

**MAY 19, 2022**

# HOW PARKS ARE MADE IN SAN JOSÉ

**Community Meeting on the Fees  
that Support Parkland Development**

**Nicolle Burnham, Deputy Director, [nicolle.burnham@sanjoseca.gov](mailto:nicolle.burnham@sanjoseca.gov)**

**Rebekah Ross, Planner IV, [rebekah.ross@sanjoseca.gov](mailto:rebekah.ross@sanjoseca.gov)**

The meeting will start at 6:30 p.m. via Zoom - **Webinar ID: 913 7026 7004**

**Via this link:** [bit.ly/3MxsQ6u](https://bit.ly/3MxsQ6u) **OR** web address: [sanjoseca.zoom.us/j/91370267004](https://sanjoseca.zoom.us/j/91370267004)

Or by Toll Free Telephone: +1 877 853 5257 or 888 475 4499

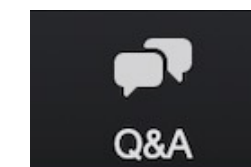
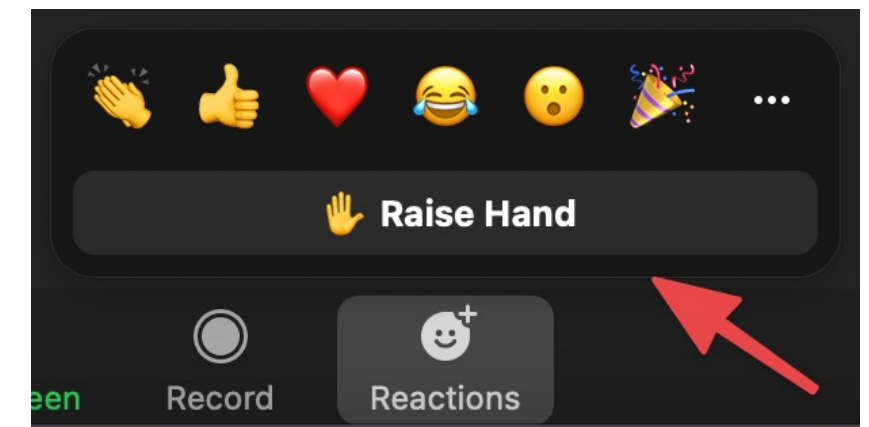
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**\*This meeting will be recorded and posted on the City's website for public viewing.**

# RULES OF CONDUCT

- All participants shall be respectful and courteous
- Unruly or disrespectful behavior (including off topic comments) warrants removal
- The public comment period begins after the presentations
- To request to comment by phone, click \*9.
- To request to speak via zoom, use the "Raised Hand" feature.
- You will be able to 'unmute' once City staff identifies the speaker.
- You can also type a question or comment in the "Q & A" box.



You may also email staff during the meeting at:

[PRNSPlanning@sanjoseca.onmicrosoft.com](mailto:PRNSPlanning@sanjoseca.onmicrosoft.com)

# THE TEAM



## City Staff

### Parks, Recreation and Neighborhood Services Department

- **Deputy Director:** Nicolle Burnham
- **Planner IV:** Rebekah Ross
- **Planner III:** Zacharias Mendez
- **Planner II:** Leonel Tapia
- **Interim Planner:** Marybeth Bowman

### Office of Economic Development

- **Housing Catalyst Team:** Jerad Ferguson

### Housing Department

- **Senior Development Officer:** Darius Brown

## Fee Study Taskforce

### Council District Representation

- **Vice Mayor/D1:** Bob Levy
- **District 2:** Helen Chapman
- **District 3:** Ingrid Quigley
- **District 4:** Mike Bertram
- **District 5:** Peter Ortiz
- **District 6:** Chris Shay
- **District 7:** Tasha Tenurier
- **District 8:** Jeannette Marsala
- **District 9:** Rudy Flores
- **District 10:** Robert Braunstein

### Industry Representation

#### Market Rate Residential Projects

#### Low/mid Density Housing

- Olya Krasynth

#### High Density/Downtown Towers

- Erik Schoennauer

#### Commercial Development

- Peter Given

#### Affordable Housing

- **Advocacy:** Rick Gosalvez
- **Development:** Joe Head

## dta Consultant

- **President/CEO:** David Taussig
- **Senior Associate:** Valerie Merklin
- **Senior Associate:** Kyle Martinez
- **Manager:** Jian Wu

# AGENDA

## Part 1 – Why We Are Here

- Goals of the City and What We Need
- How we meet our Goals
- Why This Is Important – Former Park Commissioners Perspective
- Questions & Answers

## Part 2 – Fee Analysis

- Why This is Important - Developers (Builders) Perspective
- Fee Analysis
- Questions & Answers

## Part 3 – Next Steps



# CITY'S GOALS



The City's population is expected to grow by 285,731 people by 2040.

**By 2040, the City's aims to provide every 1,000 people:**

3.5

ACRES OF NEIGHBORHOOD PARKLAND



PROVIDE ACCESS TO A PARK WITHIN 1/3 OF A MILE OF NEW HOUSING

7.5

ACRES OF REGIONAL PARKLAND

100

TOTAL MILES OF INTERCONNECTED TRAIL NETWORK BUILT

500

SQUARE FEET OF COMMUNITY CENTER SPACE

*Learn more at [bit.ly/3w7Qwjk](https://bit.ly/3w7Qwjk)*

# IMPACT FEES

Residential housing builders, also known as developers, are required to dedicate land to the City. Developers must dedicate **three acres of land for every 1,000 people**.

*This requirement is not the same as the City's goal to provide 3.5 acres of land per 1,000 people.*

The developer can:



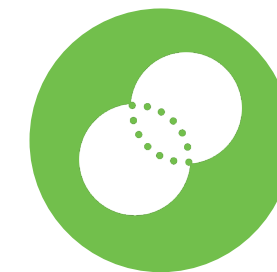
**(A) BUILD A NEW PARK, TRAIL, OR COMMUNITY CENTER**



**(C) PAY AN IMPACT FEE**



**(B) IMPROVE AN EXISTING FACILITY**



**(D) DO A COMBINATION OF THESE OPTIONS**

This lessens the impact new residents have on existing parks, trails, and community centers.



# IMPACT FEES

- Supports buying land, building or improving public parks, trails, and community centers
- Second largest funding source for projects
- Fills a deficit that would have to be provided through other sources if not received (i.e., taxes, General Fund, etc.)
- *These fees cannot be used for operation or maintenance.*
- Improvements offset maintenance costs

# RESULTS

Because of residential development park impact fees

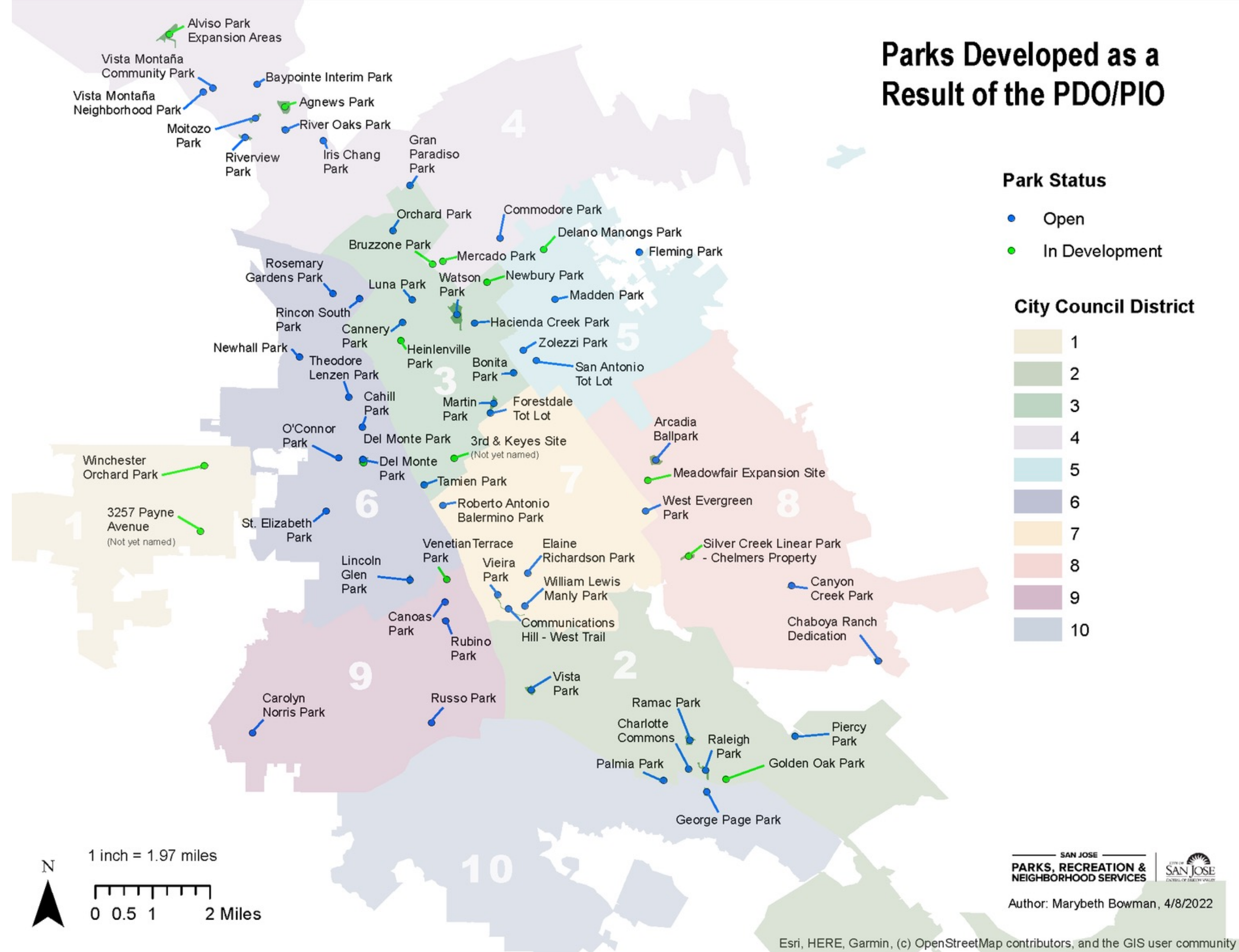
IN THE PAST 20 YEARS

51

PARKS HAVE BEEN MADE or GREATLY IMPROVED

15

NEW PARKS ARE IN DEVELOPMENT



SAN JOSE  
PARKS, RECREATION & NEIGHBORHOOD SERVICES  
CITY OF SAN JOSE  
CAPITAL OF SILICON VALLEY  
Author: Marybeth Bowman, 4/8/2022

SAN JOSE  
PARKS, RECREATION & NEIGHBORHOOD SERVICES  
CITY OF SAN JOSE  
CAPITAL OF SILICON VALLEY  
Building Community Through Fun





# FEE STUDY

- Report that outlines the need for a fee
- Shows a ‘reasonable relationship’ between a fee charged and how it will be used
- Informs city staff, the public, and decision makers
- City hasn’t studied ‘parks fees’ in a long time
- Is the legal justification for the fee
- We hired DTA Consultants to prepare a report



# COST TO IMPROVE

- City needs land for new parks *and* money to build them.
- Current program, fees are used for both.
- This can result in a smaller park with fewer features.
- We are considering adding an improvement fee in addition to the land dedication fee.
- Improvement fees cannot be used for operations or maintenance.

# THE COST TO BUY LAND

*Depends on location*

**The average total cost to purchase one-acre of land ranges from \$1.25 million (in Edenvale) to \$8.25 million (in downtown.)\***



\* This is an estimate. Updated land values will be presented in a final report.

# THE COST TO IMPROVE PARKLAND



*Based on the cost of 10 recent park projects*

*The average total cost of a one-acre park is  
**\$6.4 - \$6.8 Million\****



\* This is an estimate. Updated Improvement Costs will be presented in a final report.

**WHY THIS IS  
IMPORTANT**

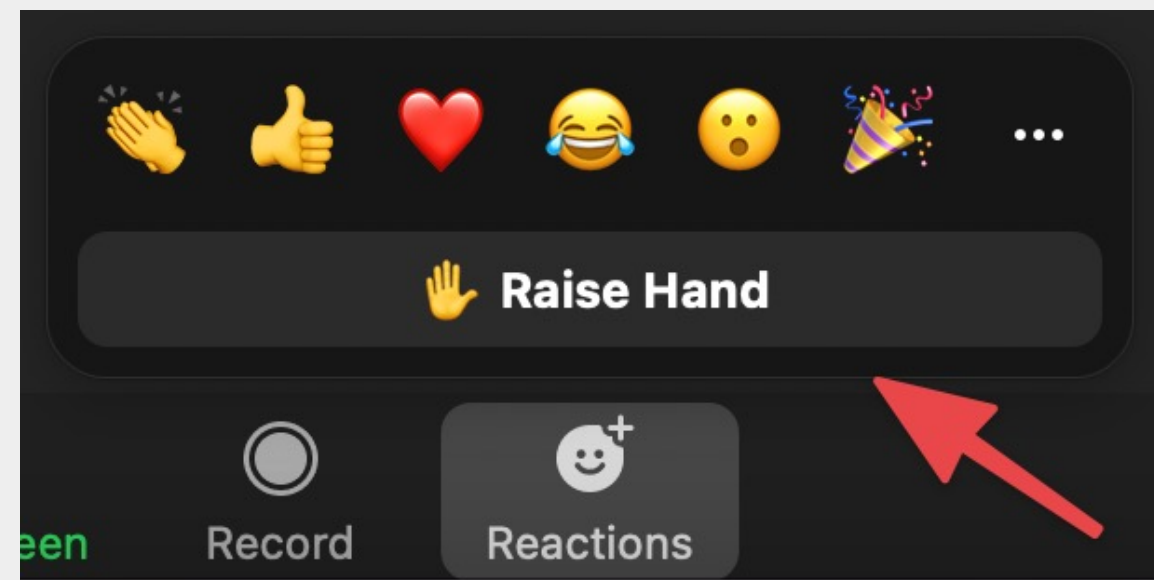
**PRESENTATION BY  
FORMER PARK  
COMMISSIONERS**

# END OF PART I: Q&A

1:48

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If needed, public comments will be limited to **one or two minutes per speaker.**



# PART 2

# PRELIMINARY

# FEE ANALYSIS



**WHY THIS IS  
IMPORTANT**

**PRESENTATION  
A DEVELOPER'S  
PERSPECTIVE**

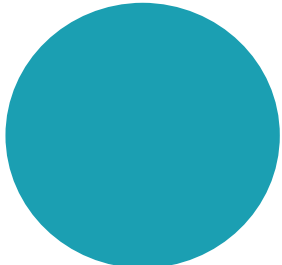


# CALCULATING FEES

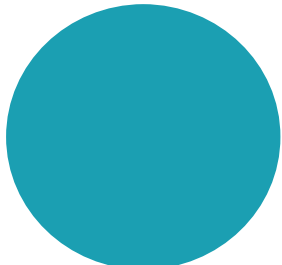
*There are many ways to calculate the fees*



*We're evaluating two approaches...*



Citywide



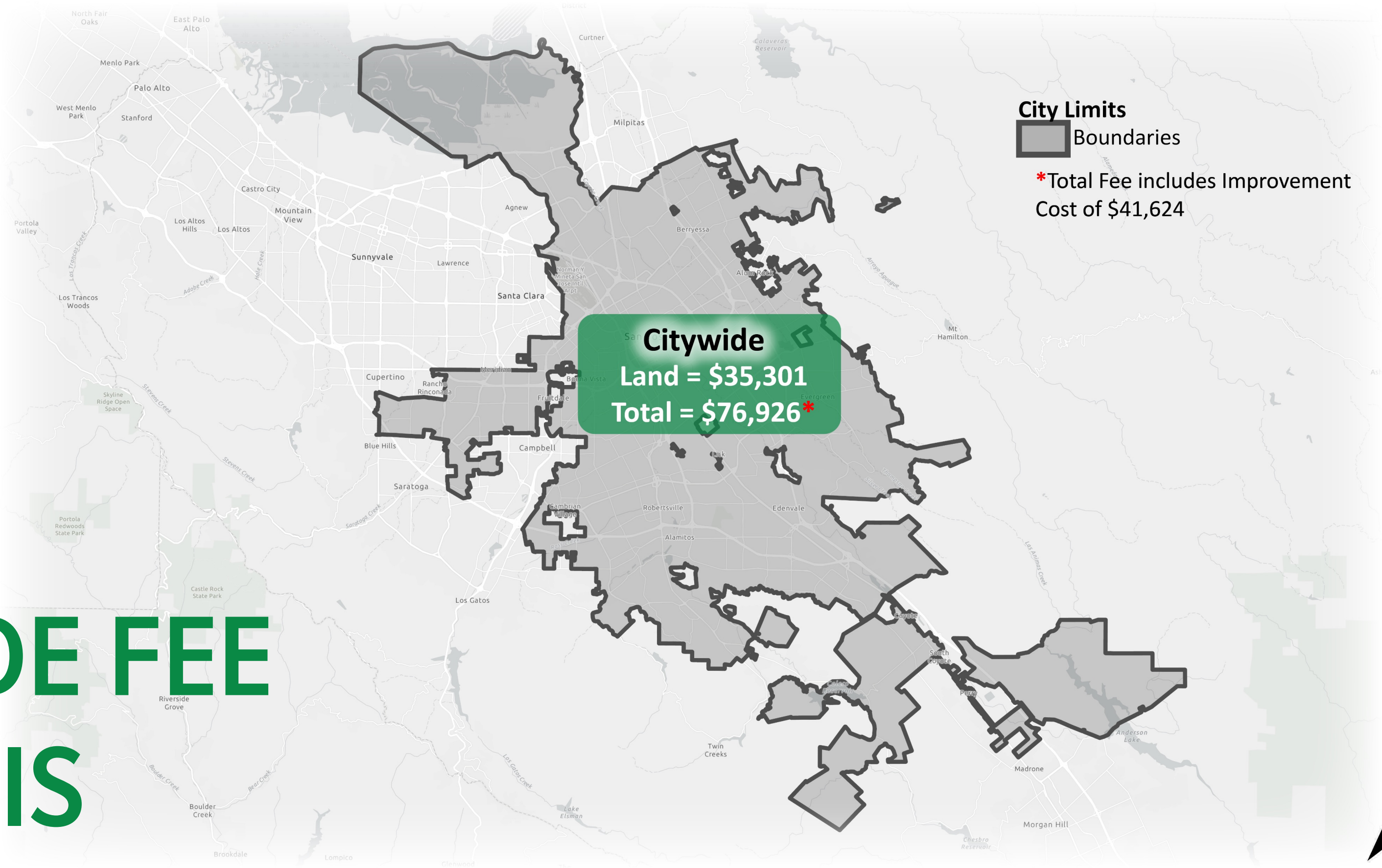
Affordable Housing Areas

\*We have City Council Direction to study a Commercial Fee. This will be presented at a later meeting.

# BASIS OF THE FEE STRUCTURE

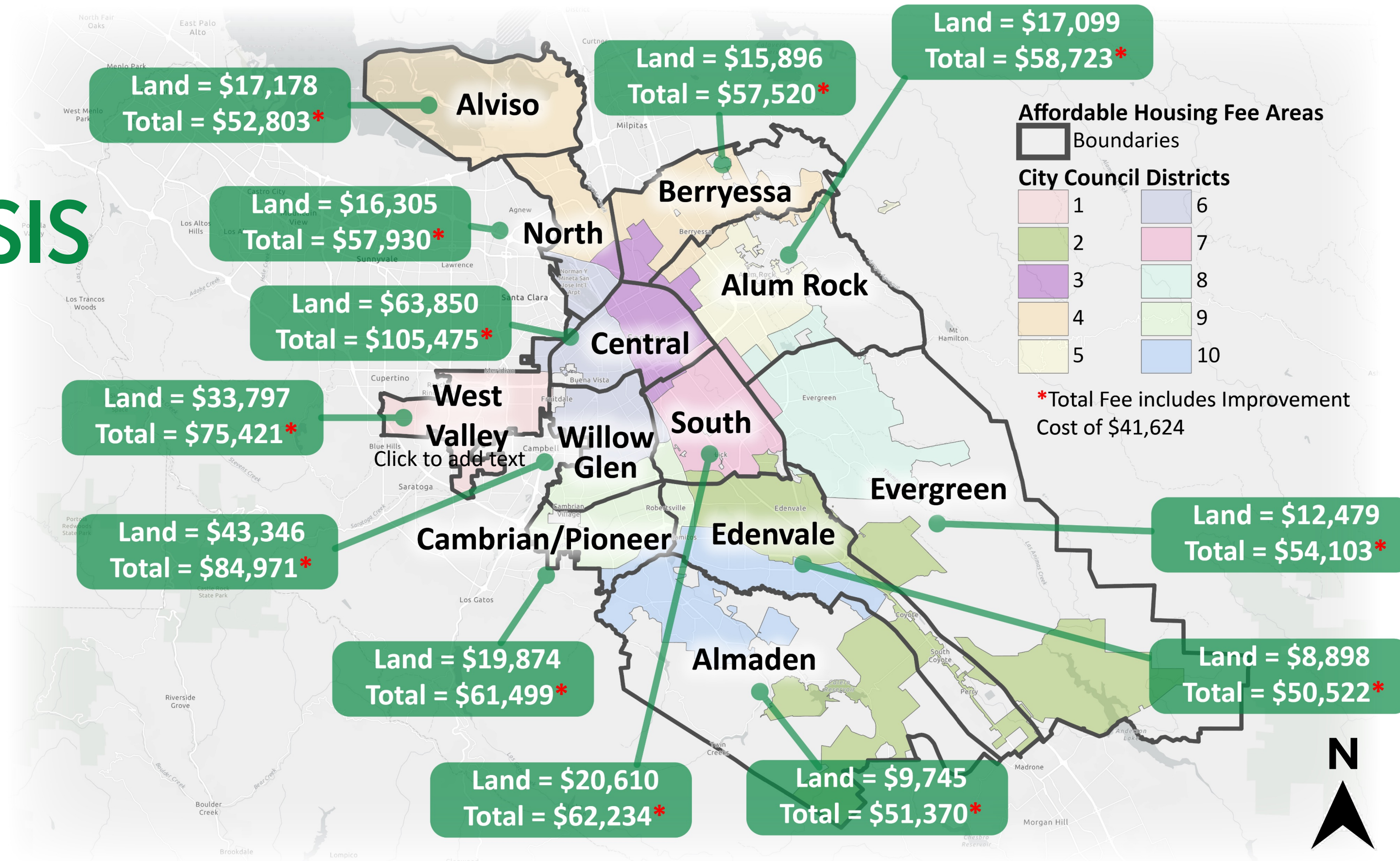
- Land Acquisition Cost Per Acre and Construction Cost Per Cost Per Acre are Converted to Equivalent Dwelling Units (EDU)
- The base of the EDU is a single-family home
- The EDU normalizes values and allows for development of a fee that is applicable across different types of housing

Note: This analysis is preliminary and based on currently available information. The final park fee will be determined based on a number of factors that are not fully considered at this time.



# CITYWIDE FEE ANALYSIS

# HOUSING DEPT. MAP FEE ANALYSIS



Note: This analysis is preliminary and based on currently available information. The final park fee will be determined based on a number of factors that are not fully considered at this time.

# CREDITS THAT MAY LOWER THE FEE

Developers can apply to lower the fee through a credit program. Different credit types can be combined to lower the fee up to 75% (or more).



## Private Recreation

(on site recreational amenities)

Up to 50% off the gross fee



## Affordable Housing

Low and some Moderate Income

50% off each qualifying unit



## Existing Housing

Credit given for land value

based on housing type



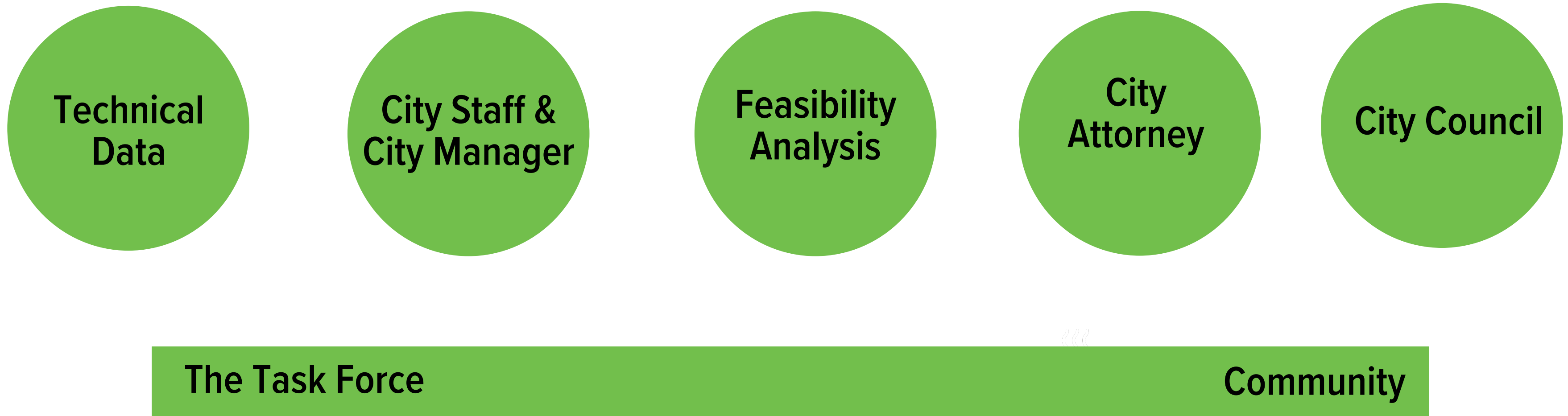
## Recreational Stormwater

### Treatment Areas

Land value based on square footage

We are also evaluating the Private Recreation Credit program. Possible changes to this program will be presented in future public meetings.

# HOW WILL THE FINAL FEE BE DETERMINED?

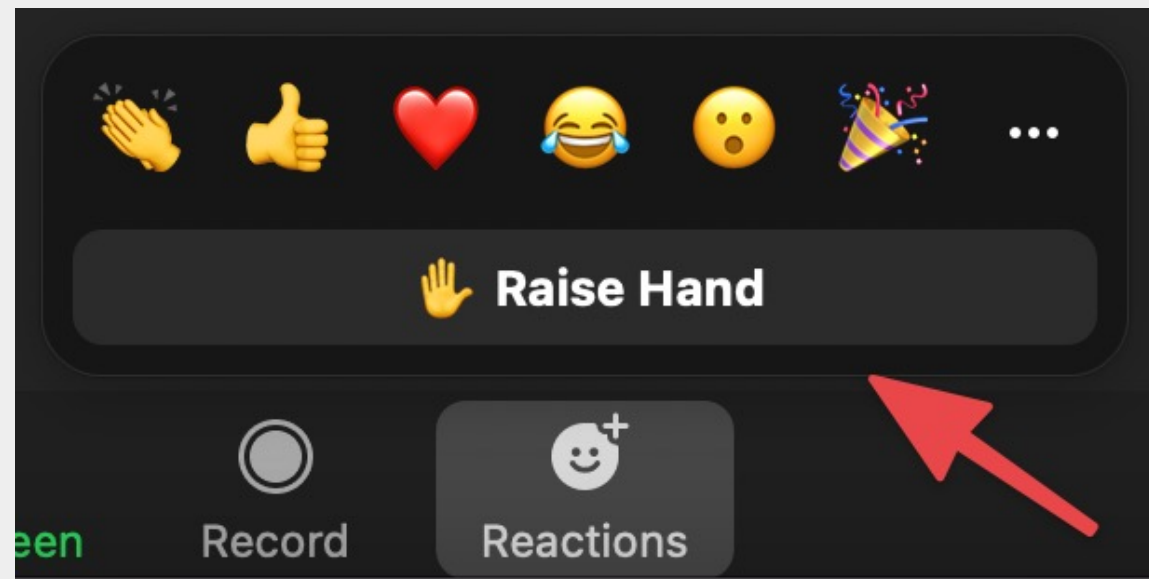


# END OF PART II: Q&A

1:48

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# Opportunities for future engagement



## Two Additional Community Meetings in late Summer & Fall 2022

Dates TBD

## Updates and Reports in Summer & Fall 2022

2022

- Parks and Recreation Commission
- Senior Commission
- Youth Commission
- Neighborhoods Commission
- Community and Economic Development Committee

## City Council

Aim for consideration in Winter 2022-2023





# RESOURCES & HOW TO STAY INVOLVED

**Fee Study Webpage**  
[bit.ly/PRNS-PDOPIO](https://bit.ly/PRNS-PDOPIO)

**Join our Mailing List and/or Contact Staff**  
Rebekah Ross, Planner IV at [rebekah.ross@sanjoseca.gov](mailto:rebekah.ross@sanjoseca.gov)