



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Albert Balagso

SUBJECT: SEE BELOW

DATE: 12-15-08

Approved

Date

12/18/08

COUNCIL DISTRICT: 4
SNI AREA: N/A

**SUBJECT: APPROVAL OF THE RIVER OAKS PARK MASTER PLAN AND
TURNKEY PARKLAND AGREEMENT WITH THE IRVINE COMPANY LLC FOR
DEVELOPMENT OF THE RIVER OAKS PARK SITE**

RECOMMENDATION

- 1) Approval of the River Oaks Park Master Plan.
- 2) Approval of a Turnkey Parkland Agreement for Tentative Map No. PT07-004 with Irvine Company LLC to (i) construct park improvements, (ii) dedicate approximately 5.04 acres of parkland to the City on the future River Oaks Park site, and (iii) pay Parkland Fees to City in the amount of Three Million Seven Hundred Eighty-Eight Thousand Four Hundred Dollars (\$3,788,400).
- 3) Adopt a resolution authorizing the City Manager, or designee, to negotiate and execute any amendment to the Turnkey Parkland Agreement for Tentative Map No. PT07-004 with Irvine Company LLC to amend the amount of Parkland Fees to be paid to City in the event there is an approved tentative map or approved amended tentative map that changes the total number of residential units permitted for construction in this project.

OUTCOME

Approval of the recommendations in this memorandum will allow construction of turnkey park improvements and dedication to City of an approximately 5.04-acre River Oaks Park site in the North San Jose Policy area consistent with the River Oaks Park Master Plan.

BACKGROUND

The City's Parkland Dedication Ordinance (PDO), San José Municipal Code, Chapter 19.38, requires developers to dedicate land for neighborhood and community parks, construct park or recreational improvements, or pay a parkland fee in lieu of dedication or construction to help meet the demand for neighborhood and community parkland generated by the development of new residential subdivisions ("Parkland Dedication Obligation").

The Irvine Company LLC (the "Developer") received development approvals under Tentative Map PT07-004 and Planned Development Permit PD07-006 ("PD Permit") for a mixed-use project located at the southeasterly corner of River Oaks Parkway and Zanker Road. The PD Permit approved up to 1,900 residential units, a maximum 15,000 square feet of commercial space and an approximate 5.04-acre park on a total 38.7 gross acre site, within the North San Jose Area Development Policy area (the "Project"). Under the terms of the PD Permit, the Developer was authorized to construct park improvements and dedicate the park site to the City prior to the issuance of certificates of occupancy for the 1001st residential unit located within the Project. However, the Developer is not required to build more than 1000 residential units and there is no deadline for the completion of the residential units for the Project. Therefore, in order to ensure that the Developer will fulfill its Parkland Dedication Obligation for this Development, the Turnkey Parkland Agreement requires the Developer to construct the park improvements and dedicate the park site on or before the earlier of the following events: (1) issuance of certificate of occupancy for the 1001st residential unit located within the Project (including any temporary certificate of occupancy for residential occupancy); or (2) the date of the five (5) year anniversary of the Effective Date of the Turnkey Parkland Agreement.

Additionally, the Developer has submitted an application with the Planning Department to amend its tentative map and PD Permit for the Project to reduce the total number of residential units permitted for construction from 1900 multi-family units to 1750 multi-family units. In the event the amended tentative map is approved, approval of the recommendations in this memorandum will also authorize the City Manager, or designee, to execute an amendment to the Turnkey Parkland Agreement to revise the amount of Parkland Fees to be paid to City to correspond with the total number of residential units approved for construction under an amended tentative map for the Project.

ANALYSIS

Developer is required to meet its Parkland Dedication Obligation for 1,900 proposed multi-family residential housing units associated with the Project. In order for Developer to satisfy its Parkland Dedication Obligation for the Project, the parties would like to enter into a Turnkey Parkland Agreement which requires the Developer to do the following:

1. Dedicate approximately 5.04 acres of land on the Project site to the City for a public park. Developer will receive the equivalent residential unit credits of 735 multi-

- family units against its Parkland Dedication Obligation for the dedication of 5.04 acres of land.
2. Design and fully construct the park improvements as outlined in the River Oaks Master Plan and receive equivalent unit credits of 660 multi-family units. The current cost estimate for the design and construction of the park improvements is approximately \$10,827,215.
 3. Design and fully construct approximately 81,981 square feet of private open space and recreational amenities within its housing Project. Developer will receive an additional 274 multi-family unit equivalency credits.
 4. Pay to the City the sum of Three Million Seven Hundred and Eighty-Eight Thousand Four Hundred Dollars (\$3,788,400) in Parkland Fees for the remaining 231 multi-family units. The amount of Parkland Fees to be paid to City may be amended in the event there is an amended tentative map approved by City that changes the total number of residential units permitted for construction in this Project. Developer currently has an application pending with the City to reduce the total residential units from 1900 multi-family units to 1750 multi-family units. If the total residential units for the Project are reduced from 1900 multi-family units to 1750 multi-family units, the Parkland Fees owed to City will decrease from Three Million Seven Hundred and Eighty-Eight Thousand Four Hundred Dollars (\$3,788,400) to One Million Three Hundred Twenty-Eight Thousand Four Hundred Dollars (\$1,328,400).

A detail summary of the PDO credits for this Project can be found in Exhibit C of the Turnkey Parkland Agreement.

The following park improvements will be constructed on the 5.04 acre park site: two (2) tennis courts, one (1) half basketball court, children's play lot, one (1) restroom building, drinking fountains, trash receptacles, bio-swale and bridges, benches, open turf areas, lighting, walkways, signage, and other landscaping and amenities. All of the park improvements will be designed and constructed in accordance with standard City specifications as shown on the attached schematic plan (Exhibit A).

The River Oaks Master Plan was prepared by the Developer's landscape consultant, SWA Group, to guide the future development of the park site. This Master Plan has been developed concurrently with the community outreach process and has addressed the community's desire for specific park amenities and activity areas. The Master Plan reviews the neighborhood context, existing site conditions, community outreach process, the master plan, storm water management plan and the environmental clearance needed for the park project. The report was presented to the Parks and Recreation Commission for approval at their October 1, 2008 meeting. At that time, the Commission recommended the Master Plan for City Council approval. A copy of the Master Plan is attached to this memorandum as Exhibit B.

EVALUATION AND FOLLOW-UP

Action taken by City Council on this item will provide final authorization to oversee design development and construction of the turnkey project, and accept the park improvements after final inspections have been completed. Department of Public Works staff will review and approve the project construction documents and will refine the design as necessary to complete the project in accordance with City construction standards.

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)**

Although the proposal does not meet the criteria as listed above, community outreach for specific project elements was conducted for the residential project, including the park site, as outlined below.

Community outreach for the proposed residential project and park has been ongoing over the past year. Meetings with the River Oaks neighborhoods were conducted in February and March 2007 to introduce the proposed project including a future park site on the housing site. PRNS staff, the Developer and the Developer's landscape consultant met with the community on May 22, 2008 to present conceptual plans and further discuss the park project. Community members expressed interest in providing plentiful sunny and shaded areas to accommodate a variety of park uses, and requested that at least two (2) tennis courts, a woodland/natural area, and age-appropriate play structures and drinking fountains were included in the park design. A second community meeting held July 14, 2008 was conducted to present a final concept and site layout plan and obtain consensus for the plan. The residents attending the meeting were generally favorable to the park design.

The final master plan for the park was presented to the Parks and Recreation Commission on October 1, 2008 at which time the Commission recommended approval of the River Oaks Master Plan.

HONORABLE MAYOR AND CITY COUNCIL

12-15-08

Subject: Approval of Master Plan and Turnkey Parkland Agreement with The Irvine Company LLC

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This memorandum will be posted on the City's website for the January 27, 2009 City Council agenda.

COORDINATION

This item has been coordinated with the Department of Public Works, the Planning, Building and Code Enforcement Department, the Budget Office, and the City Attorney's Office.

FISCAL/POLICY ALIGNMENT

This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy.

COST SUMMARY/IMPLICATIONS

It is estimated that the completed park will have an annual General Fund maintenance cost of approximately \$70,000 beginning in FY 2010/11. Staff will explore methods to support park maintenance and reduce General Fund obligations for the new park site.

CEQA

CEQA: PP08-194.



ALBERT BALAGSO
Director of Parks, Recreation and
Neighborhood Services

Attachments: Exhibit A: Conceptual Site Plan
Exhibit B: River Oaks Master Plan

For questions, please contact Matt Cano, Division Manager, at 408-535-3580.

EXHIBIT B



MASTER PLAN REPORT
RIVER OAKS PARK

CITY OF SAN JOSÉ
JANUARY 2009

MASTER PLAN DOCUMENT

RIVER OAKS PARK

City of San José

Master Plan

Submitted to the City of San José
Parks and Recreation Commission
October 1, 2008

Submitted to the City of San José
City Council
January 13, 2008

Environmental Clearance

CEQA:

File No. PP08-194

December 1, 2008

ACKNOWLEDGEMENTS

MAYOR AND CITY COUNCIL

Mayor Chuck Reed
Vice Mayor David D. Cortese, District 8
Pete Constant, District 1
Forrest Williams, District 2
Sam Liccardo, District 3
Kansen Chu, District 4
Nora Campos, District 5
Pierluigi Oliverio, District 6
Madison Nguyen, District 7
Judy Chirco, District 9
Nancy Pyle, District 10

PARKS AND RECREATION COMMISSION

Melanle Richardson, Chair
Mike Flaugher
Winston Chew
Leslee Hamilton
James Kim
Paul Kramer
Julie Matsushima
Erik Karstan Smith

PARKS, RECREATION, AND NEIGHBORHOOD SERVICES

Evelyn Velez-Rosario, Parks Manager
Marybeth Harasz, Senior Landscape Architect
Brad Brown, Planner II

RIVER OAKS NEIGHBORHOOD RESIDENTS

Special thanks to the residents of the River Oaks Neighborhood community who participated in community meetings. Your participation was crucial to the success of the project.

THE IRVINE COMPANY APARTMENT COMMUNITIES

Don Bragg
Leo O'Brian
Robert Goto
Rick Lamprecht

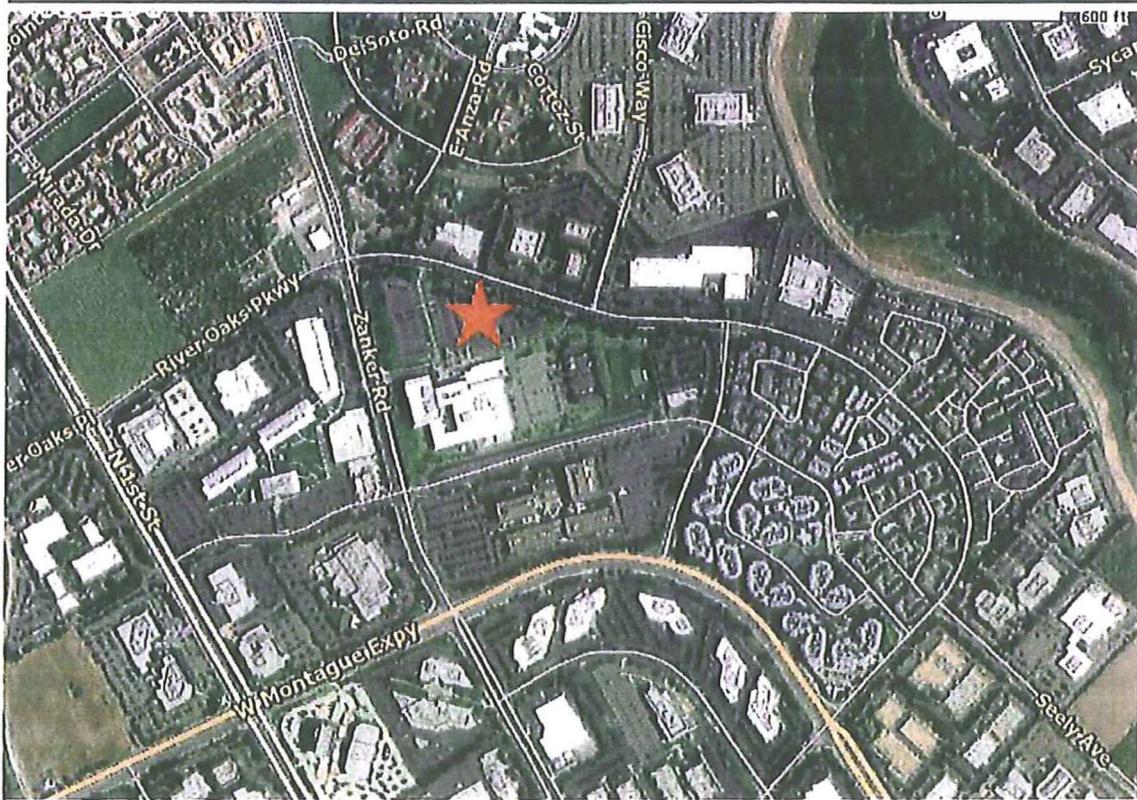
THE SWA GROUP

Cinda Gilliland
Michael Odum
Caroline Dix
Chih-Wei Lin

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PROJECT BACKGROUND



LOCATION MAP

River Oaks Park proposal

The River Oaks Park site is a 5 acre site located on the south side of River Oaks Parkway approximately midway between Zanker Road and Research Place in District 4. The River Oaks neighborhood, including the proposed development, is bounded to the north by River Oaks Parkway, to the east by Coyote Creek, to the south by Montague Expressway, and to the west by Zanker Road. The existing residential use within this area consists of townhouses and apartments. The rest of this area is a mixture of light industrial and office uses. Many of the existing neighboring commercial uses to the north and west are transitioning or expected to transition to residential uses. As development continues, this park has the potential to become an important centerpiece to the entire growing community.

The proposed park itself is bounded by River Oaks Parkway to the north and by the proposed Rivoli Circle in all other directions (refer to existing conditions map). A neighborhood retail center will be located at the corner of Zanker Road and Villagio Street as well as commercial/mixed use along Villagio Street leading to the park. The park and the retail uses will serve both the proposed residential area and the existing River Oaks neighborhoods to the southeast.

PROJECT BACKGROUND

Currently the only other City-owned recreational facility in the area is a levee trail along Coyote Creek. The proposed park provides new public park land and creates and encourages access to the Coyote Creek recreational corridor, the Guadalupe River recreational corridor, and recreational sites throughout the region.

The River Oaks Park site will be dedicated to the City through the City's Parkland Dedication Ordinance requirements for residential development. As a condition of the City's approval for development of 2000 apartment units (the Crescent Park project), the developer, Irvine Apartment Communities, was required to dedicate 5 acres for public park on their development site and pay park fees. Park fees from the Irvine Company housing project will be used to fund other park improvement and acquisition projects.

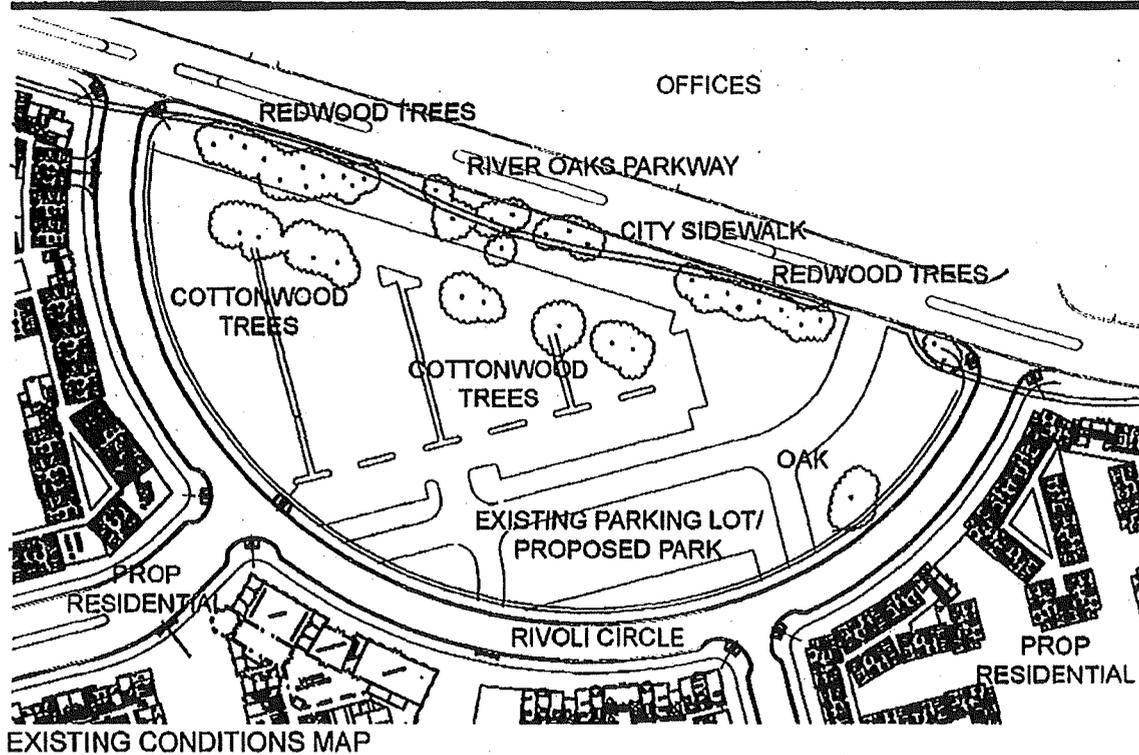
Community Character

Demographic data from the 2000 census indicates that the neighborhood has higher than average household incomes when compared to the City as a whole. Average household sizes are also much smaller than the citywide average. The percentage of the neighborhood population under the age of 5 and the population of those above the age of 18 is much higher than the City as a whole, while those over the age of 65 is much lower. The census shows that the neighborhood has a majority non-Hispanic white population.

The demographics of the proposed residential project is anticipated to be very similar to that described above. The project will be comprised of resort-style rental properties and is expected to attract middle-aged professionals and small, young families.

Two additional neighborhood parks are included in the North San José Neighborhood Planning Taskforce's long-term vision for the area. The first of these is the park at Coyote Creek and Research Place, a linear 2-acre park that will replace the asphalt parking lots to the rear of the office buildings along the north side of River Oaks Parkway. This park will potentially include tennis courts and picnic areas. The second, Cadence Area park, is a 5-acre park located along Coyote Creek between the existing River Oaks residential area and Montague Expressway. Cadence Area park will potentially include a softball field, restrooms/parking, a children's play area, and access to the Coyote Creek trail.

EXISTING CONDITIONS



Use

The site is currently a parking lot. The parking lot and subgrade will be demolished and disposed of off-site in accordance with current regulation.

Vegetation

Several groves of mature, healthy Redwood trees and a few Cottonwood trees will be protected in place as is feasible. Additionally, some Redwood trees from elsewhere on the residential development site are being transplanted to the park site to supplement existing tree stands. A large heritage Oak is also being protected in place.

Views

There are limited views into the park from River Oaks Parkway through the existing woodland streetscape. Many of these street trees, which are primarily Redwoods ranging from 40' to 60' tall, shall remain as part of the Master Plan. Primary views into the park are from the proposed apartment buildings along Rivoli Circle.

Grading

With the exception of some mounding along River Oaks Parkway, the site is relatively flat and grades average 1% sloping from a high point on the East side to a low point in the NW corner. Elevations range from 22.5' to 18' above sea level.

EXISTING CONDITIONS

Surrounding Uses

The park is situated between the Coyote Creek and Guadalupe River recreational corridors. Land use to the southeast is primarily residential. This existing residential use consists of townhouses and apartments. Adjacent land use includes a mix of light industrial and office space. Existing residential is adjacent to the east edge.

Circulation

Along River Oaks Parkway an existing 6' wide sidewalk meanders through the existing Redwood trees which will remain. A future city sidewalk 10' wide will also surround the other edges of the site, enhancing neighborhood circulation as well as providing access to the park.

COMMUNITY OUTREACH

Community outreach in the River Oaks neighborhood for the park has been an on going effort that began with a series of meetings to present the entire development project. These meetings were held on site in the former Sony Building. The first meetings for the Irvine PD Zoning took place on Feb. 8 and May 22, 2007. A PD Permit stage public meeting was held on November 1, 2007. At each of these meetings the general concept of the park was discussed. Some comments on the park were received. Most of the focus on these initial meetings was on the larger development program.

The first community meeting for the new 5 acre park was held on May 22, 2008. The purpose of this meeting was to present a concept diagram of the park and to get community input. The staff presented the location and the general background of the process for park development in the North San José area. Five main use areas were proposed:

- Woodland garden
- Plaza garden
- Multi-use great lawn
- Sports courts
- Neighborhood gathering areas

Images of the anticipated character of each of those areas were shown and discussed. Connections to the residential neighborhood, new community-serving retail and nearby offices were outlined as well.

Community members were enthusiastic and made suggestions. They emphasized that they are nature-oriented and encouraged a plan that included many trees. They were interested in plentiful seating in sun and shade for both individuals and small groups throughout the park. They requested at least two tennis courts, age-appropriate play structures (suggesting that neighborhood children tend to be on the young side) and drinking fountains. They also requested a jogging trail.

The second community meeting was held on July 14, 2008. The purpose of the meeting was to present a conceptual plan, site layout plan and to obtain consensus on the plan. The basic goals and the main use areas were summarized and then the specific elements of those areas were shown in plan and described. The community was generally very supportive. They had requests for specific furnishings and details, such as:

- Dog waste stations
- Bike racks
- Barbeque opportunities
- Directional signage to creek trails

The Parks Manager addressed concerns about security at the proposed restroom buildings.

MASTER PLAN



CONCEPT PLAN

The Master Plan creates a new park in the River Oaks neighborhood. The Concept Plan was presented to the community at a meeting in May 2008. This plan includes many ideas gathered from community members in previous public meetings as well as comments from numerous work sessions with San José Parks, Recreation, and Neighborhood Services staff.

General Goals

- Provide regional connectivity. Enhance pedestrian/bicycle access to the Guadalupe River and Coyote Creek recreational corridors.
- Provide neighborhood connectivity. Provide a local destination as well as a connection from the existing neighborhoods to the proposed retail/mixed use area.
- Preserve the unique character of the site. In addition to the heritage oak tree, protect in place as many of the existing Redwoods along River Oaks Parkway as possible.
- Create a wide variety of spaces. Develop a plan that provides woodland as well as open space, social gathering spaces as well as recreational sports courts.
- Develop a park that can be maintained by the City staff and facilities in an efficient, sustainable, and cost effective manner.

MASTER PLAN



MASTER PLAN

Preferred Character of Park: Civic focal point, gathering place for community members, visually blends with community and the regional landscape, passive and active programming, sensitive to the surrounding neighbors, sunny and shady areas, site furnishings and structures that complement the adjacent residential buildings

Preferred Park Elements

- A - Lighted tennis courts (2) and basketball (half-court)
- B - Seating areas
- C - Woodland (existing trees) and additional trees
- D - Jogging path
- E - Restroom
- F - Gathering spaces for community members
- G - Picnic Area
- H - Play Lot
- I - Large Oak tree (focal point)

Standard Park Amenities: Bike racks, shaded seating areas, sustainable design, universally accessible playground elements, and drinking fountains

MASTER PLAN IMAGES



PLAZA GARDEN



GREAT LAWN



GATHERING SPACES

STORM WATER MANAGEMENT



BIO-SWALE SYSTEM

The overall impervious cover of the site is reduced from approximately 140,310 sq ft to approximately 45,860 sq ft through replacement of the existing asphalt parking lot with walkways, plaza, seating areas, play lot, tennis and half-court basketball. The Master Plan proposes to filter storm water in compliance with current City policy.

The project will comply with City Stormwater Policy 6-29 created on Feb 3, 1998, modified on August 15, 2005. The project creates or replaces 10,000 sq ft of asphalt with pervious surface. Storm water will be treated to the maximum extent possible.

Bioretention units will be installed in the mulch/planting areas as needed, which will be connected to the storm drain system on Rivoli Circle. All storm drain inlets will be stenciled to communicate the accepted message specifying that no dumping is allowed into storm inlets as they feed directly to the Bay.

All walkways will drain to landscape areas. The new play lot, tennis courts, and half basketball court will drain to a storm drain system at Rivoli Circle and will be filtered through a bio-swale system according to City standards. The overall quality of the storm water leaving the site will be improved through these added filtration features.

A Stormwater Control Plan will be produced during the design stage that will show drainage

STORM WATER MANAGEMENT

areas, run-off created, sizing methodology and maintenance schedule to ensure safety and proper drainage of the site.

ENVIRONMENTAL CLEARANCE

File No. PP08-194

Date: December 1, 2008

Addendum to an Environmental Impact Report (EIR) - Use of a Final EIR Prepared for a Previous Project.

Pursuant to Section 15164 of the CEQA Guidelines, the City of San José has prepared an addendum to the EIR because minor changes to the project do not raise important new issues about the significant impacts on the environment.

The environmental impacts and mitigation measures for the proposed park development were identified in the North San José Development Policies Update EIR (Planned development Initial Study for SONY Project, File Nos. PDC06-038 and PD07-006, dated May 2007). In addition, the project proposes to filter stormwater in compliance with City Stormwater Policy 6-29 by the use of, but not limited to, bioswales, bioretention units and project design features. A stormwater Control Plan will be produced during the design phase of the project in accordance with current City policy.