



MEMORANDUM

Community Services Department

DATE: December 12, 2018

TO: Parks and Recreation Commission

FROM: J.P. de la Montaigne, Community Services Director
Brady Ruebusch, Senior Management Analyst

SUBJECT: Park Land Dedication Fund Midyear Update

RECOMMENDATION

Receive a report and presentation from Community Services Department staff as a midyear update on the Park Land Dedication Fund and Park Land Dedication In-Lieu Fees.

BACKGROUND

Park Land Dedication In-Lieu (PLD) fees are collected from residential developments and subdivisions to offset the impacts on existing parks and open space facilities when adequate park land cannot be provided through the development.

Based on the City's Park Land Dedication In-Lieu Policy, PLD funds are currently allocated based on the following prioritization:

1. Acquisition
2. Development
3. Rehabilitation

Within each priority, first consideration goes to parks, trails, and recreation projects that are located within one mile of the development generating the fee. Next, consideration goes to projects that provide a communitywide asset, which can be located anywhere in the City. An example of a communitywide asset is the Community Center Renovation.

Every April or May, the Parks and Recreation Commission (PRC) reviews staff's recommendation for committing Park Land Dedication In-Lieu Fees. The PRC then

forwards a recommendation to the City Council for consideration as part of the annual Capital Improvement Program (CIP). Park Land Dedication In-lieu fees must be committed within five years of the City receiving them according to State law. The PRC cannot commit expected or projected fees because it may unnecessarily influence a development proposal or Council's approval. Only funds that have been received can be committed.

PLD Fees are also tracked by planning areas that are defined in the City's Parks and Open Space Plan. The City's goal is to achieve 3 acres of park land per 1,000 residents in each of these planning areas. Fees can be committed to open space acquisition by planning area to achieve this. Attachment 1 provides a map of the planning areas.

Last fiscal year, the PRC went through a multi-step review of the City's park land acquisition strategies. An outcome from this review was to have staff provide a midyear update on the Park Land Dedication Fund. This recommendation was scheduled for December 2018 in the PRC's annual work plan.

As part of this meeting, staff is not recommending that the Parks and Recreation Commission commit any PLD Fees. Staff will return to the Commission in the spring with recommendations for commitments to be forwarded to the City Council as part of the Capital Improvement Program process, following the typical annual process for committing Park Land Dedication In-Lieu Fees.

ANALYSIS

At the May 9, 2018 meeting, the PRC committed a total of \$1,532,000 to existing projects and \$24,119,000 to new projects, for a total commitment of \$25,651,000. Of this total, the PRC committed \$23,000,000 to acquire land in partnership with the Los Altos School District as part of their new school site in the San Antonio Planning Area. Similar to the City's partnership with Mountain View Whisman School District (MVWSD), the City will execute a master use agreement with Los Altos School District where the City maintains the fields in exchange for use in the evenings and on weekends for City-related activities and programming.

Approximately \$10,606,000 was left uncommitted in the Park Land Dedication Fund for future projects. However, the bids for the Community Garden at Shoreline and Latham project came in lower than anticipated. When the City Council approved the additional funding for this project in December 2018, they only committed an additional \$470,000 as opposed to the PRC, who committed \$550,000. Therefore, the additional \$80,000 remains in the Park Land Dedication Fund and the amount available for commitment now is \$10,686,000.

For future projects that will be funded by Park Land Dedication In-Lieu Fees, staff purposely does not recommend committing funds until those projects get closer in order to obtain better cost estimates or wait for enough fees to be received to cover the cost of the entire project, instead of partially funding. Staff also tries to keep some funds uncommitted in case an emergency project arises in the middle of the fiscal year that needs to be addressed.

Since the May 9, 2018 meeting, the City has received a total of \$9,073,650 in new PLD Fees from seven residential developments as well as approximately \$600,000 in investment earnings. This equates to a total of \$20,370,200 available in the Park Land Dedication Fund for acquisition, development, or renovation, with \$18,829,000 of that total being in the San Antonio Planning Area. Attachment 2 shows a breakdown of uncommitted fees by planning area. Staff will return to the PRC in the spring with recommendations for committing these funds to various projects.

The PRC has also committed \$13,351,000 to open space acquisition in the various planning areas. Attachment 2 also shows a breakdown of these funds by planning area. Instead of committing fees to a specific park development or renovation project, the PRC can commit fees for acquiring land in a specific planning area for a future park.

A list of anticipated future parks and recreation facility projects is also provided in Attachment 2. For projects such as the park at 400 San Antonio Road, the developer dedicated park land to the City and paid an in-lieu fee. Many of our park development projects are associated with a development, like 400 San Antonio Road. Therefore, even though staff knows the projects are coming in the next five years, the associated fees to develop the site may not have been received yet. Staff plans to return to the PRC in the spring to commit funds to some of the projects in Attachment 2. The PRC will be asked to make a recommendation on committing fees for the other future projects in the coming years as fees are collected and become available.

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- Attachments:
1. Planning Area Assessment and Map from Parks and Open Space Plan
 2. Park Land Dedication Fund: Uncommitted Fees, Open Space Acquisition Commitments, and Future Projects