



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Julie Edmonds-Mares

SUBJECT: SEE BELOW

DATE: November 6, 2012

Approved

Date

11/13/12

COUNCIL DISTRICT: 10

SUBJECT: AGREEMENT WITH SAN JOSE UNIFIED SCHOOL DISTRICT FOR THE CONSTRUCTION AND JOINT USE OF ONE SOCCER FIELD, WITH THE OPTION TO CONSTRUCT AND USE A SECOND SOCCER FIELD, AT ALLEN AT STEINBECK MIDDLE SCHOOL

RECOMMENDATION

Adopt a resolution that authorizes the City Manager to negotiate and execute an agreement with the San Jose Unified School District that provides for the City to access District property for the design, construction, operation, maintenance and joint use of an artificial turf soccer field and support amenities including parking, restroom and storage, lighting, fencing and an optional second artificial turf sports field with lighting and fencing at Allen at Steinbeck Middle School. The term of the Agreement is for a period of 25 years from the date of full execution plus the number of months necessary for the term to end on the following June 30th.

OUTCOME

Through this agreement, the City will acquire access to two artificial turf fields and support amenities, and improve recreational opportunities to the residents of Almaden Valley and Council District 10.

BACKGROUND

In recognition of the citywide shortage of sports fields, Council approved a community sports field study in 2006. Information obtained through data collection indicated a strong preference for the development of recreational amenities through partnerships.

Since that time, the Department of Parks, Recreation and Neighborhood Services (PRNS) has been actively pursuing new partnerships for the development of sports fields with school districts. On

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June 14, 2011, Council adopted a resolution authorizing the City Manager to negotiate and execute a Memorandum of Understanding (MOU) with the San Jose Unified School District (District) for the shared planning, development and operation of artificial turf soccer fields at Steinbeck Middle School Steinbeck (Steinbeck). The District board approved the MOU on August 18, 2011.

A community meeting was held on September 29, 2011, to provide the community with a description of the proposed joint use project between the District and City and have a dialogue with the community regarding any potential concerns relating to the project. The scope of work discussed with Council, the School Board and the community during 2011, was to install one artificial turf soccer field with lights, parking and restroom facilities, at the Steinbeck school campus.

In late Spring 2012, the Office of Councilmember Nancy Pyle notified City staff that a potential donor had been identified who was interested in contributing funding of approximately \$4,000,000 to the Steinbeck soccer fields project or to other soccer related improvements or scholarships for Almaden Valley Youth Soccer. On August 7, 2012, Council adopted a resolution that authorized the City Manager to negotiate and execute any necessary agreements required to accept a donation of cash and/or stock valued at approximately \$4,000,000 for the Steinbeck soccer fields project or other soccer related improvements or scholarships for Almaden Valley Youth Soccer. The final cash value of the donation is \$4,200,000.

Combined with an anticipated City capital contribution, the donation allows the City and the District to increase the scope of the project by adding an additional artificial turf field and enhance opportunities for soccer play in Almaden Valley and Council District 10. City staff has been in discussions with the donor and the Silicon Valley Community Foundation (SVCF) over the past several weeks and has nearly completed negotiations on an agreement for disbursement of the donation. The donor has assigned the management and disbursement of the donation to SVCF. The funding will not be transferred to the City until such time that it is necessary to award the construction contract for the Steinbeck soccer fields project.

Key parameters of the donation agreement include:

1. The intent is to support soccer activity in the Almaden Valley area;
2. The donation will be combined with City funding to create and replace artificial turf soccer fields;
3. A portion of the donation is anticipated to be provided to the City in Spring 2013, following the City's receiving the bid results for the construction project and determining the amount of funding necessary to fully fund the construction of the project;
4. These fields are currently proposed to be constructed at Steinbeck school, pending final approval of a joint use agreement with the District as well as completion of a community outreach process, and additional environmental review;
5. Creation of an account to help fund the replacement of the artificial turf field(s) at the end of their useful life and the creation of scholarships for Almaden Valley Youth Soccer League

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will be the priority for use of any remaining donor funds following the completion of construction;

6. The donor will designate the name of the facility, in accordance with applicable San Jose Unified School District and City of San Jose facility naming policies; and
7. Disbursement of funds from SVCF to the City is contingent upon Council approval of a construction contract for an artificial turf field project through the pending joint use agreement.

As noted above, the City held a community meeting in late 2011, to discuss the original project scope of one artificial turf soccer field. Given the potential change in the scope of work, the City held another community outreach meeting on October 10, 2012, in order to receive feedback on the revised project.

The overall feedback from the community was positive with the majority of the attendees supporting the project. However, there were questions raised by some attendees regarding the parking and environmental impact of the project. City staff addressed these questions at the meeting as well as other questions regarding field lighting, parking, environmental reviews, reservation prioritization, artificial versus natural turf, noise and site security.

ANALYSIS

The Agreement represents the City and District common objectives of reducing student delinquency and truancy and enhancing educational and recreational opportunities for students and neighbors of Steinbeck and attempts to address the overall educational, recreational and social needs and general welfare of students of Steinbeck and the residents of the adjacent neighborhood. By renovating an existing turf field to an artificial turf field, meeting these objectives may improve through expanded and consistent programmed use. Through the addition of donor funding toward the project, an additional artificial turf field will be constructed and provide expanded opportunities for school and community access to recreation.

In recognition of these overarching common goals shared by the City and District, the Agreement includes a project scope of work at Steinbeck that describes the renovation of one athletic field to artificial turf and the construction of support amenities such as parking, restroom, storage, lighting, and fencing to facilitate community use. An option to expand the project scope to two artificial turf fields is incorporated and is contingent upon the successful conclusion to the donor agreement. The Agreement conditions remain consistent for one or both artificial fields. In addition to the project scope of work, the Agreement provides for the following:

Term is 25 years from the date the agreement is executed plus the number of months necessary for the term to end on the following June 30. The City may extend the term for no more than three additional terms of five years each.

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Steering Committee comprised of equal City and District representation is established to provide joint oversight of the sports field(s) so that coordinated services are delivered to the students of the District and members of the community. The Steering Committee is responsible to develop an annual work plan and budget to ensure efficient operations and resolve any disputes that may arise.

Sports Field Design, Construction and Funding will be provided for by the City and meet the requirements for facility development on a school site established by the Department of the State Architect (DSA) and complete the improvements no later than 24 months after receiving approval from DSA. At the City's option, the City may notify the District of its intent to develop a second field based upon funding availability from a donor or donors.

Funding for the project is contingent upon the City's bid solicitation results. If City determines that the lowest responsive bid from a responsible bidder ("low bid") would not exceed the project budget, City is required to award the contract for the project as designed, to the bidder submitting the low bid. If City determines that the low bid would exceed the project budget and the City and District are unable to reduce the cost of improvements through value engineering so that the cost does not exceed the project budget, then the City may terminate the Agreement, elect to augment the project budget and award a construction contract, or redesign and rebid the project.

Parking capacity at the site will be increased by 54 paved spaces on the school site, which will provide significant improvements over the existing parking situation when the fields are reserved.

Lighting will be added to the field(s). Twelve 60-foot tall light standards will be erected along the perimeter of the fields to enable evening and night use until 10 p.m. The lights will use industry leading technology to cut off light spill from neighboring residents. Illumination from the new light stands will be less than 0.1 foot-candle at a distance of 100 feet from the edge of the field(s) and the closest residence is more than 150 feet from the edge of the sports fields across Santa Teresa Blvd. At this level of illumination, the lighting from the field(s) will not exceed the illumination from street lights along Santa Teresa Blvd and Allen Ave which separate the project site from nearby residences.

Maintenance, Repairs and Utilities will be shared by the City and District. The City is responsible for operations and routine and capital maintenance while the District is responsible for all utilities serving one or two fields and the facility improvements. In the event either party fails to appropriate funding to support their responsibility areas, the party will be precluded from facility use during the City use period.

Use Periods are defined for the District as 7:00 a.m. to 4:00 p.m. Monday through Friday to accommodate the District's education, physical education, and athletic programs. The District has up to 40 hours per year of priority use during City use periods at no charge to accommodate after school programming. City is responsible for the facilities 4:00 p.m. to

10:00 p.m. Monday through Friday and on weekends, school holidays and summer break from 7:00 a.m. to 10:00 p.m. During City use periods, the City is responsible to provide staff support, scheduling, and fee collections. Outside of the City use period, the City may request day use during the District use period for the potential to start certain activities prior to 4:00 p.m. on school days. Any adjustment of hours beyond what is described above would be subject to mutual agreement by the District and City.

Termination of the Agreement may occur at the end of the Term or all extensions thereto or by either the District or City with or without cause. The District may terminate without cause only after completion of the field(s) and City's occupancy of the field(s) for a period of five years. If the District chooses to terminate without cause, the District will refund the City's amortized contribution. If the City chooses to terminate, the District will not refund any of the City's contribution. Based upon timing and origin of termination, the City may need to return the field(s) to a natural turf field(s).

Level of Collaboration

As negotiated, the terms of the proposed agreement represent a fundamental shift in the level of collaboration between the City and District. The following is a summary of key attributes of the proposed agreement:

1. The City's contribution is structured as an investment rather than a grant. In the past, when the City has contributed to an improvement on a school site, the benefit to the City has not been clearly delineated and has been, in effect, more of a grant than an investment. In more recent agreements, and in this agreement, the City is guaranteed a minimum number of hours in exchange for its contribution. There is a clear benefit for the City and the City will have responsibility for managing that asset.

2. City costs will be offset by fees generated by the project. Fees generated during hours assigned to the City will be deposited into a City account. First priority for use of these funds will be to offset the cost of City staff assigned to manage and maintain the facility. As such, the City will benefit from additional sports use with a dedicated source of revenue to offset costs.

3. The City will manage and schedule use of the property during assigned hours. In the past, the right to schedule was retained by the District. As a result, instances would occur where City use would be bumped. By retaining the right to schedule, the City will be sure to maintain first priority for use during assigned hours.

PRNS has a strong tradition of partnering with local school districts to improve service delivery. As proposed, this agreement will enable the City to move forward with joint-use sports field development as envisioned when changes to the Parkland Dedication/Park Impact Ordinances were adopted. Moreover, this agreement represents a new approach to service delivery that leverages mutual assets while minimizing operational costs. The City and the District look forward to utilizing this agreement as a template for future collaborations in other areas of the District.

Because the project is located on District property, the District Board requires action be taken by the City prior to the District Board's consideration. In order to meet this requirement and begin to deliver the project, staff recommends Council delegate authority to the City Manager to negotiate and execute this agreement with the District. The item has been placed on the District's Board agenda for December 13, 2012, as a placeholder in the event Council approves staff's recommendation.

EVALUATION AND FOLLOW-UP

Staff will seek City Council authorization at a later date to award a construction contract for the renovation of the Allen at Steinbeck Field(s).

POLICY ALTERNATIVES

Alternative: City declines to invest in the project.

Pros: Funds could be used for other projects in Council District 10.

Cons: Should the Council not wish to invest, the School District will not be able to afford to install the artificial turf/synthetic track and the City would lose access to the field.

Reason for Not Recommending: There is a shortage of community sports fields throughout the City. The proposed investment will enable the City to quickly expand its inventory and expedite access to the community.

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 item meets Criteria 1: Requires Council action on the use of public funds equal to \$1 million or greater. This memorandum will be posted on the City's website for the November 27, 2012 City Council meeting.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office, City Manager's Budget Office, and the Department of Planning, Building and Code Enforcement.

FISCAL/POLICY ALIGNMENT

This Project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will lead to construction spending in our local economy.

COST SUMMARY/IMPLICATIONS

The operating and maintenance costs for one artificial turf field are approximately \$100,000 and have been programmed in the 2012-2013 Adopted Operating Budget. This cost is expected to be fully offset by fees generated through sports field usage. The higher operating and maintenance costs as a result of the addition of a second field have not been determined and will be addressed in the 2013-2014 budget process. However, it is expected that the fees will offset the costs to operate and maintain the second turf field and there will be no negative impact to the General Fund.

BUDGET REFERENCE

An appropriation action is not necessary at this time because funding is not required to execute the Agreement. Appropriation actions will be required and included as part of the construction contract award for the soccer field(s) project for Council consideration.

CEQA

Exempt, File No. PP12-088.

Reasons the project is exempt

The site is already used as a sports field as part of the Steinbeck School site, and the proposed re-surfacing and addition of a parking lot and field lighting will not change the primary use of the site or result in a significant intensification of the existing use beyond an extension of the time period of the use. The impact on peak period traffic patterns will be negligible, since the fields are already used for sporting events during the evening peak period (4pm to 6pm) for most of the year. The extension of evening use of the fields into the fall and winter allowed by the installation of the field lighting will not generate more traffic than that currently generated during the evening peak period at other times of the year.

No adverse impacts are anticipated to light-sensitive wildlife since the project site is located more than a half-mile from the nearest riparian area along the Guadalupe River to the west.

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Impacts of the new field lights on neighboring residents will be minimal, as illumination from the new light standards will be less than 0.1 foot-candle at a distance of 100 feet from the edge of the sports fields. The closest residence is more than 150 feet from the edge of the sports fields across Santa Teresa Blvd. At this level of illumination, the lighting from the sports field lights will not exceed the illumination from street lights along Santa Teresa Boulevard and Allen Avenue, which separate the project site from nearby residences.

No other significant environmental impacts were identified by the project.

Therefore, the construction and operation of the proposed project will not result in any adverse environmental impacts, including those related to light and glare.

/s/

JULIE EDMONDS-MARES

Acting Director of Parks, Recreation and
Neighborhood Services

For questions please contact Matt Cano, Deputy Director, at 408-535-3580.