

# Parks & Recreation Impact Fee Overview

December 2, 2025

# PARK & RECREATION IMPACT FEE

The Park & Recreation Impact Fee is a development fee which is used to fund new or expanded infrastructure to serve growth and development. These fees are charged on new development when the final parcel map is recorded and when permits are issued.

Impact fees are increased annually by the Engineering News Record Construction Cost Index (ENRCCI).

These fees are not allowed to be used for maintenance or to improve existing infrastructure.



# Current Park & Recreation Impact Fee Capital Plan (FY 2526 – FY 29/30)

|    | Project Description                         | 2025-26       | 2026-27      | 2027-28      | 2028-29       | 2029-30      | Total Projects |
|----|---|---------------|--------------|--------------|---------------|--------------|----------------|
| 1  | East Side Regional Park EIR                 | 106,600       |              |              |               |              | 106,600        |
| 2  | East Side Regional Park Site Master Plan    | 1,863,500     |              |              | 11,694,200    | 83,500       | 13,641,200     |
| 3  | East Side Regional Park Basin G             | 32,599        |              |              |               |              | 32,599         |
| 4  | East Side Regional Park Basin F             | 137,469       | 1,433,200    |              |               |              | 1,570,669      |
| 5  | East Side Regional Park (ESRP) Basin E      |               | 156,200      | 445,600      | 23,700        |              | 625,500        |
| 6  | Eastside Park Regional Park Basin D         | 510,159       |              |              |               |              | 510,159        |
| 7  | Riverway Sports Park North Parking Lot      | 1,614,790     |              |              |               |              | 1,614,790      |
| 8  | Riverway Community Dog Park                 | 49,433        |              |              |               |              | 49,433         |
| 9  | Victory Oaks 2-Acre Neighborhood Park       | 2,250,000     | 1,250,000    |              |               |              | 3,500,000      |
| 10 | Road 148-Mineral King to St. John's Parkway | 3,403,500     | 160,700      | 8,690,000    |               | 8,300,000    | 20,554,200     |
| 11 | Elliot Property 4-Acre Neighborhood Park    | 5,197,370     |              |              |               |              | 5,197,370      |
| 12 | Pearlwoods 5-Acre Neighborhood Park         | 3,042,372     |              |              |               |              | 3,042,372      |
| 13 | City Inclusive Park                         | 33,593        |              |              |               |              | 33,593         |
| 14 | Removal of Orchard Eastside Regional Park   | 37,393        |              |              |               |              | 37,393         |
| 15 | Goshen-Virmargo Park/Pond Design            |               |              |              | 1,700,000     |              | 1,700,000      |
| 16 | Park Master Plan Update                     | 100,000       |              |              |               |              | 100,000        |
| 17 | Southside Open Space and Basin              |               | 944,600      |              |               |              | 944,600        |
| 18 | New Recreation Center                       |               |              | 50,000       | 20,000,000    |              | 20,050,000     |
|    | Total                                       | \$ 18,378,778 | \$ 3,944,700 | \$ 9,185,600 | \$ 33,417,900 | \$ 8,383,500 | \$ 73,310,478  |

# PARK & RECREATION IMPACT FUND – 5 YR FINANCIAL SUMMARY

|                                  | FY 25-26           | FY 26-27           | FY 27-28           | FY 28-29            | FY 29-30            | 5 Yr<br>Summary     |
|----------------------------------|--------------------|--------------------|--------------------|---------------------|---------------------|---------------------|
| Beginning Cash Balance           | 12,083,131         | (3,155,607)        | (3,867,684)        | (9,724,828)         | (39,715,107)        | 12,083,131          |
| Park & Recreational Impact Fees  | 2,681,778          | 2,775,640          | 2,872,788          | 2,973,335           | 3,077,402           | 14,380,944          |
| Interest Earnings                | 483,325            | 483,300            | 483,300            | 483,300             | 483,300             | 2,416,525           |
| Operating Expenditures           | (25,064)           | (26,317)           | (27,633)           | (29,014)            | (30,465)            | (138,492)           |
| Capital Improvements             | (18,378,778)       | (3,944,700)        | (9,185,600)        | (33,417,900)        | (8,383,500)         | (73,310,478)        |
| <b>Total Resources Available</b> | <b>(3,155,607)</b> | <b>(3,867,684)</b> | <b>(9,724,828)</b> | <b>(39,715,107)</b> | <b>(44,568,370)</b> | <b>(44,568,370)</b> |

Capital costs do not include:

- Aquatic Center;
- East Side Regional Park construction; or
- Additional Projects that will be determined with the updated Master Plan

# CURRENT PROJECTS NEEDING ADDITIONAL FUNDING

| Project                                | Project Cost         | Total Budget         | Shortfall              | Comments                    |
|--|----------------------|----------------------|------------------------|-----------------------------|
| Dog Park                               | 2,000,000            | 300,000              | (1,700,000)            | Includes GF Grant \$177,952 |
| Riverway Sports Park North Parking lot | 3,701,000            | 1,701,000            | (2,000,000)            |                             |
| Pearlwoods Park                        | 7,567,500            | 3,042,372            | (4,525,128)            |                             |
| Inclusive Park                         | 9,780,352            | 7,880,352            | (1,900,000)            |                             |
| <b>Total</b>                           | <b>\$ 23,048,852</b> | <b>\$ 12,923,724</b> | <b>\$ (10,125,128)</b> |                             |

Parks and Recreation Staff will return on Dec 15<sup>th</sup> to present:

- Conceptual designs for parks at Elliott Property and Pearl Wood. Staff will also request to transfer funds from existing projects.
- Aquatic Center estimates as directed by Council.

# PARK & RECREATIONAL IMPACT FEE

|               | Paid when<br>Recoding Final<br>Map (\$/Unit) | Paid with<br>Building Permit<br>(\$/Unit) | Total Cost<br>Per Unit |
|---------------|--|---|------------------------|
| Single-Family | \$ 2,035                                     | \$ 2,749                                  | \$ 4,784               |
| Multi-Family  | \$ 1,791                                     | \$ 2,418                                  | \$ 4,209               |
| Mobile Home   | \$ 1,395                                     | \$ 1,882                                  | \$ 3,277               |

| Permits Issued                   | 2021       | 2022        | 2023       | 2024       | 2025*      |
|----------------------------------|------------|-------------|------------|------------|------------|
| New Single Family Dwelling Units | 636        | 560         | 335        | 270        | 525        |
| New Multi family Units           | 204        | 691         | 12         | 327        | 142        |
| <b>Total Units</b>               | <b>840</b> | <b>1251</b> | <b>347</b> | <b>597</b> | <b>667</b> |
| * 2025 through Nov 2025          |            |             |            |            |            |

The impact fee collected is approximately \$2.6 million annually. Based on Pearl Wood Park estimated cost of \$7.5 million, the entire fee for 3 years would need to be dedicated for the park which equates to 1,568 single family houses.

What can be done to solve the  
funding shortfall?



# CURRENT FUNDING OPTIONS AVAILABLE NOW

- 1. Continue to pursue additional grants** – competitive and not guaranteed
- 2. Direct General Fund money towards projects** – This would take away from operations or limit any additional capital needed for other departments
- 3. Use one-time monies** – property sales and surplus funds. This option is very limited due to available properties and the amount of surplus available.

# ADDITIONAL FUNDING OPTIONS

- 1. Increase Park Impact Fee** – This is expected to be a recommendation once the Parks Master Plan is completed in Spring 2027.
- 2. Increase Transient Occupancy Tax (TOT)** – each 1% increase would generate approx. \$500,000 annually.
- 3. Increase Sales Tax** – Each .25% increase would generate approx. \$9 million annually. Maximum sales tax rate for Tulare County is 9.25%, which is .75% higher than Visalia's current rate. An additional .75% would generate an additional \$27 million.
- 4. Implement Utility Users Tax (UUT)** – Visalia and Farmersville are the only two cities in Tulare County that do not have Utility Users Tax. Cities in Tulare County range between 5-7%. 1% would generate approx. \$2.5 million annually (6% would generate approx. \$15 million)
- 5. Implement Cannabis Retail Sales Tax** – Estimates vary, but it's projected that cannabis could generate an additional \$500,000 a year.

# TAX RATES FOR TULARE COUNTY CITIES'

|                     | Share of 1%<br>Property Tax<br>Rate | Sales Tax<br>Rate | Sales Tax<br>Override | Utility<br>Users Tax<br>Rate | TOT Tax       | Cannabis<br>Tax (retail) |
|---------------------|-------------------------------------|-------------------|-----------------------|------------------------------|---------------|--------------------------|
| <b>Dinuba</b>       | <b>18.79%</b>                       | 8.50%             | 1.25%                 | <b>7.00%</b>                 | 10.00%        | NONE                     |
| <b>Exeter</b>       | 15.32%                              | 8.75%             | 1.50%                 | 5.00%                        | 8.00%         | 10.00%                   |
| <b>Farmersville</b> | 11.81%                              | 8.75%             | 1.50%                 | NONE                         | 10.00%        | 10.00%                   |
| <b>Lindsay</b>      | 14.79%                              | 8.75%             | 1.50%                 | 6.00%                        | 8.00%         | NONE                     |
| <b>Porterville</b>  | 11.80%                              | <b>9.25%</b>      | <b>2.00%</b>          | 6.00%                        | <b>12.00%</b> | 10.00%                   |
| <b>Tulare</b>       | 14.09%                              | 8.25%             | 1.00%                 | 6.00%                        | 10.00%        | 10.00%                   |
| <b>Visalia</b>      | 11.57%                              | 8.50%             | 1.25%                 | NONE                         | 10.00%        | NONE                     |
| <b>Woodlake</b>     | 15.76%                              | 8.75%             | 1.50%                 | 6.00%                        | NONE          | 10.00%                   |



## **RECOMMENDATION:**

Staff recommends Council receive the Park & Recreation Facilities funding update and revenue options.

