



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Larry D. Lisenbee

SUBJECT: SEE BELOW

DATE: March 3, 2004

Approved

Date

COUNCIL DISTRICT: 3, 6
SNI AREA: University, Washington,
Greater Gardner

SUBJECT: ADOPTION OF APPROPRIATION ORDINANCE AND FUNDING SOURCES RESOLUTION AMENDMENTS IN THE SERVICES FOR REDEVELOPMENT CAPITAL PROJECTS FUND (CITY-SIDE REDEVELOPMENT FUND) IN THE AMOUNT OF \$1,732,000 AND ADOPTION OF A RESOLUTION MAKING CERTAIN DETERMINATIONS REGARDING THE EXPENDITURE OF AGENCY FUNDS ON CERTAIN PUBLIC IMPROVEMENTS.

RECOMMENDATION

It is recommended that the City Council adopt the following Appropriation Ordinance and Funding Sources Resolution amendments in the Services for Redevelopment Capital Projects Fund (City-side Redevelopment Fund):

1. Establish an appropriation to the Department of Public Works for the O'Donnell's Gardens Park Development (PSM 348) project in the amount of \$689,000.
2. Establish an appropriation to the Department of Public Works for the Floyd and Locust Park Development (PSM 344) project in the amount of \$820,000.
3. Establish an appropriation to the Department of Public Works for the Greater Gardner Street Reconstruction (PSM 346) project in the amount of \$223,000.
4. Increase the estimate for Earned Revenue by \$1,732,000.

It is also recommended that the Council adopt a resolution making certain determinations regarding the related expenditure of Redevelopment Agency funds on certain public improvements in connection with the O'Donnell's Gardens Park Development project, as more specifically described in the memorandum from the Redevelopment Agency, dated February 13,

HONORABLE MAYOR AND CITY COUNCIL

March 3, 2004

SUBJECT: **ADOPTION OF APPROPRIATION ORDINANCE AND FUNDING SOURCES
RESOLUTION AMENDMENTS IN THE SERVICES FOR REDEVELOPMENT
CAPITAL PROJECTS FUND (CITY-SIDE REDEVELOPMENT FUND).**

Page 2

2004; and the Floyd and Locust Park project, as more specifically described in the memorandum from the Redevelopment Agency, dated February 10, 2004; and the Greater Gardner Street Reconstruction project, as more specifically described in the memorandum from the Redevelopment Agency, dated February 5, 2004, attached hereto.

BACKGROUND

The San José Redevelopment Agency has requested City services in the implementation of Agency projects. These proposed amendments are necessary to account for City-side expenditures on Redevelopment Agency projects.

ANALYSIS

O'Donnell's Gardens Park Development

The O'Donnell's Gardens Park Development project consists of the construction of a park at 6th and William Streets in the University Strong Neighborhoods area. The park will help eliminate blight by providing a quality park for residents that will make the neighborhood a more desirable place to visit and encourage further investment in the neighborhood. The Department of Public Works will manage the project, which consists of surveying, site preparations, plant landscaping, and the installation of a tot lot, seating areas, park lighting, ornamental fencing, irrigation, a water feature, and picnic tables. The source of funding for this project would be a transfer from the Redevelopment Agency.

Floyd and Locust Park Development

The Floyd and Locust Park Development project consists of the construction of a park at Floyd and Locust Streets in the Washington Strong Neighborhoods area. The park will help eliminate blight by providing a quality park for residents that will make the neighborhood a more desirable place to visit and encourage further investment in the neighborhood. The Department of Public Works will manage the project, which consists of surveying, site preparations, plant landscaping, and the installation of a tot lot, gazebo, seating areas, park lighting, swings, ornamental fencing, irrigation, and a youth play area. The source of funding for this project would be a transfer from the Redevelopment Agency.

Greater Gardner Street Reconstruction

The Greater Gardner Street Reconstruction project will reconstruct the street infrastructure of at least four and potentially seven severely deteriorated streets located in the Greater Gardner Strong Neighborhood. The four streets included in this project are Delmas Avenue between W.

March 3, 2004

SUBJECT: **ADOPTION OF APPROPRIATION ORDINANCE AND FUNDING SOURCES
RESOLUTION AMENDMENTS IN THE SERVICES FOR REDEVELOPMENT
CAPITAL PROJECTS FUND (CITY-SIDE REDEVELOPMENT FUND).**

Page 3

Virginia Street and Highway 280, Minor Avenue between W. Virginia Street and Highway 280, Prevost Street between W. Virginia Street and Fuller Avenue, Spencer Avenue between W. Virginia Street and Minor Avenue, and Brown Street between W. Virginia Street and Minor Avenue. An application for a Community Development Block Grant (CDBG) was submitted in December 2003. If the grant is awarded, three additional streets will be included in this project, including Prevost Street between Fuller Avenue and Minnesota Avenue, Atlanta Avenue between Prevost Street and Highway 87, and Spencer Avenue between Willow Street and Atlanta Avenue. The scope of work includes the design and construction of roadways, curbs and gutters, sidewalks, driveways, wheelchair ramps, adjustments of utility boxes and manholes, and replacement of damaged underground sanitary sewer and storm drain pipes and inlets. The City's Traffic Capital Improvement Program will provide \$974,000 and the Redevelopment Agency will provide \$3,403,000. This memorandum recommends funding for the design of the project only in the amount of \$223,000 from the Redevelopment Agency. The funding for construction in the amount of \$3,180,000 will be transferred by the Redevelopment Agency at a later date.

COST IMPLICATIONS

These projects are consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy. These projects will have an impact on the General Fund operating budget for operating and maintenance costs after the development and construction of the O'Donnell's Gardens Park and Floyd and Locust Park. The operating and maintenance costs for the O'Donnell Gardens Park will be \$12,000 in 2004-2005 and \$26,000 annually beginning in 2005-2006. The operating and maintenance costs for the Floyd and Locust Park will be \$6,000 in 2004-2005 and \$12,000 annually beginning in 2005-2006.

BUDGET REFERENCE

Fund #	Appn.	Appn. Name	Total Appn.	Amt. for Contract	2003-2004 Adopted Budget	Last Budget Action (Date, Ord. No.)
001	6788	Street Reconstruction Projects	\$974,000	N/A	P. 883	
450	TBD	Gardner Street Reconstruction	\$223,000	N/A	N/A	Recommended in this memorandum
Total			\$1,197,000	\$0		

HONORABLE MAYOR AND CITY COUNCIL

March 3, 2004

SUBJECT: **ADOPTION OF APPROPRIATION ORDINANCE AND FUNDING SOURCES
RESOLUTION AMENDMENTS IN THE SERVICES FOR REDEVELOPMENT
CAPITAL PROJECTS FUND (CITY-SIDE REDEVELOPMENT FUND).**

Page 4

PUBLIC OUTREACH

N/A

COORDINATION

This project has been coordinated with the Redevelopment Agency, the Office of the City Attorney, and the Departments of Public Works, Transportation, and Parks, Recreation and Neighborhood Services.

CEQA

O'Donnells Gardens Park: CEQA: Exempt, PP02-04-084.

Floyd and Locust Park: CEQA: Exempt, PP434-11-043.

Greater Gardner Street Reconstruction: Not a project.

LARRY D. LISENBEE
Budget Director

I hereby certify that there will be available for appropriation in the Services for Redevelopment Capital Projects Fund (City-side Redevelopment Capital Fund) in the Fiscal Year 2003-2004 moneys in excess of those heretofore appropriated therefrom, said excess being at least \$1,732,000.

LARRY D. LISENBEE
Budget Director

LL:MM:AR