modernizes the City's development impact fees by creating a park impact fee for non-subdivision projects and updating the subdivision project in-lieu fee to accurately reflect the cost of land and park rehabilitation and improvements. Related expenditure limitations will also be loosened by expanding the radius around project sites within which the collected fees can be spent as well as modifying outdated definitions of recreation site and facilities. The new and updated fees are designed to maintain the City's established park LOS standard of 4.2 acres per 1,000 residents within the existing service area of the City. As set forth in the City's most recent Park Development Impact Fee Study, a modification of the current fee program is necessary to maintain the existing park LOS within the City. Further, the service area under the existing fee program is citywide and will remain unchanged by the proposed fee update and modification to the fee structure.

- B. *State CEQA Guidelines Article 19, Section 15301, Class 1, sets forth an exemption for "the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination."*

The proposed fee update and fee structure modification program enables the continued acquisition of land and collection of fees for the purpose of maintaining the established park LOS and rehabilitating existing recreational facilities. Park fees obtained through this program may be used for the installation of certain park-related amenities which may include, without limitation, playground equipment, patios, swimming pools, limited expansion of recreational buildings - all of which would constitute minor alterations to existing public facilities and structures and would not expand or change existing uses of those facilities and sites.

- C. *State CEQA Guidelines Article 19, Section 15302, Class 2, consists of "replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced."*

The proposed fee update enables the continued acquisition of land and collection of fees for the purpose of maintaining the City's established park LOS standard of 4.2 acres per 1,000 residents. The fee update and fee structure modification does not identify or plan for the development or construction of any specific sites. Following implementation of the proposed program, fees may be used for the replacement or reconstruction of existing structures (e.g. repair of community buildings) or other structures at sites that will be determined and identified subsequent and independent to the implementation of the fee program.

Any future projects funded through the proposed fee program will undergo appropriate environmental review and analysis in compliance with CEQA.

- D. *State CEQA Guidelines Article 19, Section 15303, Class 3, categorically exempts the "construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure."*

The proposed fee program permits the continued acquisition of land and collection of fees for the purpose of maintaining the City's established park LOS standard. The fee program does not generate any specific development or construction; however, park fees may ultimately fund the construction of new pocket parks, dog parks, or other small public spaces in various locations citywide. Park fees may also be utilized for the construction of new playground equipment, patios, swimming pools, or other small structural additions within existing and new park spaces. Expenditure of fees and sites receiving funding through the proposed program are not yet known and will be determined and identified subsequent to adoption and implementation of the fee program.

Future projects funded through the proposed fee program will undergo environmental review and assessment in compliance with CEQA.

- E. *State CEQA Guidelines Article 19, Section 15304, Class 4 consists of "minor public or private alterations in the condition of land, water, and/or vegetation which do not involve removal of healthy, mature, scenic trees except for forestry or agricultural purposes."*

The proposed fee update permits the continued dedication of land and collection of fees for the purpose of maintaining the City's established park LOS and rehabilitating existing recreational facilities. There is no citywide master park plan or funds specifically committed for certain parks and recreation facilities; park fees may ultimately be used for the improvement and rehabilitation of existing parks and open space land, to be identified subsequent to implementation of the fee program.

Future development projects funded through this fee update and modification will undergo environmental review and analysis and must comply with the requirements of CEQA.

- F. *State CEQA Guidelines Article 19, Section 15316, Class 16 establishes an exemption for “the acquisition, sale, or other transfer of land in order to establish a park where the land is in a natural condition or contains historical or archaeological resources.”*

The proposed fee program updates the mechanism for acquisition of land and collection of fees for the purpose of supporting the City’s established park LOS standard and rehabilitating existing recreational facilities. While there is no citywide master park plan or funds specifically committed for certain parks or recreation facilities, undeveloped open space may ultimately be acquired through fee program-funds. Any such acquisitions (though not yet identified) will be exempt pursuant to State CEQA Guidelines Section 15136.

IV. EXCEPTIONS TO THE USE OF CATEGORICAL EXEMPTIONS

The proposed ordinance does not satisfy the criteria for the exceptions to Categorical Exemptions as listed in State CEQA Guidelines, Article 19, Section 15300.2:

- A. **Location:** Classes 3, 4, 5, 6, and 11 are qualified by consideration of where the project is located. A project that typically has an insignificant effect on the environment may not be exempt from review if the project site is located in a particularly sensitive environment. If such exceptions to the exemptions apply, the categorical exemptions may not be utilized these classes may not be utilized where the project may impact on an environmental resource of hazardous or critical concern where designated, precisely mapped, and officially adopted pursuant to law by federal, state, or local agencies.

This exception applies to Classes 3 and 4 where the project is located in a particularly sensitive environment. The fee update and fee modification program enables the continued dedication of land and collection of fees for the purpose of maintaining the established park LOS and rehabilitating existing recreational facilities. No development or construction is planned or identified under the proposed program therefore, it would be too speculative to assume at this time that future park sites funded by the fee program would be constructed in a designated or mapped sensitive environment. Future park developments funded by the proposed ordinance will also undergo their own environmental review and analysis in compliance with CEQA.

The City designates, maps and officially adopts areas of special resources and hazards in the Safety Element of the General Plan. While the proposed ordinance is not a physical project, it is feasible that new or improved park and recreation facilities might be located within a sensitive area identified in the Safety Element. Each designated, adopted map area in the Safety Element has been reviewed in light of the proposed fee program. As the fee program will be applicable citywide but does not enable development or construction of any specific site, it would be highly speculative to assess impact to any mapped study areas and/or specific sites.

Therefore, this exception is not applicable.

- B. Cumulative Impact: The exception applies when, although a particular project may not have a significant impact, the impact of successive projects, of the same type, in the same place, over time, is significant.

The proposed fee update and fee structure modification allows for continued land dedication and collection of fees for the purpose of maintaining the City's established park LOS standard and rehabilitating existing recreational facilities. The proposed fee update applies citywide and does not include development or construction of any specific areas or sites, as such, it is not reasonably foreseeable at this time that cumulative impacts will occur.

Therefore, this exception is not applicable.

- C. Significant Effect Due to Unusual Circumstances: This exception applies when, although the project may otherwise be exempt, there is a reasonable possibility that the project will have a significant effect due to unusual circumstances.

There is no reasonable possibility that the proposed ordinance will have a significant effect due to unusual circumstances. The proposed fee update program enables the continued acquisition of land and collection of fees for the purpose of maintaining the City's established park LOS standard citywide and rehabilitating existing recreational facilities. Providing parks at the level proposed by the fee is not unusual in an urban setting such as the City of Los Angeles. It is not reasonably foreseeable at this point in time that the indirect effect of construction or development of park land in the City using the proposed fee will result in a significant effect due to unusual circumstances.

Future park-related projects funded through the fee update will undergo environmental review and analysis in compliance with CEQA.

Therefore, this exception is not applicable.

- D. Scenic Highways: This exception applies when, although the project may otherwise be exempt, there may be damage to scenic resources, including but not limited to, trees historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway.

The proposed fee update enables the continued acquisition of land and collection of fees for the purpose of maintaining the City's established park LOS standard and rehabilitating existing recreational facilities. The fee update does not include development or construction of park sites, nor is there a citywide master park plan or funding mechanism committed for specific parks or recreation facilities. Any attempt to determine site impacts before there is a specific commitment of funds and applicable sites would be highly speculative and not representative of the fee program as a whole. At this point in time, it is not reasonably foreseeable that the adoption of the fee will result in an indirect impact to a scenic highway. Future construction of

parks or facilities from fee program funds will also undergo environmental review and analysis in compliance with CEQA.

Therefore, this exception is not applicable.

- E. Hazardous Waste Sites: Projects located on a site or facility listed pursuant to California Government Code 65962.5.

The proposed fee update enables the continued acquisition of land and collection of fees, which for the purpose of maintaining the City's established park LOS standard and rehabilitating existing recreational facilities. Any attempt to identify and determine impacts to listed sites would be too speculative as the fee update applies citywide and does not include development or construction of any specific areas or sites. At this point in time, it is not reasonably foreseeable that the adoption of the fee will result in an indirect impact from construction or rehabilitation of a park on a site or facility identified on the Cortese list.

In addition, creation of new parks and rehabilitation of land and facilities funded by the proposed fee update will undergo environmental review and must comply with CEQA.

Therefore, this exception is not applicable.

- F. Historical Resources: Projects that may cause a substantial adverse change in the significance of an historical resource.

No development or construction projects are planned under the proposed fee update and fee structure modification (nor does the City have a citywide master park plan that would indicate potential future park sites or areas that would receive fee program funds). As no projects, sites or areas are known at this time, it would be too speculative to analyze site-specific impacts, and including potential adverse changes (if any) to historical resources as defined in State CEQA Guidelines Section 15064.5. Therefore, it is not reasonably foreseeable that the adoption of the fee update will result in direct or indirect adverse changes to the significance of any historical resources.

Therefore, this exception is not applicable.