



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Peter Jensen  
Jennifer A. Maguire

**SUBJECT:** SEE BELOW

**DATE:** November 10, 2008

Approved

Date

11/14/08

**COUNCIL DISTRICT:** 3  
**SNI AREA:** Guadalupe/Auzerais

**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 \$65,693 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 \$65,693.
  - b) Establish an appropriation to the General Services Department for the Children's Discovery Museum Boiler Replacement Project (PSM 560) in the amount of \$65,693.
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 Children's Discovery Museum Boiler Replacement Project as more specifically described in the memorandum from the Redevelopment Agency, dated October 31, 2008, attached hereto.

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## **OUTCOMES**

The City Council's approval of the recommended actions will provide for the replacement of the existing boiler.

## **BACKGROUND**

The San Jose 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**

### **Children's Discovery Museum Boiler Replacement Project**

The Children's Discovery Museum Boiler Replacement Project provides for the removal of existing boiler and installation of the new boiler and associated piping and pump at the Children's Discovery Museum in the Guadalupe-Auzerais Redevelopment area. This project will replace the broken boiler with a modern, more efficient system, thereby improving the operations of the facility. Replacement of this boiler is consistent with the Museum's renovation and expansion plans which will ultimately increase attendance at the Museum. The General Services Department will administer the project in coordination with the San Jose Redevelopment Agency. The source of funding for this portion of the project would be a transfer from the Redevelopment Agency in the total amount of \$65,693.

## **EVALUATION AND FOLLOW-UP**

These projects are currently anticipated to be 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 December 2, 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: \$65,693
2. SOURCE OF FUNDING: 450 - Services For Redevelopment Capital Projects Fund
3. OPERATING COSTS: There are no anticipated operating and maintenance cost associated with projects described in this memo as they are handled by the tenant of the building.

### **CEQA**

Children's Discovery Museum Boiler Replacement Project: Not a Project

HONORABLE MAYOR AND CITY COUNCIL

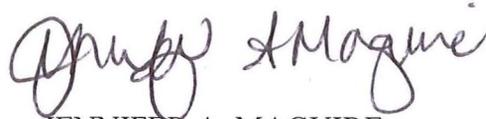
11-10-08

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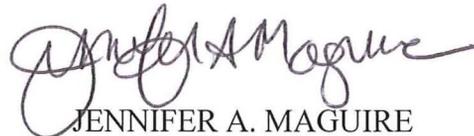


PETER JENSEN  
Director, General Services



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 \$65,693.



JENNIFER A. MAGUIRE  
Budget Director

For more information regarding this project, contact:

Children's Discovery Museum Boiler Replacement Project: Ken Tanase, Facilities Division Manager, (408) 975-7270.

# THE REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE

## MEMORANDUM

TO: KENN LEE CAPITAL BUDGET COORDINATOR	FROM: GENNY BANTLE PROJECT MANAGER
SUBJECT: SEE BELOW	DATE: OCTOBER 31, 2008
APPROVED: <i>WE</i>	DATE: <i>10/31/08</i>

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

The Children's Discovery Museum Boiler Replacement Project consists of removal of the existing boiler and installation of new boiler and associated piping and pump at the Children's Discovery Museum in the Guadalupe-Auzerais Redevelopment area. This project will replace the broken boiler with a modern, more efficient system, thereby improving the operations of the facility. Replacement of this boiler is consistent with the Museum's renovation and expansion plans which will ultimately increase attendance at the Museum. Funds were placed in the Redevelopment Agency's FY08-09 budget for improvements to the Children's Discovery Museum.

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

1. The public improvements will be of benefit to the Guadalupe-Auzerais Redevelopment Project Area.

The public improvements will benefit the Guadalupe-Auzerais Redevelopment Project Area by improving the operation of a prominent public and cultural facility in the Project Area. The improvements replace the broken, antiquated boiler with a modern, more efficient system, thereby improving the operations of the facility. Replacement of this boiler is consistent with the Museum's renovation and expansion plans which will ultimately increase attendance at the Museum and encourage visitors to the Project Area. All work will occur within the Project Area.

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

This project is not included in the City's Capital Budget.

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

The City Council and Agency Board made a formal determination that blight exists in the Project Area prior to the establishment of the Guadalupe-Auzerais Redevelopment Project Area. These improvements allow the Museum to achieve their goals of providing an exploratory learning environment for children and families and will help attract visitors into the Project Area. These improvements will help eliminate economic blight by bringing people to the Museum, which continues to play a significant role activating the Project Area and helps support other business and restaurants in the Project Area.

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

The Adopted Five-Year Implementation Plan calls for improvements to civic facilities.

**Goal:** Provide new or enhanced cultural, convention, recreational and entertainment facilities.

**Objectives:**

- Maintain collaborative efforts with various organizations, such as San Jose State University, San Jose Unified School District, Tech Museum of Innovation, Children's Discovery Museum, the San Jose Museum of Art, and other smaller non-profit arts organizations for the development of new 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.



**GENNY BANTLE**  
Project Manager

Attachment

cc: Tom Murtha  
Sandy Shayesteh