



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Edward Shikada
Larry D. Lisenbee

SUBJECT: SEE BELOW

DATE: 02-19-08

Approved

Date

2/19/08

COUNCIL DISTRICT: Citywide

**SUBJECT: ADOPTION OF APPROPRIATION ACTIONS FOR INTERIOR
ARTWORK AT THE SOUTH SAN JOSÉ POLICE SUBSTATION**

RECOMMENDATION

- a. Adoption of the following 2007-2008 Appropriation Ordinance and Funding Sources Resolution amendments in the General Fund (Fund 001):
 1. Increase the estimate for Transfers and Reimbursements by \$400,000; and
 2. Establish an appropriation to the Police Department for the South San José Police Substation Interior Public Art in the amount of \$400,000.

- b. Adoption of the following 2007-2008 Appropriation Ordinance amendments in the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Council District #2 (Fund 378):
 1. Establish a Transfer to the General Fund to Reimburse Los Paseos Youth and Family Project Costs in the amount of \$200,000; and
 2. Decrease the Ending Fund Balance by \$200,000.

- c. Adoption of the following 2007-2008 Appropriation Ordinance amendments in the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Council District #4 (Fund 381):
 1. Establish a Transfer to the General Fund to Reimburse Alviso Education Center Project Costs in the amount of \$100,000; and
 2. Decrease the Ending Fund Balance by \$100,000.

- d. Adoption of the following 2007-2008 Appropriation Ordinance amendments in the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Council District #5 (Fund 382):
 1. Establish a Transfer to the General Fund to Reimburse TRAIL: Silver Creek/Wenlock Drive Project Costs in the amount of \$100,000; and
 2. Decrease the Ending Fund Balance by \$100,000.

OUTCOME

These actions would reimburse the General Fund for prior capital project expenditures eligible to be paid for by Parks Construction Tax and Property Conveyance Tax funds in order to provide funding for interior artwork at the South San José Police Substation.

EXECUTIVE SUMMARY

On December 18, 2007, Council awarded the Police Substation project. To bridge the funding shortfall, several funding sources were committed, including de-funding other bond projects, program contingency, Construction Tax and Property Conveyance Tax Funds, General Fund, and public art allocations from the public safety bond. The City Council approved the funding strategy for interior artwork at the South San José Police Substation project by using District (2, 4 and 5) Parks Construction & Conveyance Tax Funds to reimburse prior General Fund funded projects eligible for Parks C&C use, freeing up \$400,000 of General Fund monies for the artwork. Funding for the exterior artwork, which is less time sensitive, continues to be sought. The City Council directed staff to return to Council within 30 days with appropriation actions.

BACKGROUND

On February 12, 2008, a reallocation of public art funds appropriated for remaining Police bond-funded facilities (\$1.1 million) was approved as part of the 2007-2008 Mid-Year Budget Review in order to replenish the Future Capital Projects (FF&E) Reserve. This removed remaining art funding set aside for completion of artworks at the substation, as well as remaining funding that could be used at the defunded community policing centers and planned driver training facility. The City Council also directed staff to return with appropriation actions within 30 days.

ANALYSIS

Based on actions approved by the City Council on February 12, 2008, this memorandum recommends appropriation actions that would fund interior artwork at the South San José Police Substation. The City Attorney's Office has advised that available Parks Construction Tax and Property Conveyance Tax Fund funding could be used to reimburse prior General Fund funded project expenditures provided that the Parks Construction Tax and Property Conveyance Tax funds were available during the same fiscal year that the General Fund funding were expended on the project. Based on commitments of Parks Construction Tax and Property Conveyance Tax Fund monies from Council Districts 2, 4 and 5, staff has evaluated previous expenditures on projects in the specific districts. The table below details the projects and Council Districts identified, General Fund fiscal years and expenditures amounts and the recommended

reimbursement amount by Parks Construction Tax and Property Conveyance Tax Fund monies from District 2, 4, and 5, for a total of \$400,000. Sufficient ending fund balances are available to offset the appropriation actions recommended as part of this memorandum.

Project Name	Prior General Fund Expenditure/ Fiscal Year Expended	Recommended Reimbursement from Parks C&C
Los Paseos Youth and Family (District 2)	\$247,520 expended in 2005-2006	\$200,000
Alviso Education Center (District 4)	\$296,045 expended in 2006-2007	\$100,000
TRAIL: Silver Creek/Wenlock Drive (District 5)	\$136,593 expended in 2006-2007	\$100,000

The proposed interior art work by Thomas Sayre was designed as a 36' x 12' glass wall. The glass would be patterned to abstractly represent the variations of the landscape/cityscape that comprise the City of San José. An overlay of the major traffic arteries of the city would give context to the abstract patterns. Behind the glass, a field of LED lights would be programmed, via an infrared camera to "project" the silhouettes of people entering the space. Other elements that represent the layers of community on the landscape, or the landscape itself could be programmed to intersperse with the real-time images of people. Construction documents for this art work have been completed.

The interior artwork needs to be coordinated with electrical and structural work and would therefore ideally be placed prior to the closure of the interior walls. Since construction of the South San José Police Substation is slated to begin soon, award of the fabrication contract for the interior artwork by April 2008 would minimize possible schedule and cost impacts. The funding actions recommended in this memorandum would allow for this project to continue as scheduled.

EVALUATION AND FOLLOW-UP

The City Council approved a funding strategy for interior artwork at the South San José Police Substation through a reimbursement to the General Fund for prior expenditures on capital projects deemed to be eligible from the Districts 2, 4, and 5 Parks Construction Tax and Property Conveyance Tax Funds. The City Council directed staff to return with appropriation actions in 30 days. Fund options for exterior artwork at the South San José Police Substations will be evaluated and brought forward for consideration as part of the 2008-2009 Proposed Budget.

PUBLIC OUTREACH/INTEREST



Criterion 1: Requires Council action on the use of public funds equal to \$1 million or greater.

(Required: Website Posting)

- Criterion 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)**
- Criterion 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)**

This memorandum is posted on the City's website for the March 11, 2008 City Council agenda.

COORDINATION

This memorandum has been coordinated with the Public Works and Police Departments, and the City Attorney's Office.

FISCAL/POLICY ALIGNMENT

This project is consistent with the Council approved priority of funding art in public places as outlined in the Municipal Code.

COST SUMMARY/IMPLICATIONS

This memorandum includes appropriation actions to fund interior artwork at the South San José Police Substation, expected to total \$400,000.

BUDGET REFERENCE

The table below identifies the funds and appropriations proposed to fund the interior artwork at the South San José Police Substation.

Fund #	Appn #	Appn. Name	RC #	Total Appn	Amt. for Project	2007-08 Adopted Capital Budget (Page)	Last Budget Action (Date, Ord. No.)
378	8999	Ending Fund Balance		789,469	200,000	V-358	10/16/07, Ord. No. 28143
381	8999	Ending Fund Balance		2,482,549	100,000	V-397	10/16/07, Ord. No. 28143
382	8999	Ending Fund Balance		4,323,816	100,000	V-413	12/11/07, Ord. No. 28201
Total Project Funding					\$400,000		

CEQA

Mitigated Negative Declaration, File No. PP04-Substation project.



LARRY D. LISENBEE
Budget Director

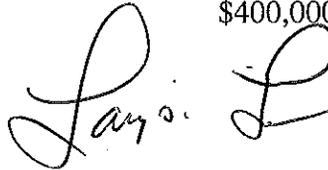


EDWARD SHIKADA
Deputy City Manager

I hereby certify that there will be available for appropriation in the designated funds and in the amounts as listed below in Fiscal Year 2007-2008 moneys in excess of those heretofore appropriated therefrom:

General Fund

\$400,000



LARRY D. LISENBEE
Budget Director

For questions please contact ED SHIKADA, DEPUTY CITY MANAGER, at (408) 535 8190.