



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Larry D. Lisenbee

SUBJECT: SEE BELOW

DATE: October 25, 2006

Approved

Date

10/30/06

COUNCIL DISTRICT: 2, 5
SNI AREA: 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 \$221,000.

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 Earned Revenue by \$221,000.
 - b) Establish an appropriation to the Department of Transportation for the Alum Rock Village Median Island and Pedestrian Improvement project (PSM #471) in the amount of \$72,000.
 - c) Establish an appropriation to the Department of Public Works for the Improvement District 99-218SJ Deferral of Assessments Fiscal Year 2006-2007 project (PSM #472) in the amount of \$149,000.
2. 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 Alum Rock Village Median Island and Pedestrian Improvement project as more specifically described in the memorandum from the Redevelopment Agency, dated September 28, 2006, attached hereto.

HONORABLE MAYOR AND CITY COUNCIL

10-25-06

SUBJECT: **ADOPTION OF APPROPRIATION ORDINANCE AND FUNDING SOURCES
RESOLUTION AMENDMENTS IN THE SERVICES FOR REDEVELOPMENT
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OUTCOMES

The funding recommended in this memorandum will provide for the implementation of the Median Island and Pedestrian Improvements on Alum Rock Avenue at Manning in the Alum Rock NBD project area and for assessment payments to made by the Redevelopment Agency to the City on behalf of property owners who participate in the Deferral of Assesment Program in Improvement District 99-218SJ (Hellyer-Piercy).

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

Alum Rock Village Median Island and Pedestrian Improvement

The Alum Rock Village Median Island and Pedestrian Improvement project consists of the reconfiguration of the median island on Alum Rock Avenue at Manning Avenue to construct a left turn pocket for the eastbound direction. This project includes the installation of street lights and flashing beacons at the pedestrian crosswalk at Manning Avenue. The Department of Transportation will be responsible for project design and development, bid and award, and construction and inspection. The Redevelopment Agency will be responsible for obtaining the right-of-entry agreement with the private property owner on the north side of Alum Rock Avenue. The source of funding for this project would be a transfer from the Redevelopment Agency in the total amount of \$72,000.

Improvement District 99-218SJ Deferral of Assessments Fiscal Year 2006-2007

The Improvement District 99-218SJ Deferral of Assessments Fiscal Year 2006-2007 project consists of the provision of assessment payments made by the Redevelopment Agency to the City on behalf of property owners who participate in the Deferred Assessments Program in Improvement District 99-218SJ (Hellyer-Piercy). These payments are part of the Redevelopment Agency's contribution to the financing of the infrastructure improvements, pursuant to the Cooperation Agreement between the City and Agency related to the "Cooperation Agreement Between the Redevelopment Agency of the City of San José relating to Public Improvements Required for the Build-Out of the Edenvale Redevelopment Project Area," dated June 20, 2000. Fully executed agreements are on file in the Department of Public Works.

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The source of funding for this project would be a transfer from the Redevelopment Agency in the total amount of \$149,000.

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)**

Although this project does not meet the \$1 million threshold for Criterion 1, this memorandum is posted on the City's website for the November 14, 2006 Council Agenda.

COORDINATION

This project and memorandum have been coordinated with the Department of Public Works, Department of Transportation, 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

AMOUNT OF RECOMMENDATION/ COST OF PROJECTS: \$221,000

HONORABLE MAYOR AND CITY COUNCIL

10-25-06

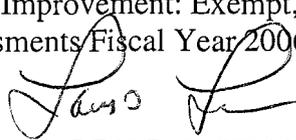
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1. SOURCE OF FUNDING: 450 - Services For Redevelopment Capital Projects Fund
2. FISCAL IMPACT: Funding for the maintenance and operation for Alum Rock Village Median Island and Pedestrian Improvement project totaling \$650.00 annually is included in the 2006-2007 Adopted Operating budget .

CEQA

Alum Rock Village Median Island and Pedestrian Improvement: Exempt, PP06-171
Improvement District 99-218SJ Deferral of Assessments Fiscal Year 2006-2007: 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 \$221,000.



LARRY D. LISENBEE
Budget Director

For more information regarding these projects, please contact:
Alum Rock Village Median Island and Pedestrian Improvement: Laura Wells, Division Manager, (408) 975-3725
Improvement District 99-218SJ Deferral of Assessments Fiscal Year 2006-2007: Primo de Guzman, Acting Division Manager, (408) 535-8466

LL:MM:MO

MARGARET MCCAHAN
PRINCIPAL BUDGET
ANALYST

LINDSEY FONICK
ASSISTANT DIRECTOR

SEE BELOW

SEPTEMBER 28, 2006

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

The Agency has transferred \$72,000 to fund Department of Transportation staff to design and install vehicular and pedestrian enhancements in the Alum Rock redevelopment project area.

Before these funds can be spent by the City, the City Council must make certain determinations under Redevelopment Law, H & S Code Section 33445, regarding the benefit to the project areas. A brief summary for the public improvement project is provided below.

1. The Alum Rock Village Median Island and Pedestrian Improvement Project will provide for the construction of a new pedestrian crossing with flashing beacon signs and a new left turn pocket at the intersection of Alum Rock Avenue and Manning. All work is within the Alum Rock redevelopment project area.
2. This project is not currently included in the City's Capital Budget.
3. The improvements will provide a more visible and pedestrian friendly crossing at the intersection and a dedicated left turn pocket for better access to the public parking lot located off of Manning.
4. The implementation plan for the Alum Rock redevelopment area calls for streetscape and infrastructure improvements, including pedestrian amenities and traffic improvements.

September 28, 2006

DETERMINATIONS REGARDING FUNDS
TRANSFERRED TO THE CITY FOR PUBLIC
IMPROVEMENT PROJECT

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.



Lindsey Fonick
Assistant Director

Attachment

cc: David Baum
Abraham M. Andrade, Jr.
Patty Deignan