



Willow St/Bramhall Park

# San José Park Funding

thoughts for the Neighborhood Service & Education (NSE) Committee  
by the District 6 Neighborhood Leaders Group (D6NLG)

May 5, 2022. \*w/ corrections (5/27/22)



# San José has a Diversity of Parks!

San José's Parks come in a diversity of sizes, with a diversity of amenities, to serve a diversity of residents with a diversity of interests and needs.

Residents often walk to local parks – if they are nearby – which reduces VMT & GHG, and it's good exercise!

Residents also cross Council district boundaries to visit other parks

- for their special amenities (dog park, bocce-ball, disc-golf, etc.),
- for events (like team games or family get-togethers),
- or just for fun and to explore different parts of the city.



# Capital Impr'vmnts & Major Repair Funds

## City Park Funding: PDO/PIO

(Parkland Dedication Ordinance and Park Impact in-lieu fee Ordinance.)  
Funding varies wildly year-to-year and district-to-district.

**Could be more** if fewer waivers & credits;  
**could be more** if SJ charged on *commercial* development as well as *residential*.

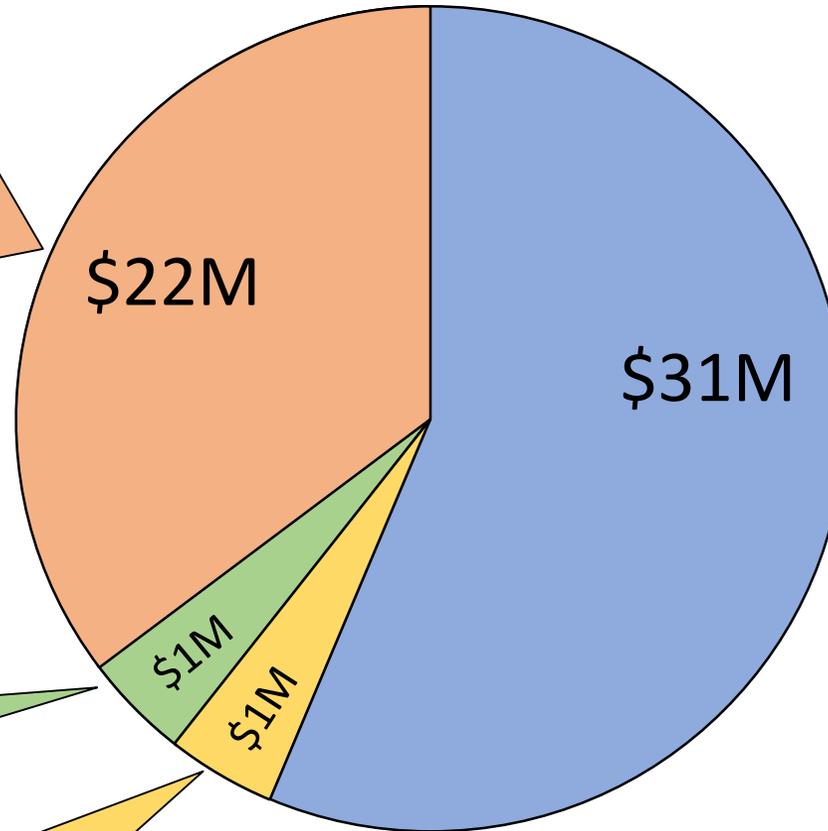
## Grants

often requiring matching funds

## General Fund

varies wildly: Parks must compete with Police, Streets, Services...

amounts vary year-to-year: these are approx. 2018/19 values (pre-pandemic)



## Construction & Conveyance (C&C)

rigid formula that favors downtown (w/ some for Regional & Emergency); any change requires voter approval

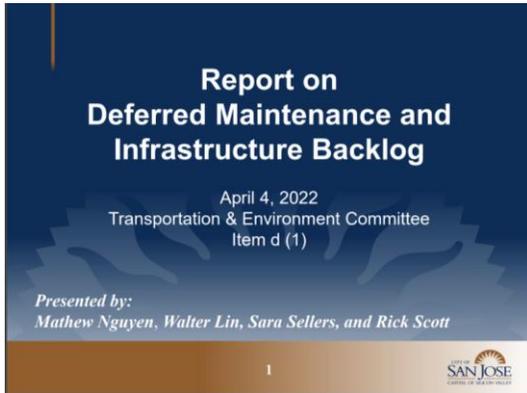
total ~\$55M/yr  
(2018/'19)

## (Park Bonds: \$0)

2000 Measure P, now all gone; likely no new bonds: "tax fatigue"

there is a separate (inadequate) budget for operations & maintenance.

# Capital Impr'vmnts & Major Repair Backlog



from 2022 briefing\*

Program	Current Backlog of Deferred Needs (M)	Annual Ongoing Unfunded Needs (M)
Airport	\$0.0	\$0.0
City Operated Buildings	\$246.5 ▲	
Cultural Facilities Operated by Others (OCA)	\$13.8 ▼	
Sports Facilities Operated by Others	TBD ▼	
Convention Center & Cultural Facilities (TSJ)	\$73.5 ▲	
Fleet	\$7.7 ▼	\$1.4 ▼
<b>Parks, Pools and Open Space</b>	<b>\$284.9 ▲</b>	<b>\$36.5 ▲</b>
Service Yards	\$14.1 ▼	\$0.7 ▼
	\$50.0 ▲	\$0.0 ▲

... so we get broken parks.

... and it's growing...

Parks have a \$285M backlog, ...

... plus \$179M for bldgs., ...

... totaling \$464M (!)

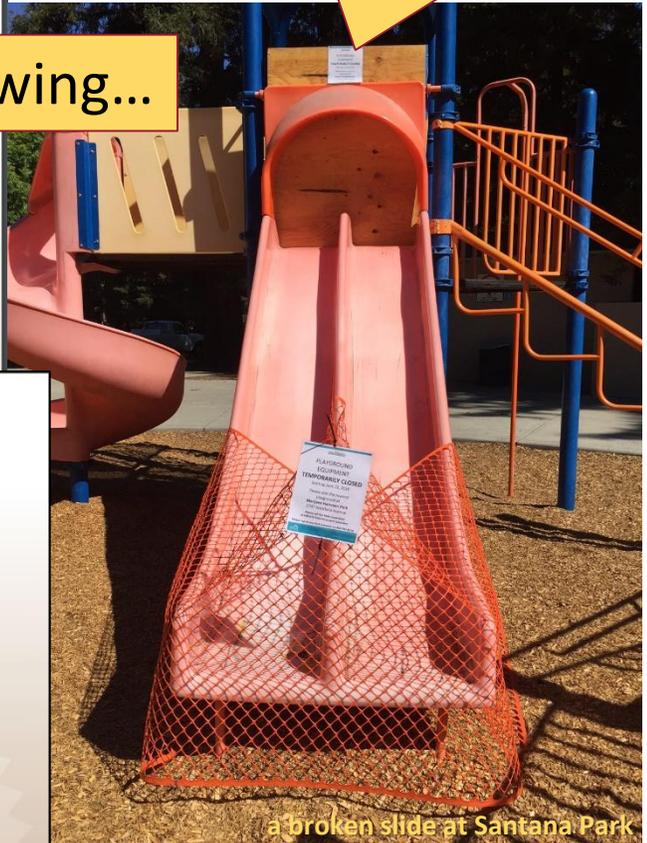
Measure T investment included

(total \$ in: ~\$55M/yr)

**Building Facilities - \$328.6M**

**Over 400 Buildings - 5M SF**

- PRNS - \$179.4M
- TSJ - \$73.5M
- Police - \$8.9M
- City Hall - \$8.1M
- Fire - \$9.0M
- Cultural Facilities - \$13.8M
- Library - \$33.0M
- ACS - \$2.9M



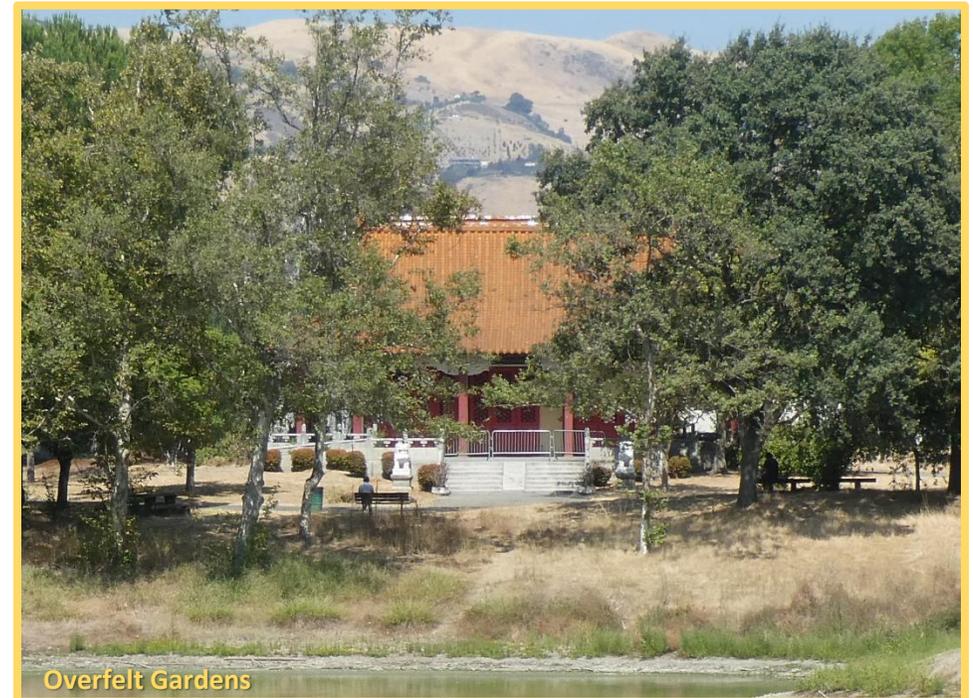
a broken slide at Santana Park

\* <https://sanjose.legistar.com/View.ashx?M=F&ID=10694628&GUID=3EC4BE64-F9C9-47AD-AA5C-23C6EE8FD2B3>

# PDO/PIO now builds new parks



...but older parks and underserved communities also need attention ↓



↑ do need to add parks to meet the added demand when adding residents, ...

# City Park Funding

## Current PDO/PIO Policies

Residential:  
the Quimby Act  
(PDO: land)  
and  
Fee Mitigation Act  
(PIO: in-lieu fees)

- 3 acres per 1,000 new residents (or equivalent funds in lieu of land)
- project nexus: by custom\* (not law), funds in San José are spent
  - within 3/4 mile for N'hd park,
  - w/in 3 mi for com'nty.serv. park
- by custom: money stays within the council district – even if proj. on boundary line & land avail. other side.

Commercial:  
the Fee  
Mitigation Act  
(AB 1600)

- currently not collected in San José...



## D6NLG Recommendations

- SJ General Plan calls for 3.5 acres (or equivalent in-lieu funds) per 1,000 new residents
- project nexus: do build new parks for new proj's (e.g, Urban Villages), but also have flexibility re: N'hd/com.serving\* & Council district lines
- allocate a portion of funds for regional parks, and set aside funds for grant matching and equity-balancing opportunities.  
\* correction: N'hd/Com.Srv. distinction is part of Gen. Plan; would req'r an update.
- other Calif. cities collect it: we should, too!



(photos courtesy of Jean Dresden)

# Examples of impacts of current policy



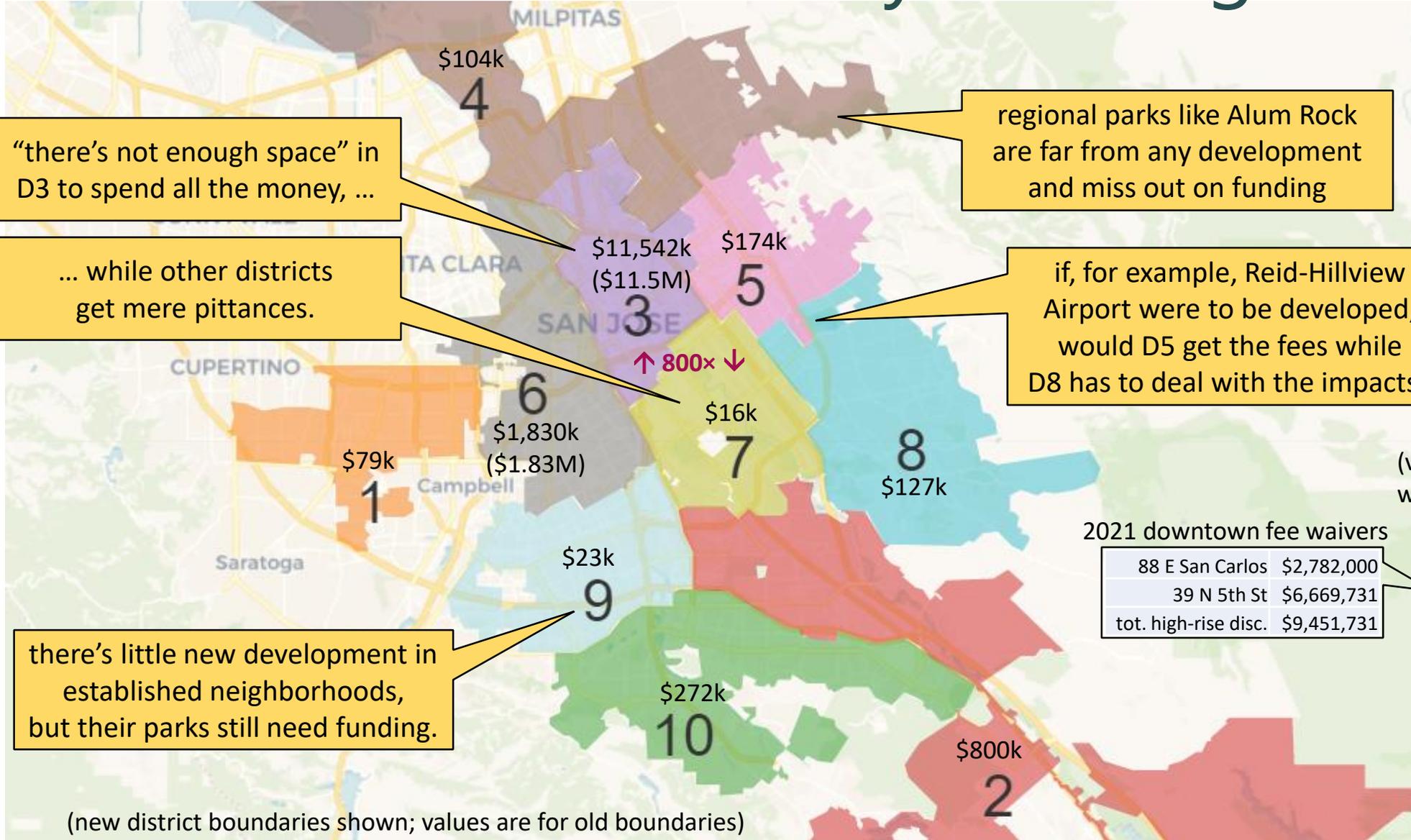
↑ popular Solari Park play-structure in Seven Trees Neighborhood had to be removed due to metal fatigue & old age; it took 5 years to replace.

does “no nearby development” have to mean “no available funds”?

tot-lot and kids play-structure at Groesbeck Hill Park both removed due to old age; only the tot-lot could be replaced ↓



# Council District boundary challenges



(values from 2021, with old dist. lines)

### 2021 downtown fee waivers

88 E San Carlos	\$2,782,000
39 N 5th St	\$6,669,731
tot. high-rise disc.	\$9,451,731

1	\$78,700
2	\$800,250
3	\$11,542,722
4	\$103,950
5	\$174,150
6	\$1,829,500
7	\$16,450
8	\$127,450
9	\$22,550
10	\$272,450
tot	\$14,968,172

(new district boundaries shown; values are for old boundaries)

# D6NLG Recommendations

- **Collect park fees for *commercial* development** as well for *residential*.
- **Prioritize:**
  - maintain safe parks: mitigate hazards; repair facilities
  - fulfill Urban Village plans: as now, new parks for new developments
  - address park *access* inequity: spread funds across Council district boundaries
  - address park *amenity* inequity: involve the public, stakeholders & PRNS Staff in decisions
  - set aside portion of funds for the city's nine Regional Parks, and for a "resource fund" to match grants or to buy needed parkland in underserved areas if/when the chance arises.
- **Be flexible** on "neighborhood serving" vs "community serving": don't shortchange a neighborhood's park just because the funding source is an arbitrary distance away (or on the other side of an arbitrary line).
  - \* correction: as the "N'hd/Community Serving" distinction is spelled out in the Gen. Plan, it would require a General Plan Update, which is beyond the scope of the current efforts

# Additional\* D6NLG Recommendations

- **Update the fee schedule:** land values have increased over the years. Make updates automatic.
- **Be judicious with Fee waivers:** don't give away our park funds
  - if billion-dollar high-rise projects are not being built now, it's likely due to current market conditions rather than SJ's modest park fee. (and if nearby land is not available for parks, the funds can improve parks elsewhere.)
  - waivers for "affordable housing" are counter-productive, as their residents are the most likely to lack private yards and thus the most likely to need the public parks.
- **Be judicious with Park Credits** for private amenities
  - project patios and plazas in theory might reduce the impact to nearby parks, but parkland credit should **not** be granted for storage areas, workout rooms, or other indoor amenities.
  - we're concerned that private amenities could tend to create isolated enclaves, which could reduce social interaction and could increase social inequity.
  - POPOS (Privately Owned Public Open Spaces): need to be specific with the details:
    - accessibility: when is it open? can it be closed some no. of days? can access be restricted?
    - who is responsible for maintenance & repairs: city or project owner?
    - is there a permanent public easement? could current or new owner redevelop?

\* not in the 2/14/22 letter. These were discussed & approved at 4/4/22 D6NLG mtg for a planned follow-up letter.

# Park impacts of fee credits

## Applied Credits

Year	# Affordable Housing Units	Affordable Credit	Private Recreation Credit	Sum by Year
2012	No Data	No Data	\$1,222,372	\$1,222,372
2013	No Data	No Data	\$2,650,172	\$2,650,172
2014	No Data	No Data	\$4,417,381	\$4,417,381
2015	No Data	No Data	\$1,863,460	\$1,863,460
2016	134	\$1,514,200	\$3,958,622	\$5,472,822
2017	192	\$737,200	\$7,865,867	\$8,603,067
2018	83	\$937,900	\$993,155	\$1,931,055
2019	134	\$1,514,200	\$2,157,917	\$3,672,117
2020	236	\$1,105,850	\$784,667	\$1,890,517

Sum by Credit Type	779	\$5,809,350	\$25,913,614	\$31,722,964
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plus the downtown high-rise incentives (\$9.5M in '21)

Affordable Housing Credit: ~\$1M/yr

Private Amenity Credit: ~\$3M/yr

Money that could have helped fund our parks

# What's Fair?

- San José has a pretty nice system of parks, which are paid for by the residents of San Jose, both past and present, both directly (bonds, taxes, and fees) and indirectly (in the price of housing).
- Developers will always be looking for tax breaks. But should the current residents have to also pay for the parks for new residents, or should the new people pay their share (through the park fees that the developers included in the housing price)?  
(We might even ask the new people to perhaps pay a little *more* to help improve the overall park system...)
- People working here in the city also use the city parks, whether they live here or not: commercial projects should also be asked to contribute to the park fund.

# Parks are an important part of San José!

...and they need fair and equitable funding.



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