

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE SETTING FORTH THE SCHEDULE OF PARKLAND FEES CHARGED PURSUANT TO CHAPTERS 14.25 AND 19.38 OF THE SAN JOSE MUNICIPAL CODE TO REFLECT THE 2011 RESIDENTIAL LAND VALUE STUDY, AMEND SECTION 2.B OF EXHIBIT B OF RESOLUTION NO. 73587, AS AMENDED, AND REMOVING THE CAP ON THE NUMBER OF UNITS ELIGIBLE FOR AND RE-DEFINING THE AREA ELIGIBLE FOR THE DOWNTOWN HIGH RISE INCENTIVE

WHEREAS, the City of San José (“City”) enacted the Parkland Dedication Ordinance, San José Municipal Code (“SJMC”) Chapter 19.38 (“PDO”) in 1988 and the Park Impact Ordinance, SJMC Chapter 14.25 (“PIO”) in 1992 to meet the demand for new neighborhood and community parkland generated by development of new residential subdivisions and new non-subdivided residential projects, both of which have been amended since that time; and

WHEREAS, on January 9, 2007, the City Council adopted Resolution No. 73587 which set forth the Schedule of Parkland Fees and Credits charged under the PDO and PIO to reflect the land values identified in the 2005 Residential Land Value Study to temporarily reduce the parkland fees for developments in the Downtown Core Area, and to revise the credits for private recreation improvements; and

WHEREAS, on December 4, 2007, the City Council adopted Resolution No. 74152 which set forth the Schedule of Parkland Fees charged under the PDO and PIO to reflect the land values identified in the 2006 Residential Land Value Study; and

WHEREAS, on April 8, 2008, the City Council adopted Resolution No. 74314 to establish parkland fees for secondary units; and

WHEREAS, on September 30, 2008, the City Council adopted Resolution No. 74608 which set forth the Schedule of Parkland Fees charged under the PDO and PIO to reflect the land values identified in the 2007 Residential Land Value Study; and

WHEREAS, on April 20, 2010, the City Council adopted Resolution No. 75346 which set forth the Schedule of Parkland Fees charged under the PDO and PIO to reflect the land values identified in the 2009 Residential Land Value Study; and

WHEREAS, on August 24, 2010, the City Council adopted Resolution No. 75540 to establish parkland fees for low-income units at fifty percent (50%) of the applicable parkland fees for each residential unit type; and

WHEREAS, on May 10, 2011, the City Council adopted Resolution No. 75799 which set forth the Schedule of Parkland Fees charged under the PDO and PIO to reflect the land values identified in the 2010 Residential Land Value Study; and

WHEREAS, on June 7, 2011, the City Council adopted Resolution No. 75824 to clarify the definition of "Low-Income Units" exempt from the payment of parkland fees for residential projects that have obtained an approved discretionary permit or tentative or parcel map on or before October 24, 2010, and subsequently obtain an amendment for essentially the same project without changing the type or increasing the number of units; and

WHEREAS, on May 8, 2012, the City Council adopted Resolution No. 76220 which set forth the Schedule of Parkland Fees charged under the PDO and PIO to reflect the land values identified in the 2011 Residential Land Value Study, to amend Section 2.B of EXHIBIT B of Resolution No. 73587, as amended, and set the parkland fees charged for high-rise multi-family residential projects of twelve (12) stories or more located in the Downtown Core at fifty percent (50%) of the applicable parkland fees for multi-family 5+ units in the Downtown Area; and

WHEREAS, on May 14, 2013, the City Council adopted Resolution No. 76631 which set forth the Schedule of Parkland Fees charged under the PDO and PIO to reflect the land values identified in the 2012 Residential Land Value Study and continued the incentive program for downtown high-rise construction by keeping parkland fees there at \$7,650 per unit; and

WHEREAS, on September 9, 2014, the City Council adopted Resolution No. 77153 which set forth the Schedule of Parkland Fees charged under the PDO and PIO to reflect the land values identified in the 2012 Residential Land Value Study trended to 2013 and the updated 2010 Census data; and

WHEREAS, on September 29, 2015, the City Council adopted Resolution No. 77538 which set forth the Schedule of Parkland Fees charged under the PDO and PIO to reflect the land values identified in the 2012 Residential Land Value Study trended to 2014 and the updated 2010 Census data; and

WHEREAS, on September 20, 2016, the City Council adopted Resolution No. 77926 which set forth the new Schedule of Parkland Fees to be imposed under the PDO and PIO based on the 2012 Residential Land Value Study trended to 2015 and the updated 2010 Census data, and authorized the City Manager to determine the applicable

parkland fees for any residential units in the City of San José that are not included in the Schedule of Parkland Fees based on the nearest Multiple Listing Service districts; and

WHEREAS, on December 13, 2016, the City Council adopted Resolution No. 78039 which amended Section 2 of EXHIBIT B of Resolution No. 73587, as amended, to temporarily set the parkland fees charged for high-rise multi-family residential projects of twelve (12) stories or more located in the Downtown Core at fifty percent (50%) of the applicable parkland fees for multi-family 5+ units in the Downtown Area, subject to the issuance of a building permit prior to July 1, 2018, and to defer the collection of parkland fees to the time of issuance of a certificate of occupancy, which must occur by December 31, 2020;

WHEREAS, on February 7, 2017, the City Council adopted Resolution No. 78079 which set forth the Schedule of Parkland Fees charged pursuant to chapters 14.25 and 19.38 of the San José Municipal Code, to amend section 2 of Exhibit B of Resolution No. 73587, as amended, temporarily setting the parkland fees charged for highrise multi-family residential projects of twelve (12) stories or more located in the downtown core at fifty percent (50%) of the applicable parkland fees for multi-family 5+ units; and

WHEREAS, on June 13, 2017, the City Council adopted Resolution No. 78200 which set forth the Schedule of Parkland Fees to increase the maximum square footage that is permitted for Secondary Units or Accessory Dwelling Units to remain eligible for the Secondary Residential Unit fee rate, in compliance with state law and Title 20 of the San José Municipal Code; and

WHEREAS, the City has concluded the annual review of the parkland fees charged under PDO and PIO; and

WHEREAS, this Resolution 1) sets forth the new Schedule of Parkland Fees to be imposed under the PDO and PIO based on the 2012 Residential Land Value Study trended to 2016 and the updated 2010 Census data, 2) authorizes the City Manager to determine the applicable parkland fees for any residential units in the City of San José that are not included in the Schedule of Parkland Fees based on the nearest Multiple Listing Service districts, 3) establishes a park in-lieu fee rate for new high-rise units based upon observed occupancy, 4) amends Section 2 of EXHIBIT B of Resolution No. 73587, as amended, and 5) sets the parkland fees charged for high-rise multi-family residential projects of twelve (12) stories or more located in the Downtown Core at fifty percent (50%) of the applicable parkland fees for multi-family 5+ units in the Downtown Area;

SECTION 1. REVISED SCHEDULE OF PARKLAND FEES.

The revised schedule of parkland fees is set forth in the attached EXHIBIT A. The schedule set forth in EXHIBIT A shall take effect as specified below in this Section 1.

This Resolution is effective on January 1, 2018. Any projects that (1) have not fully paid parkland fees on or before January 1, 2018; or (2) have not entered into a fully executed parkland or turnkey parkland agreement on or before January 1, 2018, are subject to the Schedule of Parkland Fees set forth in EXHIBIT A. City will not enter into a parkland or turnkey parkland agreement for purposes of payment of parkland fees unless a Discretionary Permit authorizing a particular land use approval has been issued for the project or the project has an approved Tentative or Parcel Map, whichever occurs first, that will allow City to calculate parkland fees based on EXHIBIT A. A Discretionary Permit for purposes of this Resolution shall mean a permit issued by the Director of Planning, Building, and Code Enforcement pursuant to Title 20 of the San José Municipal Code ("Discretionary Permit"). A Discretionary Permit or Tentative or Parcel Map is considered "approved" for purposes of this Resolution after each of the following events have been satisfied: (1) City has approved the Discretionary Permit or Tentative or Parcel Map; and (2) all applicable statutes of limitations relating to the approval by City have expired.

SECTION 2. ESP PROJECTS.

The provisions of this Resolution shall not apply to residential projects in the Evergreen Specific Plan Area ("ESP") if the developer of the ESP project has met all of the following conditions prior to filing an application for final map approval for projects subject to the PDO or prior to filing an application for a building permit for projects subject to the PIO:

- A. The residential project is subject to Community Facilities District No. 4 (Evergreen Improvements); or
- B. An agreement entitled: "Cooperation Agreement By and Between the City of San José, the Evergreen Specific Plan Property Owners Partnership and the Evergreen Specific Plan Area Developers," as amended ("Cooperation Agreement") and the parkland agreement required under the Cooperation Agreement have both been executed and are in effect for the ESP project.

SECTION 3. DOWNTOWN HIGH-RISES.

Section 2.A.1 of EXHIBIT B of Resolution No. 73587, as amended, is hereby replaced in its entirety to state the following:

“A1. The ‘Downtown Core Area’ shall mean that area in the City of San Jose bounded by Coleman Avenue/Julian Street/ St. James Street to the north, 4th Street and Civic Plaza to the east (Civic Plaza area is bounded by East St. John Street to the north, 7th Street to the east and San Fernando Street to the south, State Route 280 to the south, and Highway 87 to the west as depicted in Attachment 2 to Resolution No. 73587 or as defined by the Envision San Jose 2040 General Plan and the Downtown Strategy 2000, as may be amended.”

Section 2.E.2 of EXHIBIT B of Resolution No. 73587 is hereby replaced in its entirety with the following:

“E2. Projects that elect to receive the reduction to the rate of fifty percent (50%) of the applicable parkland fees for multi-family 5+ units in the Downtown Area (MLS Zone 9) pursuant to this section will receive the reduction based on the multi-family 5+ unit rate and not the high rise unit rate.

SECTION 4. MISCELLANEOUS.

- A. If not otherwise defined in this Resolution, capitalized terms shall have the meanings set forth in SJMC Chapters 14.25 and 19.38.
- B. If any section, subsection, sentence, clause, or phrase of any provision of this Resolution, including its attachments, is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portion of this Resolution. Each and every section, subsection, sentence, clause or phrase of this Resolution, including its attachments, is severable from all other sections, subsections, sentences, clauses or phrases.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

ADOPTED this _____ day of _____, 2017, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

SAM LICCARDO
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk

EXHIBIT A

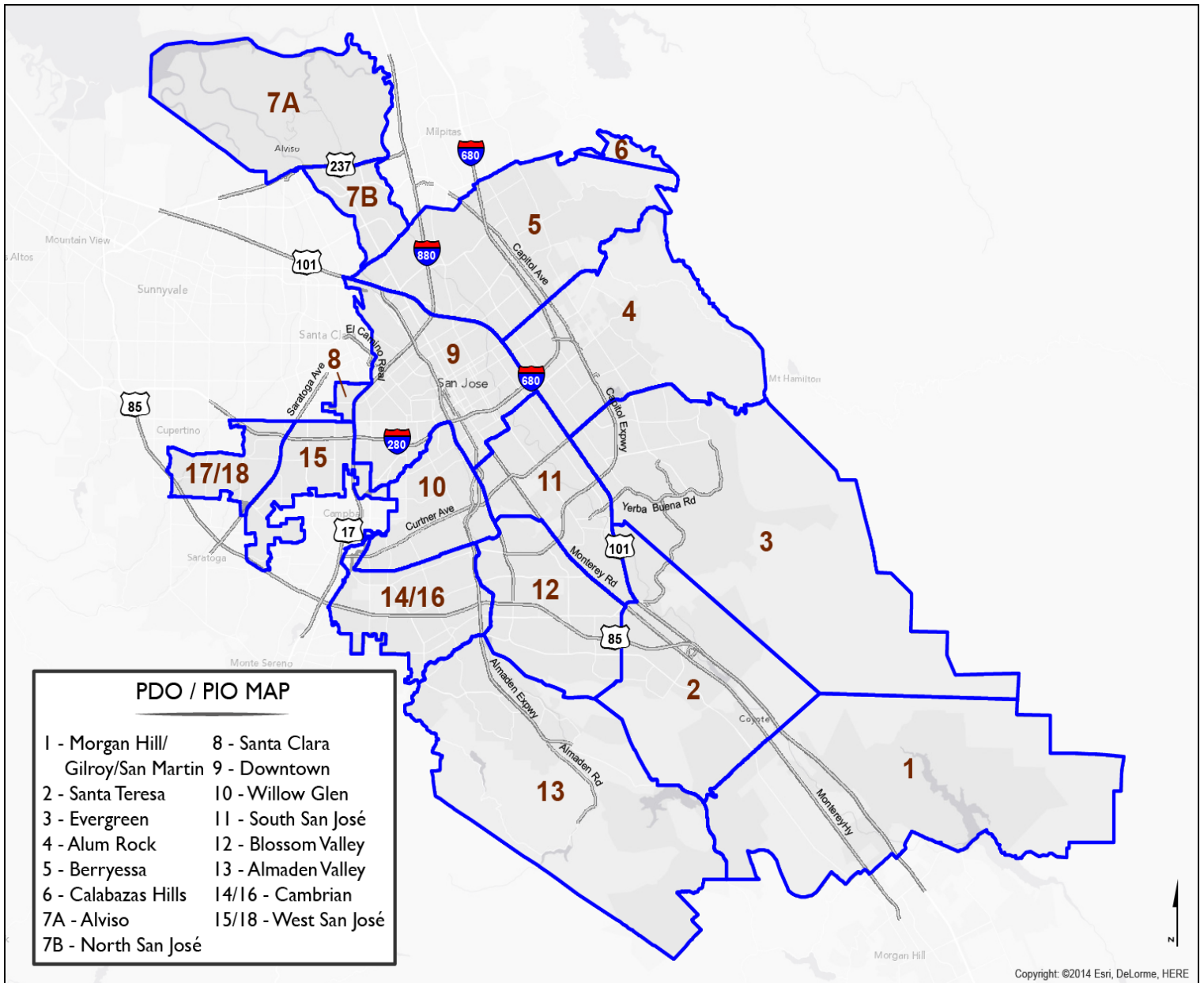
REVISED SCHEDULE OF PARKLAND FEES

Section 1. Schedule of Parkland Fees.

- A. The parkland fees charged pursuant to SJMC Chapters 14.25 and 19.38 as set forth in Table 1 are based on the value of land in the City of San José as set forth in the 2012 Residential Land Value Study, a copy of which is on file in the Department of Parks, Recreation and Neighborhood Services.
- B. For purposes of the valuation of land, the City of San José is divided into the MLS Zones set forth in Table 1 and depicted in Attachment 1 to this Resolution. The land value for each MLS Zone and the resulting parkland fee per type of residential unit are also set forth in Table 1.

Attachment A

MULTIPLE LISTING SERVICE DISTRICTS IN SAN JOSÉ



Attachment B

2017 Proposed 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+	DOWNTOWN CORE HIGHRISE (non-incentive) 12+ Stories	SINGLE RESIDENCY OCCUPANCY UNIT (SRO)	SECONDARY RESIDENTIAL UNIT (Granny Unit) Maximum of 800 sq feet
Number of Persons Per Unit - 2010 Census Data; ACS; Survey			3.31	3.31	2.96	2.34	1.51	1.00	50% of SRO
Number of Dwelling Units to create 1 acre of Raw Parkland			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 Area Incentive** High-rise 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.