



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Norberto Duenas

**SUBJECT:** SEE BELOW

**DATE:** 05-23-11

Approved

Date

5/31/11

**COUNCIL DISTRICT:** Citywide

**SUBJECT: GRANT APPLICATIONS FOR ROUND TWO PROPOSITION 84 -  
STATEWIDE PARK PROGRAM GRANT FUNDS**

## RECOMMENDATION

- A. Adopt a resolution that authorizes the City Manager or designee to:
1. Submit grant applications for the following four projects: 1) Roberto Antonio Balermino Park, 2) Tamien Park, 3) St. James Park, and 4) Del Monte Park Phase I, in a total amount not to exceed \$20,000,000 under the Statewide Park Development and Community Revitalization Program of 2008 (Statewide Park Program) administered by the Office of Grants and Local Services (OGALS) within the California State Department of Parks and Recreation (DPR); and
  2. For all projects with appropriate CEQA clearance, accept any grant funds awarded to the City and to negotiate and execute all necessary documents to implement the grant awards and agree to the commitments required by the grant program as described in this memorandum; and
  3. For the Tamien Park project, accept any grant funds awarded to the City for the limited purpose of completing CEQA, and negotiate and execute all necessary documents to implement the grant award for CEQA clearance and to return to City Council after appropriate CEQA clearance, for authorization to negotiate and execute all necessary documents including acceptance of any grant funds awarded to the City; and
- B. Exempt the Roberto Balermino Park, Tamien Park, and Del Monte Park Phase I projects from the City Council policy set forth in Resolution No. 75638 adopted on November 16, 2010 requiring staff to identify long-term non-General Fund funding for maintenance prior to the commitment for development of any new park, trail or recreational facility.

## **OUTCOME**

City Council approval of the recommendations in this memorandum will authorize the City Manager, or designee, to apply for Statewide Park Program (“Program”) grant funding in round two for the projects identified in this memorandum and to negotiate and execute any necessary documents for the acceptance and use of grant funds. If all four grant applications set forth in this memorandum are accepted and fully funded by the State, the proposed projects will result in the construction of three new parks and one substantial renovation of an existing park. All four projects are in under-served communities. Additionally, the recommendation requests the City Council to exempt three of the projects from the City Council policy requiring staff to identify long-term non-General Fund funding for maintenance prior to the commitment for development of any new park, trail or recreational facility.

## **EXECUTIVE SUMMARY**

Reimbursable grant funding of approximately \$184 million is being made available state-wide through the second of two rounds of grant funding from the Statewide Park Program under Proposition 84. This competitive grant program will provide grant funds for the creation of new parks and new recreation opportunities in proximity to the most critically underserved communities across California. Applications for reimbursable funding range from \$100,000 (minimum request) to \$5 million (maximum request) and are due to the DPR on or before July 1, 2011.

To maximize the City’s chances of being awarded grant funds, projects that best respond to the project selection criteria and are the most competitive for grant award are recommended for submission. Staff recommends submission of four proposed projects: Roberto Antonio Balermino Park, Tamien Park, Del Monte Park Phase I and St. James Park for a total not to exceed amount of \$20 million or \$5 million maximum for each project.

## **BACKGROUND**

On November 7, 2006, the voters approved the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84). Proposition 84 authorizes the State to sell \$5.4 billion in general obligation bonds for safe drinking water, water quality and supply, flood control, waterway and natural resource protection, water pollution and contamination control, water conservation efforts, and park improvements.

Chapter 9, Subsection 75065 (b) of Proposition 84 included \$400 million for competitive grants for local and regional parks. (Public Resources Code Division 43, Chapter 9, §75065 (b) (1-5).

AB 31 (De Leon) established the Statewide Parks Development and Community Revitalization Act of 2008 which would utilize the \$400 million from Proposition 84 to fund the acquisition and development of parks, recreation areas, and facilities in critically underserved communities.

The legislation authorizes a city, regional park district, joint powers authority, county, and specified nonprofit organization to apply for local assistance program grants.

Applications for the first round were due on March 1, 2010. More than 475 applications were submitted and \$1.6 billion in requests were made. Only 62 applications were awarded. Staff submitted a total of 20 applications in round one. The City was awarded two grants totaling \$1,000,000 in November 2010. \$400,000 was awarded for building Nisich Park, a new construction in the Tully/Hwy 101 area and \$600,000 to expand the existing Buena Vista Park in the Burbank neighborhood.

On February 9, 2010, the City Council approved staffs recommendation to delay 12 new park and recreation capital projects in order to avoid the adverse impact of ongoing operating and maintenance costs to the General Fund. Roberto Antonio Balermينو Park and Del Monte Park Phase I were included on that list. As part of the February 9<sup>th</sup> memorandum, staff stated that they would return to the City Council with a recommendation to proceed with a particular park project if at least three years of maintenance funding could be identified.

On November 9, 2010, the City Council adopted Resolution No. 75638 establishing a pilot program for development of new park infrastructure facilities and provided additional mechanisms to fund maintenance of new facilities, such as a three year park establishment period and a potential credit against parkland fees for maintenance funding. Resolution No. 75638 required staff to identify long-term non-General Fund funding for maintenance prior to the development of any new park or recreational facility. As explained in detail below, staff is requesting Council to exempt the three projects identified in this memorandum from the requirement of identifying long-term non-General Fund funding for maintenance prior to the commitment to develop any new park facilities.

## **ANALYSIS**

### **Grant Program**

The Statewide Park Program is a competitive grant program that will provide grant funds for the creation of new parks and new recreation opportunities in proximity to the most critically underserved communities across California. A total of \$184 million will be made available in the second round. As discussed above, the Program allows for a minimum grant request of \$100,000 and a maximum request of \$5,000,000 for projects that meet the Program's eligibility criteria. Additionally, this grant program has no match requirement, but will require the City to provide funding for the awarded projects and the City will be reimbursed by the State up to the maximum award amount for each project. Partnerships are encouraged between two or more agencies.

The three major criteria that impact the competitiveness of an application are described below:

1. **Critical Lack of Park Space:** The community within proximity of the project site (i.e. within 0.5 mile radius) must have a ratio of < 3 acres of useable park space per 1,000 residents.
2. **Significant Poverty:** The median household income in proximity to the project site (i.e. within the 0.5 mile radius) is < \$47,331 based on the “California State Parks Community Fact Finder” report.
3. **Type of Project:** The project must either be an acquisition and development combination or a development project.

Based on information provided in the workshops held by the DPR, Community Based Planning is another important factor that most applications (including the City’s applications) did not score well on in round one.

Round one of the Program clearly demonstrated that projects which lead to the development of new parks in the most under-served areas rank higher than projects which lead to substantial renovation or expansion of an existing park. 50 of the 62 awarded applications were for the development of new parks. No trail projects were awarded. The average grant award was \$2.9 million. A majority of the projects awarded had a combination of low park acreage (close to zero acres/1000 population), greater than 1000 people living below the poverty line and median household incomes at least 15% below the Significant Poverty level of \$47,331 as required by the Procedure Guide, all within the 0.5 mile radius of the project sites. The Program’s intent is for these projects to benefit the health of families, youth, senior citizens, and other population groups by meeting their recreational, cultural, social, educational, and environmental needs.

All eligible and competing projects will be scored and ranked (based on the project selection criteria) by the DPR. Points will be awarded based on how an application compares with all eligible applications submitted to the State. Projects may receive from 0 to a maximum score of 100. The scoring worksheet is attached as Attachment A.

**Projects**

Staff recommends submission of four projects up to a total amount of \$20 million. **The grant amounts requested for each project could change as staff prepares the grant application, but the total requested for each project will not exceed \$5 million and the total amount for all four projects will not exceed \$20 million.**

<b>Project</b>	<b>Description</b>	<b>Amount (\$)</b>
1. Roberto Antonio Balermino Park	New Park Construction	5,000,000
2. Tamien Park	New Park Construction	5,000,000
3. Del Monte Park Phase I	New Park Construction	5,000,000
4. St. James Park	Substantial Renovation	5,000,000
<b>Total</b>		<b>20,000,000</b>

These four projects meet the eligibility criteria and provide the City with the best opportunity for funding. The proposed projects align with priorities identified in the Greenprint 2009 Update.

Staff reviewed projects in every Council District using the project selection criteria, and information analyzed from round one results. The scopes of these projects are currently being reviewed with the neighborhood communities and will take shape by the time the applications are submitted. Of the recommended projects for submission, two projects are located in Council District 3, one project is located in Council District 6, and one project is located in Council District 7. All projects except Tamien Park have environmental clearance under CEQA. Staff used the State’s Community Fact Finder (CFF) tool (provided by DPR) to determine project eligibility. The CFF is the primary source that the State used in round one and will continue to use in round two to rank projects and it evaluates the income level, number of households below the poverty line, and park acreage in a specific area. The CFF is available at the following website: [http://www.parks.ca.gov/?Page\\_id=26025](http://www.parks.ca.gov/?Page_id=26025)

**Commitments**

In the event that the DPR awards grant funding for any of the four proposed projects, the City will be required to enter into a written grant agreement that will commit the City to the following for each of the awarded Projects:

Commitment	Approach for Addressing
Statewide Park funding will be fixed at the award amount for any project and, therefore, any cost increase will be incurred by the City.	Consistent with other grant programs, the City will address funding shortfall, if any, through local funding and other grant sources. Staff will notify the City Council if additional funding beyond the allocated budget is required due to unforeseen circumstances.
City will advance its own funds to complete the project.	This is consistent with many grant programs. Funds to advance the cost of the project will be appropriated through the annual budget process or through a separate City Council memo. The City will request reimbursements for expenses incurred on a quarterly basis, or sooner if necessary, to replenish the City fund that advances the money.
The City shall have sufficient funds to operate and maintain the project.	The operating costs are identified under the Cost Summary/Implications section of this memorandum. Staff will identify a plan for a three year establishment period and/or a long term non-General Fund maintenance funding for the awarded projects. See discussion below on exemption of City Council policy.
Any change in use of property will require State legislative approval.	It is the intent of the City to comply with this grant requirement.
The property may be transferred to another entity that must assume all contract obligations after seeking approval from DPR.	It is the intent of the City to comply with this grant requirement should the need arise.
Shall comply with the CEQA (Public	This requirement is consistent with City Policy

Commitment	Approach for Addressing
Resources Code, Section 21000, et. seq., Title 14, California Code of Regulations, Section 15000 et. seq.).	and Procedures, and the City shall comply with this requirement.
Compliance with the funding deadlines (NOTE: Project must be completed by the deadline in order to receive full funds awarded.)	All projects need to be constructed by December 2017 and final reimbursement packages submitted by March 31, 2018. The City is well positioned to complete any grant funded project within the deadline.
If awarded, failure to comply with the terms of grant agreement as well as any other grant contracts, specified or general, that the City has entered into with State, may be cause for suspension of any and all obligations of the State unless the State determines that such failure was due to no fault of the City.	It is the intent of the City to fully comply with all terms of the grant agreement.
For purposes of this program, if funding for any fiscal year is reduced or deleted by the budget act, executive order, the legislature, or by any other provision of statute, the State shall have the option to either cancel the contract with no liability occurring to the State, or offer a contract amendment to City to reflect a reduced grant amount.	If the State is unable to fund the grant, the City will work with the State to modify the contract agreement to reflect a reduced scope. The City will not be reimbursed for the remaining expenses incurred on the projects.
Record a Memorandum of Unrecorded Grant Agreement (MUGA) i.e. record a notice on the title of the Project property owned by the City stating that the property use has restrictions due to the grant contract with DPR.	The City shall comply with this requirement by recording a notice on the title for parcels owned by the City on which the Project will be built. A sample MUGA is shown in Attachment B.

As part of the grant application process, the City is required to adopt a resolution (see Attachment C) in substantially the same form as the sample resolution provided in the grant guidelines and to make certain commitments, assurances, and certifications described in this memorandum.

The City Council is required to adopt a resolution certifying that the City will have funding to operate and maintain the projects if the requested grants are awarded to the City and the parties enter into a grant agreement. Additionally, Resolution No. 75638 requires staff to identify long-term maintenance funding (non-General Fund) prior to the development of any new park projects. Staff recommends that Council authorize the submission of these applications at this time despite the required certification and City Council policy. Staff believes that the timelines provided by the State to complete the projects once awarded will provide sufficient time for the City to identify non-General Fund maintenance funding prior to proceeding with construction. In the unlikely event staff is unable to identify non-General Fund monies for operating and

maintenance, staff will either identify existing resources in the Parks, Recreation and Neighborhood Services (PRNS) Department's budget to provide for operating and maintenance of these projects or work with the State to relinquish the grant back to the State.

### **EVALUATION AND FOLLOW UP**

If the City is awarded any grant, staff will identify a plan for a three year establishment period and/or long term non-General Fund maintenance funding. These recommendations will be brought forward at a later date as part of the budget process.

### **POLICY ALTERNATIVES**

#### ***Alternative #1: Do Nothing***

**Pros:** Does not require staff time in the preparation of an application package.

**Cons:** Inconsistent with City Council's approach of seeking grant funds to develop projects when feasible. The City loses an opportunity to seek grant funds of up to \$20 million for the identified projects.

**Reason for not recommending:** The identified projects are well suited for this funding source and not pursuing funds would be inconsistent with the Council's preferred approach.

#### ***Alternative #2: Apply for more than four Projects***

**Pros:** Increases the chances of an award

**Cons:** Other park priority projects lack one or more of the minimum three eligible criteria.

**Reason for not recommending:** Too many projects will impact staffs capacity to develop competitive applications.

### **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)**

This action meets criterion 1. This memorandum will be posted on the City Council Agenda website for the June 14, 2011 Council agenda. City Staff is currently conducting “fresh” public meetings and outreach efforts in support of these projects.

### **COORDINATION**

This memorandum has been coordinated with the City Attorney’s Office, the City Manager’s Budget Office, the Department of Housing, San José Redevelopment Agency, and the Department of Building, Planning and Code Enforcement.

### **FISCAL/POLICY ALIGNMENT**

All projects are consistent with the Council-approved Budget Strategy for Economic Recovery. If selected for funding, the projects will spur construction spending in our local economy. These projects align with long-term Greenprint priorities as opposed to short-term sustainability priorities.

### **COST SUMMARY/IMPLICATIONS**

#### ***Capital***

As with many other grant programs, the City will be required to provide funding for each awarded project and seek reimbursement for eligible costs from the State as funds are expended and at the completion of the project. Attachment D details upfront funding strategies to develop the projects. Since there is a no match requirement, expenses are eligible for 100% reimbursement up to the maximum award.

#### ***Operating and Maintenance (O&M) Impact***

Any new facility constructed with the Statewide Grant Program funds should be completed by December 2017 and is expected to increase the current operating and maintenance costs (O&M). Annual O&M cost currently associated with developed park land is estimated to be between \$15,000 and \$25,000/acre, depending upon the amenities at the facility. The O&M costs for Roberto Antonio Balermino Park, Tamien Park and Del Monte Park Phase I projects are anticipated to be \$12,000, \$22,000, and \$52,000 respectively. If these projects are awarded, staff will identify long term non-General Fund maintenance funding. These recommendations will be brought forward at a later date as part of the budget process. As was discussed above, in the event staff is unable to identify non-General Fund monies for operating and maintenance, staff will return to the City Council prior to accepting the grant award from the State. In the unlikely concurrence of events that the Council decides to decline a specific grant award and the State orders the City to proceed with the project based upon the Council resolution, staff will identify existing resources in the Parks, Recreation and Neighborhood Services (PRNS) Department’s budget to provide for operating and maintenance of these projects. The St. James Park project will not incur any additional O&M costs than what is currently being budgeted.

**BUDGET REFERENCE**

Not applicable

**CEQA**

<i>Project Name</i>	<i>CEQA Reference</i>
Roberto Antonio Balermينو Park	Negative Declaration, PDC98-089
St. James Park	Categorically Exempt, File No. PP02-108
Del Monte Park Phase I	EIR Resolution #72625, File No. PDC03-071
Tamien Park	Not a project, File No. PP10-068, grant applications

/s/

NORBERTO DUENAS  
Deputy City Manager/Acting Director of  
Parks, Recreation and Neighborhood Services

For questions please contact Rajesh Adoni, Senior Analyst, at 408-793-4184.

Attachment A: Proposition 84 Statewide Park Program Project Selection Criteria

Attachment B: Sample Memorandum of Unrecorded Agreement (MUGA)

Attachment C: Sample Resolution

Attachment D: Upfront Funding Strategies



<b>Eligibility Criteria</b>  <b>(NOTE: Points are preliminary and may change. They are only provided to here to show the relative importance placed on the criterion by the State)</b>	<b>Maximum Points to Earn</b>	
	APPLICATIONS. OGALS will develop a competitive statewide list representing the number of families below poverty of all APPLICATIONS in ranking order, from highest to lowest.	
3. Type of Project - Project Selection Criterion #3	<p>The proposed scope must consist of one of the following acquisition and development combination <b>OR</b> development projects:</p> <p>a) Creating new park space <b>OR</b>            b) Adding additional park space to expand existing overused park <b>OR</b>            c) Constructing a new recreation feature <b>OR</b>            d) Renovation of an existing recreational feature to create new recreational opportunity</p> <p>NOTE: c) &amp; d) above can include recreational features that are <u>not</u> located in a park.</p>	12
4. Community Based Planning Project Selection Criterion #4	<p>The proposed project design must include resident's ideas for solutions for safe public use.</p> <p>Points will be awarded for the following:</p> <p>a) Number of meetings held and convenience of these meetings (4 points)            b) Methods of inviting &amp; broad representation (4 points)            c) Degree of involvement of the residents in the selection, design of the recreation feature, location and the safety and park beautification (10 points)</p>	18
5. Sustainable Techniques – Project Selection Criterion #5	<p>A) The proposed project design must include at least 2 of the following 4 design techniques for efficient use of energy, water, and other natural resources:</p> <p>a) Use of water efficient irrigation system that includes a rain sensor and soil moisture meter, or on-site water recycling that reduces potable water consumption            b) Incorporating pervious surfaces or bio-swales water runoff            c) Minimize construction waste by the separation and recycling of recoverable materials generated in construction OR use of at least 10% recycled materials during construction</p>	6

<b>Eligibility Criteria</b>		<b>Maximum Points to Earn</b>
<b>(NOTE: Points are preliminary and may change. They are only provided to here to show the relative importance placed on the criterion by the State)</b>		
	<p>d) Landscaping that excludes the use of invasive plants and instead features drought tolerant or climate appropriate non-invasive native turf, trees, shrubs, plants, and ground cover, and minimizes the use of toxic pesticides and inorganic fertilizers</p> <p>B) The project to include other energy, water and natural resource conservation techniques other than above.</p> <p>Incorporating up to five more design techniques (not listed above) for efficient use of energy, water, and other natural resources will earn up to 5 additional points.</p>	5
6. Project Funding - Project Selection Criterion #6	<p>The requested grant must equal the estimated cost needed to complete the project <b>or</b> the requested grant <b>plus</b> the total amount of additional committed funds must equal the estimated cost of the project.</p> <p>NOTE: Although no points are given, this criterion must be met to be eligible for funding.</p>	0
7. Fees and Hours of Operation - Project Selection Criterion #7	<p>Entrance or membership fees must calculate to less than \$30/month and must accommodate daily access.</p> <p>Note: Up to 5 points will be given to projects with weekday and weekend operating hours appropriate for youth, families, seniors, and other population groups in the <b>CRITICALLY UNDERSERVED COMMUNITY</b>, and with reasonable or no entrance or membership fees.</p>	5

<b>Additional Points</b>		<b>Maximum Points to Earn</b>
8. Youth Outdoor Learning Employment OR Volunteer Opportunities	<p>Types of employment or training during (planning phase and construction phase) and after project execution (operational phase):</p> <p>a) Types of employment or volunteer outdoor learning opportunities</p> <p>b) Number of people employed/ or received volunteer</p>	3

<b>Additional Points</b>	<b>Maximum Points to Earn</b>
	training opportunities
9. Community Challenges and Project Benefits	a) What are the current challenges? b) How will the project improve the current conditions? c) What administrative and operational experience or capacity does the APPLICANT have to ensure PROJECT COMPLETION and long term operation and maintenance of the PROJECT?
<b>TOTAL Possible Points</b>	100

**Attachment B: Sample of Memorandum of Unrecorded Grant Agreement (MUGA)**

Recording requested by, and when recorded)  
 return to: State of California )  
           Department of Parks and Recreation )  
           Grants and Local Services Division )  
           1416 9th Street, Room 918 )  
           Sacramento, CA 95814 )  
Space above this line for Recorder's use

County:  
 APN:

***Memorandum Of Unrecorded Grant Agreement***

This Memorandum of Unrecorded Grant Agreement (Memorandum), dated as of \_\_\_\_\_ (current date), is recorded to provide notice of an agreement between the State of California, acting by and through the Department of Parks and Recreation ("DPR"), and the CITY OF SAN JOSE.

RECITALS

- A. On or about \_\_\_\_\_ (date grant contract was signed by DPR), DPR and the CITY OF SAN JOSE entered into a certain Grant Agreement No. \_\_\_\_\_ (grant contract number), pursuant to which DPR granted to CITY OF SAN JOSE certain funds for the acquisition or improvement of certain real property, more particularly described in attached Exhibit A (legal description of the land) and incorporated by reference (the "Real Property").
- B. Under the terms of the Grant Agreement, DPR reserved certain rights with respect to the Real Property acquired or improved with the grant funds.
- C. CITY OF SAN JOSE desires to execute this Memorandum to provide constructive notice to all third parties of certain rights reserved by DPR under the Grant Agreement.

NOTICE

- The Real Property (including any portion of it or any interest in it) may not be sold or transferred without the written approval of the State of California, acting by and through the Department of Parks and Recreation (DPR), or its successor, provided that such approval shall not be unreasonably withheld as long as the purposes for which the Grant was awarded are maintained.
- For additional terms and conditions of the Grant, reference should be made to the Grant Agreement which is on file with the DPR located at: Office of Grants and Local Services (OGALS)  
 1416 9th Street, Room 918  
 Sacramento CA 95814

OGALS:		GRANTEE:	
By:		By:	
Signature	Date	Signature	Date
Printed Name and Title		Printed Name and Title (AUTHORIZED REPRESENTATIVE or designee)	

**Attachment C:**

RESOLUTION NO.

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE AUTHORIZING THE CITY MANAGER, OR DESIGNEE, TO SUBMIT GRANT APPLICATIONS TO THE STATEWIDE PARK DEVELOPMENT AND COMMUNITY REVITALIZATION PROGRAM OF 2008 ADMINISTERED BY THE OFFICE OF GRANTS AND LOCAL SERVICES WITHIN THE CALIFORNIA STATE DEPARTMENT OF PARKS AND RECREATION FOR FOUR PROJECTS IDENTIFIED IN THE ATTACHMENT OF THIS RESOLUTION, IN AN AMOUNT NOT TO EXCEED \$20 MILLION, TO ACCEPT THE GRANTS IF AWARDED, AND TO NEGOTIATE AND EXECUTE RELATED DOCUMENTS**

**WHEREAS**, on November 7, 2006, the voters approved the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84), which allows the State of California to sell \$5.4 billion in general obligation bonds for safe drinking water and water quality to waterway and natural resource protection to water pollution and contamination control and park improvements; and

**WHEREAS**, Chapter 9, Subsection 75065(b) of Proposition 84 also included \$400 million for competitive grants for local and regional parks whereby AB 31 (De Leon) established the Statewide Parks Development and Community Revitalization Act of 2008 (“Statewide Park Program”), which utilizes Proposition 84’s grant allocation to fund the acquisition and development of parks, recreation areas and facilities in critically underserved communities; and

**WHEREAS**, the California State Department of Parks and Recreation (“DPR”) has been delegated the responsibility by the Legislature of the State of California for the administration of the Statewide Park Program, setting up necessary procedures governing the Application; and

**WHEREAS**, the DPR is accepting applications ranging from the minimum request of \$100,000 to the maximum request of \$5 million for grant funding of approximately \$184 million, which is being made available statewide through the second round of grant funding under Proposition 84 due on or before July 1, 2011; and

**WHEREAS**, said procedures established by DPR require the City of San Jose (“City”) to certify by resolution the approval of applications before submission of said Application to the State of California; and

**WHEREAS**, the City desires to submit grant applications for four projects under the Statewide Park Program, in an amount not to exceed \$20 million; and

**WHEREAS**, the City, if selected, will need to provide up-front funding for projects in which funding is awarded, since the Statewide Park Program is primarily a reimbursement program, and the City will be reimbursed by the State of California up to the maximum award for each project;

**NOW, THEREFORE**, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT IT HEREBY:

1. Approves the filing of grant applications to Statewide Park Development and Community Revitalization Program of 2008 administered by the Office of Grants and Local Services within the California State Department of Parks and Recreation for four (4) projects identified in Table 1 (Attachment A) to this Resolution, in a total amount not to exceed \$20 million; and

2. Certifies that the City will have sufficient funds to operate and maintain the projects if the requested grants are awarded and the parties enter into a fully executed grant agreement, and
3. Certifies that the City has reviewed, understands, and agrees to the General Provisions contained in the contract shown in the Grant Administration Guide; and
4. Delegates the authority to City Manager or designee to conduct all negotiations, sign and submit all documents, including, but not limited to applications, agreements, amendments, and payment requests, which may be necessary for the completion of the grant scope, subject to paragraph 5 below; and
5. Authorizes the City Manager or designee to:
  - a. Accept any grant funds awarded to the City and to negotiate and execute all necessary documents to implement the grant awards, for projects with appropriate CEQA clearance;
  - b. Accept any grant funds awarded to the City for the limited purpose of completing CEQA, and negotiate and execute all necessary documents to implement the grant awards for CEQA clearance, for projects that have not obtained appropriate CEQA clearance; and
  - c. Return to City Council at a future date for authorization to negotiate and execute all necessary documents to implement the grant awards, for projects that have not obtained appropriate CEQA clearance.

6. Agrees to comply with all applicable federal, state and local laws, ordinances, rules, regulations and guidelines.

ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2011, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

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CHUCK REED  
Mayor

ATTEST:

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DENNIS HAWKINS  
City Clerk

RESOLUTION: ATTACHMENT A

Table 1:

<b>Project</b>	<b>Description</b>	<b>Amount (\$)</b>
1. Roberto Antonio Balermino Park	New Park Construction	5,000,000
2. Tamien Park	New Park Construction	5,000,000
3. Del Monte Park Phase I	New Park Construction	5,000,000
4. St. James Park	Substantial Renovation	5,000,000
	<i>Total</i>	20,000,000

## **Attachment D: Upfront Funding Strategies**

The Statewide Parks Program allows for three types of grant payments to grantees for projects: advance payments, reimbursement payments, and final payments. Final payments are classified as reimbursements. Depending on the type of payment and other requirements for advances, the City may request from up to 10% of the grant amount for CEQA and up to 80% of the grant amount for acquisition. Other requirements such as timing of the use of grant funds determine the projects eligibility for advance funds from the State.

Staff recommends utilizing a combination of strategies to provide upfront funds for awarded projects. Strategies will be selected for individual awarded projects based on the projects unique circumstances.

1. Recognize Grant Revenues in the Budget: Grant Revenues for amounts that the City can reasonably expect to receive within the fiscal year will be recognized as a source of funds to offset appropriations on the expenditure side. For example, projects that have an acquisition component can expect to receive an advance of 80% of the cost of acquisition and the remaining 20% upon completion of the acquisition. Therefore, grant revenues for acquisition projects can be recognized together with the appropriation for expenditure.

2. Front the money from another City funding source (e.g. the district's Construction and Conveyance Tax Fund Ending Fund Balance and Subdivision Park Trust Fund): Historically, grant funds are "fronted" using available Construction and Conveyance Ending Fund Balance (EFB) in the council district where the project is located. The district's EFB is replenished upon receipt of reimbursement for eligible expenditures from the State.

Staff is exploring other funding strategies to provide upfront funds for awarded projects and will seek council approval at a later date.