



## REPLACEMENT

COUNCIL AGENDA: 6/20/06

ITEM: 4.4

# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Joseph Horwedel

**SUBJECT:** SEE BELOW

**DATE:** June 9, 2006

Approved

 Date 6/12/06

**COUNCIL DISTRICTS:** Districts 3 and 7  
**SNI AREA:** Spartan-Keyes

### SUPPLEMENTAL

**SUBJECT:** Approval of Memorandum of Understanding between the City of San Jose and San Jose State University for preparation of a joint master plan for the South Campus Area

#### REASON FOR SUPPLEMENTAL MEMORANDUM

The City Council previously received a memorandum dated May 24, 2006, describing a proposed memorandum of understanding between the City of San Jose and San Jose State University for the development of a joint plan to determine appropriate land uses and shared opportunities in the South Campus Area. This memorandum transmits the completed memorandum of understanding to the City Council for approval.

#### RECOMMENDATION

Approval of a memorandum of understanding between the City of San Jose and San Jose State University for the development of a joint plan to determine appropriate land uses and shared opportunities in the South Campus Area encompassing publicly owned land generally bounded by Highway 280, Roberts Avenue, Phelan Avenue, and 6<sup>th</sup> Street, Humboldt Street.

#### OUTCOME

Approval of the memorandum of understanding will allow City staff and the University staff to jointly undertake the steps necessary to create a master plan identifying appropriate land uses and shared opportunities in the South Campus Area.

## **BACKGROUND**

The City Council previously received a memorandum dated May 24, 2006, describing a proposed memorandum of understanding between the City of San Jose and San Jose State University for the development of a joint plan to determine appropriate land uses and shared opportunities in the South Campus Area (see attached map). This memorandum transmits the completed memorandum of understanding to the City Council for approval.

## **ANALYSIS**

The City and the University both view the South Campus Area as having potential to meet a range of important objectives through multi-functional facilities that serve a variety of customers. For the City, the South Campus Area has potential to provide an improved recreation amenity for area residents, as well as a regional amenity for sports events and tournaments (youth, amateur, professional). For the University, South Campus is a key to meeting campus academic, intramural, faculty/staff, and intercollegiate needs. Additional opportunities may include improving parking capacity and pedestrian accessibility throughout the area. This project is aligned with Economic Development Strategy #3: "Develop Strategic Partnerships with San Jose State and Other Universities to Drive Innovation and Economic Impact." The proposed master planning process will provide the vehicle for the City and the University to explore the feasibility of such future opportunities.

The overarching benefits of planning proactively in collaboration are:

- Maximizing the resources and experience that can be brought to bear on the project area and the benefits that can accrue to both institutions and to the community at large.
- Preventing the kind of one-sided initiative by either party that could undermine the area's potential, our strengthening city-university relationship, and our broader collaborative agenda.
- Identifying and maximizing financing opportunities by each agency for the Area's improvement and entering into future mutual agreements for such financing.

The collaborative planning process began in May, 2006 and will be completed in approximately 24 months.

The City and University acknowledge that many diverse stakeholders have an interest in the outcome of this project. The joint planning process will include a Stakeholder Working Group comprised of representatives from the University, City, and Community. This group would serve in an advisory role, helping to integrate stakeholder input and staff/consultant research to develop recommendations.

Once the plan is completed, it would be considered for approval by both the City Council and the University Board of Trustees. Ultimately, the project will be judged a success if the University, City, and nearby neighborhoods and business areas are supportive of the approved plan for South

Campus Area, and if the implemented project meets each partner's objectives and our shared objectives.

**ALTERNATIVES**

Not applicable.

**PUBLIC OUTREACH**

Outreach to date has focused on exploring potential for this project with the University leadership and affected departments as well as various City departments. As described above, outreach to various public stakeholders will be an integral part of joint planning process.

**COORDINATION**

The preparation of this memorandum has been coordinated with the City Attorney's Office.

**COST IMPLICATIONS**

Over the term of the project, the City and University anticipate each contributing \$175,000 to fund the consulting costs (planning and any environmental document) associated with this project. In addition both sides will contribute staff time. For the City, the long range planning staff efforts are expected to cost approximately \$139,000 over the next two years. General Fund budget actions to support these efforts will be brought forward when the consultant contract is finalized.

**CEQA**

Not a project.



JOSEPH HORWEDEL, Acting Director  
Planning, Building, and Code Enforcement

For questions, please contact Stan Ketchum, Principal Planner at 408/535-7800.

Attachment

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE CITY OF SAN JOSE  
AND  
SAN JOSE STATE UNIVERSITY  
(South Campus Area Plan)**

**1. Purpose.**

This Memorandum of Understanding (“MOU”) outlines the terms and conditions under which the City of San Jose (“City”) and San Jose State University (“University”), collectively referred to herein as “Parties,” agree to explore the feasibility of concurrent advanced planning for the financing, development, improvement, operation, continuing maintenance, and related infrastructure and impact mitigation, for current properties and facilities owned separately by the City and the University, as described in Section 3. The Parties agree to negotiate in good faith formal agreements, subject to their respective governing board/council approvals as described herein, to set forth the rights and responsibilities relating to the feasibility of the above-described planning effort.

The Parties acknowledge two overarching benefits to this collaboration:

- Planning proactively together efficiently maximizes the resources and experience that can be brought to bear on the planning area, and the benefits that can accrue to both institutions and to the community at large.
- Planning proactively together helps prevent the kind of one-sided initiative that could undermine the strengthening City-University relationship and the broader collaborative agenda between the City and the University.

**2. Basic Project Definition.**

Conduct a joint planning process with a vision to create a dynamic, multi-purpose recreation district in the South Campus/Muni Stadium/Kelley Park/Logitech area (South Campus District) and immediate environs that serves a variety of customers—University academic/intramural activities, intercollegiate athletics, neighborhood resident recreation (including students), youth/adult amateur athletic leagues, professional athletics and faculty/staff of University with necessary infrastructure, mitigation measures, and maintenance to support such uses.

**3. Geographic Area of Project.**

The Study Area will include, but shall not be limited to, the South University Campus, Municipal Stadium, Logitech Ice Center, and Kelley Park. Exhibit A depicts the proposed Study Area. During the Project, the parties to this Memorandum may

expand the boundaries of the Project upon mutual agreement to achieve the objectives described in item 5 below.

**4. Process and Projected Timelines for Project Development and Completion.**

The process and projected timelines for project development and completion are as indicated on Exhibit B hereto.

**5. Objectives.**

The planning project should meet both institutions' objectives as indicated in the graph below.

<b>Objectives</b>	<b>City</b>	<b>University</b>
Regional amenity for sports events/tournaments (youth, amateur, professional) and associated economic impact	x	
Evaluate and leverage key assets, including but not limited to, University-owned land, City-owned land, Logitech, Muni Stadium, Kelley Park, City Corporation Yard, adjacent land that could be purchased, potential parking assets (city-owned parking lot between Logitech and Muni Stadium, rail right-of-way, Kelley Park, unused rail spurs	x	x
Planned development process, including compliance with CEQA, that is generally consistent with City processes and policies	x	
Planning that is consistent with Trustee and Chancellor's Office policies and procedures		x
Recreation amenity for area residents	x	
Recreation amenity to support campus academic and intramural programs		x
Meet intra-mural athletic requirements		x
Meet inter-collegiate athletic requirements		x
Parking to support core campus and sports complex	x	x
Additional classroom capacity	x	x
Protection of viable business/industrial areas (e.g. Monterey Corridor)	x	
Coordinated transportation plan, including parking, traffic calming and freeway access	x	x
Revitalize/enhance surrounding neighborhoods and businesses	x	x
Allocate fair share responsibility for and provide adequate funding for the construction and maintenance of all necessary infrastructure to support programs and improvements.	x	x
Allocate fair share responsibility for and provide adequate funding for the necessary mitigation of impacts for all programs and improvements.	x	x
Allocate fair share responsibility for and provide adequate funding for necessary maintenance of any joint programs and improvements.	x	x

**6. Stakeholder Involvement.**

The University and the City will create an appropriate stakeholder involvement process to engage interested parties in the preparation of this plan. Potential stakeholder participants are identified in Exhibit C hereto.

**7. Budget.**

The University and the City agree to share the costs of preparing the plan according to Exhibit D hereto.

**8. Termination.**

(a) This MOU shall terminate upon completion of all of the deliverables in Section 9 herein.

(b) Notwithstanding Subsection (a), each Party shall have the right to terminate this MOU, without cause, by giving thirty (30) days advance written notice of termination to the other Party. In the event of termination by one of the Parties, each Party shall be responsible for notification of termination for each consultant hired by it, and each Party shall be responsible for payment of each Consultant for services performed to the date of termination.

**9. Deliverable.**

The end product will be a plan that includes recommendations for the following:

- Potential investment of Measure P funds in the Project Area
- Major land uses and densities
- Development opportunities for joint facilities
- Spartan Stadium
- Streetscape upgrades
- Walking course and pedestrian corridors
- Area assets (Spartan Stadium, Logitech Ice Center, Muni Stadium, Kelley Park)
- Transportation, parking approach, pedestrian connection to area assets and trails
- Land acquisition and reuse
- General Plan and zoning recommendations
- Agreements establishing financing responsibilities, requirements and financing sources by University and City

**10. Success Criteria.**

The University and City will use the following criteria to judge the project's success:

- The Parties and the nearby neighborhoods are knowledgeable and supportive with what happens within the geographic planning area
- Joint facilities opportunities are identified and developed
- The Parties are able to finance all improvements, infrastructure and mitigation measures to support the uses and improvements authorized by the planning area document.
- Implemented project meets the objectives outlined in Section 5 herein.

**11. Mutual Indemnity.**

In lieu of and notwithstanding the pro rata risk allocation which might otherwise be imposed between the Parties pursuant to Government Code section 895.6, the Parties agree that all losses or liabilities incurred by a party shall not be shared pro rata but instead the University and City agree that pursuant to the Government Code section 895.4, each of the parties hereto shall fully indemnify and hold each of the other parties, their officers, board members, employees and agents, harmless from any claim, expense or cost, damage or liability imposed for injury (as defined by Government Code section 810.8) occurring by reason of the negligent acts or omissions or willful misconduct of the indemnifying party, its officers, board members, employees or agents, under or in connection with or arising out of any work, authority or jurisdiction delegated to such party under this MOU. No party, nor any officer, board member, employee or agent thereof shall be responsible for any damage or liability occurring by reason of the negligent acts or omissions or willful misconduct of other parties hereto, their officers, board members, employees or agents, under or in connection with or arising out of any work, authority or jurisdiction delegated to such other parties under this MOU.

**12. Notice to Parties.**

All notices and other communications required or permitted to be given under this MOU shall be in writing and shall be personally served or mailed, postage prepaid and return receipt requested, addressed to the respective parties as follows:

To CITY:

Laurel Prevetti, Deputy Director of Planning  
Planning, Building and Code Enforcement  
City of San Jose  
200 E. Santa Clara St.  
San Jose, CA 95113

With copy to: City Attorney  
200 E. Santa Clara St.  
San Jose, CA 95113

To UNIVERSITY: Tony Valenzuela  
Associate Vice President, FD&O  
San Jose State University  
One Washington Square  
San Jose, CA 95192

With Copy to: Donald Newman  
Office of General Counsel  
Office of the Chancellor  
401 Golden Shore  
Long Beach, CA 90802

Notice shall be deemed effective on the date personally delivered or, if mailed, three (3) days after deposit in the mail.

**WITNESS THE EXECUTION HEREOF** on this \_\_\_\_\_ day of \_\_\_\_\_, 2006.

**UNIVERSITY:**

**San Jose State University:**

By: \_\_\_\_\_  
Don W. Kassing  
President

**CITY:**

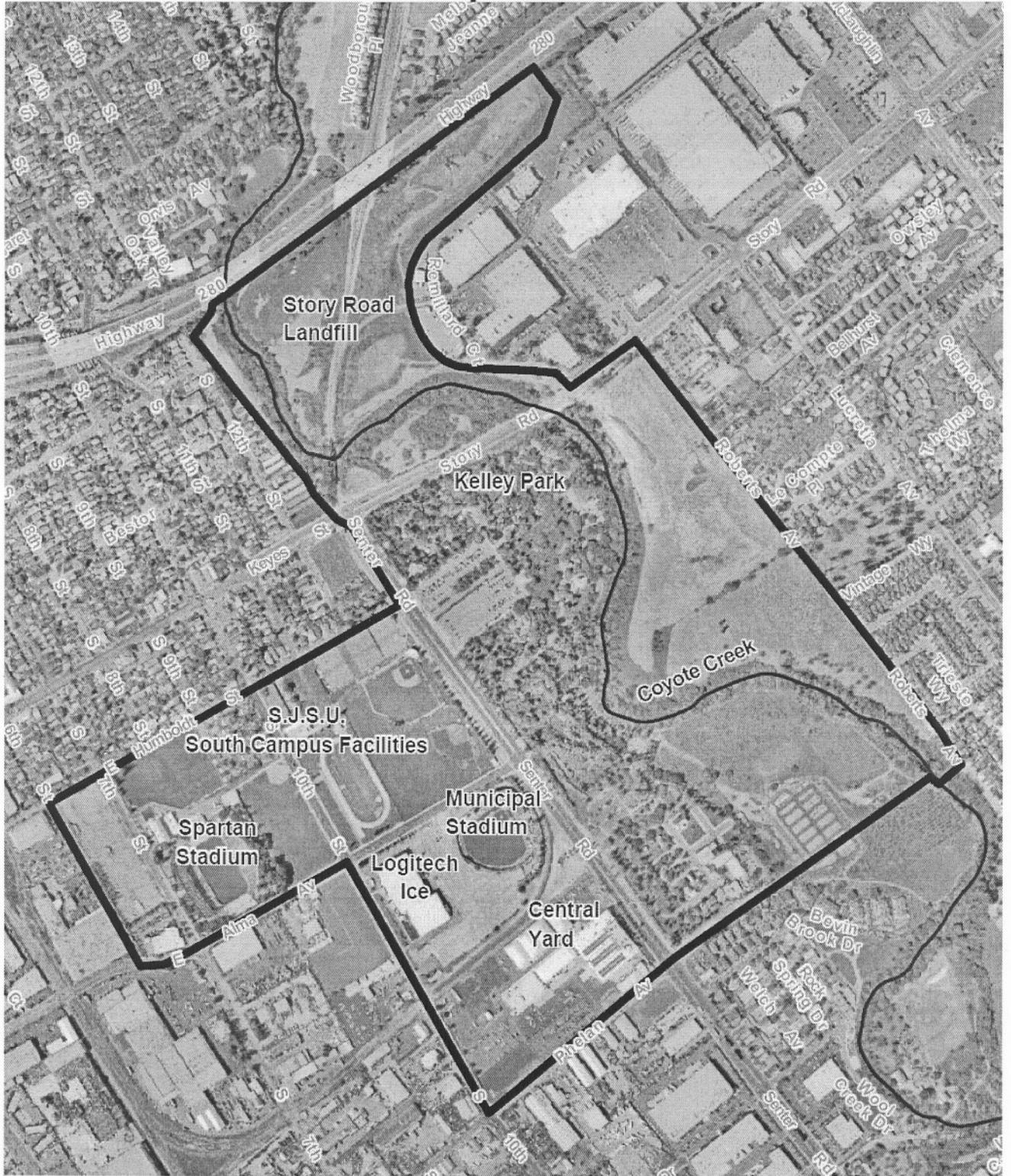
**City of San Jose:**

**Approved as to Form:**

By: \_\_\_\_\_  
LES WHITE  
Interim City Manager

\_\_\_\_\_  
VERA M. I. TODOROV  
Senior Deputy City Attorney

# Exhibit A South Campus Area Plan



**EXHIBIT B**

**JOINT PLANNING PROCESS, TIMELINE, AND DELIVERABLES**

The City and University envision the following planning process over a two-year period.

<b>Activity and Deliverable</b>	<b>Responsible Party</b>	<b>When</b>
<b>Phase I: Preparation</b>		
Finalize and sign MOU, commit resources	City and University	Month 1
Identify staff project team	City and University	Month 2
City/university gather basic information, compile inventory of city and university-owned land, evaluation of existing facilities and conditions, general environmental scan	City and University	Month 3
Jointly develop scope for consultant services determined necessary	City and University	Month 2
Jointly retain consultant services (prepare RFP, conduct interviews, negotiate, create contract and hire) Determine financial and in-kind contributions from parties towards this effort	City and University will decide which agency will contract with any needed consultant(s);  City and University will decide on appropriate cost sharing.	Months 3-4
Appoint Stakeholder Working Group	City and University	Month 3
Design stakeholder engagement process	City and University	Month 4
<b>Phase II: Research/Fact Base</b>		
Fast-track Assessment: Measure P/USTA	City and University	Months 5-8
Collect background info	City and University	Months 5-6
Identify opportunities and constraints	City and University	Months 6-7

Initiate Stakeholder Working Group Meetings	City and University	Month 6
Develop Preliminary Vision and Plan direction	City and University	Months 7-8
<b>Phase III: Alternatives Analysis</b>		<b>Months 9-12</b>
Develop and analyze draft plan alternatives	City and University	Months 9-12
Stakeholder engagement around alternatives	City and University	Months 9-12
<b>Phase IV: Full Plan Development</b>		<b>Months 13-18</b>
Select preferred alternative	City and University	Months 13-14
Prepare the land use development, operations, and maintenance plan, including appropriate mitigation measures, required infrastructure cost estimates and financing sources	City and University	Months 15-18
Prepare master environmental document	City	Months 13-18
Prepare joint financing agreement for fair share allocation of costs of improvements, related infrastructure, related mitigation measures, and maintenance of improvements, infrastructure and mitigation.	City and University	
<b>Phase V: Approval Process</b>		<b>Months 18-24</b>
Approve joint financing agreement for costs of improvements, related infrastructure, related mitigation measures, and maintenance of improvements, infrastructure and mitigation.	City and University	Months 18-24
Approve the planning and environmental document through a joint approval process, recognizing that each agency may have additional approvals related to their jurisdiction.	City and University	Months 18-24

## EXHIBIT C

### STAKEHOLDER CONSULTATION

The City and University acknowledge that many diverse stakeholders have an interest in the outcome of this project. An advisory stakeholder working group will assist in integrating stakeholder input and staff/consultant recommendations on the project and assist in developing recommendations. The advisory stakeholder group will include representatives from the University, City, and the other stakeholders identified below:

#### *University Stakeholders*

- University leadership
- Office of the CSU Chancellor
- Associated Students (e.g., students, alumni)
- Athletics Department
- Human Performance Department
- Faculty/Staff
- Traffic and Parking Department

#### *City of San Jose Stakeholders*

- Political leadership: Mayor/Council
- Key departments: City Manager's Office, Economic Development; Planning; Redevelopment; Parks, Recreation and Neighborhood Services; General Services Administration

#### *Community Stakeholders*

- Adjacent neighborhoods—South University, Spartan Keyes
- Downtown residents
- Citywide/regional stakeholders
- Youth/adult amateur/professional athletic leagues (soccer, baseball, etc.)
- Nearby/Downtown business representatives

**EXHIBIT D**

**JOINT PLANNING EFFORT: RESOURCES, BUDGET, COST ALLOCATION**

The City and University anticipate the following costs for the project, divided into direct costs and staff costs that need to be funded.

	<b>Phase I: Preparation</b>	<b>Phase II: Research/ Fact Base</b>	<b>Phase III: Alternatives Analysis</b>	<b>Phase IV/V: Plan Devt &amp; Approval</b>	<b>TOTAL</b>
<b>Direct Costs</b>					
Consulting: planning services	0				<b>\$150,000</b>
Consulting: environmental document	50,000	50,000	50,000	50,000	<b>\$200,000</b>
Materials production					To be determined by mutual consent of the parties
Other direct expenses					To be determined by mutual consent of the parties
<b>City Planning Staff Costs</b> (that need to be funded):	\$26,700	25,700	25,700	61,200	<b>\$139,000</b>
<b>University Staff Costs</b> (that need to be funded)	20,000	20,000	20,000	40,000	<b>100,000</b>
<b>TOTAL BUDGET</b>					<b>Estimated minimum of \$589,000</b>