

San José Parks Maintenance and Capital Funding

Study Session

City Council | April 15, 2025

Outcomes

- Understand primary funding sources
- Have a renewed perspective on funding and maintenance challenges
- Gain insight into how San José compares to other park systems
- Learn about opportunities to improve

Parks Matter



Environment

- Cleaner Air
- Cooler Cities
- Thriving Ecosystems



Health

- Exercise
- Mental health
- Stress relief



Community

- Stronger connections
- Shared spaces



Economy

- Property values
- Local business
- Tourism

Today's Park System



200+
**Neighborhood
Parks**



10
**Regional
Parks**



65+
**Miles of
Trails**

Evolving Park Planning

Capital Projects: Greenprint (2000 + 2009)

- Set service-level goals
- Progress was made, but new challenges emerged: climate resilience, equity, funding

New Strategic Plan: ActivateSJ (2019)

- Sets PRNS's vision, aligned with five guiding principles
- Establishes benchmarks to sustain, enhance, and grow

Park Master Plan (2026/ 2027)

- Integrate capital projects and ongoing maintenance, update policies, and secure critical funding



ACTIVATESJ GUIDING PRINCIPLES



STEWARDSHIP

We take care of what we have and invest for the future



NATURE

We protect, preserve, and promote natural areas for everyone



EQUITY & ACCESS

We embrace people of all ages, cultures, and abilities



IDENTITY

We aim to be a premier parks, recreation, and neighborhood services system



PUBLIC LIFE

We promote community spaces for a safe, fun, and healthy San José

How are parks funded?



Budget Overview

FY 2024-2025
Total Operating Budget

\$183M →

Park Maintenance and Operations
35.7%

FY 2025-2029
5-Year Capital Budget

\$410M

**Community Facilities
Development**

4.3%

\$7,955,096

Strategic Support
10.6%

\$19,472,178

Recreation
19.6%

\$35,942,506

\$54,234,411

Community Services
29.6%

\$65,397,899



Operations & Maintenance

- Covers day-to-day costs of running facilities and services
- Short-term expenses (typically annual funding)
- Park maintenance



Capital Projects

- Funds long-term investments in infrastructure
- Multi-year funding for major projects
- New parks

Key Funding Sources



**Construction &
Conveyance (C&C)
Tax**



**Park Trust Fund
(Development Impact
Fees)**



**General
Fund**



**Gifts, Grants, &
Partnerships**

Construction & Conveyance (C&C) Tax

How is the C&C Tax Generated?

- New construction permits
- Real estate transactions over \$100

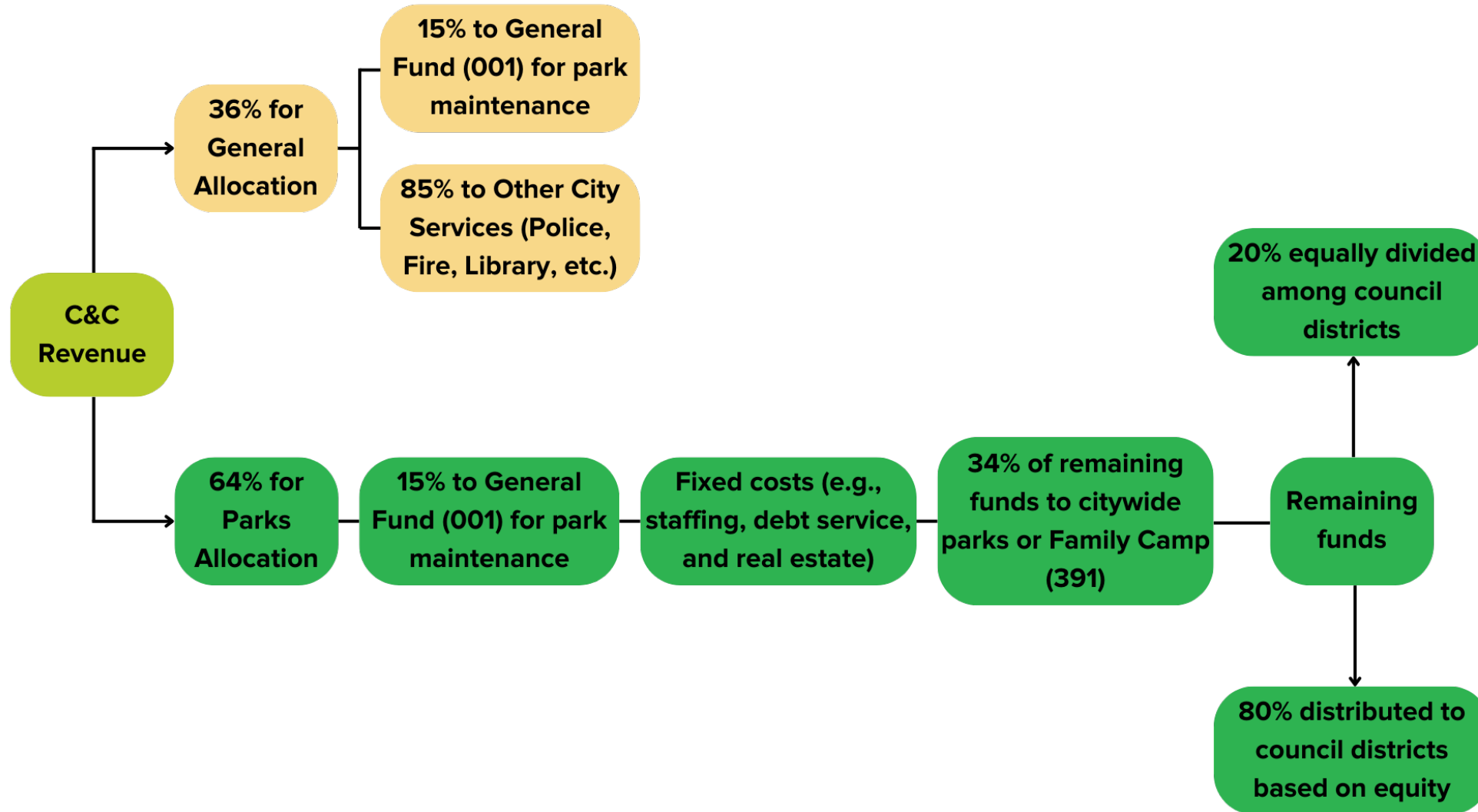
Funds are used for:

- Park improvements
- Park maintenance
- Fixed costs (staffing, debt service, real estate)
- Citywide & by Council District

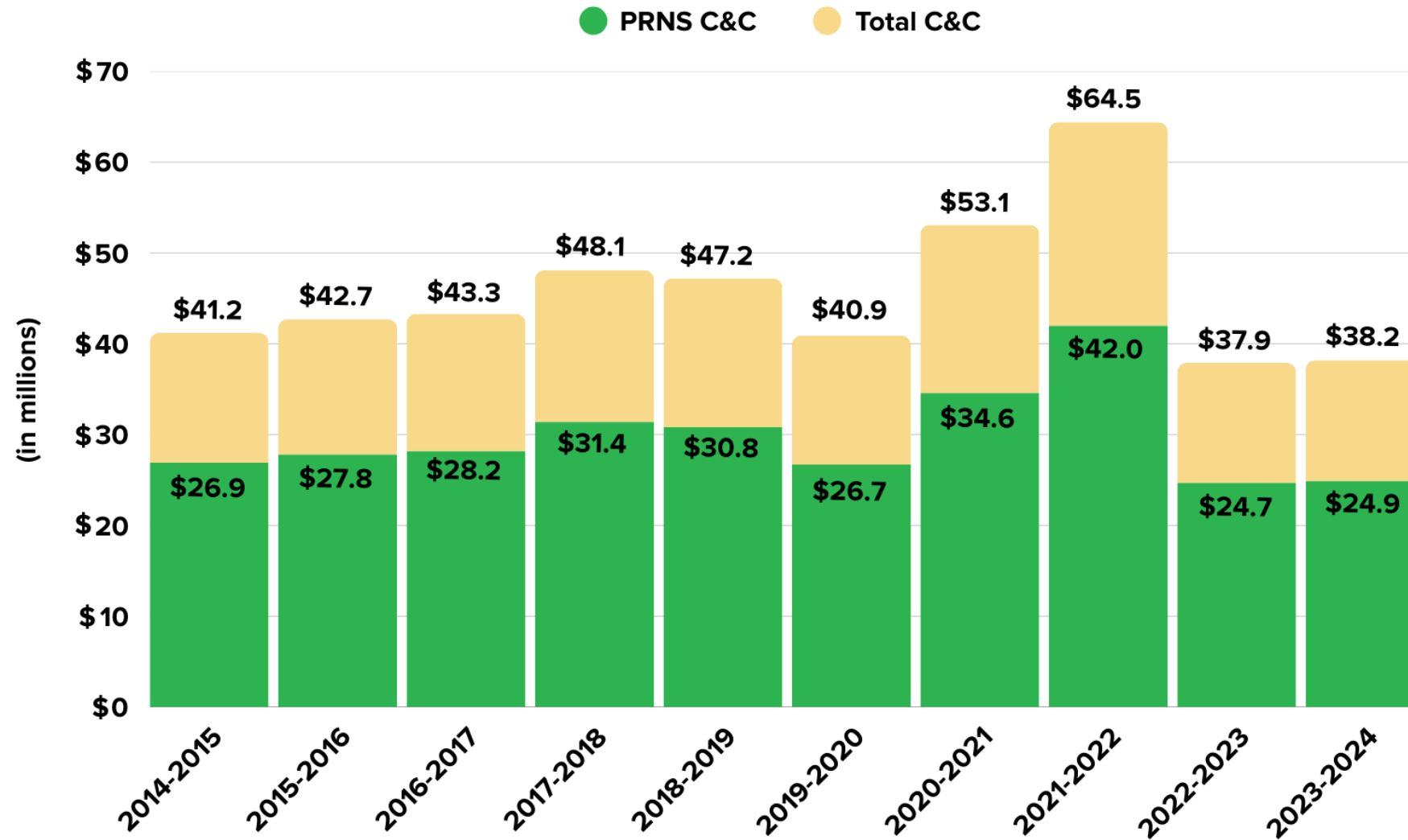
Municipal Code sets strict formula for distribution



How is C&C Revenue Distributed?



C&C Historical Trend



Starting Point of Money to PRNS (65.2% of total C&C)

\$30,000,000

Note: This is not based on actual numbers and is only meant to demonstrate how the formula works.

Parks Allocation

\$29,640,000

15% is sent to GF for
Parks Maintenance
\$4,460,000

Remaining after GF Transfer

\$25,194,000

Fixed Costs

\$17,000,000

\$8,194,000

34% is sent to a different Fund for CW expenses

\$2,785,960

Remaining for the Council Districts

\$5,408,040

80% is sent to the districts based on Equity (\$4,326,432 total)

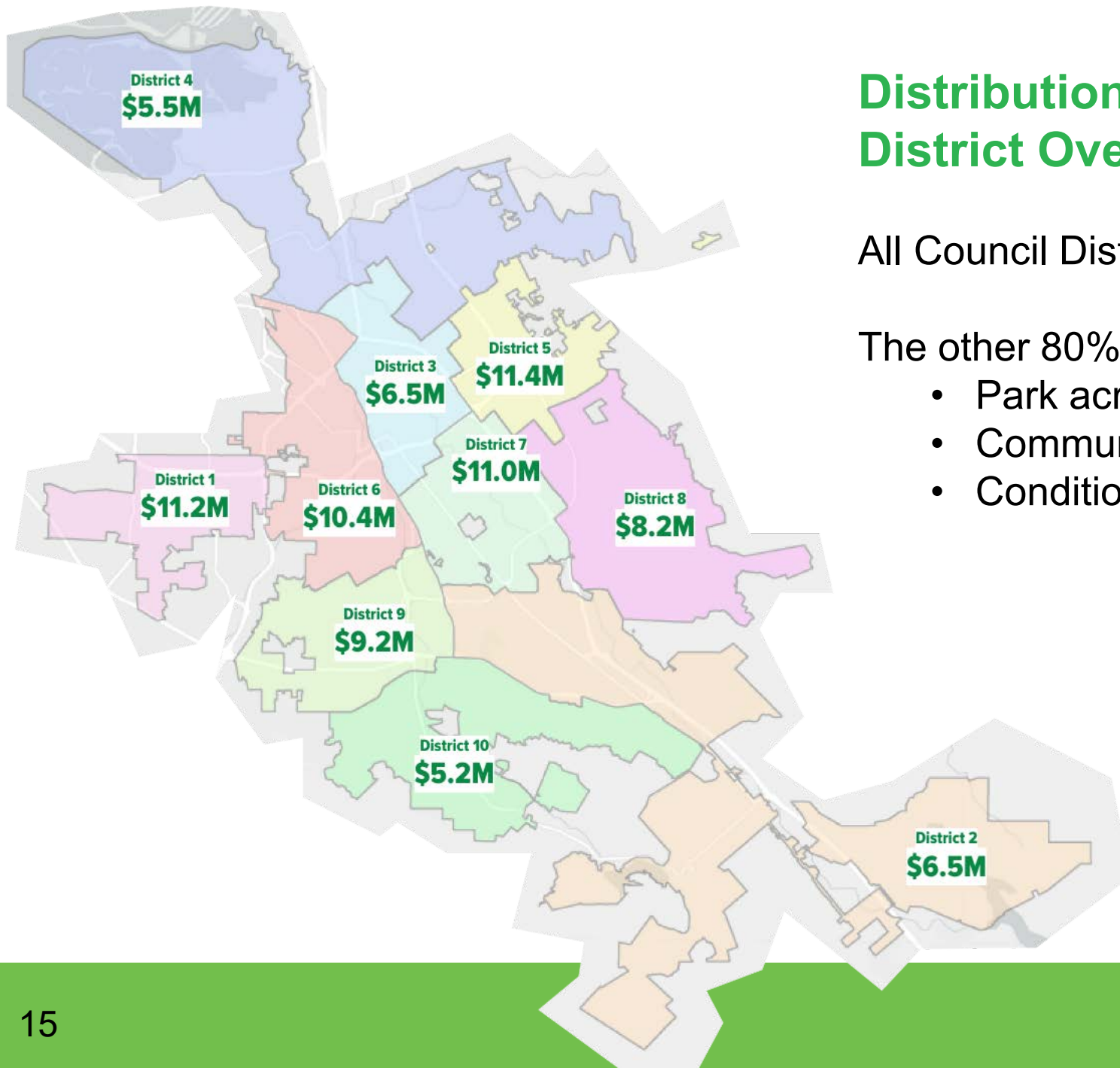
20% is sent to the districts based on Equality (\$1,080,000 total)

Distribution of C&C Funds by Council District Over the Past 10 Years (2014-2024)

All Council Districts receive 20%

The other 80% is allocated based on equity:

- Park acreage
- Community center space
- Condition of existing parks and facilities



Park Trust Fund (Park Fees)

Funded by New Residential Development:

- Parkland Dedication Ordinance (PDO) & Park Impact Ordinance (PIO)
- Mitigates impact of new residents on parks
- Developers may dedicate land, build a new park, pay in-lieu fees, or combine these options

Spending Restrictions (State Law & Local Policy):

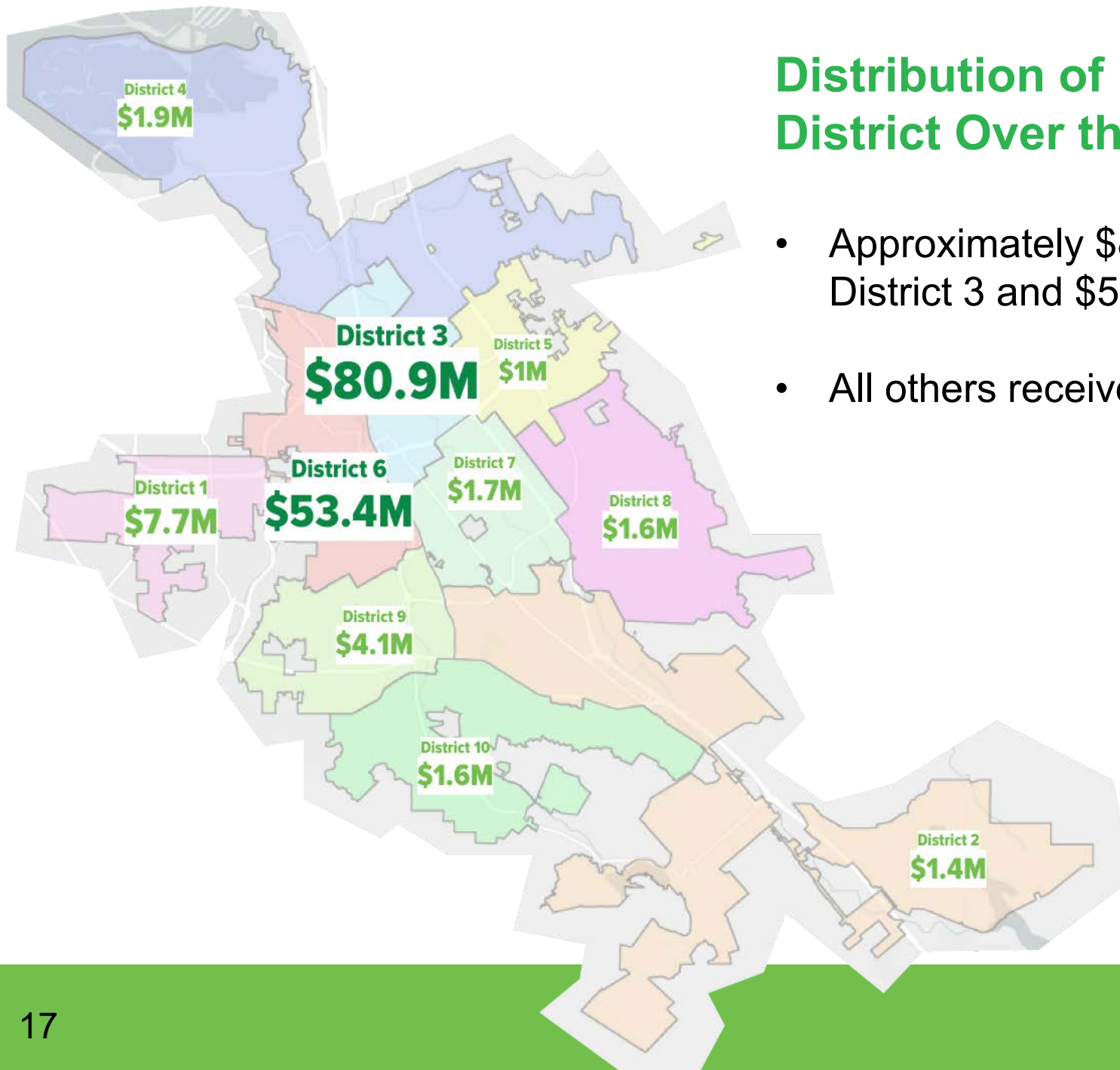
- Within $\frac{3}{4}$ mile for neighborhood-serving projects
- Within 3 miles for community-serving projects
- NO maintenance & operations

Equity Challenge:

- Fees collected where development occurs → not an equitable distribution



Distribution of Park Fees by Council District Over the Past 10 Years (2014-2024)



- Approximately \$80.9 million has been generated in District 3 and \$53.4 million in District 6
- All others received between \$1 million - \$7.7 million

Parks developed as a result of park fees



Park Status

- Open
- In Development
- Planned Future Park

City Council District

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10

Note: Parks listed above are a result of the Parkland Dedication Ordinance and the Park Impact Ordinance (PDO/PIO) through any combination of the following: parkland dedication, and turnkey parkland improvements, parkland acquisition through the Park Trust Fund (PTF), and major improvements to new or existing parks funded through the PTF or PDO/PIO fees.

Author: Marybeth Bowman, 2/5/2025

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PARKS, RECREATION & NEIGHBORHOOD SERVICES

Esri, HERE, Garmin, (c) OpenStreetMap contributors, and the GIS user community

Compounding this Challenge



Stagnant Fees

- Park fees have not increased since 2017 to support residential development

Fee Reductions

- Fees were reduced for downtown high-rises and multi-family projects in North San José
- Up to a 50% reduction for including on-site recreation (usually for private residents)
- Affordable housing automatically receives a 50% reduction
- Combined reductions can lower fees by up to 75%; most projects receive a 20%-30% reduction on average

Insufficient Funding for New Parks

- Fees do not fully cover the cost of new parks, so gaps are filled with other sources

General Fund \$36,058,015 FY 24 - 25

- Generated from local taxes
- Covers daily operations & maintenance
- Can fund small capital projects
- **Competes with other City services (e.g., Police, Fire, Library, etc.)**
- **Fluctuates with the economy and is impacted by inflation**



General Fund Allocations for Parks O&M

Park District or Responsibility	FY 2023-2024	FY 2024-2025
Park District 1	\$3,157,593	\$3,397,335
Park District 2	\$2,744,151	\$3,604,311
Park District 3	\$3,516,892	\$4,070,796
Park District 4	\$2,714,642	\$2,793,387
Park District 5	\$3,292,084	\$3,643,432
Park District 6 (Emma Prusch Farm Park and Happy Hollow Park & Zoo)*	\$2,275,733	\$2,003,789
Park District 7 (Action Sports Park, Arcadia, and PAL)*	\$1,287,083	\$1,242,716
Park District 8	\$5,369,868	\$5,897,916
Parks Contract Services	\$3,407,474	\$3,583,993
IPM/Turf and Mowing	\$2,385,248	\$2,567,306
Strike and Repair	\$1,804,273	\$2,049,963
Community Forestry	\$1,109,784	\$1,203,071
Total	\$33,064,825	\$36,058,015

* The Parks Division reorganized service delivery in 2020-2021, creating specialized teams focused on destination and sports facilities in “Park District 6” and “Park District 7.”

Grants & Partnerships

Grants

- ~\$21M awarded over 5 years for 26 capital projects
- ~\$3.8M awarded over 5 years that supports maintenance and youth employment
 - \$2.8M for Resilience Corps
 - \$1M for climate resiliency at Alum Rock and Overfelt (suspended by federal government on 4/2/25)



State & Federal Earmarks

- \$1.5M for Lake Cunningham water quality (Candelas + Panetta)
- Pursuing funds for Yerba Buena Bridge & Cahalan Park (suspended by federal government on 4/2/25)

Partnerships with Nonprofits

- San José Conservation Corps, Happy Hollow Foundation, San José Parks Foundation, Guadalupe River Park Conservancy, and others

Rising Construction Costs



Estimated park development cost: \$3M per acre
Land costs can range \$1.2M - \$8.2M per acre

This means a new park can cost

\$4.2M - \$11.2M

\$550M+ Deferred Maintenance Backlog

Park Component	Estimated Backlog
Park Grounds*	\$147,116,412
Park Yards	\$9,974,318
Trails	\$20,586,149
Regional Facilities	\$162,128,193
<i>Park Component Subtotal</i>	<i>\$339,805,000</i>
Community Buildings	\$94,378,915
Other Buildings (e.g., accessory buildings, leased-out buildings)	\$115,932,022
Restrooms	\$4,202,916
<i>Building Component Subtotal</i>	<i>\$214,514,000</i>
Total 2024 Backlog	\$554,319,000

*Value is estimated from 2013-2014 data and extrapolated to reflect increases due to inflation and decreases due to work completed.

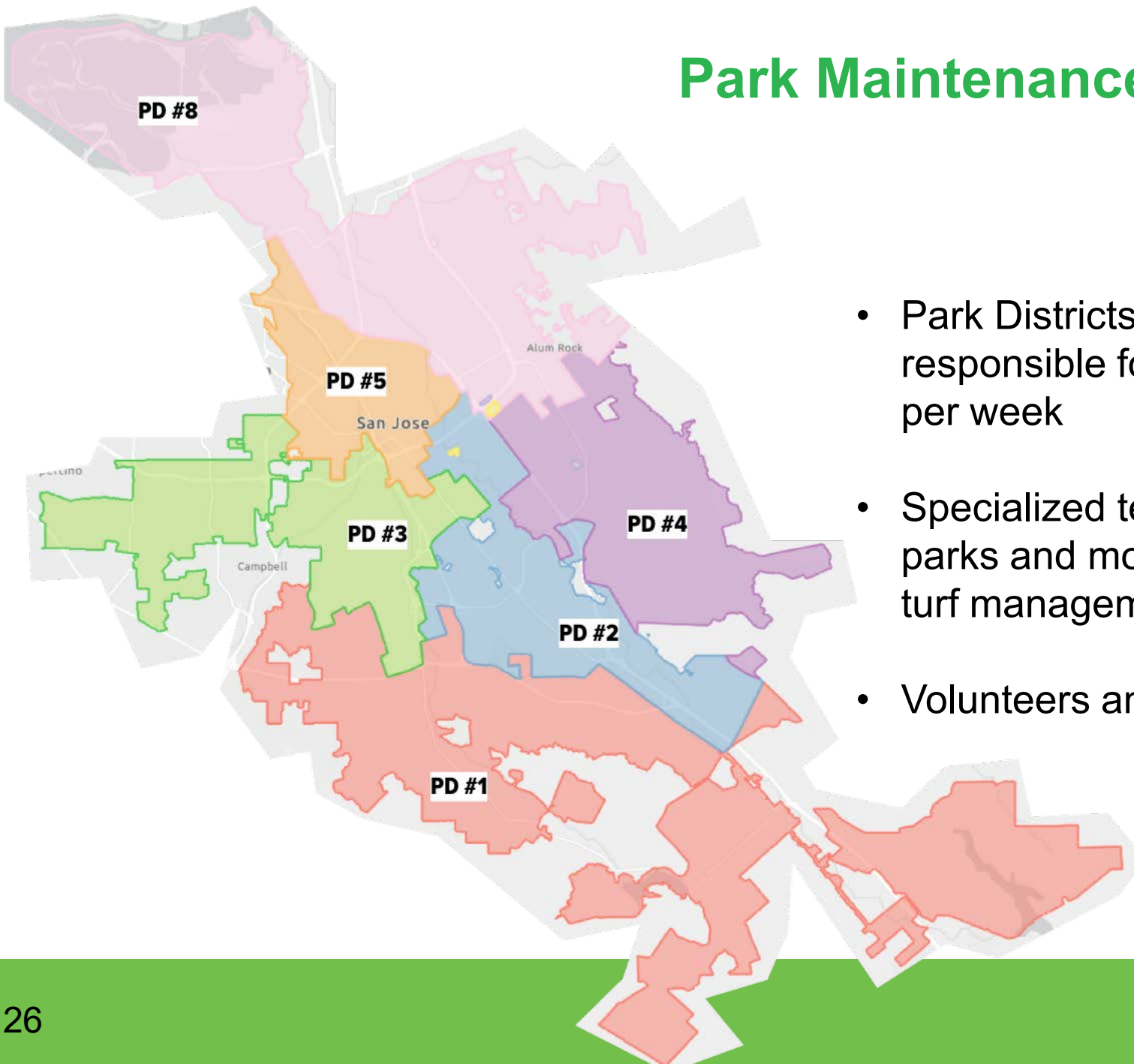
This impacts park amenities and PRNS facilities:

- Playgrounds
- Picnic areas
- Sports facilities
- Recreational turf
- Restrooms
- Community centers
- And more

How are parks maintained?



Park Maintenance: A Collaborative Effort



- Park Districts: 2-4 employees are typically responsible for 6-8 parks, visiting them 2-3 times per week
- Specialized teams handle destination/ regional parks and more complicated tasks (e.g., pest and turf management)
- Volunteers and contractors assist

Overview of Maintenance Staff (FY 2024-2025)

District/ Team	FTE	Total # of Parks and Civic Grounds	Approx. Developed Acres	Approximate Trail Mileage
Park District 1	17.69	31	240	12
Park District 2	22.28	35	258	6
Park District 3	20.36	21	190	6
Park District 4	16.93	20	320	15
Park District 5	17.82	22	216	10
Park District 6 (Emma Prusch Farm Park and Happy Hollow Park & Zoo)*	13.34	2	82	0
Park District 7 (Action Sports Park, Arcadia Ballpark, and PAL)*	8.02	3	39	0
Park District 8	25.81	34	306	16
Parks Contract Services**	3.00**	98**	150**	-
IPM/Turf and Mowing	22.40	-	-	-
Strike and Repair	13.00	-	-	-
Community Forestry	2.00	-	-	-
Grand Total	182.65	266	1,801	65

*Park Districts 6 and 7 are not included on the previous map because they represent specific parks and destinations within the system. Park District 6 includes Emma Prusch Farm Park and Happy Hollow Park & Zoo and Park District 7 includes Action Sports Park, Arcadia Ballpark, and PAL.

**The Parks Contract Services team (3 City FTE) manages the contracts for custodial services in restrooms (equivalent of 12 FTE) and pocket park maintenance (150 acres). This team also does citywide park inspections and coordinates with park districts regarding repairs needed in any park district.

San José's Park Maintenance Standards

Park Condition Assessment (PCA):

- Evaluates 20 park features annually
- Parks receive scores based on standards met or not met
- Snapshot of park conditions at a specific time

Factors Affecting PCA Scores:

- Seasonal changes, staffing shortages, weather events
- Not always aligned with community perspective

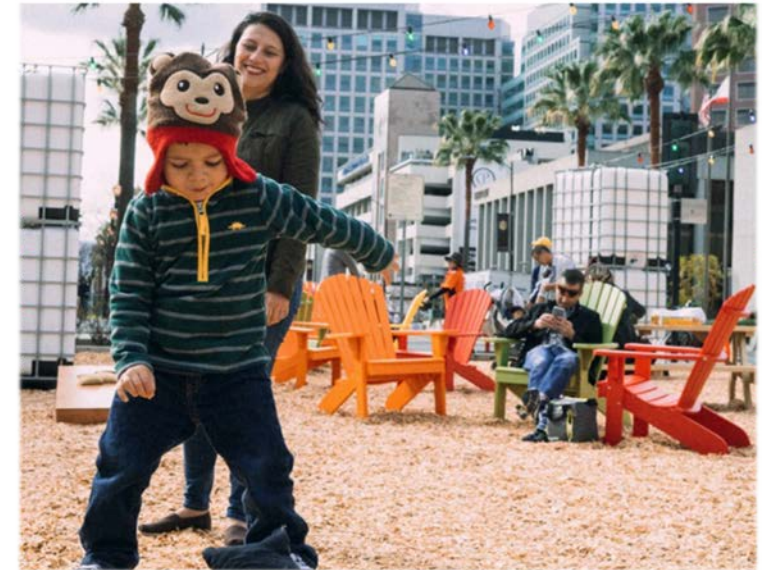
Promoting Equity in Maintenance:

- Healthy Places Index (HPI) integrated into decision-making

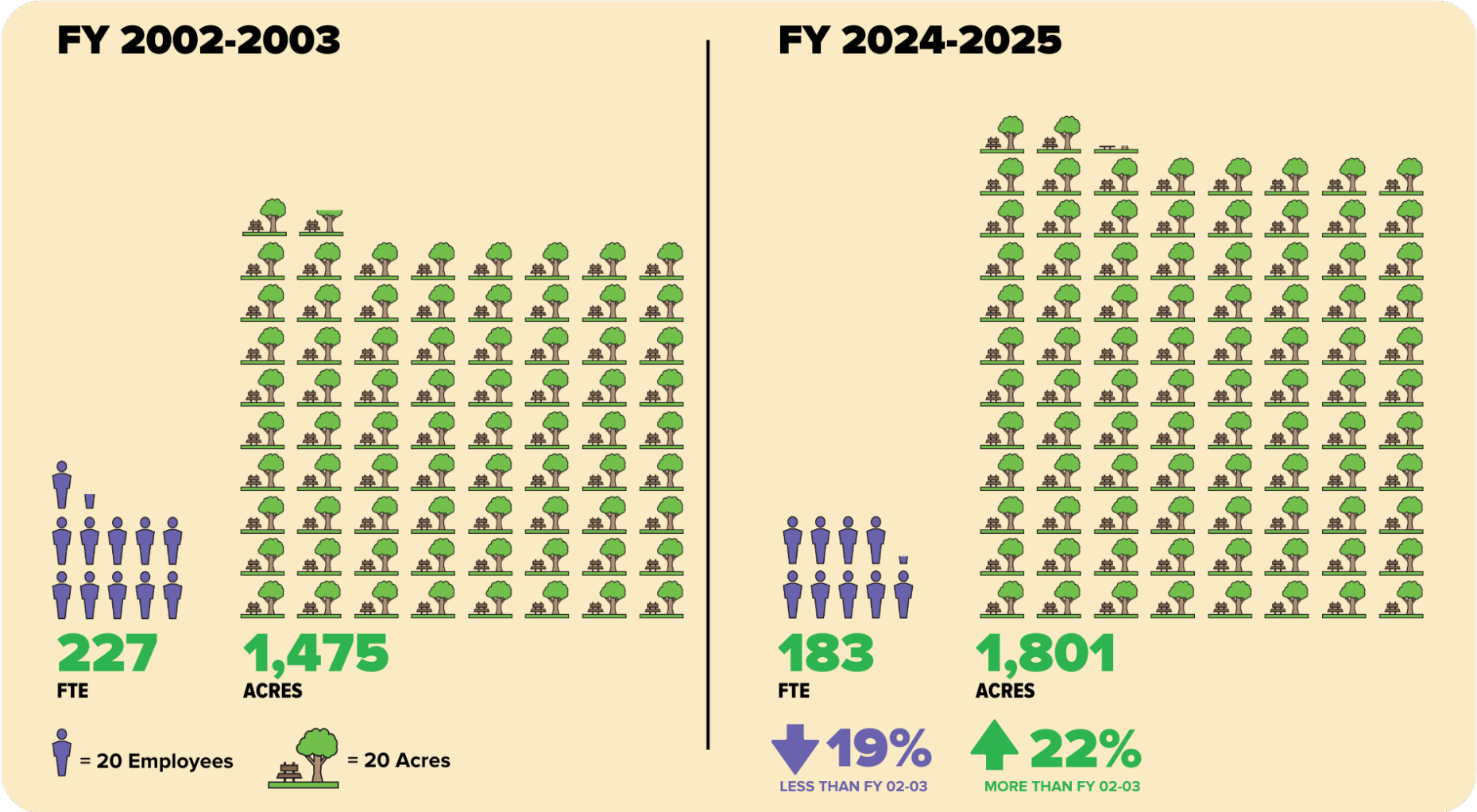
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Building Community Through Fun

2023

Park Maintenance Standards

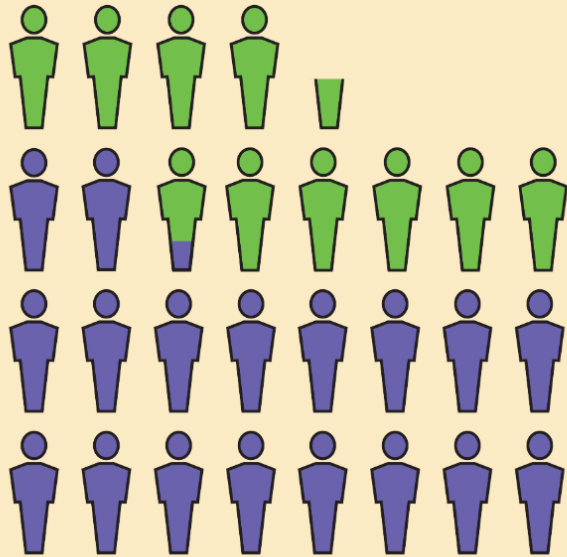


A Historical Analysis of Staffing



Note: Contractors = ~12 FTE of custodial services and are responsible for ~150 acres of developed parks

Assessing Staffing Needs



California Parks and Recreation Society's Maintenance Management School helped staff develop effective park maintenance plans and determine the resources needed for adequate park maintenance.

Park maintenance is about 100 FTE understaffed

Closing the gap:

- Contractors maintain pocket parks, civic grounds, and restrooms
- 28,000 volunteer hours (Adopt-A-Park, cleanups, events)
- 18,000 hours from Sheriff's Work Program & General Assistance Program
- Resilience Corps program
- Still, more resources are needed

What can we learn from other park systems?





TRUST FOR
PUBLIC
LAND™

2024 Park Score Index *Out of 100

San José, CA

51

Acreage

Median park size and percent of city area dedicated to parks

74

Access

Portion of residents within a 10-minute walk of a park

57

Investments

Three-year average of all public and private spending, including monetized volunteer hours

32

Amenities

Six popular features, such as basketball hoops and dog parks, that appeal to a diverse cross-section of users

73

Equity

Distribution of parks and park space between neighborhoods by race and income

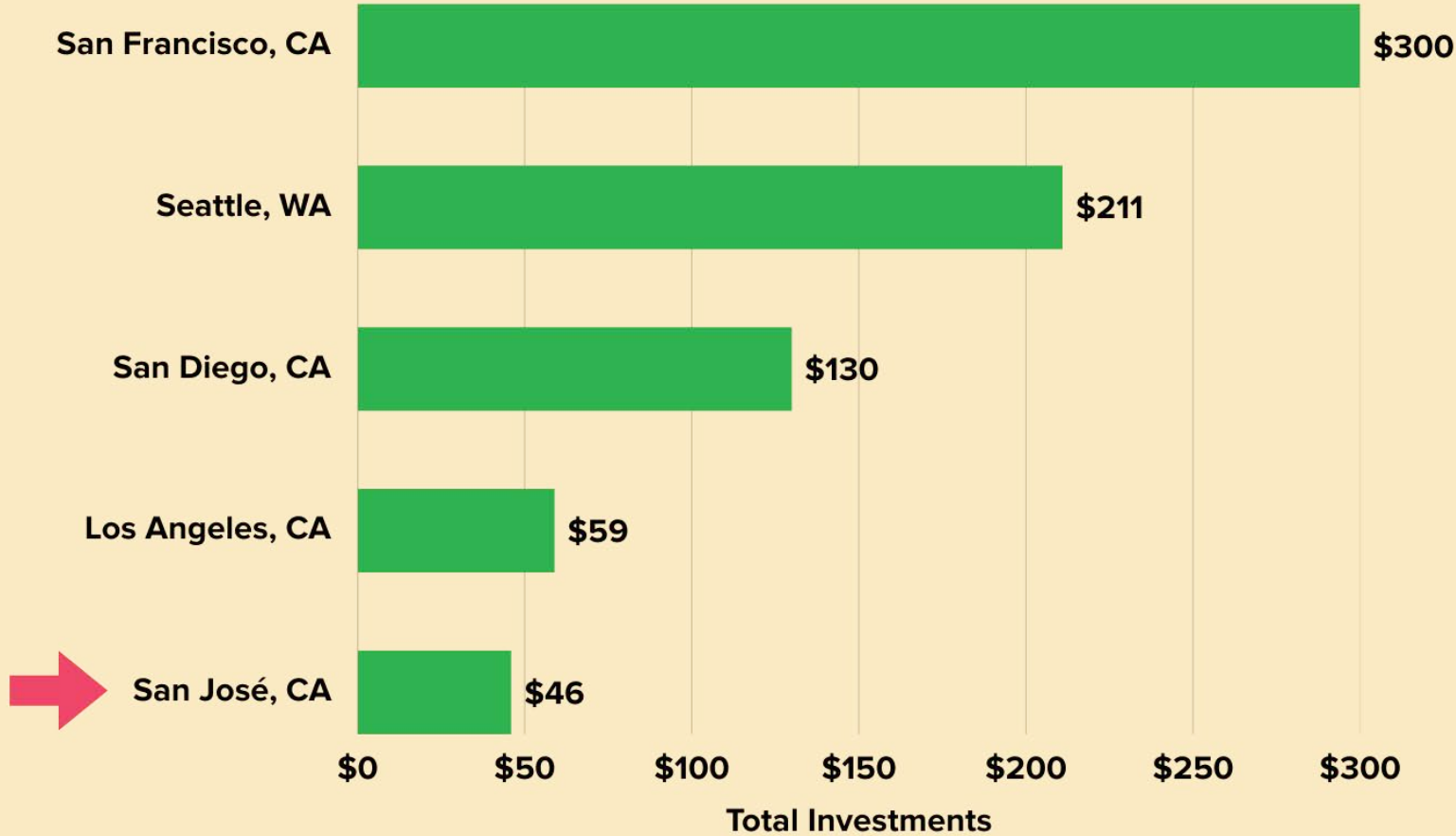
Rank #32

Points: 57.5



When compared to similar cities, **San José ranks last in spending per capita on maintenance activities**

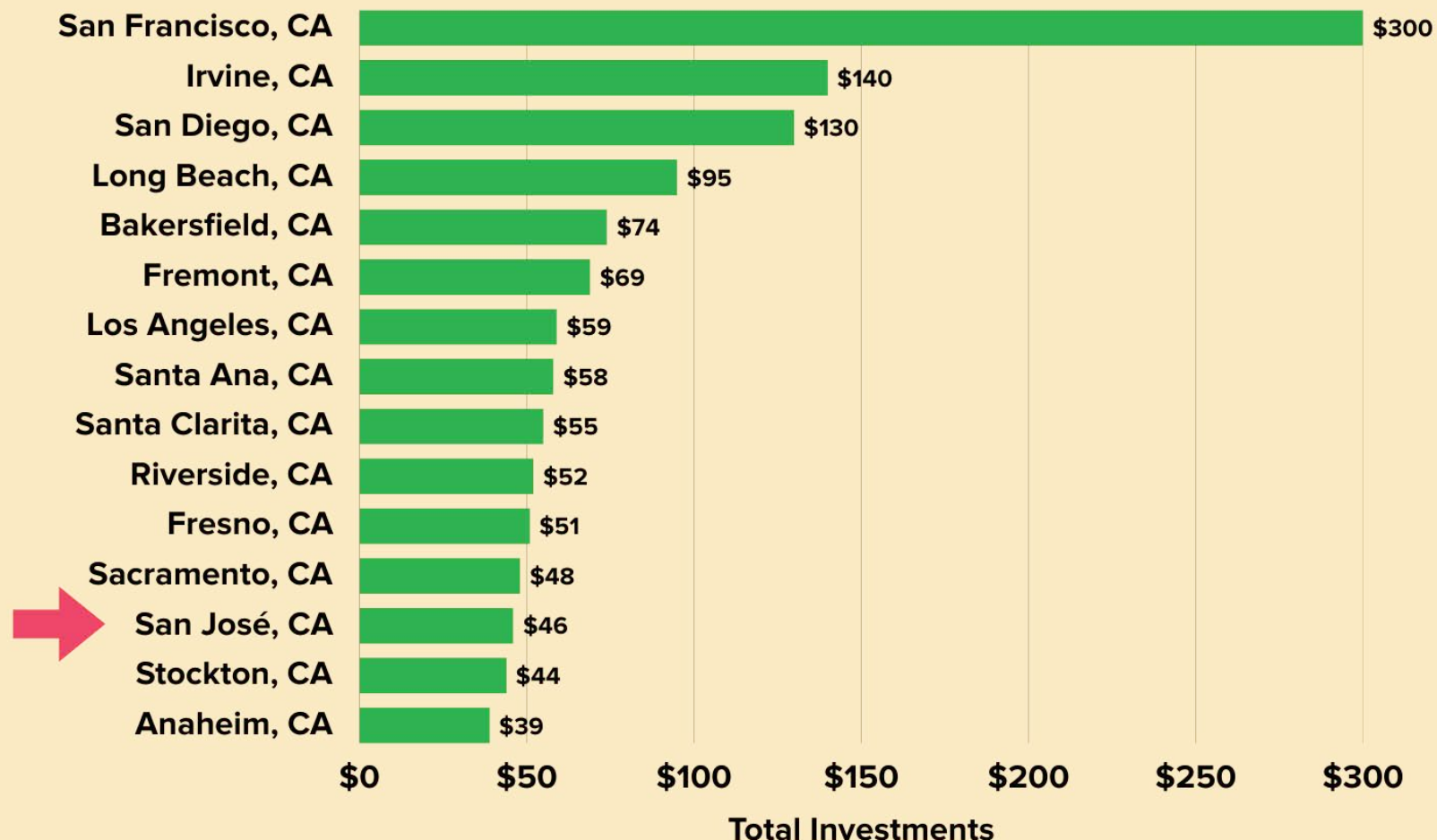
Maintenance Spending per capita in Similar Cities





When comparing maintenance spending to 15 other cities in California, **San José ranked 13th**

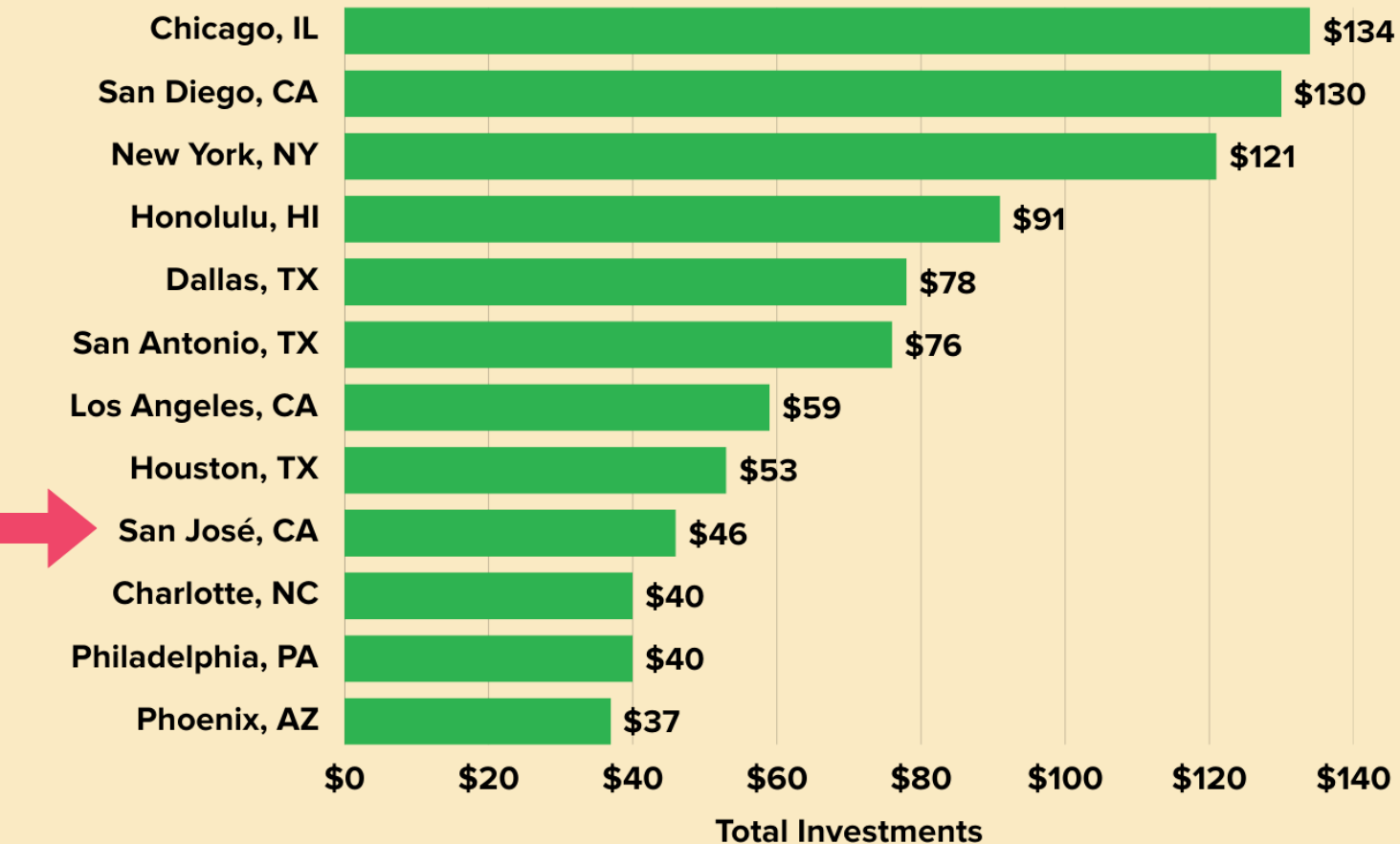
Maintenance Spending per capita in California Cities





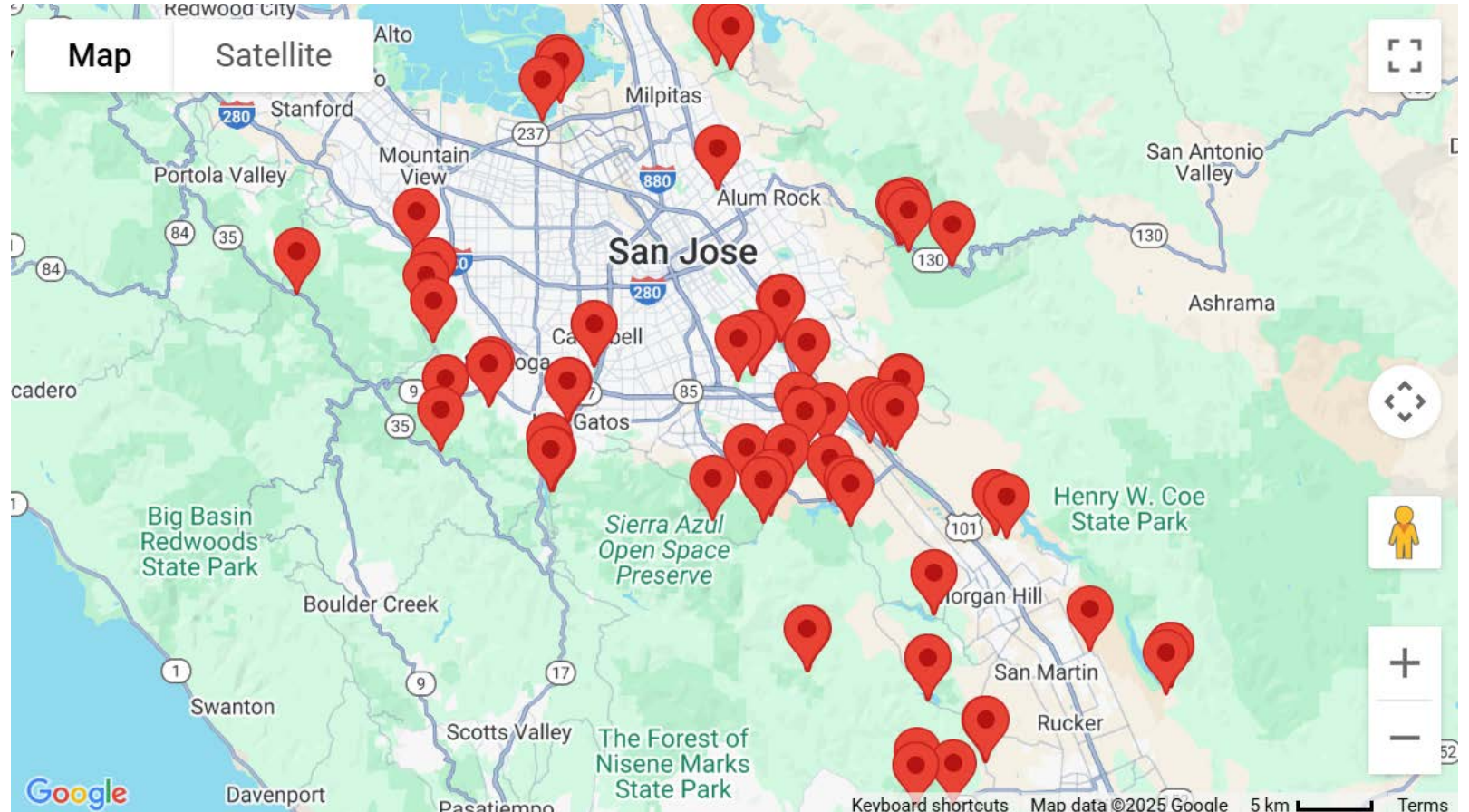
When comparing the same data to other cities with a similar population of one million or more, **San José ranked 9th**

Maintenance Spending per capita in Cities with a Similar Population of One Million or More



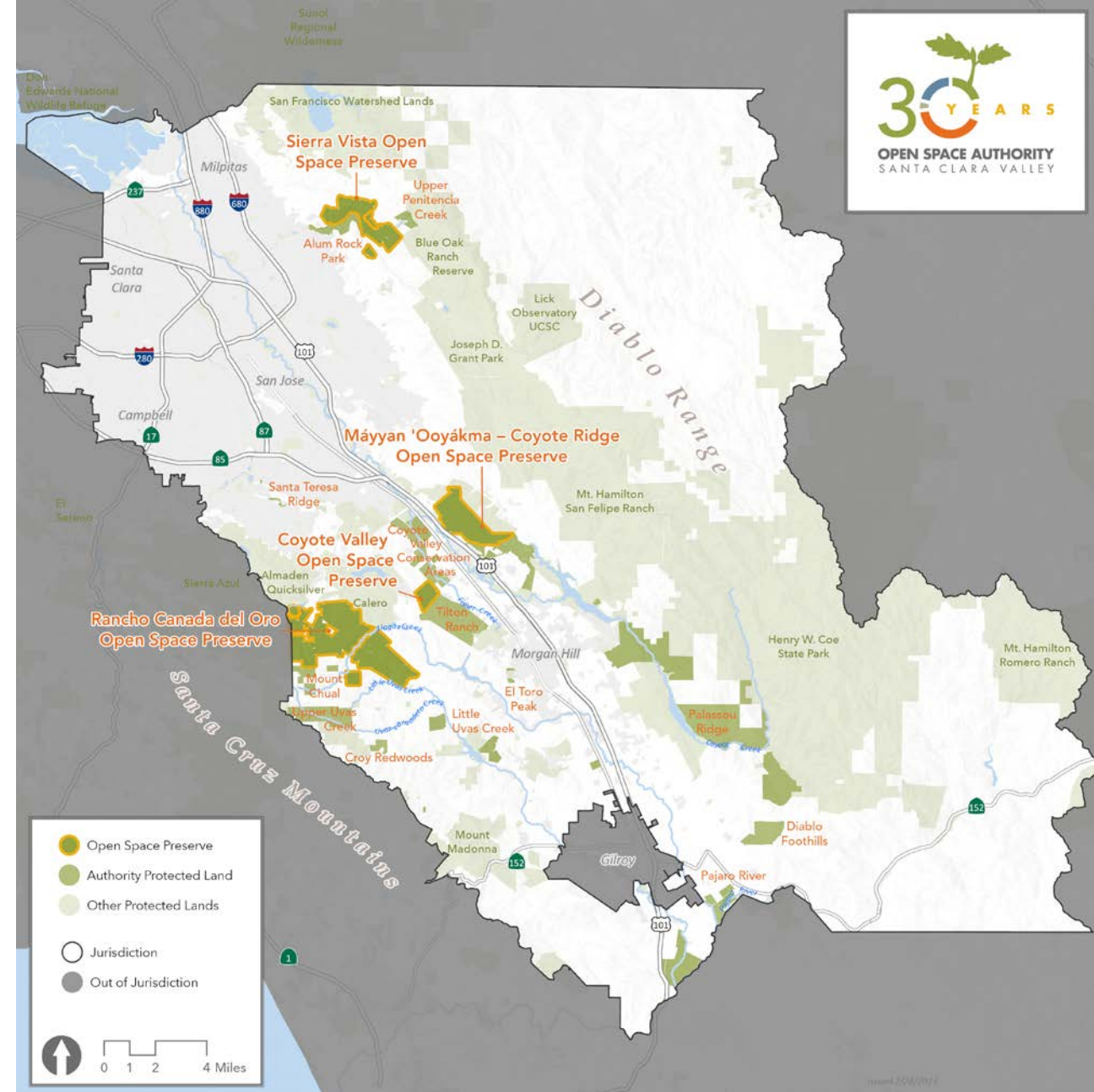
Santa Clara County Parks

- Park Charter Fund: est. 1972, renewed by Measure A in 2016
- Not a tax - guarantees set % of County budget
- Generated ~\$90M 2024 - 2025



Santa Clara Valley Open Space Authority

- Measure T Parcel Tax (2020):
\$24/year → ~\$8M/year
- District 1 Assessment (1994):
\$12/year → ~\$4.2M/year
- Focused on open spaces & farmland around the valley



San José Property Tax Bill

ASSESSED VALUES	
Land	363,521
Improvements	242,460
Total Land and Improvements	605,981
Personal Property	0
Total Assessed Value	605,981
Less Homeowners Exemption	7,000
Less Other Exemption	
Net Assessed Value	\$598,981

DETAIL OF TAXES			
TAXING AGENCY	VALUE	RATES (%)	AMOUNT
LAND, IMPROVEMENTS, PERSONAL PROPERTY			
1% MAXIMUM LEVY	598,981	1.000000	5,989.81
CO BOND 2008 HOSP FAC	598,981	0.005500	32.94
CO RETIREMENT LEVY	598,981	0.038800	232.40
CO. HOUSING BOND 2016	598,981	0.004300	25.73
COMM COLLEGE BONDS	598,981	0.026900	161.11
ELEM OR UNIF SCH BONDS	598,981	0.086500	518.05
HIGH SCHOOL BONDS	598,981	0.089400	535.46
SAN JOSE CITY G O BONDS	598,981	0.015700	94.04
TOTAL ASSESSED VALUE TAXES		1.267100	7,589.60
LAND AND IMPROVEMENTS			
SCVWD-STATE WATER PROJ	605,981	0.004100	24.84
TOTAL LAND & IMPROVEMENT TAXES		0.004100	24.84
TAXES DUE			\$7,614.44

PAYMENTS	
Payments Applied to 1st Installment	0.00
Payments Applied to 2nd Installment	0.00
Amount Paid	\$0.00

Note: Tax amounts less than 0.01 are truncated per CA R&T code 2152

To request a copy of an itemized list of each bond on the bill and/or the tax distribution, call (408) 808-7900, or visit our website to review and print a copy at <https://dtac.santaciaracounty.gov/home>

PARCEL TAX / SPECIAL ASSESSMENTS				
SA#	TAXING AGENCY	NAME	CONTACT	AMOUNT
0800	CITY OF SAN JOSE	SEWER SANI/STORM	408-535-3500	450.36
0802	CITY OF SAN JOSE	LIBRARY PARCEL TAX	800-441-8280	40.02
0847	SANTA CLARA COUNTY-VECTOR CTRL	SCCO VECTOR CONTROL	800-273-5167 x105	5.08
0848	SANTA CLARA COUNTY-VECTOR CTRL	MOSQUITO ASMT #2	800-273-5167 x105	5.72
0883	SANTA CLARA VALLEY WATER DIST	FLOOD CTL DEBT-EAST	408-630-2810	12.88
0980	SF BAY RESTORATION AUTHORITY	MEASURE AA	888-508-8157	12.00
0990	SANTA CLARA VLLY OPEN SPACE AUTH	SCVOSA ASMT # 1	800-273-5167 x105	12.00
*1014	EVERGREEN SCHOOL DIST	MEASURE EE 2018	408-270-6863	125.00
*1020	SANTA CLARA VLLY OPEN SPACE AUTH	SCVOSA MEASURE T	800-273-5167 x105	24.00
*1023	SANTA CLARA VALLEY WATER DIST	SAFE, CLEAN WATER	408-630-2810	38.12
TOTAL				\$725.18

INSTALLMENT 1	
DUE DATE	11/01/2022
DELINQUENT AFTER	12/10/2022
TAXES AND SPECIAL ASSESSMENTS	\$4,169.81
10% DELINQUENT PENALTY	0.00
DELINQUENT COST	0.00
RETURNED PAYMENT FEE	0.00
LESS AMOUNT PAID	0.00
TOTAL INSTALLMENT AMOUNT	\$4,169.81

INSTALLMENT 2	
DUE DATE	02/01/2023
DELINQUENT AFTER	04/10/2023
TAXES AND SPECIAL ASSESSMENTS	\$4,169.81
10% DELINQUENT PENALTY	0.00
DELINQUENT COST	0.00
RETURNED PAYMENT FEE	0.00
LESS AMOUNT PAID	0.00
TOTAL INSTALLMENT AMOUNT	\$4,169.81

* Exemptions may be available for seniors and/or homeowners who meet eligibility requirements. Contact the specific agency above or go to www.sccdta.org/pte for more information.

SEC-REG-202408 52680 20240917/2025040

County Park Charter Fund
\$0.015 per \$100 assessed
\$89.84 in 2024-2025

**Santa Clara Valley
Open Space Authority**

District Assessment 1 - \$12 per year
Measure T - \$24 per year

Lessons from Seattle and San Diego



Seattle
Parks & Recreation

- \$267M maintenance backlog
- Voter-approved Seattle Park District (2014) funds ongoing maintenance, operations, and new park development



- \$213M maintenance backlog
- “One City, One Park System” (2021) removes geographic restrictions on park fees to improve equity and resource distribution

How L.A. County Passed a Landmark Parks Measure

2014: Measure P Fails

- \$23 parcel tax to fund parks
- Did not gain voter support

2015–2016: Rethinking the Strategy

- Launched Countywide Needs Assessment
- Identified underserved areas + project priorities
- Grounded in data + community engagement

2016: Measure A Succeeds

- ~\$94M/year parcel tax for parks, beaches, open space
 - 1.8 cents per ft² ($\$.018 \times 1,500 \text{ ft}^2 = \27)
- Approved by ~75% of voters
- Equity-focused funding
- No sunset date

National model for successful parks funding



What are opportunities to improve?



San José's Parks Need Better Investment

Emma Prusch Farm Park Success:

- A dedicated maintenance team
- Received a perfect PCA score in 2024 and is always bustling with people
- A fully staffed park shows what's possible



Potential Funding Solutions: 2026 Ballot Measure

January 2025 Polling Results:

- Park Bond – 52% Yes (Needs 66.7%)
- Parcel Tax – 46% Yes (Needs 66.7%)
- Utility User Tax Extension – 35% Yes (Needs 50%)
- Sales Tax Increase – 40% Yes (Needs 50%)

Spring 2024:

- Two versions of a Parcel Tax polled at 63% and 66% (Needs 66.7%)

Late 2019:

- Two versions of a Parcel Tax polled at 64% and 66% (Needs 66.7%)

Next Steps for Ballot Measure

- Additional polling on funding options in fall 2025 & early 2026
- Community engagement will help shape the best approach
- City Council may consider placing a measure on the June or November 2026 ballot

Community Engagement & Education

PRNS will launch a citywide campaign to:

- Educate residents on how parks are funded
- Engage the community on priorities



Feedback will inform solutions:

- Potential ballot measure
- New Park Master Plan



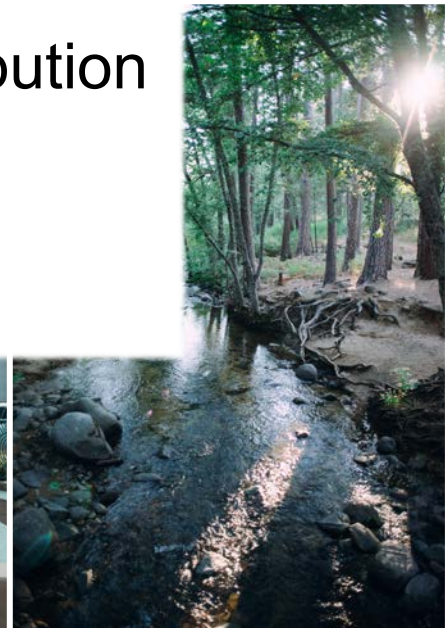


Park Master Plan

Integrates capital projects & maintenance for sustainable growth

Explores policy changes to improve flexibility for park fee distribution

Inspired by San Diego's approach to funding equity






The Future of San José Parks

- ✓ Reimagining funding & resource allocation
- ✓ Working with community & partners for thriving parks
- ✓ A stronger, more resilient park system for every neighborhood





San José Parks Maintenance and Capital Funding

Study Session

City Council | April 15, 2025