



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Albert Balagso
Larry D. Lisenbee

SUBJECT: SEE BELOW

DATE: 06-20-06

Approved

Deanna Antina

Date

6/21/06

COUNCIL DISTRICT: 3
SNI AREA: Five Wounds /
Brookwood Terrace

SUBJECT: ADOPTION OF 2006-2007 APPROPRIATION ORDINANCE AND FUNDING SOURCES RESOLUTION AMENDMENTS IN THE PARK TRUST FUND, AND ADOPTION OF A RESOLUTION AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE A TURNKEY PARK AGREEMENT WITH KB HOME, SOUTH BAY, INC.

REASON FOR ADDENDUM

The Developer, KB Home South Bay, Inc. (the "Developer"), has obtained its Final Map for Planned Development Permit PD05-006, Tract Number 9693. The Developer is required to provide 0.85 acre of land for a neighborhood park as a condition of Planned Development Permit PD05-006, which was approved as part the Planned Development Rezoning (PDC03-103). The addition of this item to the June 27, 2006 Council Agenda will permit the construction of the proposed park project to begin this summer as requested by the Developer.

RECOMMENDATION

1. Adoption of the following 2006-2007 Appropriation Ordinance and Funding Sources Resolution Amendments in the Park Trust Fund:
 - a. Establish an appropriation to the Department of Parks, Recreation and Neighborhood Services in the amount of \$55,430 to the 2006/2007 Capital Budget for the Autumn Terrace at Bonita Park Project located on the northeast corner of Bonita Avenue and Sunny Court; and
 - b. Increase the estimate for Earned Revenue by \$55,430.

2. Adoption of a resolution authorizing the City Manager to negotiate and execute a turnkey park agreement with KB Home, South Bay Inc, for Planned Development Permit PD 05-006, associated with Tentative Maps No.PT05-003 and Planned Development Rezoning Permit No. PDC03-103 for the dedication of 0.85 acres of land and for the construction of the park improvements.

CEQA: Mitigated Negative Declaration, PDC03-103.

OUTCOME

Approval of the recommendations in this memorandum would allow for the construction of a turnkey park site on the northeast corner of Bonita Avenue and Sunny Court in San José to begin this summer. The estimated completion time for the park improvements will be approximately 12 months from the date the City executes the turnkey park agreement with the Developer.

BACKGROUND

On December 7, 2004, the City Council approved General Plan Amendment, GP03-03-15, for Medium Density Residential (8-16 DU/AC) on 7 acres of land and public park/open space on one acre of land located at the northeast corner of Bonita Avenue and Sunny Court in Council District 3 by the Developer (item 12.1). The City Council also approved a Planned Development Rezoning (PDC03-103) to allow 80 single-family detached residences and a public park on the proposed project site known as the "Autumn Terrace at Bonita" development.

KB Home, South Bay, Inc., (the "Developer"), is proposing the development of 80 single-family detached units on a 7.96 gross-acre site located at the northeast corner of Bonita Avenue and Sunny Court in Council District 3 (the "Autumn Terrace at Bonita"). In order to fulfill its parkland obligation for Planned Development Permit PD05-006, the Developer is proposing to dedicate 0.85 acre of land to the City to be use as a neighborhood park site. The size of proposed park was reduced to accommodate the new alignment of the intersection between Bonita Avenue and Sunny Court. The Developer has also agreed to construct the park improvements on the land to be dedicated as a turnkey park project for purposes of enhancing the proposed development and in order to benefit the development's new residents. The Developer prepared a concept site plan for the proposed park and presented it to the community at a meeting held on June 13, 2005. Approximately 10 people attended the meeting and provided the Developer and staff from the Parks, Recreation, and Neighborhood Services Department with their input regarding the design of the park and its features.

The Parks and Recreation Commission conducted a public hearing on December 7, 2005 to consider an approval of a recommendation to the City Council regarding the proposed concept plan for the park. As a result of that meeting, it was determined that the half-basketball court should be relocated away from the proposed housing units. A revised site plan, including the

proposed change regarding the basketball court was resubmitted to the Parks and Recreation Commission for consideration at its February 1, 2006 general meeting. The Commission approved a recommendation for the City Council to accept the revised concept site plan for the proposed park site associated with KB Home, South Bay, Inc., project located at the northeast corner of Bonita Avenue and Sunny Court in Council District 3.

ANALYSIS

The Developer's parkland obligation for 80 single-family detached housing units under the Parkland Dedication Ordinance (Chapter 19.38 of the San José Municipal Code) is 0.83 acres (80 units x 3.43 persons per unit x .003 = 0.83 acres). The proposed land dedication of 0.85 acres slightly exceeds the Developer's parkland obligation for 80 single-family detached housing units.

The City has limited resources to develop the proposed park site. As a result, the Developer has agreed to construct the park improvements as shown in Exhibit A, which consist of a children's play area, a picnic area, a half-court basketball area, paved walkways, a central turf area, perimeter landscaping and fencing that will enhance its housing project and the surrounding neighborhood. These improvements to the park are above the Developer's obligation under the City's Parkland Dedication Ordinance. The Developer is providing approximately \$500,000 in associated design fees and construction costs to build the proposed park as shown in Exhibit A.

ALTERNATIVES

The City could collect funds from various sources to underwrite the future development of proposed park site, which would delay the design and construction of the park for many years. The Developer has recognized the shortfall in park funding in this area and is willing to fund the development of the park given the financial benefit a completed park will have toward the Developer's project. As such, staff recommends the acceptance of the offer by the Developer to construct the park.

PUBLIC OUTREACH

A series of community meetings were held by the City, and the Developer to provide shape to the proposed park site. On June 13, 2005, approximately 10 community members attended the final meeting at the McKinley Neighborhood Center regarding the design for the proposed park. The community approved the park amenities as shown on the plan, which included a tot play structure, benches, picnic/games tables, a drinking fountain, a half-basketball court, an open turf area and perimeter landscaping, and fencing. The community expressed concerns regarding street traffic in front of the proposed park site and that the overall size of the park should be larger.

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Notice of the public hearing was mailed by staff to property owners and situs address, if different than the property owner, within 500 feet of the proposed park site. A display ad was placed in the San Jose Mercury News and ran on Monday, November 28 and Sunday, December 4, 2005. A mailer regarding the relocation of the basketball court was mailed out by staff to inform the neighborhood of the February Commission meeting.

COORDINATION

Preparation of turnkey park agreement, along with this memorandum has been coordinated with the City's Attorney's Office, and the Departments of Public Works, and Planning, Building and Code Enforcement.

COST IMPLICATIONS

The park is anticipated to be completed in 2006-2007. The annual maintenance cost to the City is estimated to be \$15,000 per year, beginning in 2007-2008. The Developer is proposing to construct the park as a turnkey park project. A portion of the project funding (\$55,430) will be allocated to the City for its design review and inspection fees. Actions are recommended in this memorandum to recognize those funds and appropriate them for use by the Department of Parks Recreation and Neighborhood Services for its design review and inspection services associated with turnkey park projects. The savings to the City by the Developer building the park is estimated at \$500,000.

CEQA

CEQA: Mitigated Negative Declaration, PDC03-103.



ALBERT BALAGSO
Acting Director of Parks, Recreation
and Neighborhood Services



LARRY D. LISENBEE
Budget Director

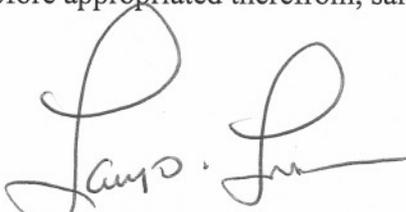
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I hereby certify that there will be available for appropriation in the Park Trust Fund in the Fiscal Year 2006-2007 moneys in excess of those heretofore appropriated therefrom, said excess being at least \$55,430.

A handwritten signature in black ink, appearing to read "Larry D. Lisenbee". The signature is fluid and cursive, with a large initial "L" and "D".

LARRY D. LISENBEE

Budget Director

For questions please contact David Mitchell, Parks Planning Manager, at 408-793-5528.

Attachment: Proposed Concept Plan for the Bonita Park Development

