



COUNCIL AGENDA: 12-11-07
ITEM: 2.12

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen
James Helmer
Peter Jensen
Paul Krutko
Jennifer Maguire

SUBJECT: SEE BELOW

DATE: November 19, 2007

Approved

Date

11/22/07

COUNCIL DISTRICT: 1, 2, 3, 5

SNI AREA: Gateway East, Edenvale/
Great Oaks, Blackford

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 \$767,600 FOR 2007-2008

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 \$767,600.
 - b) Increase the appropriation to the Department of Transportation for the Pedestrian Improvements project (PSM 431, Amendment #2) in the amount of \$83,390.
 - c) Increase the appropriation to the Department of Public Works for the Sanitary Sewer Improvements Phase II project (PSM 495, Amendment #2) in the amount of \$497,000.
 - d) Establish an appropriation to the Office of Cultural Affairs for the Edenvale Community Center Public Art project (PSM 508) in the amount of \$37,000.

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- e) Establish an appropriation to the Department of Public Works for the DPW Real Estate Division – Third Party Services project (PSM 511) in the amount of \$50,000.
- f) Establish an appropriation to the Office of Cultural Affairs for the Starbird Youth Center project (PSM 512) in the amount of \$28,210.
- g) Establish an appropriation to the Department of General Services for The South Hall Convention Center - HVAC Systems project (PSM 513) in the amount of \$72,000.

OUTCOMES

The funding recommended in this memorandum will provide funding for pedestrian improvements and pedestrian countdown signal installations in the San José Downtown area; elimination of blight and improvement of the overall health and welfare of residents in the Gateway East SNI Redevelopment project area; development and installation of public art in the Edenvale/Great Oaks SNI Redevelopment project area; funding for third-party and non-personal costs in support of Agency funded acquisition of real property rights to be vested in the name of the City of San Jose; installation of public art at the Starbird Youth Center in the Blackford SNI Redevelopment project area; and funding for improvements to mobile HVAC units for the Convention Center.

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

Pedestrian Improvements

The Pedestrian Improvements project consists of the establishment of a Capital Improvement Reserve for pedestrian improvements in the Greater Downtown redevelopment project areas. This amendment expands upon the pedestrian improvements executed in 2005-2006 and 2006-2007 (PSM 431 and PSM 431, Amendment 1) that provided for installation of pedestrian countdown signal heads and enhanced downtown streetscape crosswalks in certain locations. It is projected that 42 crosswalk locations (33 existing plus 9 new) will require replacement about every 5 years. The Redevelopment Agency will transfer \$41,160 per year (plus CPI adjustment)

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to the City, and this funding will be placed in a reserve account to fund the removal and replacement of crosswalks as a future capital project. The annual allocation was to begin in 2006-2007, but funds were not included in the Redevelopment Agency final budget. The current allocation includes transfers for 2006-2007 and 2007-2008 plus CPI adjustment. The source of funding for this project would be a transfer from the Redevelopment Agency in the total amount of \$83,390.

Sanitary Sewer Improvements Phase II

The Sanitary Sewer Improvements Phase II project provides for the elimination of blight and improvement of the overall health and welfare of residents in the Gateway East SNI Redevelopment project area. The project shall consist of the re-establishment of properly operating sanitary sewer main lines and laterals with wye cleanouts and shall include: pre-construction video inspection, removal and replacement of main lines, rehabilitation of sewer main lines, installation of new manholes and rehabilitation of existing manholes. These improvements are necessary to prevent sewage back-ups occurring in the main line and consequently into the resident's homes. The Department of Public Works shall perform all construction management and inspection tasks. The source of funding for this project would be a transfer from the Redevelopment Agency in the total amount of \$497,000.

Edenvale Community Center Public Art

The Edenvale Community Center Public Art project provides for the development and installation of public art as a portion of the Edenvale Community Center project in the Edenvale / Great Oaks SNI Redevelopment project area. Public art funds will be used to create artwork that engages the area of the new community center located at the corner of Edenvue and Branham Lane. The Office of Cultural Affairs will provide project management services for planning, artist selection, and design development for the project. The source of funding would be a transfer from the Redevelopment Agency in the amount of \$37,000.

DPW Real Estate Division – Third Party Services

The DPW Real Estate Division – Third Party Services project provides funding for third-party and non-personal costs in support of Agency funded acquisition of real property rights which upon conclusion of acquisition are to be vested in the name of the City of San Jose. Such services include: acquisition of appraisals, survey work, title reports and underlying title documents, topographical reports, geological studies, architectural services/plans, CEQA review, purchase of property rights, escrow fees, title insurance, and such other costs as may be necessary for acquisition of property rights, analysis and provision of relocation benefits and/or property management/maintenance as may be requested of PWRE by the Agency. The source of funding would be a transfer from the Redevelopment Agency in the amount of \$50,000.

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Starbird Youth Center

The Starbird Youth Center project provides project management services, fabrication, and installation of artistic features at the Starbird Youth Center in the Blackford SNI Redevelopment project area. The Office of Cultural Affairs (OCA), in coordination with the Redevelopment Agency and the Department of Parks, Recreation and Neighborhood Services will contract with a qualified artist/designer to fabricate and install certain design features at the Starbird Youth Center Site. These design features include installation of a galvanized steel cable trellis to the existing steel trellis framework at the front entrance to the Starbird Youth Center, and installation of fabric panels into the existing steel framework in the lobby of the Starbird Youth Center Site. The source of funding would be a transfer from the Redevelopment Agency in the amount of \$28,210.

South Hall Convention Center – H V A C Systems

The South Hall Convention Center – HVAC Systems project provides funding for duct upgrades necessary to improve the functioning and aesthetic appearance of the mobile HVAC units, acquisition of two trailers suitable for the Convention Center operators to move the HVAC units, contingency and overhead. The General Services Department will be responsible for project management, execution, and oversight. The source of funding would be a transfer from the Redevelopment Agency in the amount of \$72,000.

EVALUATION AND FOLLOW-UP

These projects are currently within budget and on schedule. No additional follow up actions with the Council are expected at this time.

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 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 December 4, 2007 Council Agenda.

COORDINATION

This project and memorandum have been coordinated with the City Attorney's Office, Council District 1 and 2 Offices, 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: \$767,600
2. SOURCE OF FUNDING: 450 - Services For Redevelopment Capital Projects Fund
3. FISCAL IMPACT: N/A

CEQA

Pedestrian Improvements: Not a project

Sanitary Sewer Improvements Phase II: Exempt, File No. PP07-173

Edenvale Community Center Public Art: Exempt, File No. PP05-184

The DPW Real Estate Division – Third Party Services: Not a project

Starbird Youth Center: Exempt, File No. PP05-049

The South Hall Convention Center – HVAC Systems: EIR Resolution No. 72767

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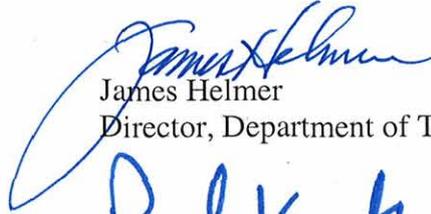
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Katy Allen
Director, Department of Public Works



Peter Jensen
Director, Department of General Services



James Helmer
Director, Department of Transportation



Paul Krutko
Chief Development Officer



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 \$767,600.



Jennifer A. Maguire
Acting Budget Director

For more information regarding these projects, contact:

Pedestrian Improvements: Kevin O'Connor, (408) 277-3028

Sanitary Sewer Improvements Phase II: Alan Kam, (408) 998-6189

Edenvale Community Center Public Art: Jennifer Easton, (408) 277-5144

The DPW Real Estate Division – Third Party Services: Neil Stone, (408) 535-8460

Starbird Youth Center: Jennifer Easton, (408) 277-5144

The South Hall Convention Center – HVAC Systems: Randall Turner, (408) 938-2021

JM:KL:MO