



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Albert Balagso  
Jennifer Maguire

**SUBJECT:** SEE BELOW

**DATE:** 11-19-07

Approved

Date

11/22/07

**COUNCIL DISTRICT:** 5  
**SNI:** Gateway-East

**SUBJECT: ADOPTION OF APPROPRIATION ORDINANCE AMENDMENTS IN THE SUBDIVISION PARK TRUST FUND AND THE CONSTRUCTION TAX AND PROPERTY CONVEYANCE TAX FUND: PARKS PURPOSES COUNCIL DISTRICT 5 FOR PARK IMPROVEMENTS AT 1650 SAN ANTONIO STREET PARK SITE AND APPROVAL OF A TURNKEY AGREEMENT WITH DKB HOMES, LLC**

## RECOMMENDATION

- 1) Approval of a Turnkey Park Agreement with DKB Homes, LLC, for Planned Development Permit PD04-082 (PT04-125) to construct park improvements on the San Antonio Street park site and to reimburse DKB Homes, LLC in an amount not to exceed \$238,900 for park and street improvements on the San Antonio park site that exceeds DKB Homes, LLC's Parkland Dedication Obligation.
- 2) Adoption of the following Appropriation Ordinance amendments in the Subdivision Park Trust Fund (Fund 375):
  - a. Establish an appropriation to the Parks, Recreation and Neighborhood Services Department in the amount of \$170,000 for the San Antonio Street Turnkey Park; and
  - b. Decrease the Reserve: Future PDO/PIFO Projects by \$170,000.
- 3) Adoption of the following Appropriation Ordinance amendments in the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Council District 5:
  - a. Establish an appropriation to the Parks, Recreation and Neighborhood Services Department in the amount of \$69,000 for the San Antonio Street Turnkey Park; and
  - b. Decrease the Ending Fund Balance by \$69,000.

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## **OUTCOME**

Approval of recommendations would allow the completion of the San Antonio turnkey park, a 0.084-acre neighborhood park.

## **BACKGROUND**

The City's Parkland Dedication Ordinance ("PDO," San José Municipal Code, Chapter 19.38) requires residential developers to dedicate land, pay a parkland fee in lieu of dedication, or both, to help meet the demand for neighborhood and community parkland generated by the development of new residential subdivisions. DKB Homes, LLC., (the "Developer") has received development approval for a housing project located at 1650 San Antonio Street for construction of 19 single-family detached housing units.

## **ANALYSIS**

The Developer is obligated to meet the PDO requirements for the construction of 17 single-family detached units. Two of the nineteen units that were approved for construction replace two existing single-family homes that were on the site and were demolished prior to the housing construction start date for the new subdivision. These replacement units are excluded from the PDO requirements.

The Developer has agreed to dedicate approximately 0.084 acres of land on the project site to be used for a public park in partial fulfillment of its parkland dedication obligation. In exchange for the land dedication of 0.084 acres, the Developer will receive equivalent unit credits against the Developer's parkland dedication obligation for 8.2 single-family detached units. The Developer's parkland dedication obligation for the remaining 8.8 single-family detached units will be satisfied by the Developer providing park improvements totaling \$96,800, which will partially fund park improvements for the new park site.

On April 12, 2005, the Developer entered into an interim agreement with the City to dedicate land and construct the park. At that time, the Developer also submitted an irrevocable offer of dedication for the site and a Certificate of Deposit in the amount of \$121,000 to partially cover the cost of the park improvements until such time that a turnkey agreement was executed. Once the turnkey agreement is approved and executed, the Certificate of Deposit will be returned to the Developer.

Park improvements will include a play lot (swings and climbing equipment), benches/seating area, artificial-turf area, privacy fencing along the property lines, walkways, signage, and other

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landscaping materials. All of the park improvements will be designed and constructed in accordance with standard City specifications as shown on the attached schematic plan.

The total estimated cost to design and construct the San Antonio Street park improvements is \$335,700. This amount is \$238,900 above the Developer's remaining parkland dedication obligation of \$96,800. This memorandum, therefore, includes a recommendation to appropriate the remaining funds needed from the Park Trust Fund (\$170,000) and the Council District 5 Construction and Conveyance Tax Fund (\$69,000) to complete the proposed improvements at the park. These funds will be used to reimburse the Developer for the additional costs incurred by the Developer for the construction of the improvements that exceed the Developer's parkland dedication obligation. The turnkey agreement outlines that the Developer must submit a request for reimbursement once the park project has been completed and accepted by the City and the total reimbursement amount shall not exceed \$238,900.

### **EVALUATION AND FOLLOW-UP**

Action taken by City Council on this item will provide final authorization to oversee construction of the turnkey park project and accept the public park after final inspections have been completed. Public Work's staff is currently reviewing the first project submittals of the construction documents and will refine the design as necessary to complete the project in accordance with City standards.

### **POLICY ALTERNATIVES**

Not applicable.

### **PUBLIC OUTREACH/INTEREST**

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

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Although the project does not meet above criteria, the following outreach was conducted: The San Antonio turnkey park project was presented to the local community at two neighborhood meetings on September 26, 2006, and again on October 27, 2006 to specifically discuss play lot design options. The first meeting took place at the Gateway East Neighborhood Advisory Council meeting with approximately 40 residents in attendance. Major issues discussed at the meeting included after-hours use in the park and security/enforcement issues. City staff responded to these concerns with information on park hours and regulations, and by reminding residents that the San José Police Department has law enforcement jurisdiction in all City parks and should be contacted in the event unlawful activities occur on the park site. Residents also asked that staff and the Developer conduct a second meeting to involve neighborhood children in the design of the play lot in the proposed park. Staff met again with resident children and their parents on October 27, 2006, to discuss play lot equipment types and possible colors for the equipment. Staff was able to integrate many of the suggestions from this meeting into the final design of the park.

The park design was presented at a public hearing with the Parks and Recreation Commission on February 21, 2007, at which time the Commission recommended approval of the design concept.

This memorandum will be posted on the City's website for the December 11, 2007 City Council agenda.

### **COORDINATION**

This item has been coordinated with the Public Works, General Services, Planning, Building, and Code Enforcement Departments, the City Attorney's Office, and the City Council District 5 Office.

### **FISCAL/POLICY ALIGNMENT**

This project is consistent with the Council approved Budget Strategy, Economic Recovery section, in that it will help to stimulate construction spending in our local economy.

### **COST SUMMARY/IMPLICATIONS**

The City will be responsible for a reimbursement payment of \$238,900 to DKB Home, LLC for park improvement project costs that exceeds Developer's parkland dedication obligation. The cost of design review and inspection, estimated to be \$32,600, will be paid by the Developer. In addition, PRNS estimates annual maintenance costs for the park in 2008-2009 to be \$6,000 annually.

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**CEQA**

CEQA: Mitigated Negative Declaration, PDC04-040.



ALBERT BALAGSO  
Director of Parks, Recreation  
and Neighborhood Services

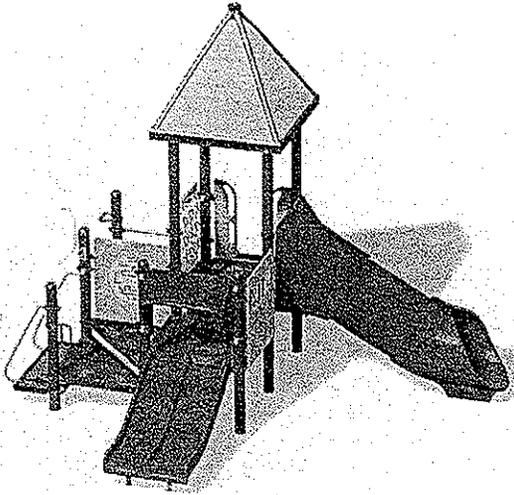


JENNIFER MAGUIRE  
Acting Budget Director

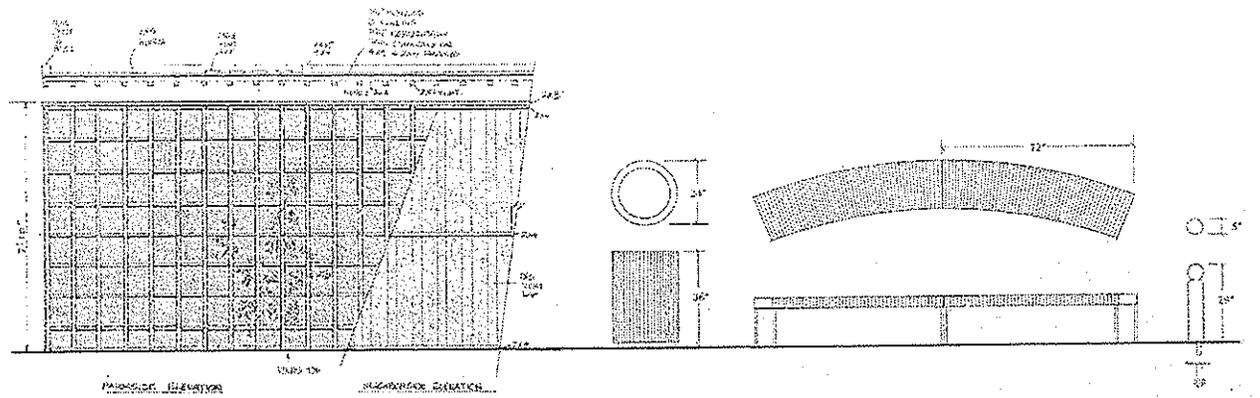
For questions, please contact MATT CANO, PRNS DIVISION MANAGER, at (408) 535-3580.

Attachment—Conceptual Site Plan

ATTACHMENT A



PLAY APPARATUS



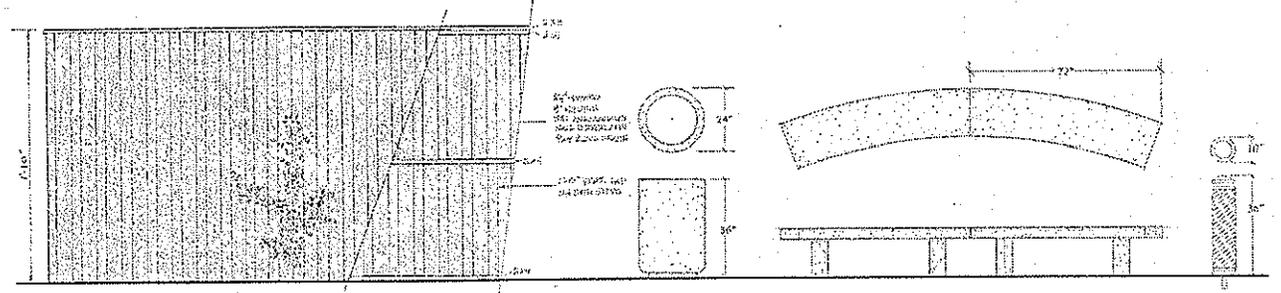
PROPERTY LINE WOOD FENCE

STEEL WASTE CONTAINER

STEEL BENCH

STEEL BOLLARD

ELEVATIONS & PLANS  
SCALE: 1/2"=1'-0"



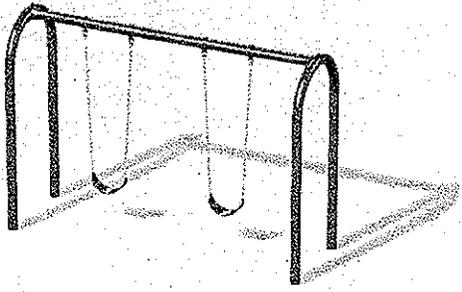
PROPERTY LINE WOOD FENCE

CONCRETE WASTE CONTAINER

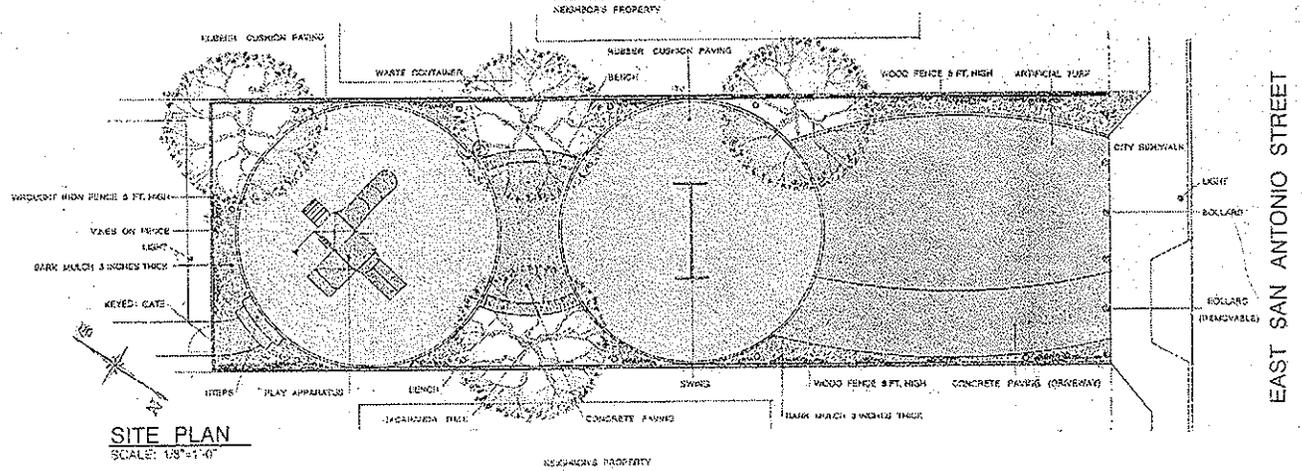
CONCRETE BENCH

CONCRETE BOLLARD

ELEVATIONS & PLANS  
SCALE: 1/2"=1'-0"



DOUBLE SWING SET



SITE PLAN  
SCALE: 1/8"=1'-0"

EAST SAN ANTONIO STREET PARK