


CITY COUNCIL ACTION REQUEST

Department(s): Parks Recreation and Neighborhood Services	CEQA: Not a Project, File No. PP17-003, Agreements/ Contracts (New or Amended) resulting in no physical changes to the environment.	Coordination: City Attorney's Office, City Manager's Budget Office	Dept. Approval: /s/ Jon Cicirelli
Council District(s): 1			CMO Approval:  11/2/22

SUBJECT: AMENDMENT TO THE SETTLEMENT AND PARKLAND AGREEMENT FOR THE SANTANA ROW DEVELOPMENT

RECOMMENDATION:

Approve the first amendment to the Settlement and Parkland Agreement for the Santana Row Development.

Desired Outcome: Amending the agreement will result in the reconciliation and finalization of credits for private recreation amenities constructed by FRIT San José Town and Country Village, LLC (Developer) for the Santana Row Development.

BASIS FOR RECOMMENDATION:

On December 5, 2006, the Developer entered into the Settlement and Parkland Agreement (Agreement) with the City to satisfy the parkland obligation for the construction of new residential units at Santana Row. Under the executed agreement, the Developer received an advanced credit for the provision of up to 50,000 square feet of private recreation amenities including previously constructed amenities (e.g., Valencia Park, Santana Row Chess Board) and future planned amenities (e.g., residential fitness facilities and community rooms in undeveloped buildings). In the original Agreement, general descriptions of amenities were provided to record the obligation and method of compliance.

The Developer has since completed construction and design of all private recreation amenities. Over the course of the site development, some modifications were made to previously credited amenities, including Valencia Park. Revised amenity exhibits have been submitted that outline:

1. The overall project obligation and fulfillment of City requirements (Revised Attachment A); and
2. The design, location, and recreational intent of creditable private recreation amenities (Revised Attachment B).

The purpose of this Amended Agreement is to reconcile the modifications made to the onsite recreational amenities and to align those modifications in accordance with the original parkland agreement. The most significant changes occurred within Park Valencia. In the original agreement, the City gave credits for a plaza, picnic areas, community stage/amphitheater, and children's playground. In 2015, Santana Row received approval under Planned Development Permit Amendment File No. PDA12-014-01 which allowed Park Valencia to be remodeled to decrease the amount of plaza space, and to reconfigure the performance stage and children's playground.

Revised exhibits for Park Valencia demonstrate that the remodeled plaza, picnic area, community stage/amphitheater, and children's playground qualify for credits. Credits are not provided for the vendor kiosks. Additionally, new amenities in the exhibits include a new public recreational plaza that is located across the street

from the Santana Row movie theater. The qualifying credits for the fitness rooms, community rooms, and picnic areas in the various residential buildings in the development area are not affected.

In accordance with City of San José Council Resolution No. 73587¹, private recreation credits are given to projects for the provision of recreation-like amenities equal to the square footage of the amenity footprint. Upon execution of the original parkland agreement, construction had just begun on the project and private recreation amenities had yet to be developed. As a result, initial private recreation exhibits lacked detail and only provided a chart outlining amenities to be built and their square footage. Revised Attachment B features a chart detailing completed amenities and the total square footage claimed against the previously credited 50,000 square feet of amenities in the original agreement. Parks, Recreation, and Neighborhood Services staff verified all revisions and the constructed amenities meet the requirements of the private recreation resolution, which allows developers to receive credits toward the parkland obligation for the provision of recreational amenities associated with a development project. Staff determined that the modifications meet the requirements of the executed agreement.

Climate Smart San José: The recommendation in this memorandum has no effect on Climate Smart San José energy, water, or mobility goals.

Commission Recommendation/Input: No commission recommendation or input is associated with this action.

COST AND FUNDING SOURCE:

No costs are associated with this action.

FOR QUESTIONS CONTACT: Sara Sellers, Interim Deputy Director, (408) 793-5514.

Revised Attachments A and B: Terms of Agreement and Overall Site Key Map

¹ Resolution Number 73587 – Schedule of In-lieu Fees Charged and Credits Issued Pursuant to Chapters 14.25 and 19.38 of the San José Municipal Code.

REVISED ATTACHMENT A

DATE	AGREEMENT	CRITERIA: SUMMARY OF REQUIREMENTS TERMS OF AGREEMENT
03.07.2007	Settlement and Parkland Agreement See Appendix A	<p>1. Two hotels and 1201 units approved, required dedication or in lieu reimbursements for land and improvements totaling 50,000 gross square feet of improved on-site recreation space.</p> <p>2. Proposed to convert the park dedication to an in lieu fee based on the following:</p> <p>FEE BASIS:</p> <p>1201 units x 2.29 persons/unit</p> <p>.003 Acre/Person = 8.25 ac.</p> <p>1201 units x \$6,250 = \$7,506,250</p> <p>LESS CREDITS:</p> <p>Private Recreation Credits referenced above equaling:</p> <p>\$2,924,240</p> <p>plus \$25,000 deposit (appraisal fee)</p> <p>FEE BASIS: -\$7,506,250</p> <p>CREDIT: +\$2,924,240</p> <p><u>DEPOSIT:</u> + \$25,000</p> <p> =\$4,557,010</p>
05.27.2016	Planned development permit PD15-068 See Appendix B	<p>1. Approved demolition of 47 M.F. units, approved construction of 110 M.F. units.</p> <p>2. 110 units are part of the 395 unbuilt and previously entitled Santana Row expansion FEIR, therefore no additional parkland dedication or fee is required.</p>



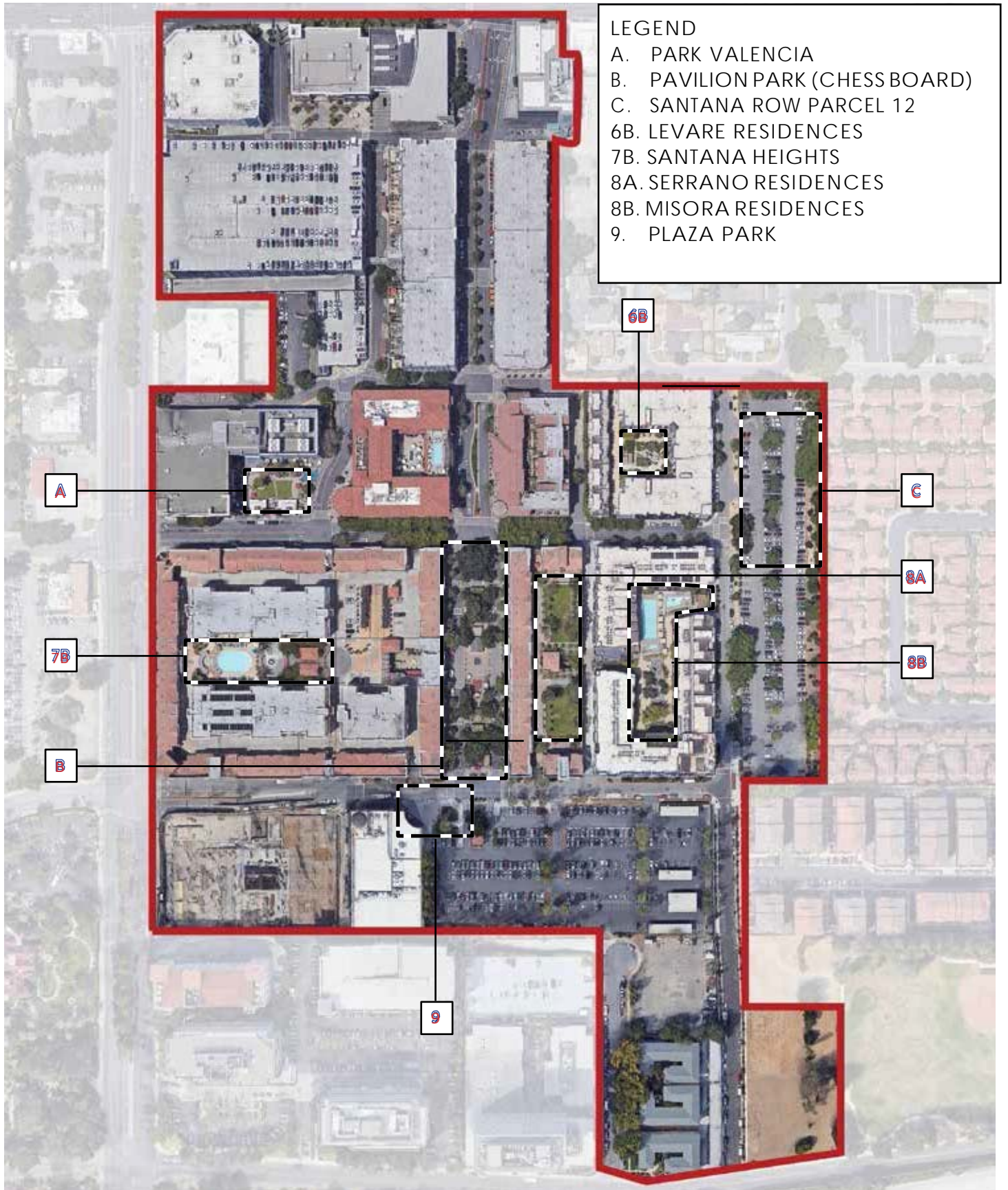
REVISED ATTACHMENT B

SANTANA ROW RECREATION

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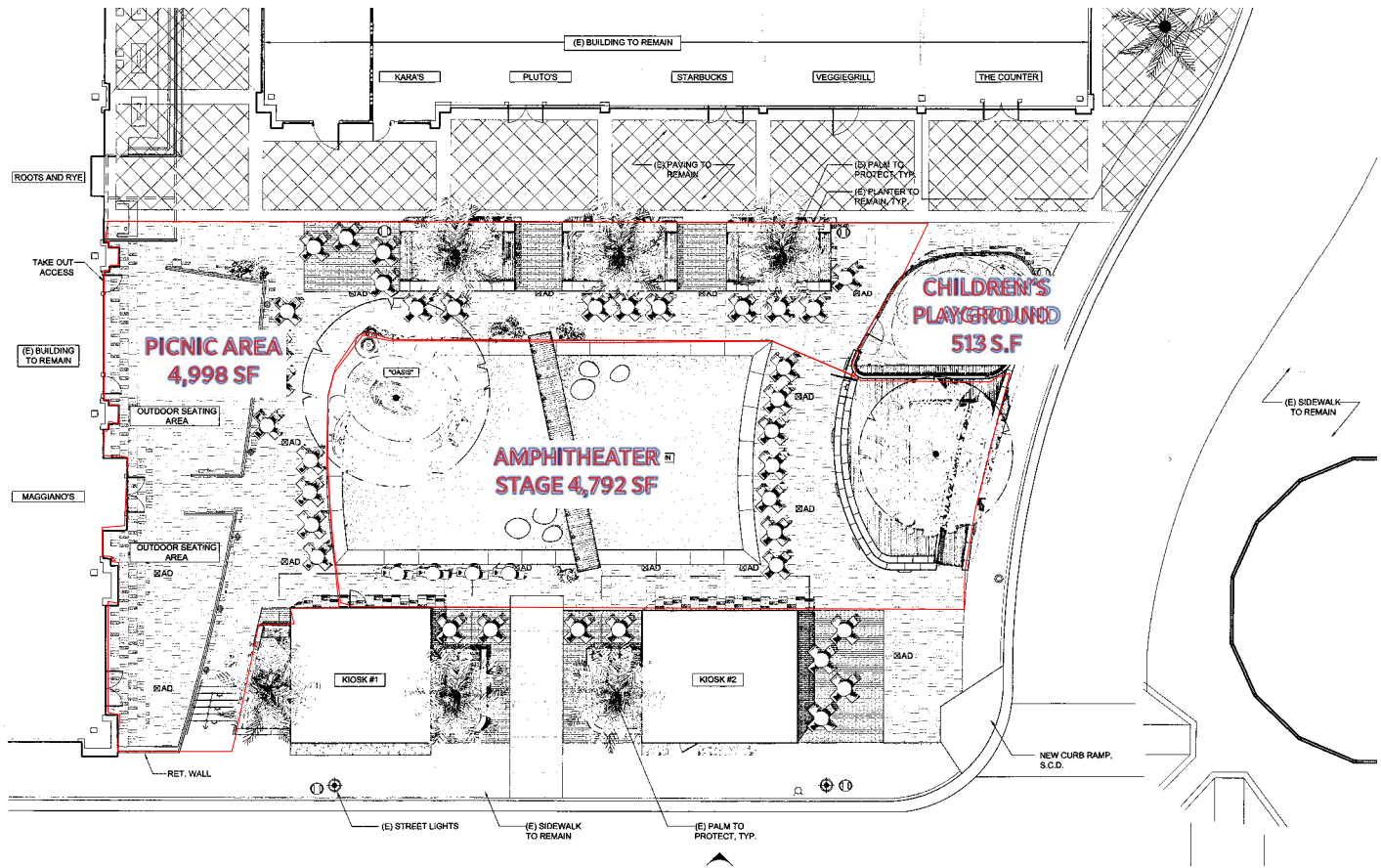
OVERALL SITE KEYMAP



OVERALL SITE KEYMAP

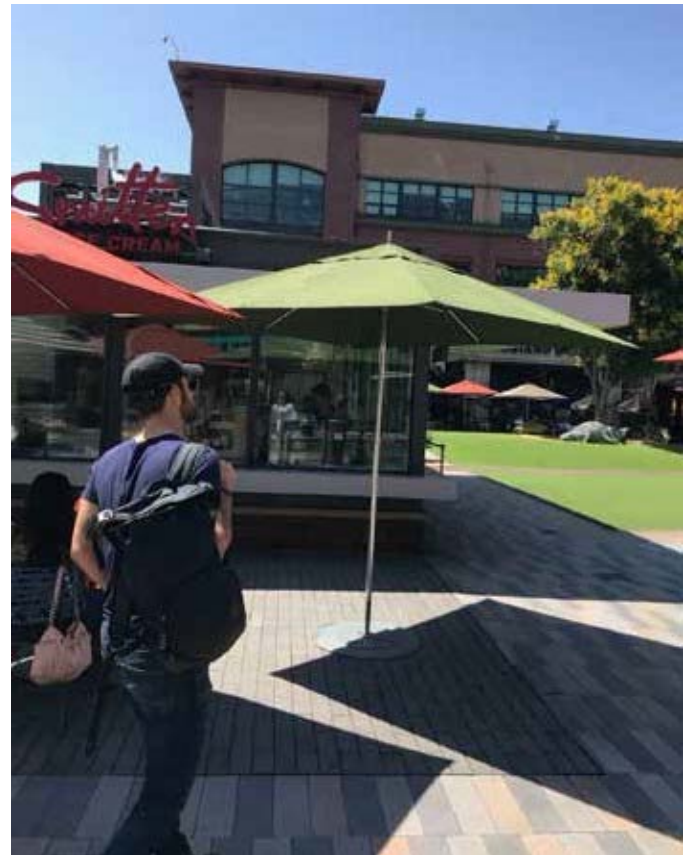
PRIVATE RECREATION AMENITY ASSESSMENT

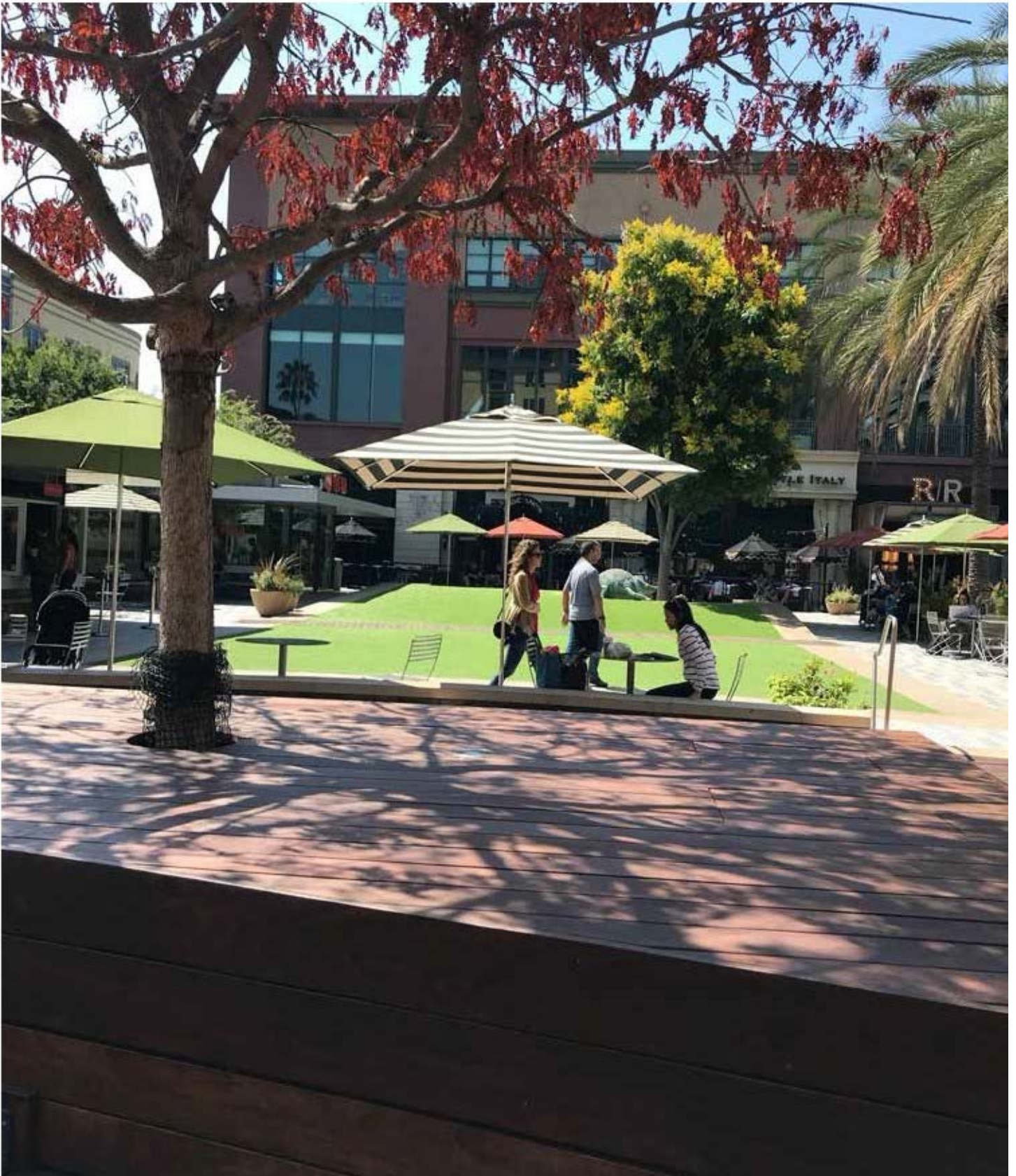
Map Location	Building/Amenity Name	Items	Size (SQ Ft.)
6B	Levare	Picnic Area	284
		Picnic Area	2,931
7B	Santana Heights	Pool Area	3,400
		Picnic Area	2,700
		Picnic Area	944
		Recreation Room, Fitness	3,864
		Picnic Area	3,360
8A	Serrano	Community Room, Outdoor	4,191
		Picnic Area	8,848
8B	Misora	Pool Area	9,048
		Picnic Area	4,921
		Recreation Room	279
		Recreation Room	237
		Recreation Room	196
		Recreation Room, Media Room	1,038
		Theater Room	266
		Community Room, Community Kitchen	1,210
		Recreation Room, Fitness	1,700
		Recreation Room, Rooftop	1,411
		Picnic Area, Rooftop	3,822
9	700 Santana Row	Plaza Park	8,495
C	Future Private Rec	Recreation Room	7,610
A	Park Valencia	Outdoor Park	10,303
B	Santana Row Park	Outdoor Park	5,500
	Total Recreation Provided		86,558

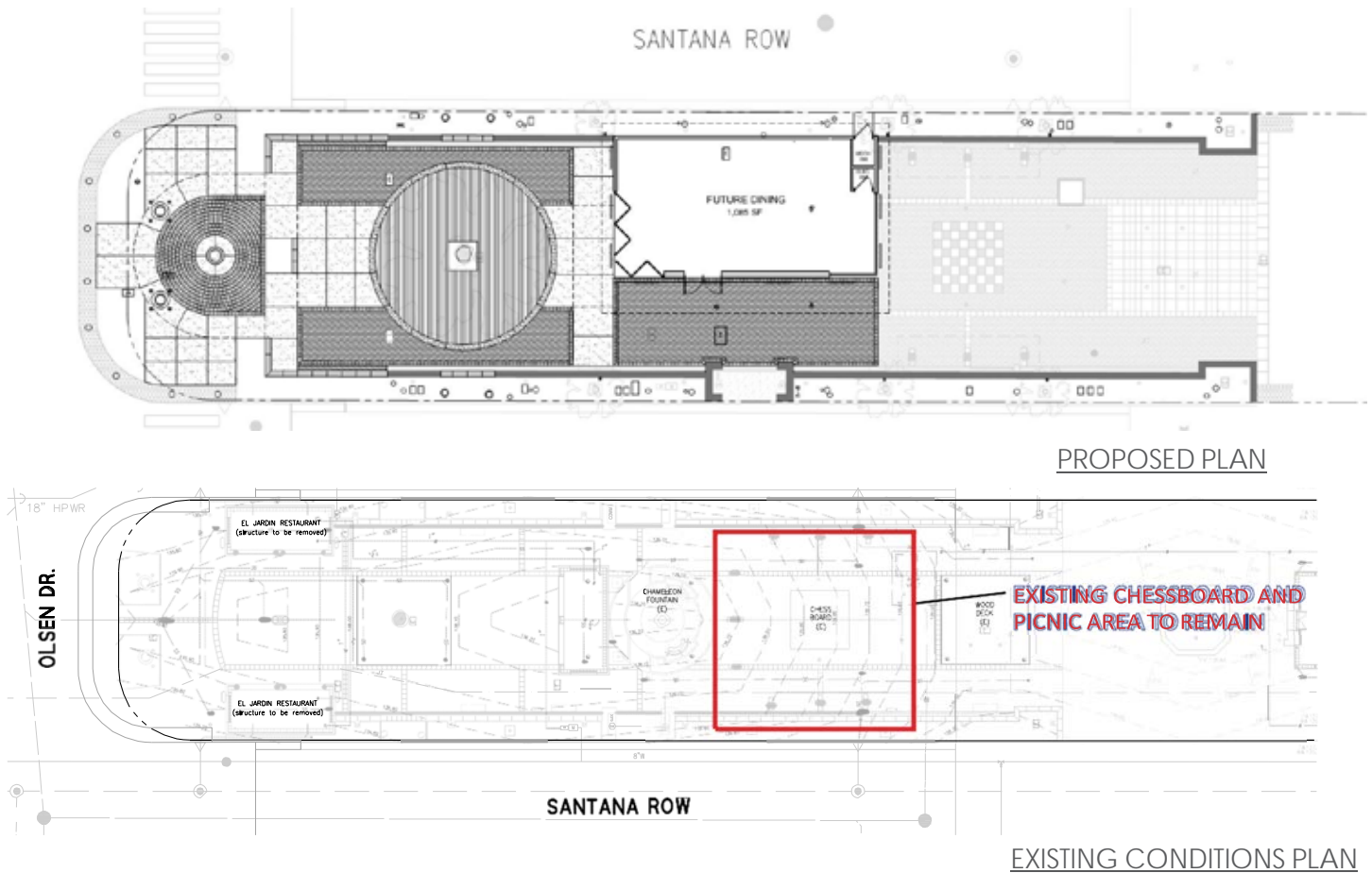


PARK VALENCIA

As a central plaza surrounded by retail, Park Valencia offers opportunities for passive and active recreation with a children's play area, chairs and tables for socializing, and amphitheater and synthetic turf open space for community gathering.







SANTANA ROW PARK (PAVILION CHESSBOARD)

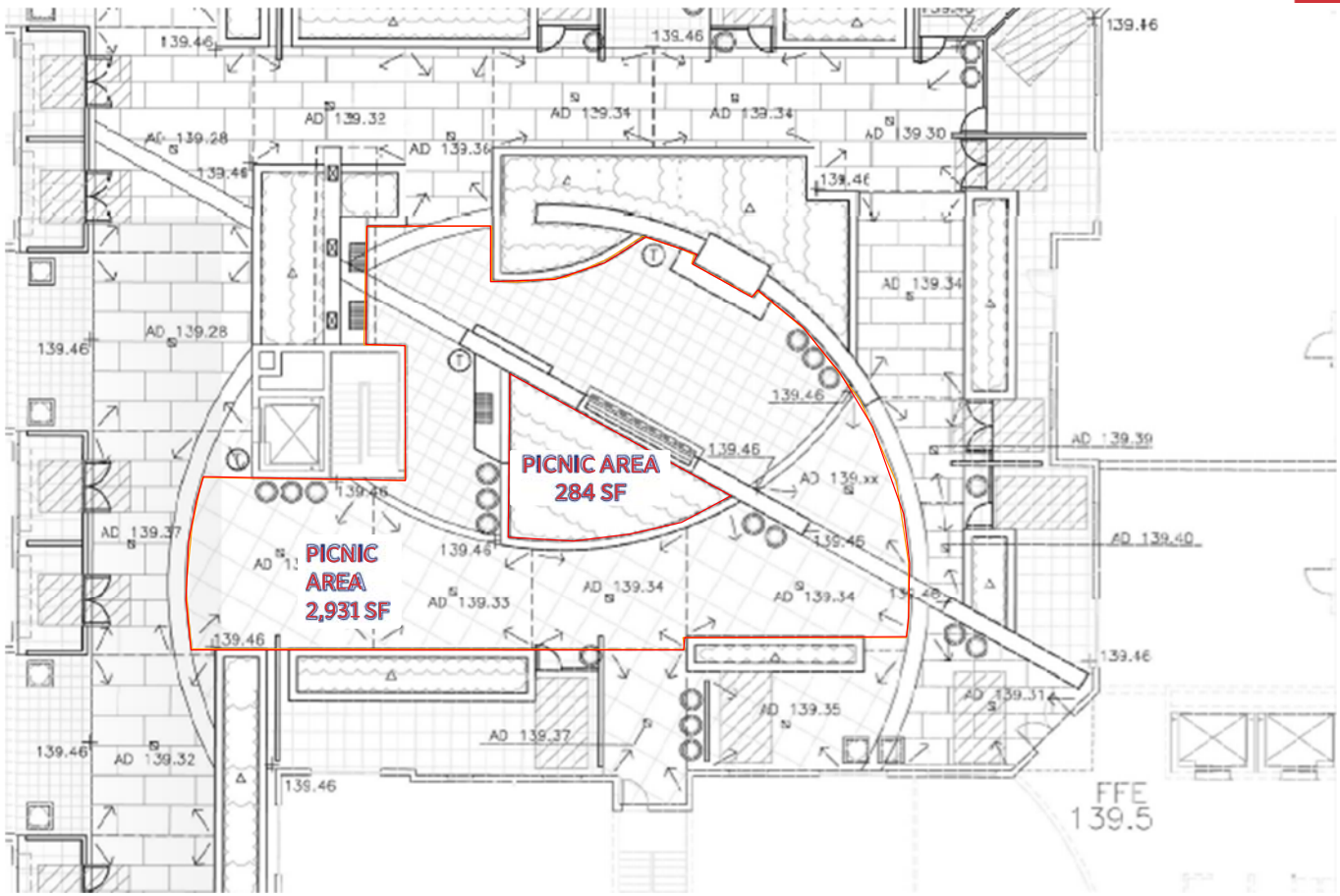
The Pavilion at Santana Row was originally constructed in January 2003, and has been in continuous operation since then. The project is currently going through a renovation design process and will be ready for demolition and reconstruction of the building only in the Spring of 2019.

The project includes a large scale in-ground chess board with large chess pieces for visitors to conduct a chess match in the park setting. This area will not be modified by the construction project. The site contains numerous outdoor dining tables, chairs, shade trees and a fountain to make it a destination amenity in the heart of the restaurant district of Santana Row.

The large chessboard and picnic areas will not be affected by the construction project. Picnic and dining areas will be expanded by the project, resulting in larger recreation space available to the community.







6B LEVARE RESIDENCES PICNIC PARK

The Levare residential building was constructed to provide recreation amenities in a common area courtyard setting. It provides large shaded picnic opportunities, numerous barbecue grills, tables and chairs, intimate seating arrangements, seatwalls, a fireplace and a decorative waterfall fountain. Recreation and picnic areas total 3,215 square feet on this site.



INVENTORY





7B SANTANA HEIGHTS FITNESS STUDIO AND BARBECUE AREA

Santana Heights houses the fitness studio, which has equipment for active recreation including weightlifting, running and cross-training. The outdoor area has barbecues, and tables, chair and umbrellas for outdoor dining. Recreation amenities total 7,224 square feet in these areas.







8A SERRANO RESIDENCES COURTYARD

Serrano apartments were constructed around active and passive recreation opportunities in the courtyard spaces. Lounging decks, picnic opportunities, and open multi-use lawn areas provide volleyball and badminton areas and dog walking opportunities. Large group picnic tables and barbecue grills are provided for families to entertain small and large gatherings. The combined active and passive spaces in the courtyards total 13,039 square feet.







8B MISORA RESIDENCES OUTDOOR AMENITIES

The courtyard spaces constructed at Misora apartments provide active and passive recreation opportunities for programming, such as lap swimming, water volleyball, group water aerobics as well as family and individual recreation swimming, sunbathing, picnics, barbecues, socialization and passive contemplation opportunities. The recreation spaces in this area total 13,969 square feet.



SOCIAL SPACES



EXERCISE ROOM



MEETING ROOMS



8B MISORA- INDOOR AMENITIES

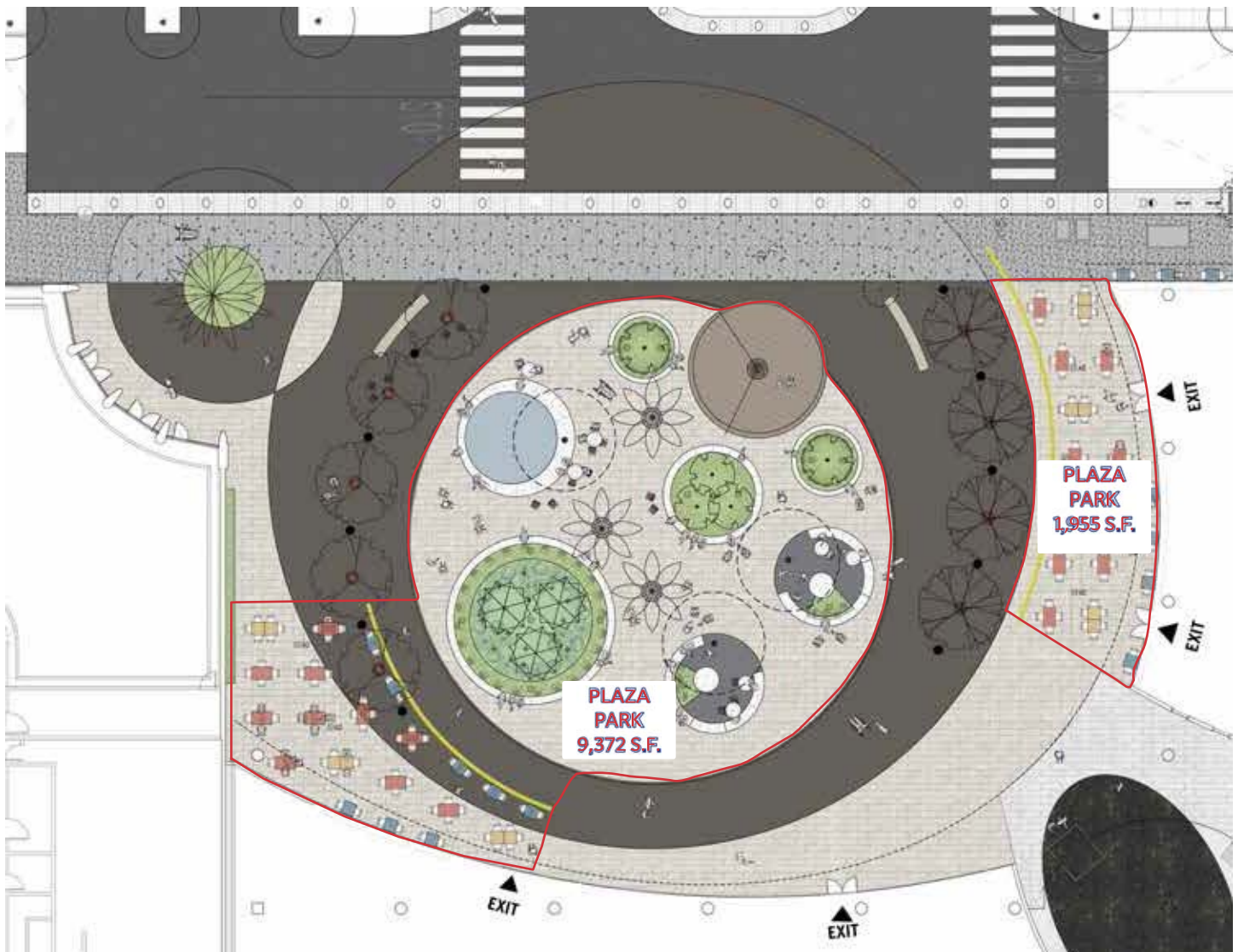
Indoor recreation amenities constructed at Misora apartments provide recreation opportunities for year-round utilization. Amenities include meeting rooms, game rooms, reservable and casual drop-in use lounge spaces, kitchens, theater, social events, game playing, socializing, event rentals, exercise programs, movie screenings, community organization meetings, and group cooking demonstrations.



8B MISORA RESIDENCES ROOF DECK

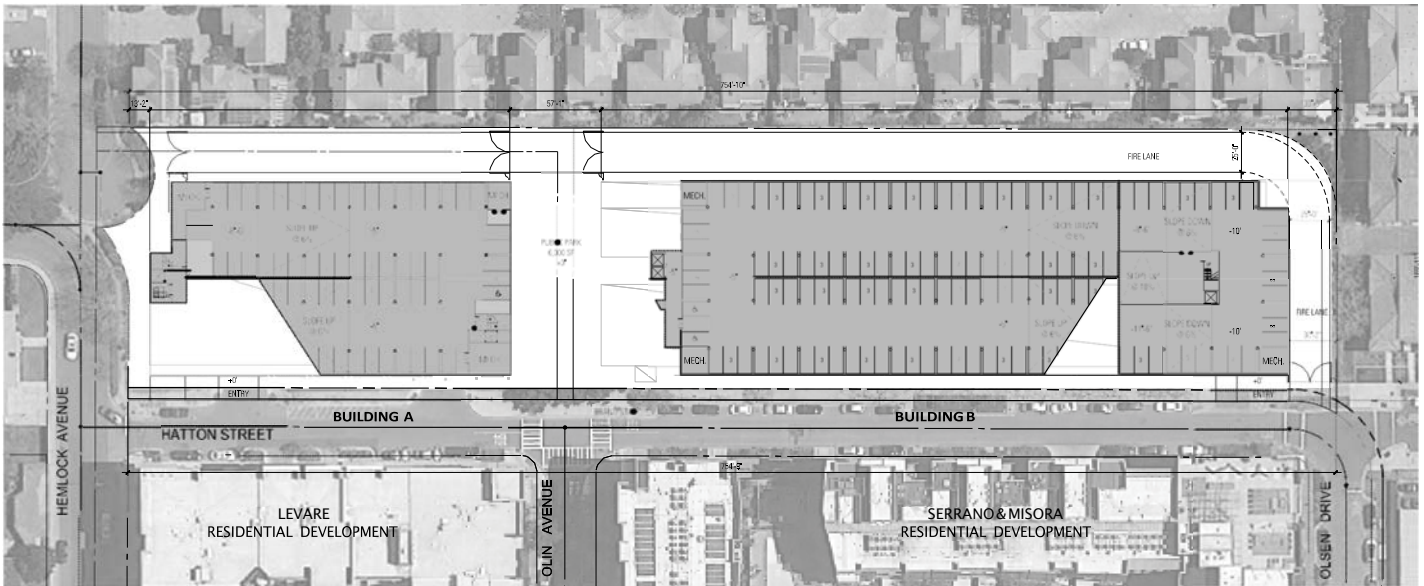
The rooftop of the Misora apartment building has been designed and constructed to provide active and passive recreation opportunities, including ping-pong tournaments, table games, sunbathing, lounging, outdoor dining/picnic events, socialization, barbecues and enjoyment of the vistas from the elevated, open view rooftop environment. The recreation areas provide 4,963 square feet of active and passive recreation space.



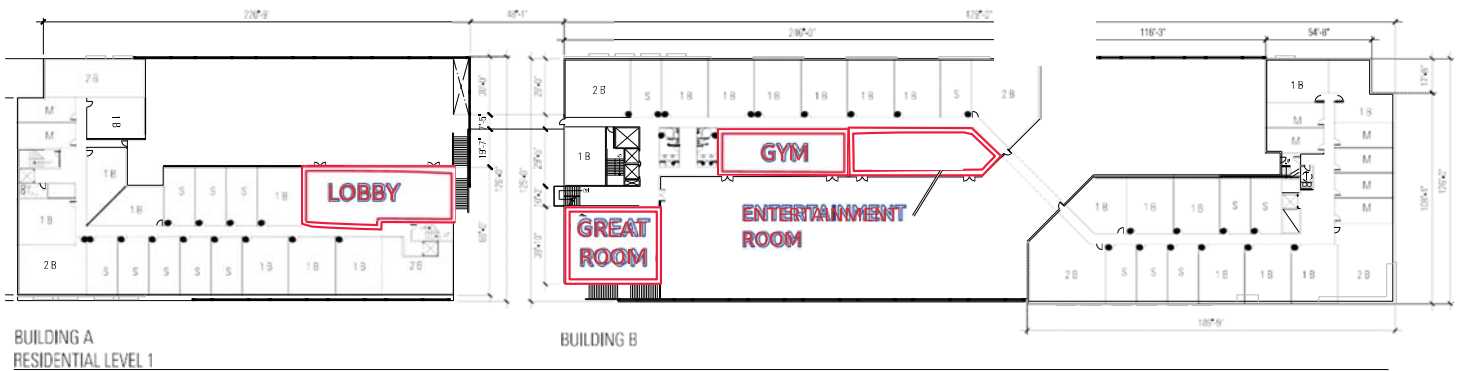


9 OFFICE PLAZA PARK

Currently under construction, the design for the common area at the terminus of Santana Row includes abundant picnic space, small and large group outdoor meeting opportunities and sculptural elements. Renovation opportunities provide a 75% credit toward meeting local parks and recreation needs, for a total of 8,495 square feet.



SITE PLAN



BUILDING A LEVEL 1 FLOORPLAN

SANTANA ROW PARCEL 12

This residential building on the eastern edge of Santana Row is scheduled to begin construction in 2019. The new building will have a lobby and an amenities area, a great room, gym, entertainment and gameroom, and conferencerooms. Total recreation area totals 7,610 square feet.