

## Park fees may stop project

Whittier Daily News, The (CA)-December 21, 2007  
Author: Mike Sprague, Staff Writer

---

WHITTIER - Another housing development here could be in jeopardy over the level of park fees the city charges home developers.

Hagop Sargisian, owner of Beverly Hills-based HDS Group, said a city requirement that his company pay an estimated \$2.7 million would kill his project to build 96 condominiums on a five-acre site at 16050 and 16110 Whittier Blvd.

"The fee would render the entire project as cost prohibitive," Sargisian said in a prepared statement e-mailed to this newspaper.

The state's Quimby Act allows cities to require developers to make a donation of land or a payment of fees for parks. The amount of the fees is determined by the size of the development project.

As the price of land has skyrocketed, so have those fees.

Whittier had a similar dispute with MBK Ravello over the level of fees for 114 Whittwood town-homes and ended up reducing the charges from about \$3 million to \$1 million in a September 2006 settlement.

Sargisian said he had thought the city was going to amend its zoning code to reduce the amount of its park fee.

"We recently learned that no amendment to the code has been adopted since we received approval of our tentative tract map," Sargisian stated. "Our (Wednesday) letter to the City raised this issue and requested a resolution to this issue."

Following that letter, the City Council met Thursday in closed session to give direction to city staff.

Jeff Collier, director of community development, said he couldn't divulge what was discussed, but hoped that a settlement could be reached.

Collier said he agrees with Sargisian that the fee is too high, adding that it's much higher than what other cities charge.

"(The city fee) probably would cost them \$2 million more in park fees than other cities," Collier said.

"I can understand how \$2 million would break the pro forma," he said referring to the HDS Groups' financial plans. "We'll get direction from the council and see where this leads."

Collier said the city is moving to amend its park fee structure, but it's taking longer than planned.

Staff from the city's Parks and Community Service departments must put together an updated improvement list, then that must go to the Accessibility Committee and Parks and Recreation Commission.

Once the list is completed and the city knows how much money is needed, it can figure out what the fee should be, Collier said.

Collier said the list should be completed in January, enabling the new park fee ordinance to go to the Planning Commission in March.

HDS needs a resolution on the park fee as well as approval of other items, including an affordable housing agreement and other plans, by the city before it can start construction on the homes.

---

[mike.sprague@sgvn.com](mailto:mike.sprague@sgvn.com) - (562) 698-0955, Ext. 3022

Section: News - Record Number: 7784296

(c) 2007 The Whittier Daily News. All rights reserved. Reproduced with the permission of Media NewsGroup, Inc. by NewsBank, Inc.