



COUNCIL AGENDA: 08-29-06  
ITEM: 2.5

# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Larry D. Lisenbee

**SUBJECT:** SEE BELOW

**DATE:** August 9, 2006

Approved

Date

**COUNCIL DISTRICT:** 1, 5  
**SNI AREA:** Blackford, East  
Valley/680 Communities

**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 \$97,180.**

## 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):
  - a) Increase the estimate for Beginning Fund Balance by \$49,680.
  - b) Increase the estimate for Earned Revenue by \$47,500.
  - c) Increase the appropriation to the Department of Public Works for the Starbird Teen Center project (PSM #423, Amendment 1) in the amount of \$49,680.
  - d) Establish an appropriation to the Parks, Recreation, and Neighborhood Services Department for the Hank Lopez Community Center Improvements project (PSM #457) in the amount of \$47,500.
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 Hank Lopez Community Center Improvements project as more specifically described in the memorandum from the Redevelopment Agency, dated June 1, 2006, attached hereto.

HONORABLE MAYOR AND CITY COUNCIL

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## **OUTCOMES**

The funding recommended in this memorandum will help construct a new teen center in the Blackford SNI project area and will provide improvements to the Hank Lopez Community Center in the East Valley/680 Communities.

## **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**

### **Starbird Teen Center**

The Starbird Teen Center project consists of the demolition of the existing Starbird Center Community Center and construction of a new approximately 3,840 square foot teen center located in the Blackford Strong Neighborhood Initiative project area. The Redevelopment Agency Board approved the award of a construction contract to CalState Construction, Inc., the low bidder of three submitted bids. This amendment provides \$49,680 to the Department of Public Works – City Facilities Architectural Services for construction inspection services for code compliance. The source of funding for this project would be a transfer from the Redevelopment Agency in the amount of \$49,680.

### **Hank Lopez Community Center Improvements**

The Hank Lopez Community Center Improvements project (PSM 457) consists of the purchase and installation of computers, printers, and tables for the computer lab, a pottery kiln, and a freezer at the Hank Lopez Community Center in the East Valley/680 Strong Neighborhood. This project will help eliminate blight by enhancing the center quality for residents and will make the neighborhood a more desirable place to live and visit. The implementation plan for the Strong Neighborhood Initiative Redevelopment Project Area includes improvements to community centers. The Department of Parks, Recreation and Neighborhood Services (PRNS) will be responsible for the appropriation of Agency funding and will administer the distribution of funds in accordance with the funding allocations. The source of funding for this project would be a transfer from the Redevelopment Agency in the amount of \$47,500.

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### **POLICY ALTERNATIVES**

Not applicable

### **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)**

While these projects are below the \$1 million threshold for Criterion 1, this memorandum is posted on the City's website for the August 29, 2006 Council Agenda.

### **COORDINATION**

This project and memorandum have been coordinated with the Department of Parks, Recreation, and Neighborhood Services, Department of Public Works, the City Attorney's Office and the San José Redevelopment Agency.

### **FISCAL/POLICY ALIGNMENT**

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

### **COST IMPLICATIONS**

AMOUNT OF RECOMMENDATION/ COST OF PROJECTS: \$97,180

1. SOURCE OF FUNDING: 450 - Services For Redevelopment Capital Projects Fund

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2. **FISCAL IMPACT:** Funding for the maintenance and operation of the Starbird Teen Center totaling \$73,000 annually is included in the 2006-2007 Adopted Operating budget.

**CEQA**

Starbird Teen Center: Exempt – PP05-049

Hank Lopez Community Center Improvements: 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 2006-2007 monies in excess of those heretofore appropriated there from, said excess being at least \$97,180.



LARRY D. LISENBEE  
Budget Director

For more information regarding these projects, please contact:

Starbird Teen Center: Lisa Mulvany, Project Manager, (408) 795-1874

Hank Lopez Community Center Improvements: Ed Solis, Community Coordinator, (408) 251-5757

LL:MM:MO

T-541.166.001

THE REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE 8/3 am

MEMORANDUM

TO: MARGARET MCCAHAN PRINCIPAL BUDGET ANALYST	FROM: SALVADOR C. ALVAREZ DEVELOPMENT OFFICER
SUBJECT: SEE BELOW	DATE: JUNE 1, 2006

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

The Redevelopment Agency has transferred \$47,500 to the City for the purchase of furniture, fixtures and equipment for the Hank Lopez Community Center Project located in the East Valley/680 Communities neighborhood in the Strong Neighborhoods Initiative Redevelopment Project Area.

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

1. The project includes the purchase and installation of computers, printers, and tables for the computer lab, a pottery kiln, and a freezer at the Hank Lopez Community Center. All work is within and will benefit the Strong Neighborhoods Initiative Redevelopment Project Area.
2. This project is not fully funded in the City's Capital Budget and there are no other reasonable means of financing the project. The Agency is funding this project with non-tax increment funding.
3. This project will help eliminate blight by enhancing the community center and making the neighborhood a more desirable place to live and visit.
4. The implementation plan for the Strong Neighborhoods Initiative Redevelopment Project Area includes the enhancement of quality community center facilities.

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.



SALVADOR C. ALVAREZ  
Development Officer

Margaret McCahan  
HANK LOPEZ COMMUNITY CENTER  
IMPROVEMENTS

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JUNE 1, 2006

Attachment

cc: David Baum  
Patricia Deignan