



Memorandum

TO: RULES AND OPEN
GOVERNMENT COMMITTEE

FROM: Mayor Chuck Reed

SUBJECT: PARKLAND FEES

DATE: October 21, 2009

APPROVED:

Chuck Reed
CJR

DATE:

RECOMMENDATION

1. Discuss methods to amend parkland agreements with developers that are in default or have upcoming payments of in-lieu fees even though their projects will not start construction for a long time; and,
2. Direct staff to do a workload assessment for developing recommendations for City Council consideration.

BACKGROUND

Two development projects have fees due in December 2009. On December 8th the Castle Group is required to pay \$4.2 million in parkland fees for the Morrison Park project on Stockton Avenue. On December 23rd, a \$2.2 million payment is due on the Northpointe Apartments and Condo project in North San Jose. Five other development projects are currently in default of payment of parkland fees in amounts ranging from \$20,000 to \$350,000. Final maps were approved on each of these projects over a year ago, but the developers are not in a position at this time to pull building permits and proceed with construction of the entitled units. Perhaps payments can be deferred until projects are ready to move forward.

Staff should research the matter and present a potential solution for consideration by the Rules Committee and the City Council as soon as possible.