



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jane Light

SUBJECT: SEE BELOW

DATE: 04-25-07

Approved

Deanna Santana

Date

4/27/07

COUNCIL DISTRICT: 5

SNI AREA: Mayfair

**SUBJECT: AGREEMENT WITH SANTA CLARA COUNTY OFFICE OF
EDUCATION FOR A SMART START SAN JOSÉ CENTER**

RECOMMENDATION

It is recommended that the City Council adopt a resolution authorizing the City Manager to negotiate and execute an agreement with Santa Clara County Office of Education, providing for a contribution of \$457,109 toward the purchase and installation of a modular building at San Antonio Elementary School to be used as a Smart Start San José center.

OUTCOME

Sixty eight quality early care and education spaces will be created for use in the Smart Start San José Early Childhood Development program.

BACKGROUND

Smart Start San José is the City's Early Care and Education Initiative. Its vision is that all children will enter school ready to learn with the physical, social, emotional and cognitive foundation to ensure success in the classroom, and to develop to their full potential as lifelong learners.

In 2001, the City established the Child Care Facility Fund to expand the number of available, affordable, and quality early care and education spaces in San José, and has established several partnerships to this end. Since that time, the Early Care and Education Office has been working to meet the goals which are further defined in the Early Care and Education's Strategic Workplan, *Investment in the Future: San José's Early Care and Education Work Plan 2006-2008*.

The San Antonio Elementary School does not currently have an early care program on its campus. Santa Clara County Office of Education (SCCOE), in an effort to address this shortage, sought an opportunity with the City that would help create quality spaces at San Antonio Elementary School for the surrounding community.

ANALYSIS

Under this agreement, SCCOE will purchase and install a 2880 sq. ft. modular building and its foundation at San Antonio Elementary School, located at 1855 East San Antonio Street, San José, CA 95112, to be operated as a Smart Start San José Early Care and Education Center. This program will create 68 new early care and education spaces and will meet all Smart Start San José Program Quality Standards (Attachment A). The funding provided by the City will also be used for costs associated with the installation of electrical services, phone/data lines, and parking lot lighting. In return, the City will secure SCCOE's fifteen year covenant for Smart Start center operations, which will serve to enhance the social, economic, and psychological growth of the children and families it serves. All costs for program operation and maintenance of the facility will be the responsibility of SCCOE.

SCCOE's program operation at the San Antonio Elementary school will be provided by Head Start of Santa Clara and San Benito Counties, a state mandated program, which has a reputation for working closely with organizations and agencies to improve the delivery of services to children and families. Head Start is an excellent resource and partner in helping to identify and recruit eligible children and families and in helping provide referral services and resources that will help the children they serve succeed in school. Head Start has an existing relationship with Smart Start San José and provides the operation for Franklin-McKinley School District's program at Shirakawa Elementary School.

A fifteen year covenant will ensure the modular unit's intended purpose and a personal property lien will be filed against the modular unit. SCCOE is required to obtain a land lease agreement from Alum Rock Union Elementary School District (ARUSD) for at least a fifteen year period that will allow the land lease between SCCOE and ARUSD to be assigned to the City at the discretion of SCCOE or ARUSD.

For this project, the funding of \$6,722 per space is significantly below the average market cost per child care space in a new development (\$23,250) as determined by the consultant firm of Keyser Marston and Associates (KMA) in 2004.

This agreement also requires that SCCOE pay prevailing wages, consistent with labor code requirements, for the eventual construction of this facility. The agreement also requires SCCOE to pay liquidated damages for any failure to provide evidence of payment of prevailing wages, or underpayment, as required by the City's prevailing wage policy.

The total contribution by City of San José through the term of this agreement shall not exceed \$457,109. SCCOE will contribute at least \$319,810 from a combination of its operating budget and a grant from the Department of Health and Human Services Administration for Children and Families to fund items such as site preparation, architecture and state approval fees. Any additional costs above the City's contribution will be the responsibility of SCCOE.

PUBLIC OUTREACH/INTEREST

This item does not meet any of the following criteria.

- 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)**

COORDINATION

This memorandum has been coordinated with the City Attorney's Office.

COST SUMMARY/IMPLICATIONS

City shall contribute during the full term of this Agreement shall not exceed \$457,109. Any amounts above this shall be the responsibility of the Santa Clara County Office of Education.

1. SOURCE OF FUNDING:

The funding for this project is identified in the City's General Fund.

HONORABLE MAYOR AND CITY COUNCIL

04-25-07

Subject: Santa Clara County Office of Education Smart Start

Page 4

2. FISCAL IMPACT:

The total contribution by City during the full term of this Agreement shall not exceed \$457,109.

BUDGET REFERENCE

Fund #	Appn #	Appn. Name	Total Appn	Amt. for Contract	Last Budget Action (Date, Ord. No.)
001	0722	Non-Personal/Equipment Library Department	\$5,155,544	\$457,109	2006-2007 Appropriation Ordinance Section 2.16, Page 1— 4/12/07

CEQA

Exempt, File No. PP06-115



JANE LIGHT

Director, San José Public Library

For questions please contact CAROL FROST, SUPERVISING LIBRARIAN, at (408) 808-2048.