



COUNCIL AGENDA: 5-06-08
ITEM: 2.7

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Paul Krutko
James Helmer
Jennifer A. Maguire

SUBJECT: SEE BELOW

DATE: April 14, 2008

Approved

Date

4/18/08

COUNCIL DISTRICT: 3
SNI AREA: Julian/Stockton

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 \$297,628 FOR 2007-2008 AND ADOPTION OF A RESOLUTION MAKING CERTAIN DETERMINATIONS REGARDING THE EXPENDITURE OF AGENCY FUNDS ON CERTAIN PUBLIC IMPROVEMENTS.

RECOMMENDATION

1. 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) for 2007-2008:
 - a) Increase the estimate for Earned Revenue by \$170,754.
 - b) Decrease Ending Fund Balance by \$126,874.
 - c) Establish the appropriation to the Office of Economic Development for the Public Art – One East Julian Housing project (PSM 526) in the amount of \$110,754.
 - d) Establish the appropriation to the Office of Economic Development for the Public Art – Keystone Place Housing project (PSM 443 Amendment 1) in the amount of \$126,874.

- e) Establish the appropriation to the Department of Transportation for the Downtown Seasonal Banners project (PSM 529) in the amount of \$60,000.
2. It is also recommended that the Council adopt resolutions making certain determinations regarding the related expenditure of Redevelopment Agency funds on certain public improvements in connection with the Downtown Seasonal Banners project as more specifically described in the memorandum from the Redevelopment Agency, dated March 21, 2008, attached hereto.

OUTCOMES

The City Council's approval of the recommended actions will provide public art within Redevelopment Project Areas in the Greater Downtown. It will also enhance the street and pedestrian environment throughout the Greater Downtown by the installation of five seasonal banners.

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

The Public Art – One East Julian Housing Project

The Public Art – One East Julian Housing project is a joint Redevelopment Agency (SJRA)/ Office of Economic Development (OED) project. It provides public art within Redevelopment Project Areas in the Greater Downtown, specifically on Julian and Stockton. The Disposition and Development Agreement calls for the developer to allocate 1% of the estimated cost of design and construction of the project for public art. Agency staff calculated this amount to be \$110,754. The developer does not wish the public art to be within the housing complex. Therefore, the public art can be used anywhere within the Greater Downtown as designated in the Downtown Public Art Focus Plan. OED will manage the public art projects associated with this PSM and report out progress at the monthly Agency/OED coordination meetings. The source of funding for this project would be a transfer from the Redevelopment Agency in the total amount of \$110,754.

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The Public Art – Keystone Place Housing Project

The Public Art – Keystone Place Housing project is a joint Redevelopment Agency (SJRA)/ Office of Economic Development (OED) project. It provides public art within Redevelopment Project Areas in the Greater Downtown specifically on Julian and Stockton. It calls for the developer to allocate 1% of the estimated cost of design and construction of the project for public art. Agency staff calculated this amount to be \$126,874. The developer does not wish the public art to be within the housing complex. Therefore, the public art can be used anywhere within the Greater Downtown. This amendment will allow funds to be used for the proposed pooled funds projects as defined in the Public Art Master Plan and the Downtown Public Art Focus Plan. Funding for this project was a transfer from the Redevelopment Agency in the total amount of \$126,874 that was received in fiscal year 2006-2007 and has not yet been appropriated.

The Downtown Seasonal Banner Project

The Downtown Seasonal Banner project provides for the installation of five seasonal banners at approximately 200 locations within the Merged Redevelopment Project Area. This project will enhance the street and pedestrian environment throughout the Greater Downtown. In addition, it will resume the seasonal banner program previously funded by the Redevelopment Agency but curtailed in 2003 because of Agency budget constraints. The streets where the banners are to be hung are all within the Greater Downtown. The Downtown Seasonal Banner Project will be managed by the Department of Transportation in collaboration with the Office of Cultural Affairs. The source of funding for this project would be a transfer from the Redevelopment Agency in the total amount of \$60,000.

EVALUATION AND FOLLOW-UP

No additional follow up actions with the Council are expected at this time.

POLICY ALTERNATIVES

Not applicable.

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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 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)

Although this project does not meet the \$1 million threshold for Criterion 1, this memorandum is posted on the City's website for the May 6, 2008 Council Agenda.

COORDINATION

This project and memorandum have been coordinated with the City Attorney's Office and the San José Redevelopment Agency.

FISCAL/POLICY ALIGNMENT

These projects are consistent with the Council-approved Budget Strategy to continue with capital improvement projects that keep money flowing to our economy.

COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION/ COST OF PROJECTS: \$297,628.
2. SOURCE OF FUNDING: 450 - Services For Redevelopment Capital Projects Fund
3. FISCAL IMPACT: N/A

CEQA

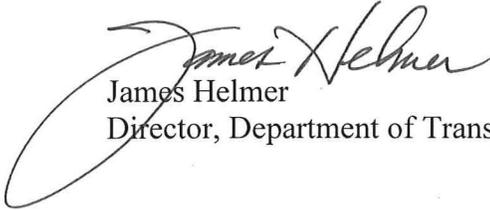
Public Art – One East Julian Housing Project: Not a project
Public Art – Keystone Place Housing Project: Not a project
Downtown Seasonal Banners Project: Not a project

HONORABLE MAYOR AND CITY COUNCIL

05-06-08

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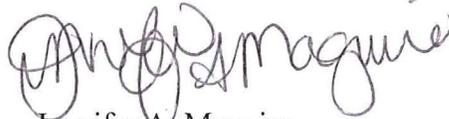
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James Helmer
Director, Department of Transportation

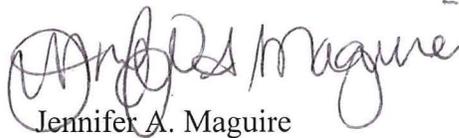


Paul Krutko
Director, Office of Economic Development



Jennifer A. Maguire
Acting 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 2007-2008 monies in excess of those heretofore appropriated there from, said excess being at least \$297,628.



Jennifer A. Maguire
Acting Budget Director

For more information regarding these projects, contact:

Barbara Goldstein, Public Art Director, (408) 277-5144, Extension 24.

Kirk Pennington, Downtown Seasonal Banners City Project Manager, (408) 277-2750

JM:KL:MO



THE REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE

MEMORANDUM

TO: KENN LEE PRINCIPAL BUDGET ANALYST	FROM: BOB RUFF ASSISTANT DIRECTOR OF PROJECT MANAGEMENT
SUBJECT: SEE BELOW	DATE: March 21, 2008
APPROVED: 	DATE: 3/21/08

SUBJECT: DETERMINATIONS REGARDING FUNDS TRANSFERRED TO
THE CITY FOR PUBLIC IMPROVEMENT PROJECT

The Downtown Streetscape Master Plan and the Downtown Street and Pedestrian Lighting Plan were approved by City Council in 2003. The Master Plans provides guidelines for a number of planned public realm improvements within the Greater Downtown. Funds were placed in the Redevelopment Agency's FY07-08 budget for improvements in the pedestrian environment.

The DOWNTOWN SEASONAL BANNER PROGRAM consists of the installation of a five seasonal banners at approx. 200 locations within the Merged Redevelopment Project Area in on an annual basis. This project will enhance the street and pedestrian environment throughout the Greater Downtown.

Section 33445 of the Redevelopment Law requires the City Council to adopt a resolution making certain determinations with respect to publicly owned improvements funded by the Redevelopment Agency. The required findings are as follows:

1. The project addresses the installation of seasonal banners in the Greater Downtown. This supports the goals of the Downtown Streetscape Master Plan. All work is within the Merged Redevelopment Project Area.
2. This project is not currently included in the City's Capital Budget and there are no other reasonable means of financing the project.
3. The Agency FY 2007-08 budget allocates funds for these types of projects under the Seasonal Banners line item.

4. The project supports the various goals in the adopted five year Redevelopment Agency Implementation Plan, including:

Goal: Provide public infrastructure improvements to support private development.

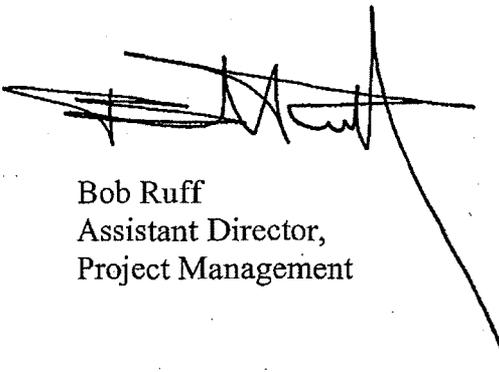
Objectives: Implement the Downtown Streetscape Master Plan as funding is available

Goal: Establish the Downtown as the 24-hour center of urban life and activity.

Objectives:

- Use public investment in land, infrastructure, and public-use space to attract and stimulate private investment.
- Continue design and construction of Downtown infrastructure.

Please proceed to incorporate the necessary findings for the public project identified above into a future City Council memo requesting Adoption of Appropriation Ordinance and Funding Sources Resolution Amendments to the City-side Redevelopment Fund.



Bob Ruff
Assistant Director,
Project Management

Attachment

cc: David Baum
Sandy Shayesteh
Patricia Deignan