



**MEMORANDUM**

Community Services Department

**DATE:** December 11, 2019

**TO:** Parks and Recreation Commission

**FROM:** Brady Ruebusch, Senior Management Analyst  
John R. Marchant, Community Services Director

**SUBJECT:** Park Land Dedication Fund Midyear Update for Fiscal Year 2019-20

**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.
- Provide a recommendation to the City Council to move US-2 Cuesta Park Fitness Court Installation from the Unscheduled List of Capital Improvement Projects (CIP) to an Active CIP and to commit \$201,500 from the Park Land Dedication Fund (Park Land Dedication Fees from Fiscal Years 2017-18, 2018-19, and 2019-20, Investment Earnings from Fiscal Years 2017-18 and 2018-19).

**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.

Typically every April, 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. 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 three 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.

In Fiscal Year 2017-18, 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 is now scheduled in the PRC's annual work plan as a routine item.

## **ANALYSIS**

At the May 8, 2019 meeting, the PRC committed a total of \$300,000 to existing projects and \$2,429,000 to new projects, for a total commitment of \$2,729,000. Of this total, the PRC committed \$300,000 to the All-Inclusive Playground Project for project management costs. PRC committed \$1,829,000 to the design and construction of the park at 400 San Antonio Road and \$600,000 to the Design of the Stevens Creek Trail extension to Remington and Mountain View High School.

Approximately \$2,723,000 was left uncommitted in the Park Land Dedication Fund for future projects. 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 8, 2019 meeting, the City has received a total of \$719,400 in new PLD fees from 14 residential developments as well as approximately \$683,800 in investment earnings. This equates to a total of \$4,126,000 available in the Park Land Dedication Fund for acquisition, development, or renovation. 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 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 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 because the size of the land that was dedicated did not satisfy the park land requirement as determined by Chapter 41 of City Code. 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.

Staff is recommending that the PRC commit \$201,500 from the Park Land Dedication Fund towards the design and installation of a fitness cluster at Cuesta Park. The Community Services Department has been meeting with representatives from El Camino Hospital and are pursuing a cost-share agreement with them for the design, construction, and maintenance of the fitness cluster. Attachment 3 provides a detailed list of in-lieu fees being recommended for commitment. Attachment 4 provides an example the fitness equipment that staff is considering.

### **NEXT STEPS**

As part of the Fiscal Year 2019-2021 Council Goals Work Plan, an item to review the Park Land Dedication Ordinance was approved. Staff held a Study Session with the City Council in October to gain a better understanding of the intent of this work plan item. Based on the direction from this Study Session, staff will bring recommendations for amending the ordinance to the Parks and Recreation Commission in January.

Staff will also return to the Parks and Recreation Commission in April to review updates to the Park Land Fund and Park Land In-Lieu fees as well as any recommendations for committing the fees to capital improvement projects.

BR-JRM/AF/5/CSD

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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
  3. Detailed Park Land In-Lieu Fee Commitments
  4. Example of Fitness Cluster