



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Citizen Oversight Committee  
for Parks and Recreation  
Bond Projects

**SUBJECT:** SEE BELOW

**DATE:** 12-04-06

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**COUNCIL DISTRICT:** City-wide  
**SNI:** All

**SUBJECT: FY 2005-06 STATUS REPORT ON THE PARKS AND RECREATION  
BOND PROJECTS**

## **RECOMMENDATION**

Accept this status report on FY 2005-2006 San Jose Safe Neighborhood Parks and Recreation Bond Projects.

CEQA: Not a project.

## **OUTCOME**

Acceptance of this report concludes the Citizen's Oversight Committee for Park Bond Projects' oversight review of the implementation of the 2005-2006 Parks Bond Program.

## **BACKGROUND**

In November 2000, the City of San Jose voters approved a \$228 million General Obligation Bond, specifically known as the San Jose Safe Neighborhood Parks and Recreation Bond (Measure P), for the purpose of acquiring property for and constructing improvements to parks and recreation facilities throughout the City. This bond passed with over a 78 percent approval rating.

On April 10, 2001, the City Council designated the Parks and Recreation Commission as a Committee of the Whole (Committee) to conduct the citizen's oversight review responsibilities associated with Measure P. This effort of reviewing the implementation of the bond projects in an open forum process is the key to maintaining the public trust. The Citizen Oversight Committee provides the public with opportunities to understand, review, and address any significant and relevant issues related to the implementation of the parks and recreation bond

projects. The responsibility of the Committee is to oversee that the following language on the ballot measure below is carried out:

“SAN JOSE SAFE NEIGHBORHOOD PARKS AND RECREATION BOND:

To improve San Jose’s neighborhood parks’ safety and expand recreation opportunities for children, families and seniors, by: installing lighting; reconstructing deteriorating playgrounds and restrooms; preserving open space; constructing trails; constructing new recreational sports facilities; improving Community and Senior Centers; and constructing improvements to regional parks, like Happy Hollow, shall the City issue \$228,030,000 in bonds, at the best rates possible, with guaranteed annual audits, a citizen’s oversight committee, and no money for parks administrators’ salaries.”

On October 18, 2006, the Citizen Oversight Committee for the Parks and Recreational Bond Projects conducted a public hearing regarding the current projects under design, or in construction. Matt Cano, Division Manager, Parks, Recreation and Neighborhood Services presented information to the Committee regarding the status of bond projects. Stanley Arend, Deputy Director from the Finance Department presented the results of the annual City audit as it relates to the parks and recreational bond projects.

This report to the Mayor and City Council provides an update on the status of the parks and recreational bond projects at the end of its sixth fiscal year (2005-2006).

## ANALYSIS

Projects to be funded from the bond sales include the following:

Improvements at 79 neighborhood parks

- Safety upgrades to 90 playlots
- Restrooms renovations at 28 parks
- Improved lighting at various parks

Improvements at Regional Parks:

- Happy Hollow Park and Zoo and Kelley Park
- Almaden Lake Park
- Municipal Rose Garden
- Emma Prusch Memorial Park

Construction of nine community centers

Construction of two new sports complexes

- a lighted softball complex
- a lighted soccer complex

Development of five trail segments

### **Neighborhood Parks**

All neighborhood park improvements included in the Park Bond Program have been completed.

### **Regional Facilities**

Seven (7) regional park projects will be delivered through the San Jose Safe Neighborhood Parks and Recreation Bond Program. Two projects, the Municipal Rose Garden (FY 2003-04) and the Almaden Lake Park Improvements Phase I (FY 2004-2005), have been completed.

#### **Almaden Lake Park – Phases 1 and 2**

The Almaden Lake Park Phase 1 Project which included the construction of bocce ball courts, a play area and a large picnic area, was completed in May 2005.

Phase 2 of the Almaden Lake Park Project will include improvements to undeveloped portions of the east side to include a viewing area, terrace lawn, and trail connection. Improvements to the west side play area will include a water play apparatus, new play features, fences, pathways, benches, and trees. The schedule for Phase 2 has been extended due to delays in reconciling the budget and the scope of work. The project is scheduled to be awarded in December 2006 and construction is anticipated to be completed in July 2007.

#### **Emma Prusch Memorial Park**

Construction of new park features to implement key elements of the existing Master Plan at Emma Prusch Memorial Park started in October 2005. New features include a play lot, an heirloom vegetable garden, realignment of Knox Avenue, gazebo, arbor, lighting, pathways, and overflow parking areas. The project is 95% complete with the play area as an outstanding item. The project is anticipated to be fully completed within the November/December 2006 time frame.

#### **Emma Prusch Memorial Park – LeFevre House**

Construction on this project re-started in June after termination of the contractor for non-performance and the execution of a take-over agreement with the bonding surety company for the contractor. The project is near completion. The bonding surety company has completed all punch list items except for the installation of exterior lights which is awaiting delivery of electroliers. Delivery is expected in mid-December.

The Committee expressed concerns regarding numerous delays on the project due to the contractor's non-performance. The Committee recommended that staff use all avenues, such as contractor de-barrment procedures, that are available to ensure that in the future there are no project delays resulting from contractors who do not perform.

#### **Happy Hollow Park and Zoo**

The planning process for the \$52.3M Measure P funded Happy Hollow Park and Zoo Improvements has continued with the completion of the 65% design documents. The major project components continue to include a new park entry and parking on the east side of Coyote Creek (Roberts landfill), a bridge across the creek to a new entry plaza highlighted by a major

sculptural art work by artist Red Grooms, an expanded zoo, new and renovated attractions and new support services such as the café, retail, education, animal medical, administration, etc. The 95% design documents are due by the end of the calendar year.

In May 2006, Council approved an additional \$7.1M in support of the project as part of the 2006/2007 capital budget. This action adjusted for the considerable volatility the area has experienced in recent years related to inflation and materials costs and furthermore, allowed for inclusion of key elements necessary for the success of the project. Construction is currently planned to begin in May of 2007 with the new facility opening to the public in March of 2009.

### **Sports Parks**

During the fiscal year 2005-2006, the City has not moved forward with the acquisition, design, and construction of any sports park facilities as required by the language of the *San Jose Safe Neighborhood Parks and Recreation Bond* measure. Since abandonment of the plans for the sites formerly known as Shady Oaks Sports Park and Singleton Sports Park, the City has failed to identify appropriate locations for the facilities mandated by the Citizens of the City of San Jose in passing Measure P in November 2000. To date, \$1.9 million of the \$27.5 million allocated for sports parks has been expended on planning. After six years of little or no progress toward *constructing new recreational sports facilities*, the Citizen Oversight Committee believes that these projects must be given the highest level of priority and be placed on a fast-track development plan. Continuing delays will only result in further erosion of adequate funding for the City to deliver the best possible sports park to the citizens of San Jose.

Staff should consider all possible locations for future Sports Parks and work collaboratively with the school districts to find interim as well as long-term solutions. In addition to a citywide facility, existing parks should be evaluated to determine the possibility of re-aligning and re-vamping them to optimize sports usage. The use of sports fields for cricket, in addition to soccer and softball, should be considered.

The Committee is pleased by the recommendation presented by Councilmember Nancy Pyle at the October 17, 2006 City Council meeting. This recommendation was passed by Council and directs staff to complete a sports field master plan in the amount not to exceed \$165,000 and for staff to submit a workplan and funding plan for this effort to City Council by the end of the calendar year. A completed master plan will clarify space requirements for organized sports groups, provide an inventory of existing conditions and identify necessary changes to existing or new facilities. In addition, a completed master plan will identify best practices in other jurisdictions with respect to on-going maintenance, operational issues, permitting and fee structures in an effort to position the City as a premier community sporting environment for both children and adults. The Committee wants to stress that this study should provide an in-depth analysis on opportunities to collaborate with schools and the Committee looks forward to participating in this study and aligning it with the ongoing Greenprint update.

### **Community Centers Projects**

As stated above, nine community centers will be delivered through the San Jose Safe Neighborhood Parks and Recreation Bond Program. Five community center projects have been completed to date, of which three (below) were completed in the FY 2005-2006. The Gardner Community Center - Multi-Service and the Morrill Community Center – Youth Center were completed in prior years.

#### **Almaden Community Center Multi-Service**

This 44,000 square foot community center, which was co-located and constructed with a 20,000 square foot branch library, was completed in summer of 2006. The Grand Opening of the new joint facility was held on May 2006 and is open for public use. Facility amenities include a community room with adjoining full cook-on-site kitchen that could support a senior nutrition program, a gymnasium, aerobic/dance studio, classrooms, computer lab, cooking classroom, and activity rooms.

#### **Camden Community Center – Multi-Service**

The construction of this community center was completed in September 2005. Scope included alterations, renovation and expansion (21,700 square foot) to the existing community center. A dedication ceremony was held on October 22, 2005 and the expanded facility is open for public use. New amenities include a multi-purpose room, administrative offices, teen room, classrooms, a catering kitchen for the senior nutrition program, additional parking spaces and landscaping. The multi-purpose room and classrooms could also be used by seniors and adults.

#### **Southside Community Center - Multi-Service**

The new 3,100 square foot administration building and renovation of the original 1,300 square foot administration office into a computer lab was completed on November 10, 2005. The Center now houses a community arts room and a new senior lounge area. Parking lot, sidewalk, and covered walkways improvements were included as part of the project.

Four community center projects remain to be completed. Following is a status of these projects.

#### **District 6 Community Center – Multi-Service**

This 20,000 square foot community center is being planned to be co-located with the west branch library, also 20,000 square foot, at 1000 South Bascom Avenue, within District 6. Proposed amenities will include a multi-purpose room, a gymnasium, staff offices, game room, fitness room and supporting spaces. On September 12, Council approved the consultant agreement for project management, design and construction oversight with the Architect, Rob Quigley, in the amount of approximately \$2.45 million.

As part of the community outreach process, staff has been working with a community-based advisory committee (CPAC) in developing the program plan for the new community center. Staff has been meeting regularly with CPAC members. In addition, staff has held three general community meetings and solicited comments and feedback from the community. More

community meetings are planned in the next few months. The community outreach process is scheduled to be concluded in the summer of 2007.

With the assistance of the Architect, Quigley, staff will develop the building design through winter of 2008. The facility will include a multi-purpose room and fitness rooms designed to accommodate activities for active adults and seniors. Project construction is scheduled for completion in early 2010.

### **Mayfair Community Center**

This project is expected to go to bid in February 2007, with beneficial occupancy in December 2008. The 20,000 square foot community center will include an early childhood recreation classroom, computer lab, dance and exercise rooms, four classrooms, a multi-purpose room and administrative offices. The proposed plan for the Center includes a full commercial kitchen capable of serving 100 seniors daily. The Redevelopment Agency provided \$3.2 million toward the classroom design and construction to include an adult education facility, the first priority of the Mayfair Strong Neighborhoods Initiative.

In addition to the community center, replacement of the existing swimming pool and tot lot, renovation of the park, and installation of a new spray park and skatepark are planned through other funding sources, primarily through the Park Trust Fund.

### **Roosevelt Community Center – Multi-Service**

This 30,000 square foot community center is in the construction phase. Proposed amenities include a multi-purpose room, classrooms, a game room, activity rooms, a dance room, a fitness room, an early child care facility, and staff offices. Site improvements include additional parking spaces and related landscaping. The new community center was designed as a “green building” and will be LEED certified once completed.

To facilitate efficient implementation, this project was divided into two construction packages: Packages I and II. Package I construction, which includes site work such as demolition, clearing and grubbing, excavation and utilities, was completed in early September 2005. Package II, which includes building work, is currently in the contract award phase. The bids for this project came in over the engineer’s estimate and staff is currently evaluating the plan to move forward. Amenities for adults and seniors include multi purpose room supported by a kitchen, a lounge in the lobby area, a small outdoor terrace on the second floor where seniors can view activities below, and other spaces for intergenerational programming. This project is scheduled for completion in the summer of 2008.

### **Solari Community Center – Multi-Service**

The Solari Community Center is being designed as a joint facility with the Seventrees Branch Library. The project will consist of a 20,000 square foot branch library funded by the Library Bond and a 40,000 square foot community center funded by the Parks Bond. Three community-wide meetings and several teen and senior community meetings were held in 2006 to determine the building program, park amenities, and site layout for the joint Solari Community Center and

Seventrees Library Master Plan. The Master Plan is currently under environmental review and is expected to be completed in February 2007.

The building program for the 40,000 square foot Community Center includes: two early childhood recreation rooms, crafts room with kiln, game room for teens and seniors, joint Library/Community Center computer lab, three classrooms, banquet room, medium-sized gym (full basketball court that can be converted to two junior high courts), cardio fitness room, weight room, dance/performing arts room, and administrative offices. Park amenities include replacement of the tennis courts, outdoor basketball court, picnic areas, restroom and playground. The existing lit baseball field will not be affected, and lit pathways will be added around the perimeter of the entire park and parking facilities will be expanded. The Center will also include a full cook-on-site kitchen to provide for a nutrition program.

Because of the escalating construction costs, a decision was made to begin the design development phase while the Master Plan is under environmental review to minimize erosion of the construction dollars. Design completion is scheduled for November 2007 with bid award in January 2008. Beneficial occupancy is projected for early 2010. The Master Plan calls for future access to the site directly from Capitol Expressway when the County transfers maintenance responsibility of the Expressway to the City.

### **Trail Projects**

Five trail projects will be delivered through the Park Bond Program. To date, one (1), the San Tomas Aquino-Saratoga Creek Trail Reach 6 project has been completed. The status of the remaining four is provided below.

#### **Coyote Creek Trail – Los Lagos Golf Course to Kelly Park**

A change in scope of the trail alignment away from private property to an on-street alignment and the transition from in-house to consultant design services due to the complexity of the trail alignment caused significant delays to this project. A consultant master agreement contract was approved by the City Council in June. Design which started in August is anticipated to be completed within 9 months.

#### **Guadalupe River Trail - Highway 280 to Willow Street (Reach 6)**

This project entails the preparation of a master plan, design, and construction of the trail to extend southward of the Guadalupe River Park. City Council approved the master plan for the project on October 19, 2004. Flood control improvements to be constructed by the Army Corps of Engineers and the Santa Clara Valley Water District (SCVWD) impacts delivery of this project. Staff is closely coordinating with the Corps and the SCVWD to define a project that meets both recreational and flood control objectives and to develop cost sharing arrangements for City Council approval. Design documents for the project's first segment, from Highway 280 to Virginia Street is currently being prepared.

### **Los Alamos Creek Trail**

This project provides pedestrian and roadway enhancements to Camden Avenue bridge over Los Alamos Creek. The project includes "installation of an asphalt berm, marked crosswalk, relocation of the centerline striping to better define a shoulder for bicyclists, and installation of a flashing beacon to warn motorists of crossing pedestrians." This project is anticipated to be completed by the end of October 2006.

### **Los Gatos Creek Trail – (Reach 4 Lincoln Avenue to Auzeais Avenue)**

This project involves the construction of an undercrossing at Highway 280, paved trail from 280 to Auzeais Ave, a stone gateway to Auzeais Avenue, and reconstruction of the existing trail segment from Lonus Street to Highway 280. Construction started in June 2006 and is anticipated to be completed in the fall of 2007.

## **PROJECT FINANCING, REVENUE AND EXPENDITURES**

The Parks and Recreational Bond Fund (Fund 471) is supported by the General Obligation (GO) Bond proceeds. To fund activity in 2005-06, it was assumed that a combination of existing funds balance and proceeds from bonds issued in 2005-06 would be used to underwrite the work indicated above.

A total of \$178,115,000 in General Obligation Bonds have been issued to fund parks and recreational projects through 2005-2006. In addition to the bond revenue, interest earned totaled \$9,292,618 through June of 2006 for total revenue of \$187,407,618. Through June 2006, approximately \$98,706,869 of these bond funds has been expended or encumbered. The balance of the funds will be used to complete the projects indicated above. There are no new projects to be funded from the San Jose Parks and Recreational Bond Act of 2000.

The independent accounting firm of Macias, Gini & Company completed their annual audit of the city funds for the fiscal year that ended on June 30, 2006. The audited financial statement, known as the Comprehensive Annual Financial Report (CAFR), included a review of the Parks and Recreational Bond Projects Fund (Fund 471). As part of the outside auditor's review, any significant issues are identified and commented upon. The CAFR was presented by the Finance Department and the City's independent outside auditors to the City's Making the Government Work Better Committee on October 19, 2006 and the City Council on October 31, 2006. No significant issues were reported to this Committee regarding Parks and Recreational Bond Projects Fund (Fund 471).

The CAFR is posted on the City's web site ([www.csjfinance.org](http://www.csjfinance.org)) where the complete report can be found. Copies can also be obtained from the Finance department on the 13<sup>th</sup> floor of City Hall at 200 East Santa Clara Street, San Jose, California. Relevant excerpts from the 2005-2006 CAFR are incorporated in this report as Attachment A.

## POLICY ALTERNATIVES

Not Applicable

## PUBLIC OUTREACH/INTEREST

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

Although this project does not meet the criteria set above, the City will post the item on the Website. This report was presented in a public meeting held by the Citizen's Oversight Committee for Parks and Recreation Bond Projects on October 18, 2006 and November 1, 2006. Outreach to community groups was conducted through e-mail and regular mail to people listed on the project's interest list. In addition, meeting flyers were posted in libraries and community centers.

## COORDINATION

This project and memorandum have been coordinated with the Finance Department, City Attorney's Office and the City Manager's Budget Office.

## FISCAL/POLICY ALIGNMENT

This report aligns with the City Council direction to implement a Citizen's Oversight Committee to review the implementation of the Parks Bond Program and provide the public with opportunities to understand, review, and address any significant and relevant issues related to the implementation of the Program.

**COST SUMMARY/IMPLICATIONS**

Not applicable.

**CEQA**

Not a project.



HELEN CHAPMAN  
Chair, Parks and Recreation Commission  
And Citizen Oversight Committee

For questions please contact Matt Cano, Division Manager, Parks, Recreation and Neighborhood Services at (408) 535-3580.

attachments

**City of San José**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Capital Project Funds**  
**For The Year Ended June 30, 2006**

	Parks Bond Projects (Fund 471)	Branch Libraries Bond Projects (Fund 472)	Neighborhood Security Bond Projects (Fund 475)
<b>REVENUES</b>			
Taxes	-	-	-
Intergovernmental	-	-	-
Charges for current services	-	-	-
Interest and other revenues:			
Interest	2,779,342	3,047,142	2,457,695
Other revenues	-	-	-
Total revenues	<u>2,779,342</u>	<u>3,047,142</u>	<u>2,457,695</u>
<b>EXPENDITURES</b>			
Current:			
Capital maintenance	-	-	1,839,787
Capital outlay	18,192,221	31,370,831	14,016,783
Total expenditures	<u>18,192,221</u>	<u>31,370,831</u>	<u>15,856,570</u>
Excess (deficiency) of revenues over (under) expenditures	(15,412,879)	(28,323,689)	(13,398,875)
<b>OTHER FINANCING SOURCES (USES)</b>			
Bonds issued	45,400,000	58,899,000	-
Transfers in	-	1,827,641	23,277
Transfers out	-	-	-
Total other financing sources (uses)	<u>45,400,000</u>	<u>60,726,641</u>	<u>23,277</u>
Net change in fund balances	29,987,121	32,402,952	(13,375,598)
Fund balances - beginning	67,914,755	72,330,714	65,962,266
Fund balances - ending	<u>\$ 97,901,876</u>	<u>104,733,666</u>	<u>52,586,668</u>

**City of San José**  
**Combining Balance Sheet**  
**Nonmajor Capital Project Funds**  
**June 30, 2006**

	<u>Parks Bond Projects (Fund 471)</u>	<u>Branch Libraries Bond Projects (Fund 472)</u>	<u>Neighborhood Security Bond Projects (Fund 475)</u>
<b>ASSETS</b>			
Equity in pooled cash and investments held in City Treasury	\$ -	-	-
Receivables (net of allowance for uncollectibles)	95,042	38	89,482
Due from other funds	-	-	-
Loans receivable, net	-	-	-
Advances and deposits	-	-	-
Total current assets	<u>95,042</u>	<u>38</u>	<u>89,482</u>
Restricted assets:			
Equity in pooled cash and investments held in City Treasury	15,100,709	5,923	14,245,581
Other investments	93,650,598	123,311,774	45,888,096
Total assets	<u>108,846,349</u>	<u>123,317,735</u>	<u>60,223,159</u>
<b>LIABILITIES</b>			
Accounts payable	1,057,146	2,591,764	379,228
Accrued salaries, wages and payroll taxes	62,999	46,523	50,550
Due to other funds	9,824,328	15,945,782	7,206,713
Advances from other funds	-	-	-
Total liabilities	<u>10,944,473</u>	<u>18,584,069</u>	<u>7,636,491</u>
<b>FUND BALANCE</b>			
Reserved for:			
Encumbrances	8,759,158	14,110,507	18,861,714
Noncurrent advances and loans	-	-	-
Unreserved:			
Undesignated	89,142,718	90,623,159	33,724,954
Total fund balance	<u>97,901,876</u>	<u>104,733,666</u>	<u>52,586,668</u>
Total liabilities and fund balance	<u>\$ 108,846,349</u>	<u>123,317,735</u>	<u>60,223,159</u>