

CITY OF CARLSBAD

Final Report

Park Land Dedication and In-Lieu Fee Study

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Executive Summary

The City of Carlsbad retained NBS Government Finance Group to prepare this study to calculate updated park land dedication requirements and fees in lieu of dedication for residential subdivisions in the City as authorized by the Quimby Act (Government Code Section 66477). The City's existing requirements for dedication of park land or payment of in-lieu fees are contained in Chapter 20.44 of the Carlsbad Municipal Code.

Organization of the Report

Chapter 1 of this report provides an overview of the legal requirements for establishing park land dedication and in-lieu fee requirements for residential subdivisions under the Quimby Act.

Chapter 2 contains data on population per unit factors and existing and future population estimates that are used in this report.

Chapter 3 calculates the acres of park land to be dedicated and the amount of fees in lieu of dedication per new residential unit for several categories of residential development, defined by unit size ranges.

Chapter 4 contains recommendations for adopting and implementing park land dedication requirements and in-lieu fees.

Development Data

Chapter 2 of this report presents data on existing population in Carlsbad and projections of the City's future population through buildout. Park land dedication and in-lieu requirements are applied on a per-unit basis, depending on estimated population per unit factors for the residential development categories defined in this report. Table 2.1 in Chapter 2 shows the estimated population per unit for each category of residential development.

Categories of residential development are defined in this report on the basis of unit size in square feet, whereas the categories used for the City's existing park land in-lieu fees are based on unit type (e.g., single-family detached or attached units and mobile homes). The reason this report recommends using unit-size categories for park land in-lieu fees is that, after 2022, the Mitigation Fee Act requires that impact fees be based on unit size. While that mandate does not apply to park land in-lieu fees adopted under the Quimby Act, using unit-size categories for the proposed park land in-lieu fees will allow for consistency in the event the City chooses to adopt impact fees for park improvements and recreation facilities in the future.

The Quimby Act requires that park land dedication requirements and fees in lieu of dedication must be based on the ratio of park acres to population at the time of the most recent federal census. Consequently, the City's 2020 population and the acreage of existing parks in 2020 is used in this report to establish the ratio of park acres to

population in 2020. Carlsbad’s 2020 census population is shown in Table 2.2 in Chapter 2. Carlsbad’s estimated January 2023 population is also shown in Table 2.2.

Table 2.3 in Chapter 2 shows a forecast of added population from 2023 to buildout and Table 2.4 shows a forecast of total forecasted population at buildout. The data in those tables is used to project potential revenue from park land in-lieu fees calculated in this report.

Park Land Dedication and In-Lieu Fees

Although the City’s 2020 ratio of park acres to population was somewhat less than 3.0 acres per 1,000 population, the Quimby Act specifically allows park land dedication requirements to be based on at least 3.0 acres per 1,000 population (0.003 acres per capita). Therefore, the amount of park acreage to be dedicated for each unit in a residential subdivision is based on the following formula:

$$\text{Acres per unit to be dedicated} = 0.003 \times \text{population per unit}$$

As discussed above, estimated population per unit varies by unit size category, so the acreage per unit to be dedicated, or the amount of the in-lieu fee to be paid, will also vary by unit size category.

The City may choose whether a particular subdivision must dedicate land for parks or pay a fee in lieu of dedication or a combination of the two. Fees in lieu of park land dedication are based on the required park acres per unit and the estimated cost per acre to acquire park land in Carlsbad.

Proposed Park Land In-Lieu Fees

Park land in-lieu fees per unit calculated in this report are shown in Table S.1, on the next page, for each category of residential development defined in this report. The difference among those categories is the estimated population per dwelling unit which is shown in Table 2.1 in Chapter 2. Although park land in-lieu fees are shown for each park district, the fees are identical for all park districts because the same land cost per acre was used for all park districts.

Table S.1: Proposed Park Land In-Lieu Fees per Unit

Development Type	Units ¹	NE Park District	NW Park District	SE Park District	SW Park District
Residential <800 Square Feet	DU	\$ 6,020	\$ 6,020	\$ 6,020	\$ 6,020
Residential 800-1,300 Square Feet	DU	\$ 9,850	\$ 9,850	\$ 9,850	\$ 9,850
Residential >1,300-2,000 Square Feet	DU	\$ 13,681	\$ 13,681	\$ 13,681	\$ 13,681
Residential >2,000-2,500 Square Feet	DU	\$ 18,059	\$ 18,059	\$ 18,059	\$ 18,059
Residential >2,500 Square Feet	DU	\$ 20,795	\$ 20,795	\$ 20,795	\$ 20,795

¹ DU = dwelling unit

Existing Park Land In-Lieu Fees

Carlsbad’s existing park land in-lieu fees are shown in Table S.2. As discussed previously, the categories used for the City’s existing park land in-lieu fees are based on unit type rather than unit size. Also, the existing in-lieu fees for the Northwest Park District were based on a higher land cost per acre than the existing in-lieu fees for the other park districts. In this study the same land cost per acre is used for all park districts.

Table S.2: Existing Park Land In-Lieu Fees per Unit

Development Type	Units ¹	NE Park District	NW Park District	SE Park District	SW Park District
Mobile Homes	DU	\$ 3,696	\$ 4,934	\$ 3,696	\$ 3,696
Attached Residential (more than 4 units)	DU	\$ 4,635	\$ 6,190	\$ 4,635	\$ 4,635
Attached Residential (4 units or less)	DU	\$ 4,804	\$ 6,414	\$ 4,804	\$ 4,804
Single-Family Detached and Duplex	DU	\$ 5,728	\$ 7,649	\$ 5,728	\$ 5,728

¹ DU = dwelling unit

Comparison of Existing and Proposed Park Land In-Lieu Fees

A direct comparison of existing and proposed park land in-lieu fees is complicated by the fact that the breakdown of development types used for the proposed fees is based on unit size categories while the existing fees are differentiated by unit type. Table S.3 compares the existing and proposed park land in-lieu fee schedules based on the amount of the fees, starting with the lowest fee category then stepping up to the next higher fee category in each schedule. Because there are five categories of proposed fees and only four categories of existing fees, the highest fee category in the existing fee schedule (Single-Family Detached and Duplex) is compared with both of the top two fee categories in the proposed fee schedule.

Table S.3 : Comparison of Existing and Proposed Park Land In-Lieu Fees

Development Type	Units ¹	NE Park District	NW Park District	SE Park District	SW Park District
Existing Mobile Home	DU	\$ 3,696	\$ 4,934	\$ 3,696	\$ 3,696
Proposed Residential <800 Square Feet	DU	\$ 6,020	\$ 6,020	\$ 6,020	\$ 6,020
Existing Attached Residential (more than 4 units)	DU	\$ 4,635	\$ 6,190	\$ 4,635	\$ 4,635
Proposed Residential 800-1,300 Square Feet	DU	\$ 9,850	\$ 9,850	\$ 9,850	\$ 9,850
Existing Attached Residential (4 units or less)	DU	\$ 4,804	\$ 6,414	\$ 4,804	\$ 4,804
Proposed Residential >1,300-2,000 Square Feet	DU	\$ 13,681	\$ 13,681	\$ 13,681	\$ 13,681
Existing Single-Family Detached and Duplex	DU	\$ 5,728	\$ 7,649	\$ 5,728	\$ 5,728
Proposed Residential >2,000-2,500 Square Feet	DU	\$ 18,059	\$ 18,059	\$ 18,059	\$ 18,059
Existing Single-Family Detached and Duplex	DU	\$ 5,728	\$ 7,649	\$ 5,728	\$ 5,728
Proposed Residential >2,500 Square Feet	DU	\$ 20,795	\$ 20,795	\$ 20,795	\$ 20,795

¹ DU = dwelling unit

Park Land In-Lieu Fees Charged by Nearby Cities

As part of this study, NBS did a survey of park land in-lieu fees as well as impact fees for park and recreation facilities in five cities near Carlsbad. Those cities are Encinitas, Escondido, Oceanside, San Marcos and Vista. Of those five cities, only three had adopted ordinances requiring dedication of land or payment of in-lieu fees for park land. However, all five cities charge fees for park land and/or park and recreation improvements. The comparison table below shows their current fees.

Note: Early in 2023, Oceanside completed a study to update its park fees for developers. However, as of March 6, 2024, the fee schedule posted on the City of Oceanside web site does not reflect the adoption of those new fees.

City of Carlsbad 2023 Park Land Dedication and In-Lieu Fee Study - Fee Comparison

		COMPARISON AGENCIES				
Facility Type	Units ¹	ENCINITAS ² (2016)	ESCONDIDO ³ (2023)	OCEANSIDE ⁴ (2023)	SAN MARCOS ⁵ (2022)	VISTA ⁶ (2022)
Residential - Multi-Family						
Park Land	DU	\$4,829		\$4,431		\$4,546
Park Improvements	DU	\$2,644	\$6,664		\$6,251	\$4,000
Trails	DU	\$112				
Total		\$7,585	\$6,664	\$4,431	\$6,251	\$8,546
Residential - Single-Family						
Park Land	DU	\$7,230		\$4,431		\$4,575
Park Improvements	DU	\$3,959	\$6,986		\$6,251	\$4,025
Trails	DU	\$168				
Total		\$11,357	\$6,986	\$4,431	\$6,251	\$8,600

¹ DU = dwelling unit

² Encinitas impact fees effective in 2016; Encinitas park land fees include fees for open space land acquisition

³ Escondido impact fees effective 2021

⁴ Oceanside impact fees effective 2023

⁵ San Marcos impact fees effective 2022

⁶ Vista impact fees effective 2022

Chapter 1. Introduction

Purpose

The purpose of this study is to calculate updated fees in lieu of park land dedication pursuant to the Quimby Act.

The Quimby Act

The Quimby Act (Government Code Section 66477) authorizes a city or county to require dedication of land, payment of fees in-lieu of dedication, or a combination of both, for park and recreational purposes as a condition of approval of a residential subdivision or parcel map. The city or county must adopt an ordinance that includes definite standards for determining the proportion of the subdivision to be dedicated and the amount of the in-lieu fees to be paid. It is important to note that park land dedication and in-lieu fee requirements authorized by the Quimby Act apply only to projects involving a subdivision or parcel map. These requirements do not apply to projects for apartment complexes.

Under the Quimby Act, land dedication and in-lieu fee requirements are based on the ratio of park acres to population in the jurisdiction. That ratio may not exceed three acres per thousand residents unless the existing ratio is higher and is capped at five acres per thousand residents. The population added by the subdivision is determined based on the number of dwelling units in the subdivision and the average population per unit.

The population and average number of persons per household in the city or county are to be based on the most recent federal census. Park acreage is to be based on the area of neighborhood and community parks in the city or county at the time of that census.

The land, fees, or combination thereof are to be used only for the purpose of developing new or rehabilitating existing neighborhood or community park or recreational facilities to serve the subdivision subject to the requirements. A 2013 amendment to the Quimby Act added a provision that in-lieu fees may be used for the purpose of developing new or rehabilitating existing park or recreational facilities in a neighborhood other than the neighborhood in which the subdivision paying the fees is located if certain conditions are met (see paragraph (a)(3)(B) of Section 66477). "Neighborhood" is not defined in the statute. In this study, the park districts defined by the City of Carlsbad will be considered neighborhoods in that context.

The Quimby Act requires that the legislative body adopt a general plan or specific plan containing policies and standards for parks and recreational facilities, and that the amount and location of land to be dedicated or the fees to be paid shall bear a reasonable relationship to the use of the park and recreational facilities by future inhabitants of the subdivision.

Only payment of in-lieu fees may be required for subdivisions containing 50 parcels or less, except when a condominium, stock cooperative or community apartment project exceeds 50 dwelling units, then dedication of land may be required.

Recent Legislation That May Apply to Park Land In-Lieu Fees

Several new laws enacted by the State of California since 2019 to facilitate development of affordable housing will affect the implementation of in-lieu fees calculated in this study. Below are brief overviews of some recently passed legislation.

SB 330 – The Housing Crisis Act of 2019. Amendments to existing law contained in SB 330 prohibit the imposition of new approval requirements on a housing development project once a preliminary application has been submitted. That provision applies to increases in impact fees and in-lieu fees, except when the resolution or ordinance establishing the fee authorizes automatic, inflationary adjustments to the fee or exaction.

AB 1483 – Housing Data: Collection and Reporting. AB 1483 requires that a city, county or special district must post on its website a current schedule of its fees and exactions, as well as associated nexus studies and annual reports. Updates must be posted within 30 days.

Facilities Addressed in this Study

This study addresses only requirements for park land dedication and fees in-lieu of park land dedication that are charged by the City in connection with approval of residential subdivisions and parcel maps. The acreage dedication requirements and in-lieu fees calculated in this report are intended to update the requirements of Chapter 20.44 of the Carlsbad Municipal Code.

Chapter 2. Development Data

This chapter presents data on existing and future development that will be used to calculate park land dedication requirements and in-lieu fees authorized by the Quimby Act in this report. Park land dedication requirements and fees in lieu of dedication imposed under the Quimby Act apply only to residential subdivisions and parcel maps. See Chapter 1 for a more extensive discussion of the Quimby Act.

Population data used in this chapter are based on information from the U.S. Census Bureau, the City of Carlsbad Community Development Department and other sources as noted in this chapter.

Study Area and Time Frame

The study area for this study is the area within the City of Carlsbad. The timeframe for future development in this study is defined as the period between 2023 and buildout of the City's development potential.

Development Types

The in-lieu fees calculated in this report will be applied to residential development resulting from residential subdivisions and parcel maps. These fees will not be applied to projects for apartment complexes. The residential development types defined in this study are listed below. Traditionally, in-lieu fees for residential development have been based on unit types such as single-family, multi-family and mobile home units. However, recent amendments to the Government Code as it pertains to impact fees imposed on housing development projects require that fees must be proportional to the square footage of proposed units of the development.

Although park land in-lieu fees governed by the Quimby Act are not required to be proportional to the square footage of residential units, this report defines residential development categories in terms of square footage so that those categories will be consistent with the categories used by the City of Carlsbad to charge certain types of impact fees. The list of development categories used in this study is shown below.

- Residential: < 800 Sq. Ft. per Unit
- Residential: > 800 – 1,300 Sq. Ft. per Unit
- Residential: > 1,300 – 2,000 Sq. Ft. per Unit
- Residential: > 2,000 – 2,500 Sq. Ft. per Unit
- Residential: > 2,500 Sq. Ft. per Unit

Population per Unit

The Quimby Act requires that park land dedication requirements and fees in lieu of dedication be based on the ratio of park acres to population at the time of the most recent decennial census. That ratio can be stated in terms of acres per capita so, logically, the amount of acreage to be dedicated or in-lieu fees to be paid for a certain type of residential unit depends on the population per unit for that category.

Table 2.1 shows population-per-unit factors estimated for residential unit size categories used in this study. The Census Bureau and Department of Finance collect data on population per unit, by unit type (e.g., single-family or multi-family), rather than by unit size. Consequently, we must estimate the population per unit for unit-size categories.

Population-per-unit factors shown in Table 2.1 were estimated using data on the distribution of units by number of bedrooms from the American Community Survey (ACS) Table B25041 and were checked against data in ACS Table B25009 showing the distribution of household sizes in Carlsbad.

The estimated population per unit for each category is adjusted so that, (1) the population per unit increases with unit size, and (2) the average population per unit and total population remain approximately the same as for the original data.

Table 2.1: Population per Unit by Unit Size

Unit Size in Sq Ft ¹	No. of Bedrooms	No. of Units ²	% of Units	Population per Unit ³	Population by Unit Size ⁴
<800	0-1	5,927	12.4%	1.10	6,519
800-1,300	2	12,926	27.1%	1.80	23,267
>1,300-2,000	3	15,503	32.5%	2.50	38,757
>2,000-2,500	4	9,281	19.4%	3.30	30,628
>2,500	5+	4,097	8.6%	3.80	15,570
Total/Average		47,734	100.0%	2.40	114,741

¹ Estimated square-feet-per-unit ranges based on number of bedrooms

² Distribution of units by number of bedrooms from American Community Survey (ACS) Table B25041, 2021 1-Year Estimates, adjusted to 2020 Census units

³ Population per unit used in this study estimated by NBS

⁴ Population by unit size = number of units X population per unit

Existing and Future Population

Tables 2.2 through 2.4 on the following pages present data on existing and future population in Carlsbad. Table 2.2, on the next page, shows existing population, both at the time of the 2020 Census and as of January 2023.

As noted previously, the Quimby Act requires park land dedication requirements and fees in lieu of dedication to be based on the ratio of park acres to population at the time of

the most recent decennial census. The 2020 population in Table 2.2 is used to establish that ratio along with the list of 2020 improved park acres in Table 3.1 in the next chapter. The 2023 population in Table 2.2 is used only for purposes of calculating the difference between existing population at the time of this study and forecasted buildout population in Table 2.4. That difference is shown as added population in Table 2.3, which is used to project revenue from in-lieu fees calculated in the next chapter.

Table 2.2: Existing Population - 2020 and 2023

	Existing Population ¹
2020 Census	114,735
January 1, 2023	117,800

¹ 2020 population from the 2020 Census; 2023 population from the July 2023 Draft Supplemental EIR for the Carlsbad Housing Element Implementation and Public Safety Element p. 4.11-6

Table 2.3 shows the projected increase in population in Carlsbad from 2023 to buildout. Added population is not used in the in-lieu fee calculations in this report. It is only used to project potential revenue from those fees.

Table 2.3: Added Population - 2023 to Buildout

	Added Population ¹
Added Population - 2023 to Buildout	23,870

¹ Added population to buildout = buildout population from Table 2.4 less existing 2023 population from Table 2.2

Table 2.4 shows a forecast of buildout population in the City.

Table 2.4: Forecasted Population at Buildout

	Buildout Population ¹
Forecasted Buildout Population	141,670

¹ Buildout population from the July 2023 Draft Supplemental EIR for the Carlsbad Housing Element Implementation and Public Safety Element Update, p. 4.12-19

Growth Potential

The forecasted buildout population shown in Table 2.4 represents an increase of approximately 20% from Carlsbad's 2023 population.

Chapter 3. Park Land Dedication and In-Lieu Fees

This chapter calculates park land dedication requirements and fees in lieu of dedication authorized by the Quimby Act. Those requirements would apply only to residential subdivisions and parcel maps and are intended to serve as the basis for possible amendments to Chapter 20.44 of the Carlsbad Municipal Code titled “Dedication of Land for Recreational Facilities.”

Park Land Dedication and In-Lieu Fees

Residential subdivisions and parcel maps are subject to the Quimby Act (Govt. Code Section 66477) which is part of the Subdivision Map Act. The Quimby Act authorizes cities and counties in California to require subdividers to dedicate land for parks or pay fees in lieu of dedication.

The City’s existing Quimby Act ordinance, codified in Chapter 20.44 of the Carlsbad Municipal Code bases park land dedication and in-lieu fee acreage requirements for subdivisions on a standard of 3.0 acres per 1,000 population. This analysis also uses a standard of 3.0 acres per 1,000, which is permitted by the Quimby Act, even though the City’s 2020 level of service was somewhat below that level.

Chapter 20.44 currently provides that the land cost per acre used to calculate park land in-lieu fees is to be based on the fair market value per acre of the land that would otherwise be dedicated. That fair market value is to be determined for each of four quadrants (aka park districts) ¹ in Carlsbad by periodic surveys of the value of undeveloped land in the City. A survey conducted by City staff and a real estate consultant at the time of this study estimated the fair market value of undeveloped land in the City and found that the same value should be applied to all quadrants.

Service Areas

Park land in-lieu fees calculated in this chapter are intended to apply to all residential subdivisions and parcel maps approved by the City. The fee calculation tables later in this chapter show in-lieu fees by park district, but the fees for all park districts are based on the same ratio of park acres to population and the same land cost per acre, so the in-lieu fees are the same for all park districts. However, it is the City’s policy that the park land in-lieu fees are to be spent in the park district where they were collected.

Methodology

This chapter calculates park land dedication requirements and in-lieu fees using the method outlined in the Quimby Act. That method bases the park land dedication

¹ The interior boundaries of the four quadrants are defined by El Camino Real running generally north and south, and Palomar Airport Road running generally east and west.

requirement on a ratio of park acres to population and the population per unit for a particular type of residential development.

The formula contained in Chapter 20.44 of the Carlsbad Municipal Code to be used in calculating the number of acres that must be dedicated by a subdivision is:

Population per dwelling unit X 3 acres per 1,000 population X number of units

Chapter 20.44 does not specify the population per dwelling unit to be used in that formula, saying only that it should be based on the most recent federal census. It is common practice for California cities to use population-per-unit factors based on the types of units contained in the subdivision. For example, on average, single-family dwelling units house more residents than multi-family units.

For the reasons discussed in Chapter 2, this report defines residential development types by unit size ranges. Population-per-unit factors used to calculate park acreage dedication requirements and in-lieu fees for subdivisions vary by unit size. Those factors are shown in Table 2.1 in Chapter 2 and are used in the fee calculation tables in this chapter.

Ratio of Park Acres to Population

Chapter 20.44 of the Carlsbad Municipal Code sets a standard of 3.0 acres per 1,000 population to be used in calculating park land dedication requirements and fees in lieu of dedication for residential subdivisions. That standard is consistent with the standard adopted in the Open Space, Conservation and Recreation Element of the Carlsbad General Plan (page 4-9). In addition, the Quimby Act provides that fees in lieu of park land dedication may be based on at least 3 acres per 1,000 residents, even if the relevant level of service is lower.² Consequently, this study uses 3.0 acres per 1,000 population (0.003 acres per capita) to calculate the park land dedication requirement and in-lieu fees for residential subdivisions.

Existing Level of Service

Table 3.1 on Page 3-4 lists the City's existing parks and the improved acres of each park as of 2020.

The list of parks in Table 3.1 includes some non-city-owned parks on leased land where the City has invested in substantial capital improvements (see the footnotes to Table 3.1). Table 3.1 does not include the Terramar Northern Bluff site, nor any of the school district properties for which the City has Joint Use Agreements, because the City has not provided capital improvements to them. Table 3.1 does not include Zone 5 Park, which is intended to serve non-residential development and is funded from a separate fee program.

² The Quimby Act sets a maximum level of 5 acres per 1,000 population, but that limit does not come into play in this case.

While most of the parks shown in Table 3.1 are listed in a single park district, the acreage of Veteran’s Memorial Park is split equally among the four park districts in the City to signify that it is intended to serve the entire City.

Table 3.1: 2020 Improved Park Acres

Park Name	Park Type	Park District	City-Owned Park Acres ¹	Improved Park Acres
Calavera Hills Community Park	Community Park	NE	16.81	16.81
Hidden Canyon Community Park	Community Park	NE	21.98	21.98
Calavera Hills Trailhead	Special Use Area	NE	0.34	0.34
Carlsbad Skate Park	Special Use Area	NE	3.38	3.38
Robertson Ranch Park	Special Use Area	NE	11.18	0.00
Veteran's Memorial Park (25% Share)	Community Park	NW	23.43	0.00
Subtotal NE Park District			77.12	42.51
Magee Park	Community Park	NW	2.06	2.06
Holiday Park	Community Park	NW	5.97	5.97
Laguna Riviera Park	Community Park	NW	4.20	4.20
Pine Avenue Community Park	Community Park	NW	8.16	8.16
Hosp Grove Park	Community Park	NW	27.09	27.09
Maxton Brown Park	Special Use Area	NW	0.94	0.94
Chase Field	Special Use Area	NW	2.73	2.73
Car Country Park	Special Use Area	NW	1.03	1.03
Carlsbad Senior Ctr/Pine Ave Community Ctr	Special Use Area	NW	3.37	3.37
Harding Community Center	Special Use Area	NW	0.97	0.97
Harold Smerdu Community Garden	Special Use Area	NW	1.31	1.31
Monroe Street Pool	Special Use Area	NW	1.97	1.97
Ocean St Sculpture Park/Tamarack Picnic Area ²	Special Use Area	NW	0.00	8.84
Pio Pico Park	Special Use Area	NW	0.80	0.80
Oak Park	Special Use Area	NW	0.18	0.18
Cannon Park ³	Special Use Area	NW	0.00	1.67
Cannon Lake Park	Special Use Area	NW	6.82	0.00
Hosp Grove Trailheads	Special Use Area	NW	7.60	7.60
Buena Vista Reservoir Park	Special Use Area	NW	3.16	0.00
Veteran's Memorial Park (25% Share)	Community Park	NW	23.43	0.00
Subtotal NW Park District			101.79	78.89
Alga Norte Park	Community Park	SE	32.11	32.11
Stagecoach Community Park	Community Park	SE	28.48	28.48
Leo Carillo Ranch Historic Park	Community Park	SE	27.38	27.38
La Costa Canyon Community Park	Community Park	SE	14.68	14.68
El Fuerte Park	Special Use Area	SE	3.67	3.67
Cadencia Park	Special Use Area	SE	4.04	4.04
Veteran's Memorial Park (25% Share)	Community Park	NW	23.43	0.00
Subtotal SE Park District			133.79	110.36
Aviara Community Park	Community Park	SW	24.28	24.28
Poinsettia Community Park	Community Park	SW	41.25	41.25
South Carlsbad Coastline Park	Community Park	SW	60.00	0.00
Veteran's Memorial Park (25% Share)	Community Park	NW	23.43	0.00
Subtotal SW Park District			148.96	65.53
Total			461.66	297.29

Source: City of Carlsbad Parks and Recreation Department

¹ Park land shown in this column is owned by the City

² Ocean St. Sculpture Park and Tamarack Picnic Area were improved by the City under a permit from the California State Parks Department

³ Cannon Park was improved by the City under a long-term lease from San Diego Gas and Electric

As noted previously, the Quimby Act requires that park land dedication requirements and fees in lieu of dedication must be based on the ratio of park acres to population at the time of the most recent federal census, which in this case is the 2020 Census. Table 3.2 calculates the ratio of park acres to population in Carlsbad at the time of the 2020 Census.

Table 3.2: 2020 Level of Service - Park Acres per 1,000 Population

2020 Park Acres ¹	2020 Population ²	2020 Acres per Capita ³	2020 Acres per 1,000 Pop ⁴
297.29	114,735	0.00259	2.59

¹ See Table 3.1

² See 2020 population in Table 2.2

³ 2020 acres per capita = 2020 park acres / 2020 population

⁴ 2020 acres per 1,000 population = 2020 acres per capita X 1,000

Fees in Lieu of Park Land Dedication

Whether a residential subdivision is required to dedicate land for parks or pay a fee in lieu of dedication or a combination of the two is at the discretion of the City, except for subdivisions of less than 50 lots which, under the Quimby Act, may not be required to dedicate land. Chapter 20.44 of the Carlsbad Municipal Code lists factors the City will consider in determining whether a subdivision will be required to dedicate land or pay fees in lieu of dedication.

Table 3.3 calculates the cost per capita, by park district, that will be used to calculate fees in lieu of park land dedication for Carlsbad. That calculation is based on the 3.0 acres per 1,000 population (0.003 acres-per-capita) standard and the estimated cost per acre to acquire park land in Carlsbad. Both factors, and the resulting cost per capita, are identical for all park districts. The list of property sales that were used to establish the land cost per acre is included in Appendix A.

The City’s policy is that park land in-lieu fees are spent in the park district in which the fees are collected.

Table 3.3: Cost per Capita - Park Land In Lieu Fee

Park District	Acres per Capita ¹	Land Cost per Acre ²	Cost per Capita ³
NE	0.00300	\$ 1,824,148	\$ 5,472.44
NW	0.00300	\$ 1,824,148	\$ 5,472.44
SE	0.00300	\$ 1,824,148	\$ 5,472.44
SW	0.00300	\$ 1,824,148	\$ 5,472.44

¹ Acres per capita = 0.003 acres per capita or 3 acres per 1,000 as permitted by the Quimby Act instead of the actual ratio of acres per capita at the time of the 2020 Census (see Table 3.2)

² Park land acquisition cost per acre based on a 2023 survey of fair market value for undeveloped land in Carlsbad; see Appendix A

³ Cost per capita = acres per capita X land cost per acre

Park Land In-Lieu Fees per Unit

Tables 3.4 through 3.7 show the calculation of park land in-lieu fees per dwelling unit by park district and unit-size category. Those fees are calculated using per-capita costs from Table 3.3 and population per dwelling unit factors from Table 2.1.

Table 3.4: Park Land In-Lieu Fees per Unit - Northeast Park District

Development Type	Units ¹	Cost per Capita ²	Population per Unit ³	In-Lieu Fee per Unit ⁴
Residential <800 Square Feet	DU	\$5,472.44	1.10	\$ 6,019.69
Residential 800-1,300 Square Feet	DU	\$5,472.44	1.80	\$ 9,850.40
Residential >1,300-2,000 Square Feet	DU	\$5,472.44	2.50	\$ 13,681.11
Residential >2,000-2,500 Square Feet	DU	\$5,472.44	3.30	\$ 18,059.07
Residential >2,500 Square Feet	DU	\$5,472.44	3.80	\$ 20,795.29

¹ Units of development: DU = dwelling unit

² See Table 3.3

³ See Table 2.1

⁴ In-lieu fee per unit = cost per capita X population per unit

Table 3.5: Park Land In-Lieu Fees per Unit - Northwest Park District

Development Type	Units ¹	Cost per Capita ²	Population per Unit ³	In-Lieu Fee per Unit ⁴
Residential <800 Square Feet	DU	\$5,472.44	1.10	\$ 6,019.69
Residential 800-1,300 Square Feet	DU	\$5,472.44	1.80	\$ 9,850.40
Residential >1,300-2,000 Square Feet	DU	\$5,472.44	2.50	\$ 13,681.11
Residential >2,000-2,500 Square Feet	DU	\$5,472.44	3.30	\$ 18,059.07
Residential >2,500 Square Feet	DU	\$5,472.44	3.80	\$ 20,795.29

¹ Units of development: DU = dwelling unit

² See Table 3.3

³ See Table 2.1

⁴ In-lieu fee per unit = cost per capita X population per unit

Table 3.6: Park Land In-Lieu Fees per Unit - Southeast Park District

Development Type	Units ¹	Cost per Capita ²	Population per Unit ³	In-Lieu Fee per Unit ⁴
Residential <800 Square Feet	DU	\$5,472.44	1.10	\$ 6,019.69
Residential 800-1,300 Square Feet	DU	\$5,472.44	1.80	\$ 9,850.40
Residential >1,300-2,000 Square Feet	DU	\$5,472.44	2.50	\$ 13,681.11
Residential >2,000-2,500 Square Feet	DU	\$5,472.44	3.30	\$ 18,059.07
Residential >2,500 Square Feet	DU	\$5,472.44	3.80	\$ 20,795.29

¹ Units of development: DU = dwelling unit

² See Table 3.3

³ See Table 2.1

⁴ In-lieu fee per unit = cost per capita X population per unit

Table 3.7: Park Land In-Lieu Fees per Unit - Southwest Park District

Development Type	Units ¹	Cost per Capita ²	Population per Unit ³	In-Lieu Fee per Unit ⁴
Residential <800 Square Feet	DU	\$5,472.44	1.10	\$ 6,019.69
Residential 800-1,300 Square Feet	DU	\$5,472.44	1.80	\$ 9,850.40
Residential >1,300-2,000 Square Feet	DU	\$5,472.44	2.50	\$ 13,681.11
Residential >2,000-2,500 Square Feet	DU	\$5,472.44	3.30	\$ 18,059.07
Residential >2,500 Square Feet	DU	\$5,472.44	3.80	\$ 20,795.29

¹ Units of development: DU = dwelling unit

² See Table 3.3

³ See Table 2.1

⁴ In-lieu fee per unit = cost per capita X population per unit

Projected Revenue

Table 3.8 shows projected revenue from park land in-lieu fees. Those revenue projections required some assumptions, one of which is that future development in the City will occur as forecasted in Chapter 2. But it is also necessary to make an assumption about the percentage of future residential units that will be required to pay fees in lieu of park land dedication.

Only developments that involve subdivisions, such as condominium and townhouse developments as well as new single-family lot developments, are required to pay park land in-lieu fees if they do not dedicate land for parks. Developments that do not involve subdivisions, such as apartment projects, are not subject to either dedicating land or paying park land in-lieu fees.

The City anticipates that most new residential units in Carlsbad will involve subdivisions. It is also expected that a large percentage of all new residential development in subdivisions will be required to pay in-lieu fees instead of dedicating land for parks. For purposes of projecting revenue from park land in-lieu fees, we will assume 65% as a rough estimate of the percentage of new residential units that will be subject to park land in-lieu fees.

Since it is not possible to project the mix of future unit sizes that will be constructed in Carlsbad, revenue from the park land in-lieu fees is projected in Table 3.8 based on added population and the cost per capita to acquire park land. Projected revenue calculated in Table 3.8 is shown in current dollars.

Table 3.8: Projected Revenue - Park Land In-Lieu Fees

Development Type	Added Population ¹	Pop Subject to Fees ²	Cost per Capita ³	Projected Revenue ⁴
Residential Subdivisions	23,870	15,516	\$5,472.44	\$84,910,441

¹ See Table 2.3

² 65% of added population assumed to be associated with development subject to to park land in-lieu fees; population subject to the park land in-lieu fees = added population X 0.65; see discussion in text above

³ See Table 3.3

⁴ Projected revenue = population subject to park land in-lieu fees X cost per capita

Updating the Fees

The fee amounts calculated in this chapter are based on the estimated cost per acre for undeveloped land in Carlsbad. That estimated cost should be reviewed annually and updated at least every five years. Chapter 20.44 of the Carlsbad Municipal Code outlines a process by which the land value estimates underlying the park land in-lieu fees can be updated.

Chapter 4. Implementation

This chapter of the report contains recommendations for adoption and administration of park land dedication requirements and in-lieu fees calculated in this study. This information was not prepared by an attorney and is not intended as legal advice.

Statutory requirements for the adoption and administration of park land in-lieu fees are found in the Quimby Act (Government Code Section 66477).

The City of Carlsbad has an existing ordinance governing park land dedication and fees in lieu of dedication (see Chapter 20.44 of the Carlsbad Municipal Code). That ordinance may need to be amended to adopt updated park land in-lieu fees calculated in this report.

Chapter 20.44 of the Carlsbad Municipal Code defines the method to be used to determine the amount of land to be dedicated or in-lieu fees to be paid by the developers of a subdivision. Section 20.44.030 provides that park land dedication and in-lieu fee requirements shall be based on standard of three acres per 1,000 population, which is consistent with the requirements of the Quimby Act. The Quimby Act, in subsection 66477(a)(3)(A), requires that dedicated park land and fees in lieu of dedication are to be used only for the purpose of developing new or rehabilitating existing neighborhood or community park or recreational facilities to serve the subdivision for which the land was dedicated, or the fees paid. That requirement is addressed in Section 20.44.090 of the Carlsbad Municipal Code.

The Quimby Act, in subsection 66477(a)(3)(B) provides that in-lieu fees may be used in a neighborhood other than the neighborhood in which the subdivision is located if certain requirements are satisfied. The term “neighborhood” is not defined in the statute. Section 20.44.090 of the Carlsbad Municipal Code requires that in-lieu fees be expended for facilities that serve the population within the park quadrant (park district) where the fees are collected.

The Quimby Act, in Subsection 66477(a)(5) provides that the amount and location of land to be dedicated or the fees to be paid shall bear a reasonable relationship to the use of the park and recreational facilities by future inhabitants of the subdivision. That provision is addressed in Section 20.44.090 of the Carlsbad Municipal Code.

The Quimby Act, in Subsection 66477(a)(9) requires that when a subdivider provides park and recreational improvements, including equipment to the land dedicated, the value of the improvements or equipment, as determined by the city council, shall be a credit against the payment of fees or dedication of land required by the ordinance. That provision is addressed in Section 20.44.130 of the Carlsbad Municipal Code.

The Quimby Act, in Subsection 66477(a)(8) provides that requirement to dedicate park land or pay fees in lieu of dedication does not apply to subdivisions of less than five parcels not used for residential purposes. That provision is addressed in Section 20.44.120 of the Carlsbad Municipal Code.

The Quimby Act, in paragraph 66477(a)(3)(B)(7) provides that only payment of in-lieu fees, not dedication of park land, may be required for subdivisions of 50 parcels or less, except that when a condominium project, stock cooperative or community apartment project exceeds 50 dwelling units, dedication of land may be required, notwithstanding that the number of parcels may be less than 50. That provision is addressed in Section 20.44.50 of the Carlsbad Municipal Code.

The Quimby Act, in subsection 66477(a)(6)(A) requires that the city shall develop a schedule specifying how, when and where it will use the land or fees, or both, to develop park or recreational facilities to serve the residents of the subdivision. Any fees collected shall be committed within five years after the payment of the fees or the issuance of building permits on one-half of the lots created by the subdivision, whichever occurs later. If the fees are not committed within that period, they, without any deductions, shall be distributed to the then record owners of the subdivision in the same proportion that the size of their lots bears to the total area of all lots in the subdivision. That provision is addressed in Section 20.44.100 of the Carlsbad Municipal Code.

APPENDIX A

Land Value Survey

City of Carlsbad – Land Value Survey

Property Address	Quadrant	City	Property Type	Secondary Type	Land Area (Ac)	Sale Price	Sale Date	Price Per Acre	Property Use
Twain Ave	NW	Carlsbad	Land	Residential	5.32	\$5,775,000	11/2/2021	\$ 1,085,526	
570-580 Laguna Dr	NW	Carlsbad	Land	Residential	0.75	\$5,000,000	1/22/2020	\$ 6,703,395	
Lanai Ct	NW	Carlsbad	Land	Residential	1.08	\$450,000	10/1/2020	\$ 416,665	
330 Chinquapin Ave	NW	Carlsbad	Land	Residential	0.44	\$2,850,000	11/16/2021	\$ 6,418,799	Custom Luxury Condo Development Opportunity
2690 Roosevelt St	NW	Carlsbad	Land	Residential	0.44	\$3,850,000	12/21/2021	\$ 8,764,359	
Ocean St	NW	Carlsbad	Land	Residential	0.08	\$1,670,000	2/9/2022	\$20,543,688	Vacant Lot for Development
2908-2924 Highland Dr	NW	Carlsbad	Land	Residential	1.26	\$4,100,000	4/19/2022	\$ 3,253,945	
0 Ponto Dr	SW	Carlsbad	Land	Residential	7.00	\$4,984,223	9/15/2022	\$ 712,032	Prime Oceanfront Vacant Land
Romeria St	SE	Carlsbad	Land	Residential	0.72	\$2,500,000		\$ 3,462,604	Entitled Apartment Complex
Totals>>					17.09	\$31,179,223			

Note: Weighted average price per acre = total sale price / total land area (acres) = **\$1,824,148**