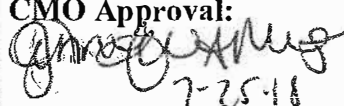


CITY COUNCIL ACTION REQUEST

Department(s): PRNS	CEQA: Not a Project, File No. PP17-008, General Procedure & Policy	Coordination: City Attorney's Office; Public Works; and Planning, Building and Code Enforcement	Dept. Approval: /s/ Angel Rios, Jr.
Council District(s): Citywide	Making resulting in no changes to the physical environment.		CMO Approval:  7-25-18

SUBJECT: AMENDMENT TO THE SCHEDULE OF PARKLAND IN-LIEU FEES FOR SINGLE RESIDENT OCCUPANCY AND SECONDARY OR ACCESSORY DWELLING UNITS

RECOMMENDATION:

Adopt a resolution to revise unit type definitions and requirements for Single Resident Occupancy and Secondary or Accessory Dwelling Units in the Schedule of Parkland In-Lieu Fees to be consistent with the corresponding definitions in San José Municipal Code (Title 20), as may be amended from time to time.

BASIS FOR RECOMMENDATION:

On June 26, 2018, City Council approved changes to the San José Municipal Code - Title 20 (Zoning Code). These changes modify sections of the Zoning Code to expand the number of zoning districts eligible for the construction of Secondary Units (SU) or Accessory Dwelling Units (ADU), commonly referred to as 'Granny Units.' The proposed changes also modify numerous other zoning rules regarding SUs and ADUs including a reduction in the minimum lot area and a new maximum size for granny units of 900 square feet.

The Parkland Dedication and Park Impact Ordinances (PDO/PIO) require park impact fees for all new residential projects under 50 units, with additional requirements for larger projects. Resolution No. 78474, adopted on December 19, 2017 and effective on March 1, 2018, established the current Schedule of Parkland Fees for all housing units, including SU's. These fees are depicted on Exhibit A of that Resolution (Attachment A) and state that SUs may have a maximum size of 800 square feet to remain eligible for the SU fee rate under the PDO/PIO.

Due to the recent Zoning Code amendments, the current Schedule of Parkland Fees (Resolution No. 78474) is no longer consistent with City ordinance. This requires staff to propose an amendment (Attachment B) to Exhibit A of the Resolution, updating the Schedule of Parkland Fees. To improve efficiency with future changes, staff is recommending that the Schedule of Parkland Fees also permanently align certain unit type definitions and requirements with corresponding definitions already suitable in the Zoning Code, as it may be amended. This change will ensure that Secondary Units and Single Resident Occupancy Units always align with the Zoning Code and that park impact fees are charged appropriately for those unit types. Other unit categories in the Schedule of Parkland Fees are not defined in the Zoning Code, but by the U.S. Census or through Council resolution. The proposed changes will be effective as of the date the resolution is adopted.

COST AND FUNDING SOURCE:

The proposed changes are a policy change and do not require any direct costs or funding, and not expected to impact any existing revenues.

FOR QUESTIONS CONTACT: Nicolle Burnham, Deputy Director, (408) 793-5514

Attachment A

Exhibit A to Resolution 78079

2018 Adopted Parkland In-Lieu Fees

MLS ZONE	AREA COVERED	100% OF COST/ SQUARE FOOT	PROPOSED FEE PER UNIT*						
			SINGLE FAMILY DETACHED	SINGLE FAMILY ATTACHED	MULTI-FAMILY 2-4 UNITS	MULTI-FAMILY 5+	HIGHRISE	SINGLE RESIDENCY OCCUPANCY UNIT (SRO)	SECONDARY RESIDENTIAL UNIT (Granny Unit) Maximum of 800 sq feet
<i>Number of Persons Per Unit - 2010 Census Data; ACS; Survey</i>			3.31	3.31	2.96	2.34	1.51	1.00	50% of SRO
<i>Number of Dwelling Units to create 1 acre of Raw Parkland</i>			100.7	100.7	112.6	142.5	220.8	333.3	n/a
1 & 2	SANTA TERESA	\$ 34.00	\$ 14,700	\$ 14,700	\$ 13,200	\$ 10,400	\$ 6,700	\$ 4,400	\$ 2,200
3	EVERGREEN	\$ 43.00	\$ 18,600	\$ 18,600	\$ 16,600	\$ 13,100	\$ 8,500	\$ 5,600	\$ 2,800
4	ALUM ROCK	\$ 30.00	\$ 13,000	\$ 13,000	\$ 11,600	\$ 9,200	\$ 5,900	\$ 3,900	\$ 1,950
5 & 6	BERRYESSA	\$ 45.00	\$ 19,500	\$ 19,500	\$ 17,400	\$ 13,800	\$ 8,900	\$ 5,900	\$ 2,950
7A	ALVISO (North of 237)	\$ 26.00	\$ 11,200	\$ 11,200	\$ 10,100	\$ 8,000	\$ 5,100	\$ 3,400	\$ 1,700
7B	NORTH SAN JOSE (So. of 237)	\$ 136.00	\$ 58,800	\$ 58,800	\$ 52,600	\$ 41,600	\$ 26,800	\$ 17,800	\$ 8,900
8	SANTA CLARA	\$ 37.00	\$ 16,000	\$ 16,000	\$ 14,300	\$ 11,300	\$ 7,300	\$ 4,800	\$ 2,400
9	DOWNTOWN	\$ 74.00	\$ 32,000	\$ 32,000	\$ 28,600	\$ 22,600	\$ 14,600	\$ 9,700	\$ 4,850
10	WILLOW GLEN	\$ 68.00	\$ 29,400	\$ 29,400	\$ 26,300	\$ 20,800	\$ 13,400	\$ 8,900	\$ 4,450
11	SOUTH SAN JOSE	\$ 30.00	\$ 13,000	\$ 13,000	\$ 11,600	\$ 9,200	\$ 5,900	\$ 3,900	\$ 1,950
12	BLOSSOM VALLEY	\$ 34.00	\$ 14,700	\$ 14,700	\$ 13,200	\$ 10,400	\$ 6,700	\$ 4,400	\$ 2,200
13	ALMADEN VALLEY	\$ 40.00	\$ 17,300	\$ 17,300	\$ 15,500	\$ 12,200	\$ 7,900	\$ 5,200	\$ 2,600
14 & 16	CAMBRIAN	\$ 35.00	\$ 15,100	\$ 15,100	\$ 13,500	\$ 10,700	\$ 6,900	\$ 4,600	\$ 2,300
15	CAMPBELL	\$ 65.00	\$ 27,300	\$ 27,300	\$ 24,400	\$ 19,300	\$ 12,400	\$ 8,200	\$ 4,100
17 & 18	CUPERTINO	\$ 63.00	\$ 27,300	\$ 27,300	\$ 24,400	\$ 19,300	\$ 12,400	\$ 8,200	\$ 4,100
9 - DC	Downtown Core - East of Hwy 87 HighRise 12+ Stories**					\$ 11,300			

* Fees for Low Income Units shall be at the rate of 50% of the applicable parkland fees for each residential unit type per Section 1 of Resolution No. 75540

** Fees for eligible Downtown Area Highrises shall be set at 50% of the Multifamily 5+ rate within the Downtown MLS district, as set forth in Resolutions 78039 and 78079.

Attachment B

2018 Proposed Schedule of Parkland In-Lieu Fees

MLS ZONE	AREA COVERED	100% OF COST/ SQUARE FOOT	PROPOSED FEE PER UNIT ¹						
			SINGLE FAMILY DETACHED	SINGLE FAMILY ATTACHED	MULTI-FAMILY 2-4 UNITS	MULTI-FAMILY 5+	HIGHRISE	SINGLE RESIDENCY OCCUPANCY UNIT (SRO)	SECONDARY RESIDENTIAL or ACCESSORY DWELLING UNIT (SU/ADU)
			<i>Unit types classified per U.S. Census definitions of housing characteristics.</i>					<i>Defined in Res. No. 78079.</i>	<i>Defined in the San Jose Municipal Code (Title 20), as may be amended.</i>
<i>Number of Persons Per Unit - 2010 Census Data; ACS; Survey</i>			3.31	3.31	2.96	2.34	1.51	1.00	50% of SRO
<i>Number of Dwelling Units to create 1 acre of Raw Parkland</i>			100.7	100.7	112.6	142.5	220.8	333.3	n/a
1 & 2	SANTA TERESA	\$ 34.00	\$ 14,700	\$ 14,700	\$ 13,200	\$ 10,400	\$ 6,700	\$ 4,400	\$ 2,200
3	EVERGREEN	\$ 43.00	\$ 18,600	\$ 18,600	\$ 16,600	\$ 13,100	\$ 8,500	\$ 5,600	\$ 2,800
4	ALUM ROCK	\$ 30.00	\$ 13,000	\$ 13,000	\$ 11,600	\$ 9,200	\$ 5,900	\$ 3,900	\$ 1,950
5 & 6	BERRYESSA	\$ 45.00	\$ 19,500	\$ 19,500	\$ 17,400	\$ 13,800	\$ 8,900	\$ 5,900	\$ 2,950
7A	ALVISO (North of 237)	\$ 26.00	\$ 11,200	\$ 11,200	\$ 10,100	\$ 8,000	\$ 5,100	\$ 3,400	\$ 1,700
7B	NORTH SAN JOSE (So. of 237)	\$ 136.00	\$ 58,800	\$ 58,800	\$ 52,600	\$ 41,600	\$ 26,800	\$ 17,800	\$ 8,900
8	SANTA CLARA	\$ 37.00	\$ 16,000	\$ 16,000	\$ 14,300	\$ 11,300	\$ 7,300	\$ 4,800	\$ 2,400
9	DOWNTOWN	\$ 74.00	\$ 32,000	\$ 32,000	\$ 28,600	\$ 22,600	\$ 14,600	\$ 9,700	\$ 4,850
10	WILLOW GLEN	\$ 68.00	\$ 29,400	\$ 29,400	\$ 26,300	\$ 20,800	\$ 13,400	\$ 8,900	\$ 4,450
11	SOUTH SAN JOSE	\$ 30.00	\$ 13,000	\$ 13,000	\$ 11,600	\$ 9,200	\$ 5,900	\$ 3,900	\$ 1,950
12	BLOSSOM VALLEY	\$ 34.00	\$ 14,700	\$ 14,700	\$ 13,200	\$ 10,400	\$ 6,700	\$ 4,400	\$ 2,200
13	ALMADEN VALLEY	\$ 40.00	\$ 17,300	\$ 17,300	\$ 15,500	\$ 12,200	\$ 7,900	\$ 5,200	\$ 2,600
14 & 16	CAMBRIAN	\$ 35.00	\$ 15,100	\$ 15,100	\$ 13,500	\$ 10,700	\$ 6,900	\$ 4,600	\$ 2,300
15	CAMPBELL	\$ 65.00	\$ 27,300	\$ 27,300	\$ 24,400	\$ 19,300	\$ 12,400	\$ 8,200	\$ 4,100
17 & 18	CUPERTINO	\$ 63.00	\$ 27,300	\$ 27,300	\$ 24,400	\$ 19,300	\$ 12,400	\$ 8,200	\$ 4,100
9 - DC	Downtown High-rise Incentive - HighRise 12+ Stories ^{2,3}					\$ 11,300			

¹ Fees for Low Income Units shall be at the rate of 50% of the applicable parkland fees for each residential unit type per Section 1 of Resolution No. 75540

² Fees for eligible Downtown Area Highrises locked into the Original Downtown Highrise Incentive, shall be set at 50% of the Multifamily 5+ rate within the Downtown MLS district, as set forth in Resolutions 78039 and 78079.

³ Eligibility for Downtown High-rise Incentive Program (Resolutions 78039 and 78079) is closed for any projects which have not pulled Building Permits by July 1, 2018. Currently eligible projects must receive final inspection for at least 80% of the units by December 31, 2020 to secure discounted and deferred rates, that are payable prior to issuance of a Certificate of Occupancy for the Project, as described in the applicable parkland agreement.