



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Albert Balagso

**SUBJECT:** PARKLAND DEDICATION AND  
PARK IMPACT ORDINANCES  
IN-LIEU FEES ADJUSTMENTS

**DATE:** 11-26-07

Approved

Date

11/26/07

**COUNCIL DISTRICT:** Citywide  
**SNI AREA:** NA

## REASON FOR SUPPLEMENTAL MEMORANDUM

Clarification that there are no proposed adjustments to the parkland in-lieu fees associated with High-Rise Multi-Family Residential Projects located in the Downtown Core Area as defined in Section 2 of Resolution No. 73587 adopted by Council on January 9, 2007.

## RECOMMENDATION

Adoption of a resolution setting forth the new parkland Schedule of In-Lieu Fees charged pursuant to Chapters 14.25 ("Park Impact Ordinance") and 19.38 ("Parkland Dedication Ordinance") of the San José Municipal Code to reflect the 2006 Residential Land Value Study, except for units subject to the High-Rise Multi-Family Residential Projects located in the Downtown Core Area east of Highway 87 as defined in Section 2 of Resolution No. 73587. The new parkland Schedule of In-Lieu Fees will be effective on February 4, 2008.

## OUTCOME

Acceptance of the memorandum dated October 29, 2007, this supplemental memorandum and adoption of a new in-lieu fees resolution will enable the City to collect parkland in-lieu fees that reflect the land values from the latest land value survey that was completed in 2006. Adjusting the fees to reflect the land value will improve the City's ability to address the impacts to the City's park system from new residential development.

## **BACKGROUND**

City Council adopted Resolution No. 73587 on January 9, 2007 to establish a temporary program providing incentives for development of high-rise multi-family residential projects located in the Downtown Core area east of Highway 87. Certain residential projects of 12 stories or more located in the Downtown Core area east of Highway 87, as defined in Section 2 of Resolution No. 73587 are eligible to pay a reduced fee of \$8,950.00 per unit until the temporary program automatically expires with the issuance of 2500 building permits under the program.

## **ANALYSIS**

This supplemental memorandum revises Attachments B and C to the memorandum dated October 29, 2007 to clarify that eligible High-Rise Multi-Family Residential Units located in the Downtown Core Area east of Highway 87, are subject to the in-lieu fees established in Section 2 of Resolution No. 73587. Adoption of a resolution setting forth the new parkland Schedule of In-Lieu Fees to reflect the 2006 Residential Land Value Study would not have any impact on projects subject to Section 2 of Resolution No. 73587. The attachments to this supplemental memorandum have been revised to reflect Council's previous action regarding the eligible High-Rise Multi-Family Residential Units located in the Downtown Core Area east of Highway 87.

State law requires the adoption of a fee or increase of a fee to be effective no sooner than 60 days following the final action by Council to adopt the fee or increase in the fee. Therefore, if approved by Council, the proposed Schedule of In-Lieu Fees set forth in Attachment C to this memorandum would go into effect on February 4, 2008.

## **COORDINATION**

This supplemental memorandum has been coordinated with the City Attorney's Office.



ALBERT BALAGSO  
Director of Parks, Recreation  
and Neighborhood Services

For questions please contact Dave Mitchell, Parks Planning Manager, at (408) 793-5528.

Attachments: A, B and C

## Attachment A - Revised

# FEES SET AT 70% OF 2001 LAND VALUES

*Projects which fall into the following categories are eligible to pay these fees. Payment of fees must be made prior to January 31, 2009 or the development will be subject to the fees in effect at the time of payment:*

- 1. Residential housing projects that have obtained an approved Plan Development Permit (PDP), Conditional Use Permit (CUP), Site Development Permit, or Tentative Map (Map) no later than July 13, 2007.*
- 2. Residential housing development projects: 1) for which the City Council approved a General Plan amendment in April 2007, and 2) that have obtained an approved Plan Development Permit (PDP), Conditional Use Permit (CUP), Site Development Permit, or Tentative Map (Map) no later than September 9, 2007.*

*Projects which do not meet the above criteria should proceed to Attachment B to determine appropriate fees.*

MLS ZONE	AREA COVERED	70% OF COST/SQUARE FOOT	FEE/UNIT SINGLE FAMILY DETACHED	FEE/UNIT SINGLE FAMILY ATTACHED	FEE/UNIT MULTI-FAMILY 2-4	FEE/UNIT MULTI-FAMILY 5+	FEE/UNIT SINGLE RESIDENTIAL OCCUPANCY (SRO)
Number of Persons Per Unit			3.50	3.06	3.23	2.29	1.00
2	SANTA TERESA	\$24.50	\$11,000	\$9,300	\$9,950	\$7,350	\$3,350
3	EVERGREEN	\$31.50	\$14,150	\$11,900	\$12,800	\$9,450	\$4,350
4	ALUM ROCK	\$24.50	\$11,000	\$9,300	\$9,950	\$7,350	\$3,350
5	BERRYESSA	\$28.00	\$12,550	\$10,600	\$11,400	\$8,400	\$3,850
7	ALVISO	\$10.50	\$4,700	\$3,950	\$4,250	\$3,150	\$1,450
7	NORTH SAN JOSE	\$24.50	\$11,000	\$9,300	\$9,950	\$7,350	\$3,350
9	DOWNTOWN	\$35.00	\$15,700	\$13,250	\$14,250	\$10,500	\$4,850
10	WILLOW GLEN	\$35.00	\$15,700	\$13,250	\$14,250	\$10,500	\$4,850
11	SOUTH SAN JOSE	\$24.50	\$11,000	\$9,300	\$9,950	\$7,350	\$3,250
12	BLOSSOM VALLEY	\$28.00	\$12,550	\$10,600	\$11,400	\$8,400	\$3,850
13	ALMADEN VALLEY	\$31.50	\$14,150	\$11,900	\$12,800	\$9,450	\$4,350
14	CAMBRIAN	\$31.50	\$14,150	\$11,900	\$12,800	\$9,450	\$4,350
15/18	WEST SAN JOSE	\$35.00	\$15,700	\$13,250	\$14,250	\$10,500	\$4,850

Price Per Square Foot Numbers from the Annual Residential Land Values Study prepared by Diaz, Diaz & Boyd, Inc. multiplied by 0.70 (2001).

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## Attachment B – Revised

### CURRENT FEES SET AT 100% OF 2005 LAND VALUES

*Projects which do not meet the criteria in Attachment A must pay in-lieu fees at the below rates assuming the project pays its in-lieu fees prior to February 4, 2008. If a project does not pay its in-lieu parkland fees prior to February 4, 2008 then proceed to Attachment C to determine the appropriate fees.*

MLS ZONE	AREA COVERED	70% OF COST/ SQUARE FOOT	FEE/UNIT SINGLE FAMILY DETACHED	FEE/UNIT SINGLE FAMILY ATTACHED	FEE/UNIT MULTI- FAMILY 2-4	FEE/UNIT MULTI- FAMILY 5+	FEE/UNIT SINGLE RESIDENTIAL OCCUPANCY (SRO)
Number of Persons Per Unit			3.50	3.06	3.23	2.29	1.00
2	SANTA TERESA	\$35.00	\$15,850	\$14,000	\$14,650	\$10,450	\$4,550
3	EVERGREEN	\$40.00	\$18,150	\$16,000	\$16,75	\$11,900	\$5,200
4	ALUM ROCK	\$30.00	\$13,600	\$12,000	\$12,550	\$8,950	\$3,900
5	BERRYESSA	\$40.00	\$18,150	\$16,000	\$16,750	\$11,900	\$5,200
7	ALVISO	\$55.00	\$24,950	\$21,950	\$23,050	\$16,400	\$7,100
7	NORTH SAN JOSE	\$55.00	\$24,950	\$21,900	\$23,050	\$16,400	\$7,100
9	DOWNTOWN	\$60.00	\$27,200	\$24,000	\$25,100	\$17,900	\$7,800
10	WILLOW GLEN	\$70.00	\$31,750	\$27,960	\$25,400	\$17,900	\$7,800
11	SOUTH SAN JOSE	\$45.00	\$20,400	\$17,950	\$18,850	\$13,400	\$5,800
12	BLOSSOM VALLEY	\$35.00	\$15,580	\$14,000	\$14,650	\$10,450	\$4,550
13	ALMADEN VALLEY	\$45.00	\$20,400	\$17,950	\$18,850	\$13,400	\$5,800
14	CAMBRIAN	\$40.00	\$18,150	\$16,000	\$16,750	\$11,900	\$5,200
15/18	WEST SAN JOSE	\$65.00	\$29,500	\$15,950	\$27,200	\$19,400	\$8,400
9-DC	Downtown Core – East Hwy 87 High Rise Projects 12+ Stories (50% of 9)		na	na	na	\$8,950*	na

Price Per Square Foot Numbers from the Annual Residential Land Values Study prepared by Diaz, Diaz & Boyd, Inc. multiplied by 1.00 (2005).

\*These fees are subject to the provisions of Section 2 of Resolution No. 73587.

11-26-07.

## Attachment C – Revised

# PROPOSED FEES SET AT 100% OF 2006 LAND VALUES

*Projects which do not meet the criteria in Attachments A and B must pay in-lieu fees at the below rates assuming the project pays its in-lieu fees after February 4, 2008. Fees are subject to change on an annual basis.*

MLS ZONE	AREA COVERED	70% OF COST/SQUARE FOOT	FEE/UNIT SINGLE FAMILY DETACHED	FEE/UNIT SINGLE FAMILY ATTACHED	FEE/UNIT MULTI-FAMILY 2-4	FEE/UNIT MULTI-FAMILY 5+	FEE/UNIT SINGLE RESIDENTIAL OCCUPANCY (SRO)
	Number of Persons Per Unit		3.50	3.06	3.23	2.29	1.00
2	SANTA TERESA	\$35.00	\$15,850	\$14,000	\$14,650	\$10,450	\$4,550
3	EVERGREEN	\$35.00	\$15,850	\$14,000	\$14,650	\$10,450	\$4,550
4	ALUM ROCK	\$40.00	\$18,150	\$16,000	\$16,750	\$11,900	\$5,200
5	BERRYESSA	\$35.00	\$15,850	\$14,000	\$14,650	\$10,450	\$4,550
7	ALVISO	\$55.00	\$24,950	\$21,950	\$23,050	\$16,400	\$7,100
7	NORTH SAN JOSE	\$55.00	\$24,950	\$21,900	\$23,050	\$16,400	\$7,100
9	DOWNTOWN	\$70.00	\$31,750	\$27,950	\$29,300	\$20,850	\$9,050
10	WILLOW GLEN	\$85.00	\$38,550	\$33,950	\$35,600	\$25,350	\$11,000
11	SOUTH SAN JOSE	\$35.00	\$15,850	\$14,000	\$14,650	\$10,450	\$4,550
12	BLOSSOM VALLEY	\$35.00	\$15,850	\$14,000	\$14,650	\$10,450	\$4,550
13	ALMADEN VALLEY	\$35.00	\$15,850	\$14,000	\$14,650	\$10,450	\$4,550
14	CAMBRIAN	\$45.00	\$20,400	\$17,950	\$18,850	\$13,400	\$5,880
15/ 18	WEST SAN JOSE	\$85.00	\$38,550	\$33,950	\$35,600	\$25,350	\$11,000
9-DC	Downtown Core East of Hwy 87 High Rise Projects 12+ Stories		na	na	na	\$8,950*	na

Price Per Square Foot Numbers from the Annual Residential Land Values Study prepared by Diaz, Diaz & Boyd, Inc. multiplied by 1.00 (2006).

\*These fees are subject to the provisions of Section 2 of Resolution No. 73587.

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