



Fee Study Task Force
City of San José
via email, sent Feb. 14, 2022

Subject: City Park Funding

Dear Taskforce Members,

The District 6 Neighborhood Leaders Group (D6NLG), an association established over a decade ago, is comprised of officers, boardmembers, and involved community representatives from the various neighborhoods and associations across District 6 in San José. We advocate for San José to become an even more safe, sustainable, attractive, and inviting city.

At our February 7th meeting we decided by consensus to write to you to offer some thoughts and suggestions for improving the funding for our city parks.

Background

Parks are a critical component of the urban environment: access to fresh air, sunshine, and the natural environment help promote both physical and mental health; meeting people in public open spaces or community centers helps promote community connections; and trails support recreation, exploration, and learning as well as environmentally responsible transportation.

Parks are used in many different ways: parents and caregivers take children to nearby parks to play, and workers enjoy their nearby parks for lunch outdoors or an after work volleyball game; friends may travel to meet in a centrally located park across town; families visit various parks scattered all over town for league sports, special events or festivals, hillside hikes, or just to see something new and different. Parks are visited according to their special amenities (e.g., dog park, bocce-ball court, soccer field, disc-golf course), without regard for council district boundaries – or even city limits. Studies show that people are more likely to walk when parks are within convenient walking distance.

New development, both Residential and Commercial, brings more park users to our existing park system, impacting it both locally and system-wide.

The State of California recognizes the impacts of new development, and accordingly has legislated the Quimby Act and the Fee Mitigation Act to authorize the collection of fees from new development to support parks. (Other states have similar laws.) Parks also receive some funding from a voter-approved Construction and Conveyance (C&C) tax, augmented with occasional grants and some disbursements from the General Fund – all of which are outside the scope of the Park Trust Fund Taskforce. Grants often require matching funds, something that can be considered.



The City of San Jose has a long history of utilizing the state laws to collect park fees for new residential development, and has used the collected fees to establish the Park Trust Fund. This fund has been critical for land acquisition and the development of new parks (including community centers and trails), and also in mitigating the impacts to existing amenities by funding enhancements and capital repairs.

Other California cities charge park development fees for both commercial and residential properties.

San Jose's current practice specifies that the Park Trust fund fees are to be spent within the council district in which they were collected, and spent either on "community serving" amenities within 3 miles of the fee-generating project or on "neighborhood serving" amenities within a half mile. *The state laws do not make these distinctions nor impose these constraints.*

The City of San Jose is updating the required "nexus" study to establish how Park Trust Fund fees shall be collected and allocated to meet the needs of the City and to meet the requirements of state law.

Problems identified with current system

The current General Plan focuses residential and commercial growth in the city's central area, which leads to large Park Trust Fund balances in those council districts, with District 3 downtown routinely collecting *orders of magnitude* more funds than other districts. (The C&C's rigid and convoluted allocation formula also favors Downtown over the rest of the city.) This creates a profound inequity in the quality of parks and their amenities, and also impacts the timeliness of needed capital repairs. Also, there is little land available in D3 that could be purchased for new parks, but the demand for parks exists and spills over into adjacent districts: if the funding could also cross over council boundaries, it could be used to purchase nearby available lands.

Neighborhoods with little new development currently have extremely limited access to Park Trust Fund fees for their parks. When too few dollars are generated for a capital improvement to a neighborhood park, the neighborhood's Park Trust Fund money is either spent on a community amenity outside of the generating neighborhood, or else the fees languish in the Park Trust Fund account and depreciate in value while waiting for additional development projects to generate enough fees to complete a project.

Neighborhoods near council district boundaries lose out when projects are developed on the other side of the council line: they feel the increased demand for parks from the nearby projects but have no access to the corresponding Park Trust Fund fees which, under current administrative (but not legislative) practice, stay in the other council district. Neighborhood



parks can languish for decades – even though the residents of the nearby developments can easily walk across the council boundary to use those parks.

Additional points:

- Decisions on whether to spend or hold Trust Funds presently are not discussed with the community and are made outside of the public’s view. Decisions on neighborhood- or community-serving amenities are subject to the political whim of individual Councilmembers rather than to a measured set of guidelines: a single Councilmember decides where within the district to allocate dollars for enhanced amenities without regard to the underlying inequities in the community.
- San Jose’s regional parks are mostly located in areas with little new development. Although they have extensive capital infrastructure needs, there are very few Park Trust Fund dollars available to address the issues. Residents from across the city, including downtown, use these regional parks: it seems that some funding should be used to support them as well.
- The current distinction between regional community serving amenities and neighborhood serving amenities encourage large scale projects rather than upgrades to neighborhood parks. For example, a playground is neighborhood serving, but some parks have only a small tot lot because the current definition of “neighborhood-serving” means that money from more than a half mile away can’t be used to upgrade the playground, whereas a “regional” amenity presently can garner money from up to three miles away.

Recommendations

- ***Park fees should be collected for all development, both commercial and residential.*** All people, whether in dwelling units or commercial units, need and use parks.
- ***Direct Staff to develop a priority-setting protocol for all projects.***
The protocol for allocating Park Trust Fund dollars should eliminate all appearance of political patronage. We recommend the following hierarchy:
 1. **Maintain safe parks:** keep our existing parks in good condition.
 2. **Fulfill urban village open space plans and area plans** (e.g. North San Jose and Diridon Station Area Plan). These new developments will house (and employ) many new residents who will need nearby parks.
 3. **Address park access inequity** by acquiring land while considering factors such as large population growth and historic inequities.
 4. **Address park amenity inequity** in neighborhood parks: everyone deserves access to a safe and enjoyable park, regardless of socio / economic / ethnic / geographic / or any other categorization.
 5. **Set aside portions of the funding:** (a) for the regional parks, and (b) as an “Opportunity Fund” to match grants or to buy needed park land when an opportunity arises.



- **When calculating an area's parkland deficiency**, do not include school grounds as there is little or no access to most school sites in the city, and also school districts are considering the sale of school grounds in light of severe declining enrollment trends.
- **Council district boundaries** should not be a deciding factor in allocating Park Trust Fund dollars. Residents do not consider council boundaries when deciding which park to visit: why should it be a consideration in the park's funding?
Also, Parks in adjacent cities that are within easy walking distance should be included in the identification of park deficient neighborhoods.
- **The current definitions of neighborhood serving and community serving amenities** should be redefined to include a broader scope, or eliminated entirely: their sole purpose was for allocating funds from within a half mile or within three miles – something not required by state law and an artifice that impedes the equitable distribution of park funds.
- **A portion of all Park Trust Fund fees should be set aside for regional parks.** People from across the city use the regional parks, and their funding should come from across the city as well.
- **A portion of all Park Trust Fund fees should be set aside for an "opportunity fund"** to be available to acquire parkland proactively to address park inequities, or to provide matching funds to apply for grants when available.

San José is a vibrant and diverse city, and our residents deserve a vibrant and diverse park system. We hope you will recommend these updates to the Park Trust Fund that will enable this to be so.

Thank you,

~Larry Ames

Dr. Lawrence Ames, Chair, D6NLG

cc: Dev Davis, Councilmember SJ District 6
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