



COUNCIL AGENDA: 11-04-08  
ITEM: 2.5

# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Katy Allen  
James Helmer  
Paul Krutko  
Jennifer A. Maguire

**SUBJECT:** SEE BELOW

**DATE:** October 14, 2008

Approved

Date

10/15/08

**COUNCIL DISTRICT:** 2, 3, & 7  
**SNI AREA:** Various

**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 \$272,055 FOR 2008-2009 AND ADOPTION OF A RESOLUTION MAKING CERTAIN DETERMINATIONS REGARDING THE EXPENDITURE OF AGENCY FUNDS ON CERTAIN PUBLIC IMPROVEMENTS.**

## 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 2008-2009:
  - a) Increase the estimate for Earned Revenue by \$272,055.
  - b) Establish the appropriation to the Office of Economic Development for the Spartan Keyes Public Art Project (PSM 549) in the amount of \$100,000.
  - c) Establish the appropriation to the Department of Transportation for the South First Street Demonstration Project (PSM 551) in the amount of \$25,055.
  - d) Establish the appropriation to the Department of Public Works for the Improvement District 99-218SJ Deferral of Assessment FY08-09 (PSM 552) in the amount of \$147,000.

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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:
  - a) The Spartan Keyes Public Art Project as more specifically described in the memorandum from the Redevelopment Agency, dated August 7, 2008, attached hereto,
  - b) The South First Street Demonstration Project as more specifically described in the memorandum from the Redevelopment Agency, dated August 22, 2008, attached hereto.

### **OUTCOMES**

The City Council's approval of the recommended actions will provide for public art within the Spartan Keyes Strong Neighborhoods Initiative redevelopment project area. It will also provide for temporary sidewalk extensions within the South First Street public right-of-way and provide for the deferral of assessments program.

### **BACKGROUND**

The SJRA 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**

#### **Spartan Keyes Public Art Project**

The Spartan Keyes Public Art Project provides for the improvement of public space within the Spartan Keyes SNI redevelopment project area. The Office of Cultural Affairs will work with community members to: select an artist; oversee the site selection; oversee the project design, development, and review; and oversee the fabrication, and installation of permanent artwork in the Spartan Keyes neighborhood. This project will assist in establishing a desirable environment to live and visit. The Department of Economic Development Office of Cultural Affairs will assign a Project Manager to administer the project delivery and shall coordinate with SJRA regarding the progress of the project on a regular basis. Upon the development of specific design plans, a subsequent environmental review will be completed. The source of funding for this project would be a transfer from the Redevelopment Agency in the total amount of \$100,000.

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### South First Street Demonstration Project

The South First Street Demonstration Project will provide enhancements related to the construction of temporary sidewalk extensions within the public right-of-way for South First Street (San Carlos – San Salvador Streets) in the Market Gateway Project Area. The purpose of these improvements is to delineate the placement of three (3) sidewalk extensions into the street, delineate vehicular travel planes and parking, and to provide added protection for pedestrians from vehicular traffic. These sidewalk extensions are intended for restaurant and retail businesses to use for expanded outside seating and eating in the public. The Department of Transportation will be responsible for the implementation of this work. The source of funding for this project would be a transfer from the Redevelopment Agency in the total amount of \$25,055.

### Improvement District 99-218SJ Deferral of Assessment FY08-09

Improvement District 99-218SJ is located south of Silver Creek Valley Road and East of Highway 101. Established in 2001, the Improvement District funded the construction of necessary infrastructure improvements in the Edenvale Redevelopment Project Area connecting Hellyer Avenue and Piercy Road. The deferral of assessments program provides annual assistance to residential property owners living in the assessment district by deferring payment of assessments on their properties and pays the semi-annual assessment payments to Santa Clara County Assessor's Office. The Department of Public Works staff process requests from property owners, notify, and submit all necessary updates to the San Jose Redevelopment Agency. The source of funding for the project would be a transfer from the Redevelopment Agency in the total amount of \$147,000.

### 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)

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- 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 November 4, 2008 Council Agenda.

### **COORDINATION**

This project and memorandum have been coordinated with the City Attorney's Office and the San Jose 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: \$272,055
2. SOURCE OF FUNDING: 450 - Services For Redevelopment Capital Projects Fund
3. FISCAL IMPACT: N/A

### **CEQA**

Spartan Keys Public Art Project: Not a project

South First Street Demonstration Project: Resolution No. 72767, File No. PP08-119

Improvement District 99-218 SJ Deferral of Assessment FY08-09 Project: Not a project

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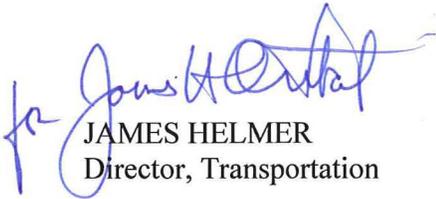
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KATY ALLEN  
Director, Public Works



PAUL KRUTKO  
Director, Economic Development



JAMES HELMER  
Director, Transportation



JENNIFER A. MAGUIRE  
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 2008-2009 monies in excess of those heretofore appropriated there from, said excess being at least \$272,055.



JENNIFER A. MAGUIRE  
Budget Director

For more information regarding this project, contact:

Spartan Keyes Public Art Project: Barbara Goldstein, Public Art Director, (408) 277-5144, Extension 27.

South First Street Demonstration Project: Ray Martinez, Supervisor Signs Section, (408) 361-0183

Improvement District 99-218SJ Deferral of Assessment of FY08-09: Primo De Guzman, Public Works Division Manager, (408) 535-8466.

LL:KL:MO



THE REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE

MEMORANDUM

TO: KENN LEE CAPITAL PROJECT COORDINATOR	FROM: ANNA L. LE DEVELOPMENT OFFICER
SUBJECT: SEE BELOW	DATE: August 7, 2008

SUBJECT:

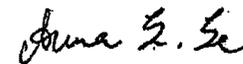
PROJECT SERVICES MEMORANDUM FOR SPARTAN KEYES PUBLIC ART PROJECT

Attached is the Project Services Memorandum (PSM) for the transfer of \$100,000 to the City of San Jose Office of Cultural Affairs.

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. This project benefits the Spartan Keyes SNI redevelopment project area by improving public right of way areas within the project area. Adding Art features to undeveloped spaces of public right of ways. (Site to be determine by Community and OCA)  
The Office of Cultural Affairs will work with community members to select an artist, oversee the site selection, project design development and review, fabrication and installation of a permanent artwork in the Spartan Keyes neighborhood.
2. This project is not currently included in the City's Capital Budget and there are no other reasonable means of financing the project.
3. This project will help eliminate blight by improving neglected, public right way open spaces and making the neighborhood a more desirable place to live and visit. The project is also intended to help with weed abatement in these areas.
4. The implementation plan for the Spartan Keyes Strong Neighborhoods Initiative Redevelopment Project Area includes Public Art development.

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.



ANNA L. LE  
Development Officer

Attachment

cc: David Baum  
Patricia Deignan

KENN LEE  
CAPITAL BUDGET  
COORDINATOR

STEVEN H. PARKER  
SENIOR LANDSCAPE  
ARCHITECT

SEE BELOW

AUGUST 22, 2008

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

The Agency has transferred \$25,055 to fund the Department of Transportation for the construction of temporary street improvements in the Market Gateway Redevelopment Area along South First Street, between San Carlos and San Salvador Streets. The purpose of these improvements is to delineate the placement of three (3) sidewalk extensions into the street, delineate vehicular travel lanes and parking, and to provide added protection for pedestrians from vehicular traffic. The sidewalk extensions are intended for restaurant and retail businesses to use for expanded outside seating and eating in the public R/W.

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.

1. The improvements will benefit project area.

The construction of temporary street improvements that will delineate the temporary sidewalk extensions, vehicular travel lanes and parking, and provide added protection for pedestrians from vehicular traffic benefit the Market Gateway Redevelopment Project Area by encouraging activation of the street by the adjacent property owners, thereby encouraging increased retail along South First Street to further support the Agency's investment in housing, historic rehabilitation, and the arts. All work is within the Market Gateway Project Area.

2. There are no other reasonable means of funding the public improvements.

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DETERMINATIONS REGARDING FUNDS  
TRANSFERRED TO THE CITY FOR PUBLIC  
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This project is not currently included in the City's Capital Budget and there are no other funding sources.

3. The public improvements will assist in the elimination of one or more blighted conditions in the Project Area.

The South First Street Demonstration Project will enhance the appearance of the Market Gateway Project Area. The work provided by this PSM provides the necessary safety improvements to support the Demonstration Project. The Demonstration Project eliminates blighting conditions by encouraging increased retail and events to assist in the re-tenanting of vacant storefronts.

4. The public improvements are consistent with the adopted Redevelopment Five-Year Implementation Plan.

The implementation plan for the Market Gateway Project Area includes creating a more attractive shopping district to assist in attracting new retail uses for a more vital business district.

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.

Steven H. Parker, ASLA  
Senior Landscape Architect

Attachment

cc: David Baum  
Abraham M. Andrade, Jr.

KENN LEE  
DETERMINATIONS REGARDING FUNDS  
TRANSFERRED TO THE CITY FOR PUBLIC  
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Patty Deignan