

### Developer Input and Public Comments

City staff met with members of the residential development community to discuss concerns regarding the current park land requirements and gather input on proposed modifications. A summary of input heard includes:

- Uniform, set land values are important for evaluating the feasibility of a development project, including securing funding;
- Interest to “lock in” the fee estimate for as long as project is under review and entitled; developer has limited control over how long the permitting process takes. Changing the fee estimate at the end of entitlements can make a project suddenly infeasible;
- Support a clear review and approval process for park land credits;
- Desire for flexibility in the list of elements for open space credit(s); list of elements is too restrictive. Some duplicity in elements may be appropriate;
- Incentivize Privately Owned Publicly Accessible (POPA) credit at or near the same valuation (or more) as land dedication for it to be an attractive option as developers carry the cost of construction, ownership, and maintenance in perpetuity;
- Allow on-site common open space provided in a development project to count toward private open space credit;
- Allow bike or multi-use paths and plazas or other similar open spaces to qualify for park land credit;
- Consider roof decks and podium outdoor spaces to count toward private open space credit; and
- Current park land requirements are approximately 5 to 10 percent of the estimated project costs and the largest cost item in a project’s total development costs. The park land fee is too high.

Additionally, staff received written public comments for the Parks and Recreation Commission Study Sessions, which are enclosed.



February 12, 2020

*Via email: [prc@mountainview.gov](mailto:prc@mountainview.gov)*

Parks and Recreation Commission  
City of Mountain View  
500 Castro Street  
Mountain View, CA 94041

Re: **Park Land Dedication Ordinance Review of Modifications**

Dear Chair Herbach, Vice Chair Mitchner and Commissioners:

On behalf of SummerHill Housing Group, thank you for the opportunity to provide comments on the City's review of the Park Land Dedication Ordinance.

At the City Council Study Session on October 15, 2019, the Council acknowledged that Park In Lieu Fees have increased drastically over the past decade and that they have reached a point where they impede the City's goal of encouraging new housing for the community. To address this, the Council asked Staff to propose ways to create more certainty for developers regarding Park In Lieu Fees and to expand park credit for properly designed privately owned open space. Specifically, the Council directed Staff to do the following:

- Propose options to establish uniform land values for purposes of calculating Park In Lieu Fees
- Propose options to "lock in" Park In Lieu Fees early in the development process
- Propose options to grant park credit for privately owned, publicly accessible open space
- Propose options to expand the park credit for private open space

The Staff Memo offers options for establishing uniform land values, allowing developers to "lock in" park fees and granting park credit for privately owned, publicly accessible open space. However, the Staff Memo does not include any proposals to expand the park credit for private open space.

Before the Commission makes any recommendations to the City Council, we respectfully request that the Commission **direct Staff to host outreach meetings with residential developers and other stakeholders**. As a residential developer, SummerHill is able to provide practical insight about the challenges of the current Ordinance. We appreciate Staff's efforts to develop options for the Council to consider, but without the benefit of practical experience, the options will miss the mark.

Based on our extensive experience in Mountain View, we continue to recommend the following:

- **Establish uniform land values to be used for all residential projects**, not just for projects on sites that have not recently transferred ownership. After all, Park In Lieu Fees will be used by the City to purchase other land near the project site, not the site itself, so the fees should be based on the average land value near the site, not the site itself.
- **Allow developers to “lock in” Park In Lieu Fees for longer than two years by paying the fees early.** We support Staff’s recommendation to set fees within 30 days after a development application is submitted and to “lock in” those fees for two years, but for many residential projects in Mountain View, it takes more than two years to get from the formal application to the first building permit.
- **Allow credit for a broader range of privately owned, publicly accessible pathways and open space.** We support Staff’s effort to establish a credit for privately owned, publicly accessible open space, but the proposed criteria are too narrow. For example, the requirement that the open space be at least 100 feet wide and long ignores the fact that valuable recreation spaces come in a range of sizes and shapes. Similarly, the requirement that the open space include a restroom is unrealistic and ignores the fact that even many public parks lack a restroom.
- **Expand the credit for private open space.** We continue to encourage the City to expand the park credit for private open space. With appropriate amenities such as a pool and an outdoor grill with casual seating, private open space can provide valuable outdoor recreation space and reduce the demand for new public parks, even if the private open space is less than one acre. The outdoor amenity spaces that we provide in our communities often receive much more use than a public park.

As we have discussed with Staff and with Councilmembers in the past, clarity and predictability are essential to encourage development. The changes that we recommend will reduce uncertainty and provide fair credit for private open space and privately owned, publicly accessible open space, without jeopardizing the City’s goal of continuing to provide outdoor recreation space for the community.

**Again, we respectfully request that Staff host outreach meetings with residential developers and other stakeholders and then bring revised proposals back to the Commission for consideration before the Commission makes any recommendation to the Council.**

We look forward to working with Staff on this issue.

Thank you.

Sincerely,



John Hickey  
Director of Entitlements and Planning

CC: Brady Ruebusch, Senior Management Analyst  
Kevin Ebrahimi, Senior Vice President, Entitlements and Planning



October 12, 2020

Parks and Recreation Commission (PRC)  
City of Mountain View  
500 Castro Street  
Mountain View, CA 94039

**RE: Park Land Dedication Ordinance**

Dear Members:

Prometheus Real Estate Group understands the importance of providing open space and parks to our neighbors and the community at large. We support the City's efforts to review the park land dedication ordinance, and in this letter, we offer insights based on more than 50 years of creating housing units in Mountain View.

It's important for the City to consider the impact of providing open space relative to the costs of providing the housing that the area so desperately needs. Over the last 10 years park land dedication costs have increased more than any other budget line item for housing development in Mountain View. Prometheus' three most recent projects have included the dedication of more than 1.6 acres in total land area, in addition to, more than \$45M for in-lieu fees. Altogether recent park considerations amount to \$46,000 per unit for these 1,280 residences, or as much as 5-10% of a project's budget. These costs can significantly reduce the feasibility of housing production and this is an important conversation to meet Mountain View's housing goals.

**PARK LAND VALUE**

We applaud the Staff's idea to hire an appraiser to establish the value of park land on an annual basis and create more fee certainty. We have found that other Bay Area municipalities are much more explicit with the park land valuation, and this annual exercise can reduce the risk for housing development in Mountain View.

- **Use a weighted average value of all land in the City, rather than the market value of a particular use or density to establish the in-lieu fee.** It seems more prudent for the City to be focused on the cost of purchasing park land, than replacing the land of the development project. The City's opportunity is that any land can be converted to park land, and the amount of the fee should reflect the variety of land uses in the City.
- **Adding a density adjustment to value of land is unnecessary.** Essentially, there are two parts to the equation for calculating the in-lieu fee: (A) the number of units or households added and (B) value of park land. By nature, variable (A) quantifies the amount of land needed based on density of a new project. Adding a density adjustment to the cost of land (B) unnecessarily increases the amount of fee a developer pays.



- **Use a five-year average of land value.** Land prices throughout the Bay Area tend to fluctuate and spike indiscriminately. We encourage the City to use a rolling average to mitigate the inconsistency of land value at any moment.
- **Honor park land values for the duration of entitlements.** We agree that the appropriate time to set park land dedication value is at application to provide fee certainty for housing projects. Our experience in Mountain View is that entitlements can take much longer than two years to complete, and these extended timelines should be considered. We encourage the City to honor the park fee estimate through entitlement approvals, not just for a period of two years.

## PRIVATE OPEN SPACE

We support the City's idea to incentivize more private and publicly accessible areas. Prometheus neighborhoods often include outdoor space as an amenity that offers our residents a more walkable and active environment, which aligns with the City's goals.

- **Reduce the required minimum acreage for any open space credit.** The utility of the park land ordinance should be considered in concert with the scarcity of land Mountain View. Reducing minimum acreage requirements for credits will lead to more dedicated public space.
- **Add more flexibility or discretion to the open space credits.** The Dean (480 San Antonio) has a heavily landscaped public paseo that includes fountains, pavers, and improves connectivity. This is the perfect area to qualify for private open space, however this peaceful path didn't meet the City's prescriptive elements for open space which includes providing a turf play field, game court, playground, swimming pool, etc. We have found that the City's prescription for open space doesn't always meet the desires of our residents.
- **Allow private infrastructure beneath Privately Owned Publicly Accessible space.** Adding a park to a site often results in significant adjustments to design that make projects less feasible and drives down housing production. It is reasonable to consider that park land could include foundation and infrastructure underground, and at the same time allow public use above ground.
- **Setting the credits.** To meet the City's housing goals, we encourage the Council to consider the magnitude of park land costs for new housing. This review is an opportunity to find a middle ground with owners that reduces the costs of park land and provides more public spaces for Mountain View. It seems to make sense to update the tiered credit in order to meet the City's housing goals:
  - *125% credit for park land dedication* – we encourage the City recognize the additional costs that a developer carries in order to acquire, design and map a new parcel for the city. In this case the opportunity for the City is park land will be delivered to an area where density is being added that benefit could be recognized by an additional credit opportunity.



- *100% credit for Privately Owned Publicly Accessible open space* – as a next tier down, we applaud the City’s effort to add a POPA ordinance that encourages developers to provide more public space. In this scenario the developer is not dedicating the parcel, but rather, they agree to carry it, maintain it and insure it. This essentially equates to the cost of land and therefore the credit would equal 100%.
- *75% credit for Open Space* – this credit may get more use with less restrictions and more incentives, we encourage the City to consider a higher credit value.

## DEDICATED ADJACENCIES

Prometheus has found that park land dedication can be a great way to add desirable open space to a neighborhood for the benefit of the public and we appreciate the City’s emphasis on this feature as an aspect of design. Outside of increasing the credit, there are a few additional ways for the City to encourage more dedication by creating better efficiencies in the process.

- **Complete the design and public input process for park land dedications in parallel with the with the development project.** Developers already complete a public process for the larger project which seems to garner more community participation than standalone park projects. If park land dedication design is run in concert with the larger project approval process the city will get more community participation. Moreover, the City can add efficiencies by conducting the public process at the same time rather than as two separate events, run by two City departments.
- **Prioritize resources to complete dedicated parks in a timeframe consistent with the occupancy of the adjacent projects.** When future parks are left unkept the community, including the new residents, suffer. Owners can be discouraged by the timelines to complete the design and construction for parks on adjacent park parcels, which reduces the likelihood that a developer will offer park land dedication.

The changes mentioned here would lead to a greater prevalence of public space in Mountain View. Further, these suggestions can reduce the risks and costs of the park land ordinance and allow the City to meet its goals for new housing. This is a great opportunity to improve the City ordinance, and we are thankful to participate in this discussion.

Sincerely,

John Millham  
President  
Prometheus Real Estate Group

CC: Adam McMichael, Senior Development Manager, Prometheus Real Estate Group  
Michael Ducote, Development Director, Prometheus Real Estate Group

**Subject: Agenda Item 6.1 - Park Land Dedication Ordinance Second Review of Modification, Oct 14, 2020**

Dear Parks and Recreation Commission and Urban Forestry Board,

We very much appreciate the Commission's and staff's efforts in this project, and welcome greater flexibility and creativity for open space in Mountain View. We have some overall comments and several specific suggestions on the New Proposal Elements.

We would like to see an emphasis in the Park Land Dedication Ordinance on the following:

- Parks should support our urban forest, requiring a minimum tree canopy coverage, and also include native landscape plants
- Parks should strive to serve everyone, and cater to more than just organized sports and playgrounds
- POPAs must be designed in such a way that they are welcoming to the public, and obviously open to everyone

**Specific Feedback on Topic 2(A) Table 2 - New Proposal Elements**

1. We have concerns about the proposed definition of "Landscaped, Parklike Quiet Area". We feel such an element could be in danger of becoming miscellaneous bits and pieces at the edges of the park, instead of a purposeful element.
2. We suggest replacing "Landscaped, Parklike Quiet Area" with an element called "**Natural Habitat Area**". A Natural Habitat Area would include a substantial grove of large, climate-resilient trees, native landscape plants, educational signage, natural path(s), and benches. A Natural Habitat Area would have a minimum size requirement, but no maximum size limit, and therefore it could be the entire park, e.g. Heritage Park. We believe the value of this element is its substantial contiguous space, providing an open space area large enough for visitors to immerse themselves in nature.
3. We are glad to see that Park Trails are proposed as an element, since walking and running are such popular and accessible forms of exercise.
  - Suggestion: We think Park Trails should be a fully landscaped area with large trees for beauty and shade, and integrated with other connecting trails, rather than being just a paved area at the edge of a green field.
  - Suggestion: To encourage a network of connected greenways across our city, Park Trails should be exempted from the Surrounding Area Analysis.

Sincerely,

Mary Dateo, Mountain View resident  
Kammy Lo, Mountain View resident