



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Katy Allen
Peter Jensen
Leslye Krutko
Jennifer A. Maguire

SUBJECT: SEE BELOW

DATE: March 16, 2009

Approved

Date

3/24/09

COUNCIL DISTRICT: All
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 \$333,440 FOR 2008-2009 AND ADOPTION OF A RESOLUTION MAKING CERTAIN DETERMINATIONS REGARDING THE EXPENDITURE OF AGENCY FUNDS ON CERTAIN PUBLIC IMPROVEMENTS

RECOMMENDATION

- 1) 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 \$333,440.
 - b) Increase the appropriation to the Department of Public Works for the Non-Project specific DPW Services Project (PSM 393 Amendment #2) in the amount of \$28,000.
 - c) Decrease the appropriation to the Department of Public Works for the Santa Clara Street Green Mobility Sidewalk Improvement Projects (PSM 555) in the amount of \$28,000.
 - d) Increase the appropriation to the Housing Department for the SNI – Multi-Family Home Improvement Program (PSM 470 Amendment #3) in the amount of \$200,025.

- e) Increase the appropriation to the General Services Department for the Children's Discovery Museum Exhibit Shop Infrastructure and Safety Improvements Project (PSM 533) in the amount of \$48,415.
 - f) Establish the appropriation to the Department of Public Works for the Autumn Street Extension Project – Staff and Third Party Real Estate Services (PSM 570) in the amount of \$75,000.
 - g) Establish the appropriation to the Department of Public Works for the McLaughlin Neighborhood Park – Staff and Third Party Real Estate Services (PSM 571) in the amount of \$10,000.
- 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 Children's Discovery Museum Exhibit Shop Infrastructure and Safety Improvements Project as more specifically described in the memorandum from the Redevelopment Agency, dated April 24, 2008, attached hereto.

OUTCOMES

The City Council's approval of the recommended actions will provide for the continuation of the SNI Multi-Family Home Improvement Program and the timely response to specific requests for information or analysis from the San Jose Redevelopment Agency to the Department of Public Works. In addition, approval of the recommended actions will provide additional funding for the installation of dust collection and centralized compressed air systems at the Children's Discovery Museum and Real Estate Services for the Autumn Street Extension and McLaughlin Neighborhood Park.

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

Non-Project Specific DPW Services

The Non-Project Specific DPW Services project provides for funding for Department of Public Works services that are unable to be addressed in a timely manner through the normal PSM

process. The services are specific requests for information or analysis for a potential project, information needed on a project before a PSM is approved, or other information needs required to meet short deadlines. Savings was identified in the Santa Clara Green Street Green Mobility Sidewalk Improvement Project in the amount of \$28,000 therefore, this savings was reallocated to the Non-Project Specific DPW Services project. The source of funding for this project would be a transfer from the Redevelopment Agency in the total amount of \$28,000.

SNI – Multi Family Home Improvement Program

The SNI – Multi Family Home Improvement Program project consists of two grant programs for exterior residential and health and safety improvements in the Edenvale/Great Oaks, Five Wounds/Brookwood Terrace, Mayfair and Gateway East SNI areas. This PSM provides \$200,025 in funding for Phase II of this project – Exterior Impact Grant Program and Health and Safety Improvement Grant Program – for Jeanne Forestdale, Virginia and King, and Roundtable. Phase I provided for urban planning and landscape design consultant services for the improvement of both rental apartment buildings and adjacent common areas to the apartments in the SNI areas. The Housing Department will oversee outreach, design, coordination and construction of these projects. The source of funding for this project would be a transfer from the Redevelopment Agency in the total amount of \$200,025.

Children’s Discovery Museum Exhibit Shop Infrastructure and Safety Improvements Project

The Children’s Discovery Museum Exhibit Shop Infrastructure and Safety Improvements Project provides for the design and installation of a dust collection system and centralized compressed air system for the exhibit shop at the Children’s Discovery Museum in the Guadalupe-Auzerais Redevelopment area. This project will improve the shop infrastructure system and will result in improved safety and shop operations efficiencies. The General Services Department is coordinating with the Redevelopment Agency to execute the construction portion of this project. The source of funding for this portion of the project would be a transfer from the Redevelopment Agency in the total amount of \$48,415.

Autumn Street Extension Project – Staff and Third Party Real Estate Services

The Autumn Street Extension Project – Staff and Third Party Real Estate Services project provides staff services as well as third party services in support of San Jose Redevelopment Agency funded acquisition of real property rights to the Autumn Street Extension project. Third party services to be rendered under this project include: preparation of appraisal reports, title reports, and underlying title documents. Staff Services to be rendered under this project include: Public Works Real Estate Division staff time in contracting, coordinating and processing payments for outside appraisal work, obtaining, reviewing, and processing payment for title reports and underlying documents, reviewing maps and legal descriptions, and reviewing environmental investigation reports. The Department of Public Works is coordinating with the Redevelopment Agency as well as any third party services to complete this project. The source

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of funding for this portion of the project would be a transfer from the Redevelopment Agency in the total amount of \$75,000.

McLaughlin Neighborhood Park – Staff and Third Party Real Estate Services

The McLaughlin Neighborhood Park – Staff and Third Party Real Estate Services provides funding to the Public Works Real Estate Division (PWRE) for third party and personnel costs in support of Agency funded acquisition of real property rights for the McLaughlin Neighborhood Park. Third party services and staff services include the preparation of appraisal reports, contracting, coordinating, and processing payments for outside appraisal and appraisal review work. The Department of Public Works is coordinating with the Redevelopment Agency as well as any third party services to complete this project. The source of funding for this portion of the project would be a transfer from the Redevelopment Agency in the total amount of \$10,000.

EVALUATION AND FOLLOW-UP

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 April 7, 2009 Council Agenda.

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03-16-09

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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: \$333,440
2. SOURCE OF FUNDING: 450 - Services For Redevelopment Capital Projects Fund
3. OPERATING COSTS:

The Children's Discovery Museum Exhibit Shop Infrastructure and Safety Improvements Project does not anticipate operating and maintenance cost associated with this project as they are handled by the tenant of the building. The remaining projects described in this memorandum do not anticipate any operating and maintenance costs.

CEQA

CEQA: Non-Project Specific DPW Services: Not a Project

SNI – Multi Family Home Improvement Program: Exempt, File No. PP09-054

Children's Discovery Museum Exhibit Shop Infrastructure and Safety Improvements Project:
Use of San Jose Downtown Strategy 2000 Final EIR, Resolution No. 72767 Adopted on June
21, 2005 File No. PP08-082

Autumn Street Extension Project – Staff and Third Party Real Estate Services: Not a Project

McLaughlin Neighborhood Park – Staff and Third Party Real Estate Services: Not a Project

HONORABLE MAYOR AND CITY COUNCIL

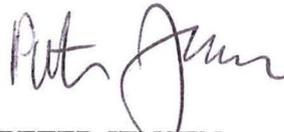
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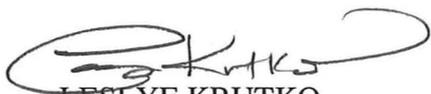
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KATY ALLEN
Director, Public Works Department



PETER JENSEN
Director, General Services



LESLYE KRUTKO
Director, Housing



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 \$333,440.



JENNIFER A. MAGUIRE
Budget Director

For more information regarding this project, contact:

Non-Project Specific DPW Services: Dave Sykes, Assistant Director of Public Works, (408) 535-8300.

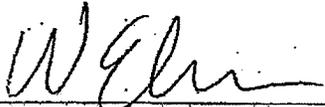
SNI – Multi Family Home Improvement Program: Don Ludwig, Senior Development Officer, (408) 535-3860.

Children’s Discovery Museum Exhibit Shop Infrastructure and Safety Improvements Project: Ken Tanase, Facilities Division Manager, (408) 975-7270.

Autumn Street Extension Project – Staff and Third Party Real Estate Services and McLaughlin Neighborhood Park – Staff and Third Party Real Estate Services: Neil Stone, Division Manager, (408) 535-8460.

THE REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE

MEMORANDUM

TO: KENN LEE PRINCIPAL BUDGET ANALYST	FROM: GENNY BANTLE PROJECT MANAGER.
SUBJECT: SEE BELOW	DATE: APRIL 24, 2008
APPROVED: 	DATE: 4/24/08

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

The Children's Discovery Museum Exhibit Shop Infrastructure and Safety Improvements Project consists of the design and installation of a dust collection and centralized compressed air systems for the exhibit shop at the Children's Discovery Museum in the Guadalupe-Auzerais Redevelopment area. This project will improve the shop infrastructure system for both safety and operation. Funds were placed in the Redevelopment Agency's FY07-08 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 safety and operation of a prominent public and cultural facility in the Project Area. The improvements allow the Museum to provide learning activities for the community by increasing the safety and operational function of the exhibit shop. Staff will be able to better care for and repair existing exhibits as well as create new ones, which encourages greater activity at the Museum and within 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 more safely achieve their goals of providing an exploratory learning environment for children and families and will help attract additional visitors into the Project Area. Absence of investment in the Project Area led to a condition where there was little public use or access to the Guadalupe River; these improvements will help eliminate economic blight by bringing additional 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.

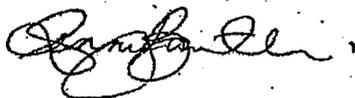
The Adopted Five-Year Implementation Plan calls for improvements to civic facilities.

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

