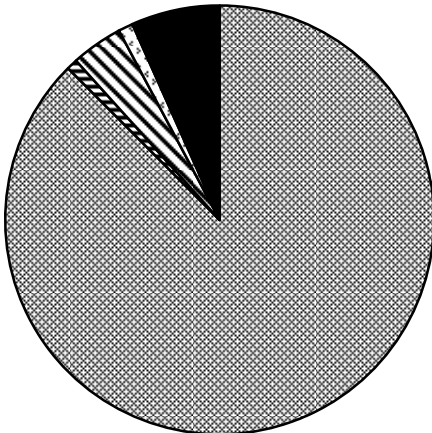


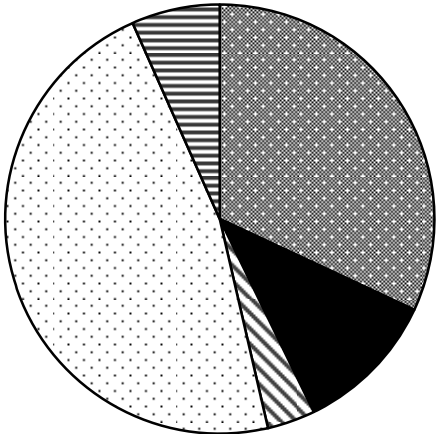
PARKS AND COMMUNITY FACILITIES DEVELOPMENT 2010-2014 Capital Improvement Program

**2009-2010 Adopted
Source of Funds**



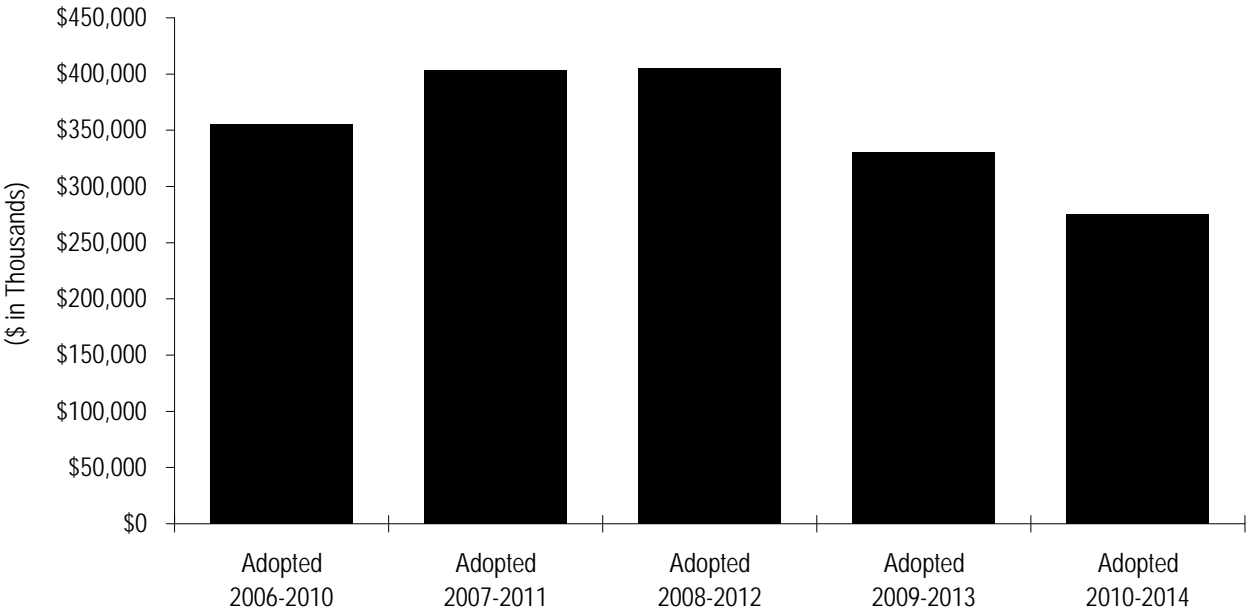
- Beginning Fund Balance
- Other Government Agencies
- Loans and Transfers
- Interest Income and Misc. Revenue
- Taxes, Fees and Charges

**2009-2010 Adopted
Use of Funds**



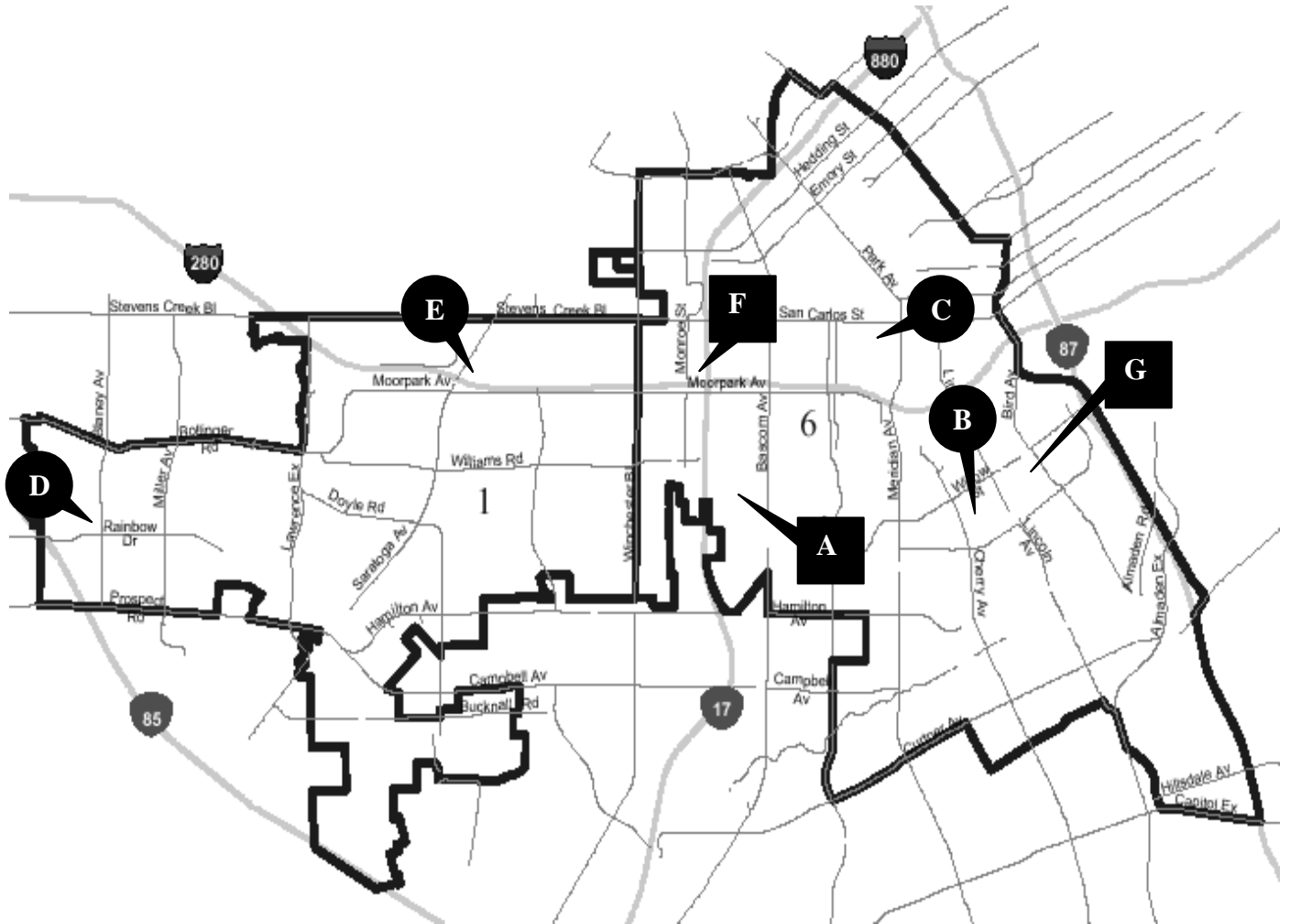
- Construction
- Non-Construction
- Loans and Transfers
- Reserves
- Ending Fund Balance

CIP History



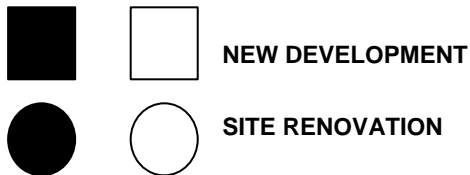
Parks and Community Facilities Development

2010-2014 Adopted Capital Improvement Program



PARKS COUNCIL DISTRICTS 1&6

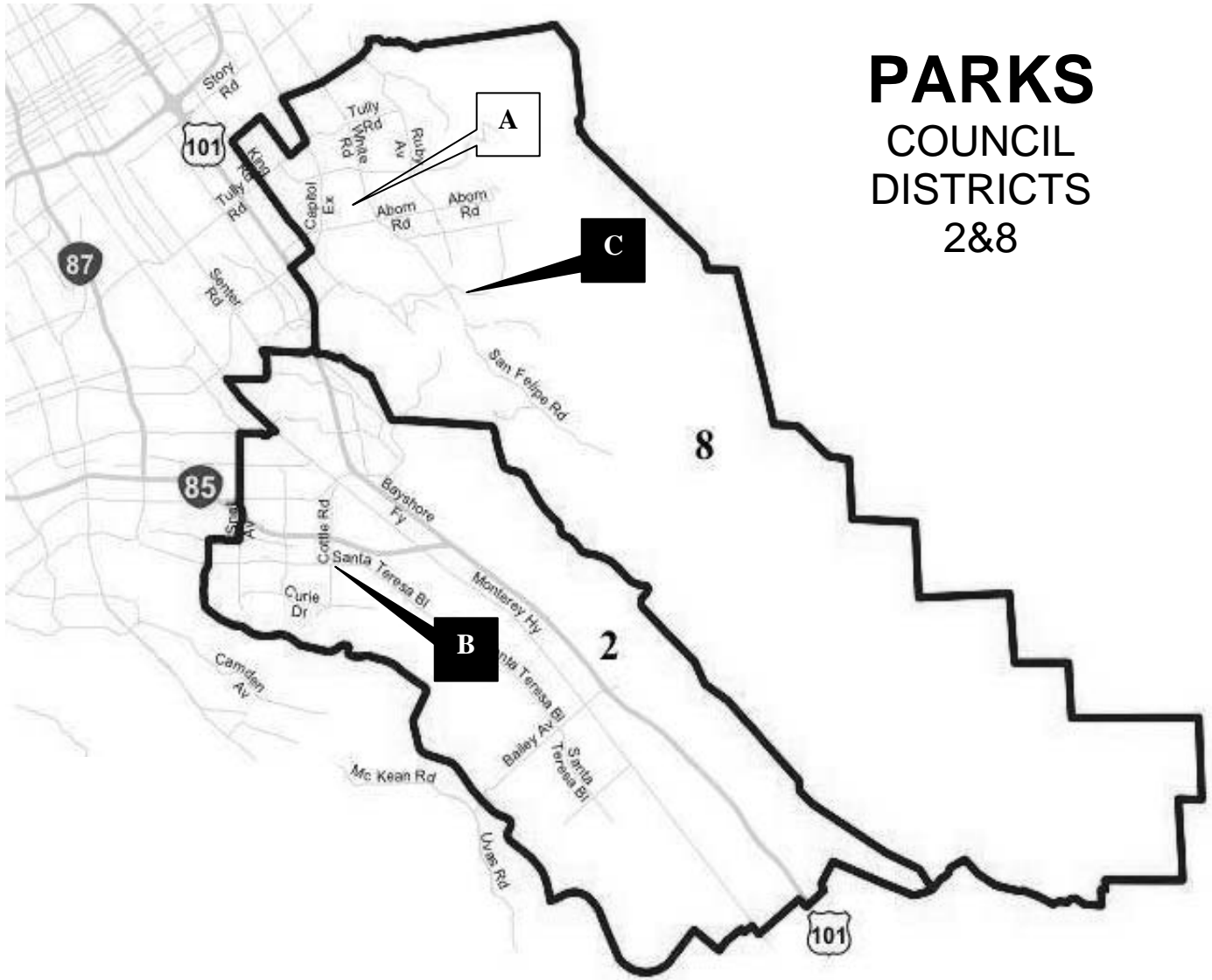
| | |
|---------------|---------------|
| 2009- 2010 | 2010- 2014 |
|---------------|---------------|



- A Bascom Community Center – Multi-Service
- B Bramhall Park Play Lot Renovation
- C Buena Vista Park Expansion
- D Calabazas Park Playlot Renovation
- E Cypress Senior Center Parking Lot Expansion and Outdoor Patio
- F Santana Park Development
- G Willow Glen Spur Trail Acquisition

Parks and Community Facilities Development
2010-2014 Adopted Capital Improvement Program

PARKS
COUNCIL
DISTRICTS
2&8



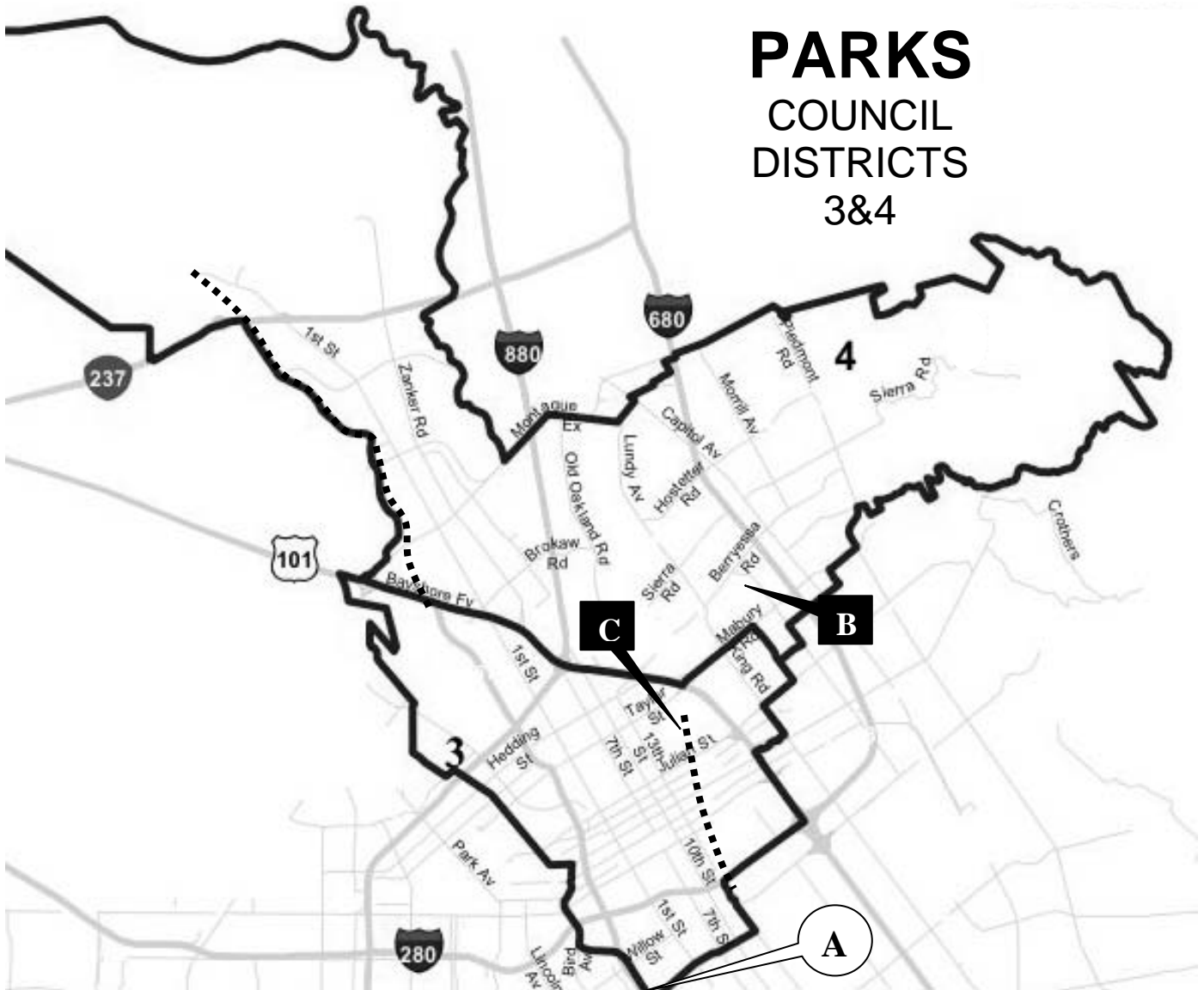
| | |
|-----------|-----------|
| 2009-2010 | 2010-2014 |
|-----------|-----------|

- NEW DEVELOPMENT**
- NEW DEVELOPMENT**
- SITE RENOVATION**
- SITE RENOVATION**

- A Aborn Park Playground Improvements
- B Albertson Parkway Trail
- C Falls Creek Park Development

Parks and Community Facilities Development
2010-2014 Adopted Capital Improvement Program

PARKS
COUNCIL
DISTRICTS
3&4



- A Tamien Specific Plan Area Park Improvements
- B Commodore Children's Park Development
- C Watson Site Clean-up and Restoration

| | |
|-----------|-----------|
| 2009-2010 | 2010-2014 |
|-----------|-----------|

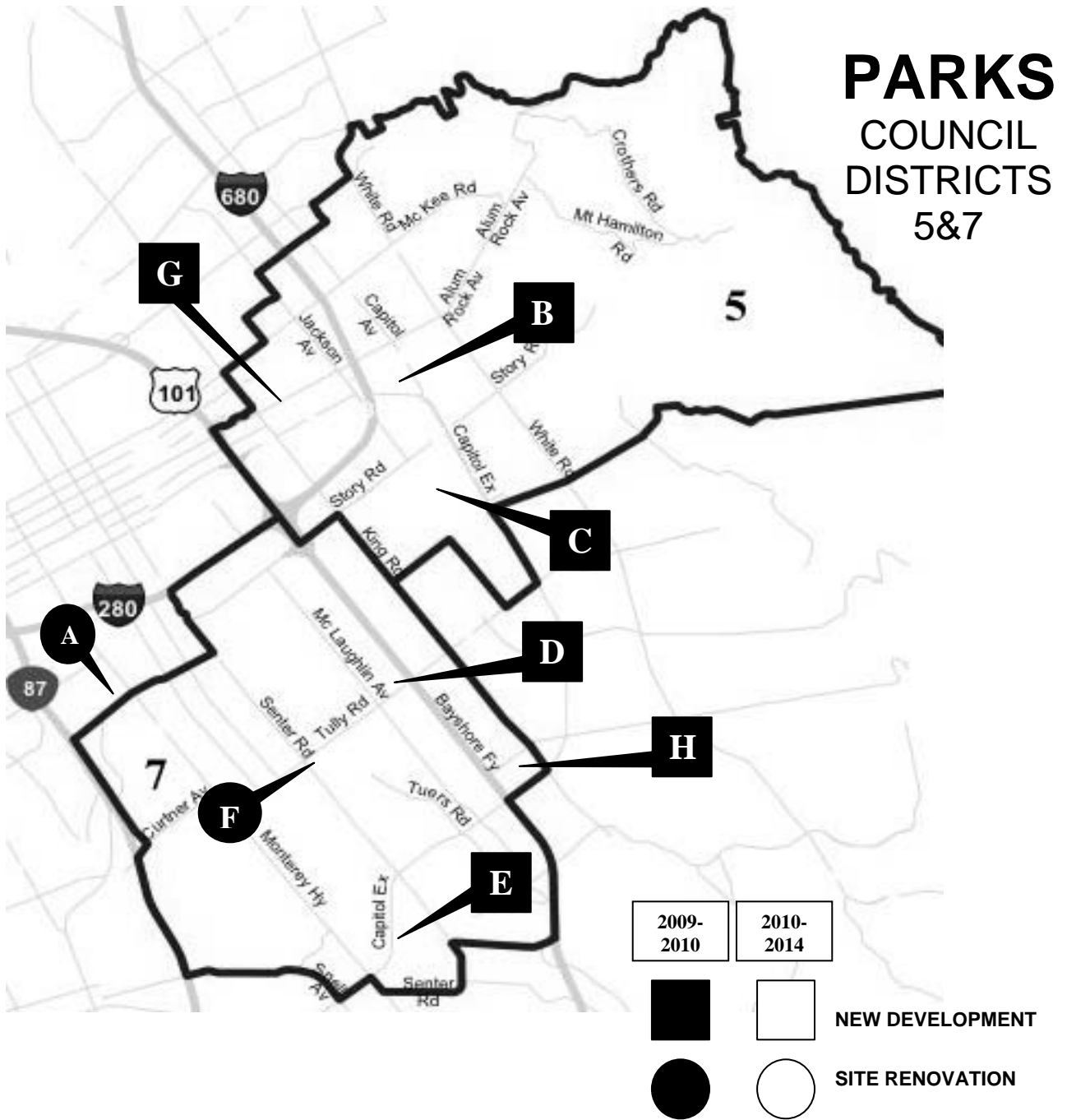


NEW DEVELOPMENT



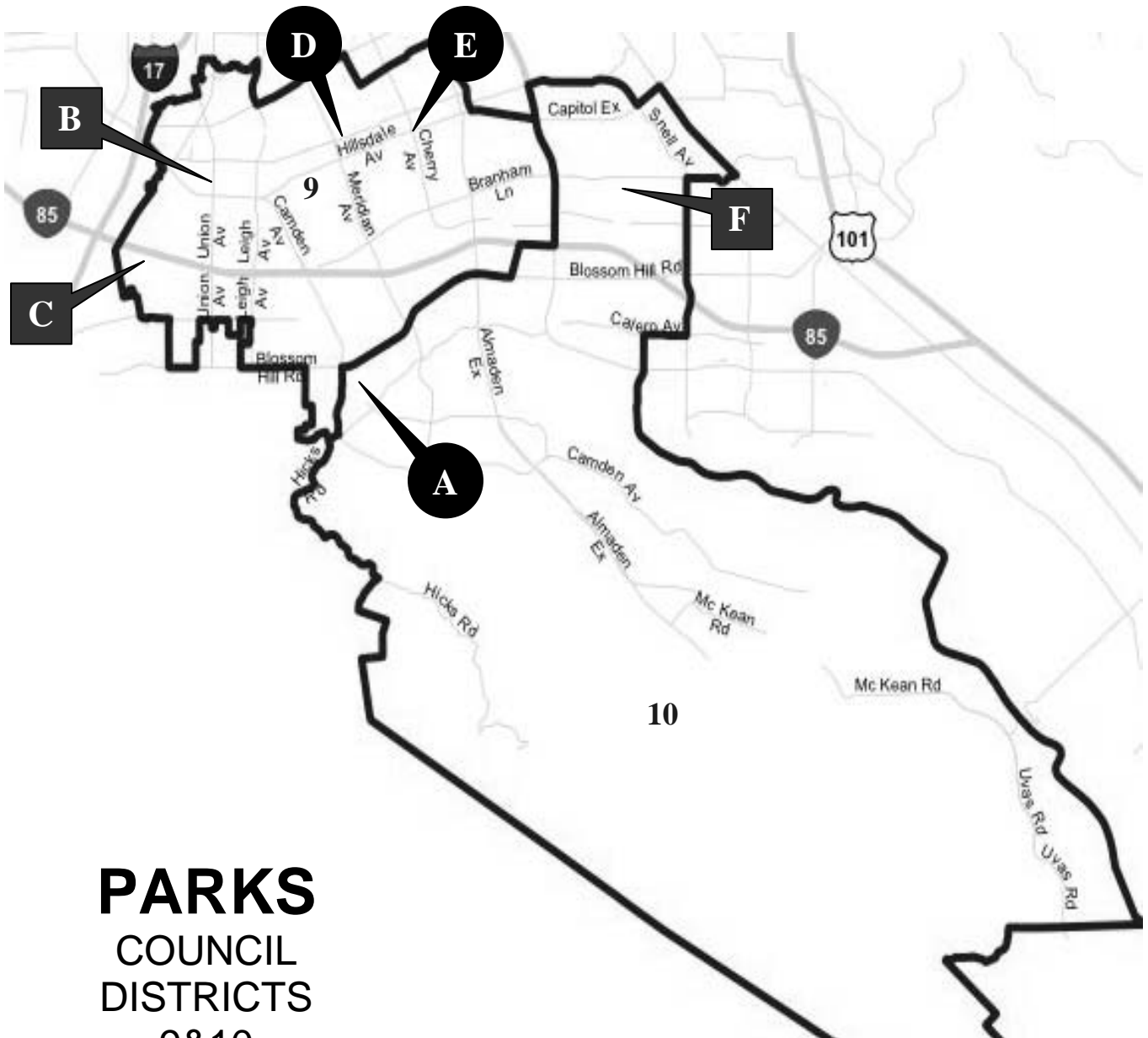
SITE RENOVATION

Parks and Community Facilities Development
2010-2014 Adopted Capital Improvement Program



- | | |
|--|---|
| <p>A Alma Community Center Improvements</p> <p>B LoBue Park Development</p> <p>C Lower Silver Creek/Silverstone Place Trail</p> <p>D Nisich Park Development</p> | <p>E Seven Trees Community Center - Multi-Service</p> <p>F Tully Road Ballfields Parking Lot Improvements</p> <p>G Vietnamese Cultural Heritage Garden</p> <p>H West Evergreen Park</p> |
|--|---|

Parks and Community Facilities Development
2010-2014 Adopted Capital Improvement Program



PARKS
COUNCIL
DISTRICTS
9&10

| | |
|-----------|-----------|
| 2009-2010 | 2010-2014 |
|-----------|-----------|



NEW DEVELOPMENT

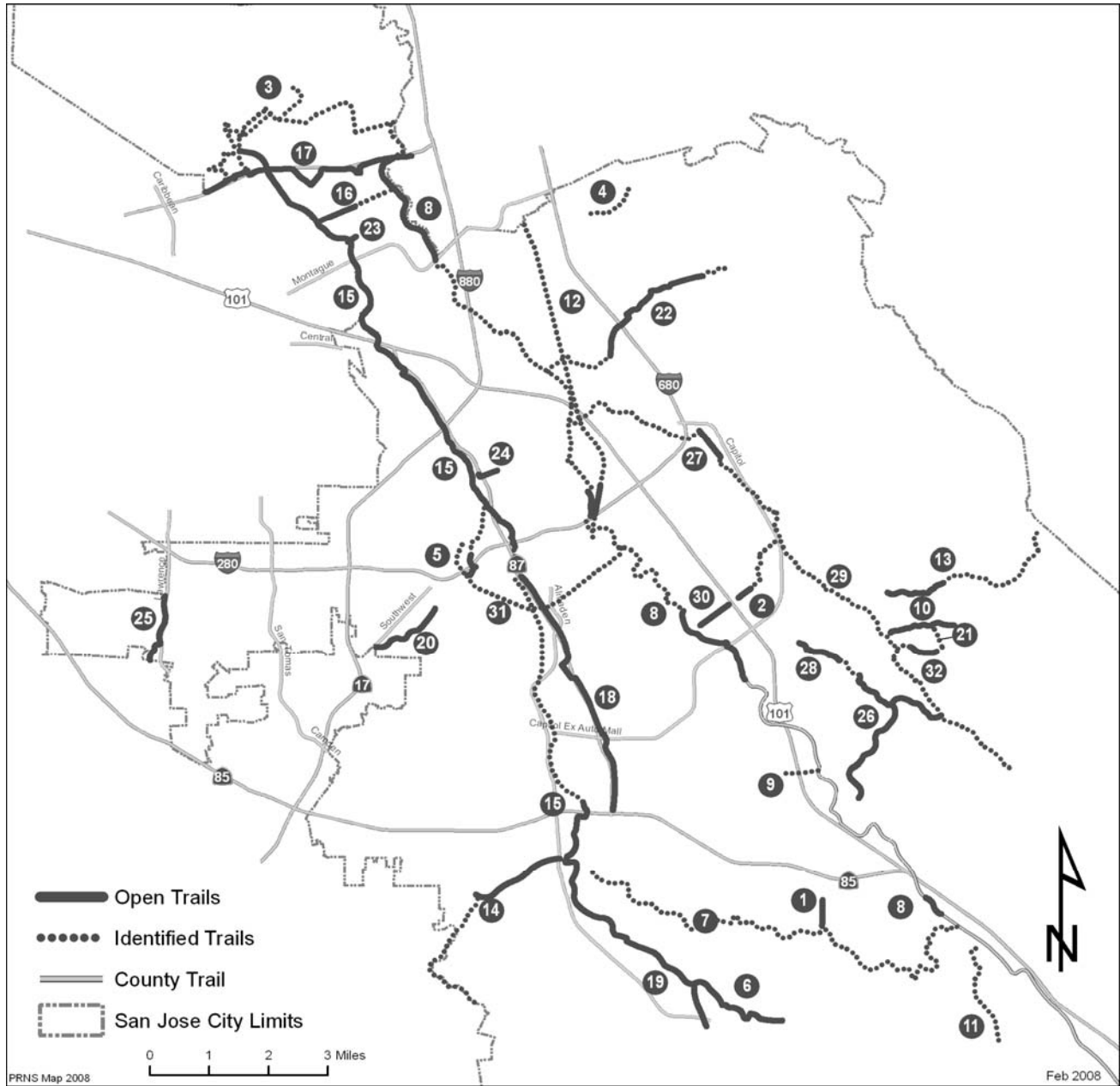


SITE RENOVATION

- A Almaden Winery Irrigation Automation
- B Camden Community Center Kid Zone
- C Carolyn Norris Turnkey Park
- D Kirk Community Center Renovation
- E Paul Moore Park Renovation
- F Vista Park Improvements

Parks and Community Facilities Development

2010-2014 Adopted Capital Improvement Program



Trail Systems

- | | | |
|-------------------------|------------------------|--------------------------|
| 1 Albertson Parkway | 12 Five Wounds | 23 River Oaks Pathway |
| 2 Barberry Lane Pathway | 13 Fowler Creek | 24 Ryland Parkway |
| 3 Bay | 14 Guadalupe Creek | 25 Saratoga Creek |
| 4 Berryessa Creek | 15 Guadalupe River | 26 Silver Creek Valley |
| 5 Burbank Rail | 16 Hetch-Hetchy | 27 Silver Creek, Lower |
| 6 Calero Creek | 17 Highway 237 Bikeway | 28 Silver Creek, Upper |
| 7 Coyote Alamitos Canal | 18 Highway 87 Bikeway | 29 Thompson Creek |
| 8 Coyote Creek | 19 Los Alamitos Creek | 30 Umbarger Road Pathway |
| 9 Edenvale/Great Oaks | 20 Los Gatos Creek | 31 Willow Glen Spur |
| 10 Evergreen Creek | 21 Montgomery Hill | 32 Yerba Buena Creek |
| 11 Fisher Creek | 22 Penitencia Creek | |

Parks and Community Facilities Development

2010-2014 Adopted Capital Improvement Program

Overview

Introduction

The Parks, Recreation, and Neighborhood Services Department (PRNS) vision is to be a “*National leader of Parks and Recreation in cultivating healthy communities through quality programs and dynamic public spaces*”. It appropriately reflects PRNS’s desire of a healthy community through recreation. The department’s mission is “*To build healthy communities through people, parks, and programs*”. The vision and mission are the basis for providing the Parks and Community Facilities Development Capital Improvement Program (P&CFD CIP) with a long-term capital investment plan for the acquisition, development, and maintenance of parks, recreational facilities, trails, and open space.

The 2010-2014 Adopted CIP provides funding of \$275.5 million, of which \$193.5 million is allocated in 2009-2010, the first year of the CIP. The P&CFD CIP is a part of the Neighborhood Services City Service Area (CSA), supporting two of the CSA’s outcomes: *Safe and Clean Parks, Facilities and Attractions*; and *Vibrant Cultural, Learning and Leisure Opportunities*.

Program Priorities and Objectives

Within the above context, the City seeks to further the goals outlined in the updated “Greenprint: A 20-Year Strategic Plan for

Parks and Community Facilities and Programs” (Greenprint). These goals are:

- Ensure that the recreation programs and infrastructure assets are sustainable, both environmentally and financially;
- Provide environmentally responsible recreation facilities;
- Provide accessible recreation opportunities that are responsive to the community’s health and wellness;
- Partner with the community and promote environmental stewardship and volunteerism;
- Improve community image and livability by providing quality recreation facilities and programs; and
- Provide parks, trails, open space, and recreation amenities to meet the community’s growing needs.

The Adopted P&CFD CIP attempts to balance the delivery of a capital program that is both responsive to community needs and cognizant of the limited resources to maintain and operate parks and recreational facilities. This balancing includes the need to address, at least partially, how to manage and plan for the City’s aging infrastructure.

Parks and Community Facilities Development

2010-2014 Adopted Capital Improvement Program

Overview

Program Priorities and Objectives (Cont'd.)

Funding Assumptions

Strategies used in recommending new projects to be funded in the 2010-2014 Adopted CIP focus on:

- Environmental Sustainability - Design, build, maintain and operate recreation facilities that will last for many years, preserve the environment and encourage a healthier community;
- Economic Development - Provide attractive recreation facilities and programs to enhance San José's economy and strengthen neighborhoods;
- Financial Sustainability - Fully fund recreation programs and facilities in partnership with community resources;
- Quality Services - Enhance the recreation opportunities offered to encourage community participation and healthy living;
- Community Engagement - Increase public awareness and enhance participation in parks, recreation facilities, programs and services; and
- Productive Partnerships - Expand the number of productive partnerships to maintain quality service levels while minimizing fiscal impact on the City of San José's General Fund.

Impact on the General Plan

Service level objectives for parks and recreation facilities were identified in the San José 2020 General Plan (adopted by the City Council on August 16, 1994). These objectives and the expected performance after the implementation of the Adopted CIP are shown on the chart below.

| <u>Service Level Objectives</u> | <u>Actual as of 06/30/08</u> | <u>Adopted 2009-2010</u> | <u>Adopted 2010-2014</u> |
|--|-------------------------------------|---------------------------------|---------------------------------|
| 3.5 acres of neighborhood and community serving recreational lands per 1,000 population* | 2.97 | 2.96 | 2.92 (Acres) |
| 7.5 acres of regional/city-wide park lands per 1,000 population (valley floor) | 2.61 | 2.57 | 2.50 (Acres) |
| 500 square feet of community center floor area per 1,000 population | 478 | 531 | 595 (Sq. Ft.) |

* This does not include natural/open space acreage within parks that cannot be utilized for recreational purposes. This amount is to be a minimum of 1.5 acres of City-owned park lands and up to 2.0 acres of school playgrounds, all of which is located within a reasonable walking distance. Calculations of service level objectives are based on State Department of Finance population statistics for 2004 and assume a 0.7% annual increase in the City's population for future years. It should be noted that the numbers identified for the 2009-2010 Adopted Capital Budget and 2010-2014 Adopted CIP do not reflect the progress toward service level objectives that would result from any future acquisition of park land and/or facilities for which a reserve has been established.

Parks and Community Facilities Development

2010-2014 Adopted Capital Improvement Program

Overview

Sources of Funding Highlights

The 2010-2014 Adopted P&CFD CIP has three primary sources of funding used to support the program priorities, objectives, and strategies already discussed: 1) Construction and Conveyance (C&C) Tax revenue; 2) Parkland Dedication/Impact Fees; and 3) federal, State and local grants. These revenues are distributed to 17 individual funds that support the P&CFD CIP. Additional detail on these and additional revenues is provided in Attachment D of this overview section.

Construction and Conveyance Tax

The City's C&C Tax has historically been the primary source of support for the P&CFD CIP. This revenue source is actually two taxes: a construction tax levied on residential, commercial and industrial development; and a conveyance tax that is levied whenever there is a transfer of real property. Approximately 98% of this tax is derived from a transfer tax imposed upon each transfer of real property with the remaining 2% generated from a construction tax levied on most types of construction. The P&CFD CIP receives 65.2% of the City's C&C Tax. 64% of the City's C&C Tax is distributed among the Parks Central C&C Tax Fund, City-Wide C&C Tax Fund, and the 10 Council District C&C Tax Funds and 1.2% of the City's C&C Tax is allocated to the Park Yards C&C Tax Fund.

For the 2010-2014 CIP, it is assumed that collections allocated to the P&CFD Capital Program will increase slightly to \$13.0 million in 2009-2010 (from the current year estimate of \$12.4 million), remain stable for one year, then increase again to an allocation of \$14.3 million annually for each of the remaining

years of the CIP. Construction and Conveyance Tax revenues continue to experience significant declines when compared to the high collection levels experienced through 2006-2007 due to the slowdown in the local real estate market. As of June 2009, C&C collections experienced declines in 35 out of the last 38 months, when compared to the same months in the prior year. This budget assumes that the housing market slowdown is currently bottoming out, will remain stable over the next two years and C&C tax receipts will reflect a more sustainable level of ongoing housing resale activity, modestly increasing in the third year of the five-year CIP.

Parks and Recreation Bond Projects Fund

The Parks and Recreation Bond Projects Fund totals \$42.8 million in the 2010-2014 Adopted CIP. Projects programmed to be completed in the Adopted CIP include Happy Hollow Park and Zoo Renovation and Improvements, Bascom Community Center, Seven Trees Community Center, and the Soccer and Softball complexes. A majority of the funding for the Soccer and Softball complexes remains in reserves pending the determination of appropriate sites and project scopes for the facilities.

Parkland Dedication Ordinance and Park Impact Ordinance Fees

The City Council adopted the Parkland Dedication Ordinance (PDO) in 1998 and the Park Impact Ordinance (PIO) in 1992. These ordinances require the dedication of land, development of park amenities and/or the payment of in-lieu fees from developers to meet the recreational needs generated by new housing developments. The 2010-2014 Adopted CIP includes \$75.7 million from this source.

Parks and Community Facilities Development

2010-2014 Adopted Capital Improvement Program
Overview

Sources of Funding Highlights (Cont'd.)

Parkland Dedication Ordinance and Park Impact Ordinance Fees (Cont'd.)

On January 9, 2007, the City Council adopted a revised resolution and associated ordinance for the Parkland Dedication Ordinance and Park Impact Ordinance to include a number of changes including:

- Increasing the park in-lieu fees to 100% of the 2005 land values;
- Revising the credit schedule for private recreation improvements;
- Allowing both land and improvement credits for public community gardens and trails;
- Eliminating projects of six stories or more from the active element match in order to obtain private recreational credits for a housing project; and
- Setting a discounted fee for certain residential high rise projects located in the Downtown Core area and to permit certain eligible high rise projects located in the Downtown Core area to defer payment until no later than the scheduling of the final inspection for the first certificate of occupancy.

These changes allow the City to more aggressively pursue parkland acquisition opportunities. The changes also expand the ability of the City to use in-lieu fees to enhance the parks system while permitting additional recreational credits for improvements such as trails, private garden plots, urban plazas and/or private gardens open to the public, and dog park amenities.

State Grants

The City has been awarded approximately \$23.1 million from various State grant programs, of which approximately \$15.8 million has been received through past State grant programs, which are now complete. An additional \$7.3 million has been allocated from the following active grant programs:

- \$4.05 million from the 2002 Resources Bond Act (Proposition 40) Roberti-Z'Berg-Harris (RZH) Grant Program;
- \$3.0 million from the Urban Parks Act of 2001; and
- \$249,000 for the Happy Hollow Park and Zoo Veterinary Building from the Paul Chaffee Grant Program (Proposition 12).

These grant funds are programmed once the individual project applications are prepared and approved by the grantor, and the project is ready to begin. Once the project has completed, the grantor reimburses the City for the project costs. Consequently, grant funds are not fully reflected in this budget; instead, grant funds are typically reflected only when the City expects to be reimbursed for expenses already incurred.

The RZH Grant Program is designed to address high-priority projects that satisfy the most urgent park and recreation needs, with an emphasis on unmet needs in the most heavily-populated and most economically disadvantaged areas within each jurisdiction. Grant funds from this program may be used to fund projects of the following types: 1) acquisition of open areas, historic sites and structures, and lands and structures to be converted to recreation use; 2) development and/or rehabilitation of park and recreation

Parks and Community Facilities Development
2010-2014 Adopted Capital Improvement Program
 Overview

Sources of Funding Highlights (Cont'd.)

State Grants (Cont'd.)

lands and facilities; 3) special major maintenance of park and recreation lands and facilities (may not exceed 30% of the grant); and 4) innovative recreation programs.

Over the past few years, the City has allocated \$8.4 million in RZH Grant Program funding (\$4.3 million from the Proposition 12 RZH Grant Program and \$4.1 million from the Proposition 40 RZH Grant Program). All projects under the Proposition 12 RZH Grant Program have been completed. Projects funded through the Proposition 40 RZH Grant Program are currently in various stages of planning or development as outlined in the following charts.

On December 17, 2008, the Pooled Money Investment Board (PMIB) froze \$3.8 billion of committed State funds for all infrastructure projects in the State. Eleven projects within the P&CFD Capital Program that are fully or partially funded by State grants were affected by this action. The grant funding associated with the State freeze totaled \$5.4 million in the P&CFD Capital Program. In March and April 2009, the State sold sufficient bonds to enable the various State agencies to reimburse capital projects that were on hold since December 2008. As a result, the City has received reimbursements for project costs expended prior to December 17, 2008 and will receive funding for eligible costs incurred prior to June 30, 2009. Additionally, funds will be made available for all other bond funded projects that the City has an existing executed funding contract with the State.

Proposition 40 – 2002 Parks Bond Act, RZH Grant Program Funding

| <u>Project</u> | <u>Description</u> | <u>Amount</u> |
|---|--|---|
| Alma Community Center (Youth/Seniors) | Matching funds for site expansion and replacement | \$300,000 (reimbursement received) |
| Alum Rock Park Restroom | New restroom and associated landscaping at park entrance | \$625,000 |
| Butcher Dog Park | Supplemental funding for dog park development in Council District 9 | \$275,000 (reimbursement received) |
| Coyote Creek Reach 1A/B | Development of master plan, environmental work, and easement acquisition from Montague Expressway to William Street Park | \$450,000 |
| Milestone Project and Trail Signage | (1) Develop integrated signage/marker system with emergency services and (2) Trail signage | \$451,000 |
| Nisich Park Development | Funding match to San Jose Redevelopment Agency funds for park development | \$825,000 (partial reimbursement received) |
| PAL Stadium – Restroom and ADA Improvements | Funding for restroom and ADA improvements | \$325,000 (partial reimbursement received) |
| Willow Glen Spur Trail | General trail development and land acquisition | \$800,000 |

Parks and Community Facilities Development

2010-2014 Adopted Capital Improvement Program

Overview

Program Highlights

Neighborhood Parks, Community Centers, Regional Parks, and Other Recreational Areas

PRNS is continuing with its investment in neighborhood parks, community centers, and regional parks and facilities, particularly with funds provided by the Park Trust Fund and Parks and Recreation Bond Projects Fund.

As a result, the five-year P&CFD CIP includes a considerable amount of capital investment. Following are highlights of renovations and new facilities included in the 2010-2014 Adopted CIP.

Neighborhood Parks

- *Aborn Park Playground Improvements*
- *Almaden Winery Irrigation Automation*
- *Bramhall Park Play Lot Renovation*
- *Buena Vista Park Expansion*
- *Calabazas Park Play Lot Renovation*
- *Commodore Children's Park Development*
- *Nisich Park*
- *Paul Moore Park*
- *Santana Park Development*
- *Vista Park Improvements*

Other Recreational Facilities

- *Cypress Senior Center Parking Lot Expansion and Outdoor Patio*
- *Happy Hollow Park and Zoo*
- *Trail: Guadalupe River (Branham Lane to Chynoweth Avenue)*
- *Trail: Lower Silver Creek/Silverstone Place*

Community Centers

- *Bascom Community Center – Multi-Service*
- *Seven Trees Community Center – Multi-Service*

Trails Development

The City's trail network includes over 20 systems along river, creek, and overland alignments, with nearly 50 miles of trails open to the public. A general overview map detailing the existing and proposed trail system can be found in the beginning of the P&CFD Capital Program.

On October 30, 2007, the City Council adopted the Green Vision, a fifteen-year plan to transform San José into a world center of Clean Technology innovation, promote cutting-edge sustainable practices, and demonstrate that the goals of economic growth, environmental stewardship, and fiscal responsibility are inextricably linked. The Green Vision has ten goals, one of which is the creation of 100 miles of inter-connected trails by the year 2020.

San José has over 50 miles of trails in the trail system. To meet the City's goal to expand the City's trail system to 100 miles by the year 2020, approximately 4.4 miles of trails will need to be built per year at an estimated cost of \$3.0 million per mile. Grant funding is the primary means used to expand the City's trail network, but funding is dependent on successful grant applications. PRNS is working towards identifying additional funding sources to meet the City's Green Vision goal of expanding the City's trail system.

As previously mentioned, the City Council recently approved changes to the Parkland Dedication Ordinance and Park Impact Fee Ordinance to now allow the Park Trust Fund to be used for trails and other recreation facilities, which substantially improves the City's capacity to fund trail projects. The

Parks and Community Facilities Development
2010-2014 Adopted Capital Improvement Program
Overview

Program Highlights (Cont'd.)

included four earmarks for trail development totaling approximately \$10.0 million.

Trails Development (Cont'd.)

Adopted CIP includes trail funding of \$3.2 million in the Park Trust Fund, with an additional \$3.3 million estimated to be expended in 2008-2009.

In addition, funds from the Valley Transportation Authority via the Bicycle Expenditure Program (BEP) are available for trail development. While there are existing commitments for these funds, agreements need to be in place to allow the City to access the funds. These funds are being programmed by project phases.

The City has been awarded a substantial federal earmark of grant funds for trail development from the Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) enacted in August 2005. The legislation

The SAFETEA-LU and BEP grant funding, as well as additional open space related grants are outlined in the following charts.

Federal Transportation Funds (Earmarks)
(Safe, Accountable, Flexible, and Efficient Transportation Equity Act – SAFETEA-LU)

| <u>Project</u> | <u>Description</u> | <u>Amount</u> |
|--|--|---------------|
| Bay Trail (Reach 7 and Reach 9) | Environmental documentation and construction documents for a pedestrian bridge, three under-crossings, and a paved trail | \$675,000 |
| Coyote Creek Trail (Montague Expressway to Story Road) | Environmental documentation and construction documents for a 6.75 mile paved trail which will include safety enhancements and improvements | \$3,677,000 |
| Lower Guadalupe River Trail (Reach A to E: Highway 880 to Gold Street) | Construction documents and environmental clearance for a six mile paved trail to include safety enhancements and improvements. Remaining funds will be used for the construction of a 3.6 mile segment of trail | \$6,039,000 |
| Almaden Expressway Pedestrian Bridge | Construction documents and environmental review for a pedestrian bridge over Almaden Expressway to connect nearby trails to the nearby Light Rail Station to provide continuity between the Guadalupe River Trail and the Guadalupe Creek Trail. | \$492,000 |

Santa Clara Valley Open Space Authority (20% Funding Program)

| <u>Project</u> | <u>Description</u> | <u>Amount</u> |
|---|---|---------------|
| Willow Glen Spur Trail Land Acquisition | Property acquisition for trail right of way | \$2,000,000 |

Parks and Community Facilities Development
2010-2014 Adopted Capital Improvement Program
 Overview

Program Highlights (Cont'd.)

Trails Development (Cont'd.)

Valley Transportation Authority – Bicycle Expenditure Plan (Pre-selected Projects)

| <u>Project</u> | <u>Description</u> | <u>Amount</u> |
|---|--|---------------|
| Los Gatos Creek Trail (Reach 5: Auzerais Ave. to Santa Clara St.) | Trail construction | \$2,400,000 |
| Los Gatos Creek Trail (Reach 5: Lincoln Ave. to Auzerais Ave.) | Environmental planning, right of way acquisition, design, and construction documents | \$1,620,000 |

The Adopted CIP includes funding of \$9.7 million for trail development (with an additional \$7.5 million estimated to be expended in 2008-2009), which is summarized on the chart below. It is important to note, however, that a significant portion of trail funding is anticipated to be provided through outside grants (as previously discussed).

These revenues will not be recognized in the CIP until an agreement between the City and the granting agency is executed. Furthermore, agreements are based on completion of milestones within a project, therefore, funding is not typically received from the granting agency in one payment, but rather through several installments.

2010-2014 Trails Funding

| | <u>Estimated 2008-2009</u> | <u>2009-2010</u> | <u>2010-2011</u> | <u>2011-2012</u> | <u>2012-2013</u> | <u>2013-2014</u> | <u>5-Year Total</u> |
|-----------------------------|--------------------------------|---------------------|------------------|------------------|------------------|------------------|---------------------|
| Albertson Parkway | \$ 1,097,000 | \$ 370,000 | \$ | \$ | \$ | \$ | \$ 370,000 |
| Bay Trail | 689,000 | 141,000 | | | | | 141,000 |
| Coyote Creek Trail | 1,946,000 | 937,000 | | | | | 937,000 |
| Guadalupe Creek Trail | 563,000 | 337,000 | | | | | 337,000 |
| Guadalupe River Trail | 2,303,000 | 2,042,000 | | | | | 2,042,000 |
| Los Gatos Creek Trail | 386,000 | | | | | | |
| Penitencia Creek Trail | 35,000 | 865,000 | | | | | 865,000 |
| Saratoga/San Tom. Crk Trail | 129,000 | | | | | | |
| Silver Creek Trail | 241,000 | 1,557,000 | | | | | 1,557,000 |
| Thompson Creek Trail | 64,000 | 569,000 | | | | | 569,000 |
| Willow Glen Spur Trail | 35,000 | 2,931,000 | | | | | 2,931,000 |
| Total Funding | \$ 7,488,000 | \$ 9,749,000 | \$ | \$ | \$ | \$ | \$ 9,749,000 |

Parks and Community Facilities Development

2010-2014 Adopted Capital Improvement Program

Overview

Program Highlights (Cont'd.)

Art in Public Places Program

The Public Art Master Plan was approved by the City Council on March 13, 2007. The Master Plan revised the requirements for the allocation of funds for public art. One percent of all construction project funding is required to be allocated to public art, excluding funding for seismic and ADA retrofits, maintenance and operations, non-construction projects (such as studies), or affordable housing. Projects where public art allocations were previously programmed or appropriated are not subject to the revisions of the Public Art Master Plan. The total amount of funding budgeted in the P&CFD Adopted CIP over the next five years for Public Art is \$1.2 million. (For additional detail, please see Attachment E in this overview section).

Park Trust Fund and the Parkland Dedication and Park Impact Ordinances (PDO/PIO)

The Park Trust Fund currently has \$21.8 million of unallocated PDO/PIO funds. Staff is currently exploring options to allocate these funds within the five-year requirement as dictated by San José Municipal Code.

Staff is currently working with developers on the following projects to provide 49.04 acres of additional parkland:

- 17.0 acres total Hitachi sites (3) – Hitachi Corporation*;
- 6.0 acres Vista Montano/Novellus site (North San José Policy) Novellus*;
- 5.0 acres former Sony site (North San José Policy) – Irvine Development Apartments* (River Oaks Park);
- 3.2 acres former Wyse/AT&T site (North San José Policy) – WTI, Inc. (Riverview Park);
- 3.0 acres Bay Pointe site (North San José Policy) – Fairfield*;
- 2.0 acres Goble Lane – ROEM Development*;
- 1.6 acres Almaden Apartments – Simpson Housing Solutions, LLC**;
- 1.5 acres 10th Street/Mission site – Hudson Co., et. all;
- 1.5 acres Newhall/Campbell Avenue – Pulte Homes**;
- 1.3 acres Modern Ice site – Taylor Woodrow Homes*;
- 1.25 acres Samaritan Drive site – Summerhill Homes*;
- 1.2 acres Venetian Terrace Scottish Rite site – Vitoil Corporation**;
- 1.0 acres Eden Court Housing – TBD**;
- 1.0 acres King/Dobbin site – Core Development, et. all;
- 0.86 acres St. Elizabeth Park – Pinn Brothers Homes*;
- 0.8 acres Piercy Park – KB Homes;
- 0.46 acres Fleming Avenue Parksite – Braddock & Logan**;
- 0.3 acres Jackson /Madden site – Falk Development Inc.*; and
- 0.07 acres San Antonio and 34th Street Tot Lot – KB Homes*.

* Land dedication and park improvements

** Land dedication only – no park development associated with the dedication

Parks and Community Facilities Development

2010-2014 Adopted Capital Improvement Program

Overview

Program Highlights (Cont'd.)

Park Trust Fund and the Parkland Dedication and Park Impact Ordinances (PDO/PIO) (Cont'd.)

In addition, staff is working with developers on the following projects to provide park improvements on land owned by the City:

- 5.0 acres Martin Park Expansion — KB Homes; and
- 1.0 acre North San Pedro Housing sites — Barry Swenson Builder/Owens Housing.

Non-Construction Projects

A number of ongoing non-construction projects are included in the various funds that support the P&CFD CIP. Several of these items are not accompanied by detail pages and appear unnumbered on respective Source and Use Statement summaries. The following is a brief description of these projects:

- **Enhanced Parks Maintenance:** In addition to the 15% transfer of Parks Central C&C Tax Fund dollars for park maintenance, Council Districts 1, 2, 3, and 8 have allocated an additional 5% of Council District C&C Tax funds for enhanced maintenance programs.
- **Minor Building Renovations and Minor Park Renovations:** These allocations provide the means to address short-term minor capital maintenance needs throughout the year.
- **Pool Repairs:** This allocation provides funding for minor maintenance and equipment replacement at City swimming pools.
- **Preliminary Studies and Property Services:** This allocation enables PRNS staff to do research, respond to City Council inquiries, and provide real estate services and related activities prior to implementation or recommendations for formal projects.
- **Reserves:** The Adopted CIP includes various reserves for capital replacement needs, future park acquisition, and park development opportunities. Reserves for future park acquisition and development will be recommended for allocation as project scopes are refined and new development opportunities arise.
- **San José Conservation Corps:** This allocation provides funding for training and equipment for young San José residents to provide maintenance work at parks and facilities.
- **School Improvement Grants:** This allocation provides funding to match contributions from community groups for school site improvements.
- **Strategic Capital Replacement and Maintenance Needs:** This allocation addresses ongoing Capital infrastructure maintenance needs. Beginning in 2009-2010, allocations in the Council District C&C Tax Funds are being reduced by \$60,000 annually to fund the new Capital Infrastructure Team (CIT), which will perform minor construction projects in-house.

Parks and Community Facilities Development

2010-2014 Adopted Capital Improvement Program

Overview

Major Changes from the 2009-2013 Adopted CIP

Major changes from the 2009-2013 Adopted CIP include the following:

- In response to the Mayor's March 2009 Budget Message, the P&CFD Adopted CIP includes delays to the openings of the Bascom Community Center, Happy Hollow Park and Zoo, and Seven Trees Community Center to help mitigate their operating and maintenance impact on the General Fund. Further discussion of savings generated from the deferral of opening these facilities can be found in the 2009-2010 Adopted Operating Budget. A more detailed comparison of the original construction completion date for these facilities and the delayed opening date is provided on a chart later in this overview.
- The Adopted CIP includes \$2.9 million of which \$550,000 is allocated in 2009-2010 for the creation of a Capital Infrastructure Team that will perform minor construction projects in-house. Projects would consist primarily of minor construction such as playground renovation and installation, sports field renovation and reconstruction, turf removal, and minor drainage, irrigation, and hardscape improvements.
- The Adopted CIP includes reserve funding of \$1.6 million for the future construction and joint-use of sports fields on East Side Union High School District property. Reserve funding is allocated in the Council District 4 C&C Tax Fund (\$350,000), Council District 5 C&C Tax Fund (\$635,000), Council District 7 C&C Tax Fund (\$350,000), and Park Trust Fund (\$266,000).
- The Adopted CIP includes reserve funding of \$4.0 million for the future development of sports fields in Council District 1 and Council District 10. Reserve funding for a sports field in Council District 1 is allocated in the Council District 1 C&C Tax Fund (\$1.15 million) and Park Trust Fund (\$850,000). Reserve funding for the development of a sports field in Council District 10 is allocated in the Council District 10 C&C Tax Fund (\$2.0 million).
- The Adopted CIP includes additional funding of \$3.2 million in the Parks and Recreation Bond Projects Fund for the Happy Hollow Park and Zoo Renovation and Improvement project. Additional project funding is needed due to the construction costs being higher than originally anticipated. This increased level of funding will ensure vital elements of the original project scope will be included in the final project.

Operating Budget Impact

When completed, projects included in the 2010-2014 Adopted CIP or planned by other agencies, particularly outside developers, will have a significant impact on the General Fund operating budget. Given the fiscal difficulties facing the City, these operating and maintenance costs will present a significant challenge.

New and expanded parks and recreational facilities require additional funding for operating and maintenance costs, which has an impact on the General Fund. The following table shows the projected net impact of these projects. All projects anticipated to be operational in 2009-2010 are addressed in the 2009-2010 Adopted

Parks and Community Facilities Development

2010-2014 Adopted Capital Improvement Program

Overview

Operating Budget Impact (Cont'd.)

Operating Budget. Additional detail on the individual projects with operating budget impacts is provided in Attachment A at the conclusion of this overview and in the Project Detail Pages. Impact of the individual

projects that are developed by other agencies is provided in Attachment B at the conclusion of this overview. The operating budget impacts of reserves that will be used to fund projects in the future are not reflected in the CIP.

Net Operating Budget Impact Summary

| | <u>2010-2011</u> | <u>2011-2012</u> | <u>2012-2013</u> | <u>2013-2014</u> |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|
| City Projects | \$1,686,000 | \$2,394,000 | \$2,448,000 | \$2,511,000 |
| Other Agency Projects ¹ | <u>\$672,000</u> | <u>\$973,000</u> | <u>\$1,226,000</u> | <u>\$1,247,000</u> |
| Total | \$2,358,000 | \$3,367,000 | \$3,674,000 | \$3,758,000 |

¹ Projects being constructed by other agencies, which will be maintained by the City of San José.

Note: The estimated operating costs have been provided by the Parks, Recreation and Neighborhood Services Department and have not yet been fully analyzed by the Budget Office. That analysis may well result in different costs when the actual budget for the year in question is formulated.

As directed in the Mayor's March 2009 Budget Message, the Adopted CIP includes delays in the openings of facilities that will have a significant operating and maintenance impact on the General Fund. The following criteria were used to evaluate facilities for deferred openings:

- Minimize Community Impact - Projects currently under construction were evaluated for potential operating and maintenance savings compared to the level assumed in the latest Five-Year General Fund Forecast with consideration given to minimizing the time facilities remain vacant upon construction completion.
- Minimize General Fund Impact - Projects for which the City has not executed a construction contract were evaluated and deferred to minimize 2009-2010 operating and maintenance costs. However, in an effort to take advantage of the current competitive and favorable bidding environment, the Public Works Department is prepared to advertise and bid these projects in the event that the favorable construction bid environment changes. The operating and maintenance costs for these projects will be reevaluated as part of the next Five-Year General Fund Forecast.

Parks and Community Facilities Development
2010-2014 Adopted Capital Improvement Program
Overview

Operating Budget Impact (Cont'd.)

- Achieve Cost Recovery - The timing of project deferrals was considered to maximize proceeds from revenue generating facilities during peak usage and for the potential to create additional operating and maintenance savings using alternative service delivery models. For example, in the P&CFD Capital Program the contracting of food, beverage and

retail concessions at Hollow Park and Zoo is anticipated to generate additional operating and maintenance savings.

Based on the above criteria, the P&CFD Adopted CIP includes delays in the openings of three facilities to help mitigate their operating and maintenance impact on the General Fund. A summary of the original construction completion dates and the new opening dates for these facilities is included in the chart below.

| <u>Facility</u> | <u>Original Construction Completion Date</u> | <u>Revised Opening Date</u> |
|------------------------------|--|-----------------------------|
| Bascom Community Center | August 2010 | October 2010 |
| Happy Hollow Park and Zoo | September 2009 | March 2010 |
| Seven Trees Community Center | May 2010 | August 2010 |

Fixtures, Furnishings and Equipment

In addition to the operating and maintenance costs, a significant amount of funding will be necessary to purchase fixtures, furnishings and equipment (FF&E) for the new facilities being built with Park bond proceeds. These costs are not eligible for bond funding, therefore, alternative funding sources need to be identified to purchase these materials. Included in the 2010-2014 Adopted CIP are funds for FF&E for the following facilities that are coming on line in 2009-2010 and 2010-2011:

- \$625,000 – Bascom Community Center FF&E (2009-2010 allocation, Council District 6 C&C Tax Fund);
- \$941,000 – Happy Hollow Park and Zoo FF&E (2009-2010 allocation, Central C&C Tax Fund (\$704,000) and General Fund (\$237,000), which is displayed in the City-Wide C&C Tax Fund); and
- \$1,036,000 – Seven Trees Community Center FF&E (2009-2010 allocation, Council District 7 C&C Tax Fund).

The table on the following page shows the projected FF&E impact for all projects coming on-line during the CIP. All projects with unfunded FF&E needs will be addressed in future CIPs.

Parks and Community Facilities Development
2010-2014 Adopted Capital Improvement Program
 Overview

Operating Budget Impact (Cont'd.)

Fixtures, Furnishings and Equipment
 (Cont'd.)

Fixtures, Furnishings and Equipment (FF&E) Needs Summary

| <u>Facility</u> | <u>2009-2010</u> | <u>2010-2011</u> |
|-------------------------------------|--------------------|-------------------|
| Bascom Community Center | \$625,000 | |
| Seven Trees Community Center | \$1,036,000 | \$698,000 |
| Soccer Complex* | | TBD |
| Softball Complex* | | TBD |
| Total | \$1,661,000 | \$ 698,000 |

* The FF&E needs for the Soccer and Softball Complexes will be re-evaluated once a site and a final scope have been determined.

Council-Approved Revisions to the Proposed Capital Improvement Program

During the June budget hearings, the City Council approved the rebudgeting of unexpended funds for 117 projects totaling \$43,464,000.

- Nine bond projects totaling \$8,130,000 were rebudgeted including: Bascom Community Center - Multi-Service (\$772,000); Emma Prusch Memorial Park – LeFevre House (\$50,000); Happy Hollow Park and Zoo Renovation and Improvements (\$5,153,000); Public Art – Parks and Recreation Bond Projects (\$510,000); Roosevelt Community Center - Multi-Service (\$100,000); Soccer Complex (\$158,000); Softball Complex (\$103,000); TRAIL: Coyote Creek (Tully Road to Los Lagos Golf Course) (\$462,000); and TRAIL: Guadalupe River Trail Reach VI (Woz Way to Willow Street) (\$822,000).
- 67 Construction and Conveyance Tax funded projects totaling \$20,393,000 were rebudgeted. Significant rebudgets include: Almaden Winery Irrigation Automation (\$384,000); Bascom Community Center – Multi-Service (\$926,000); Edenvale Community Center Fixtures, Furnishings and Equipment (\$600,000); Happy Hollow East Side Improvements (\$1,200,000); Happy Hollow Park and Zoo Fixtures, Furnishings and Equipment (\$704,000); Happy Hollow Park and Zoo Phase II Renovation (\$1,913,000); LoBue Park Development (\$510,000); Roosevelt Community Center Fixtures,

Parks and Community Facilities Development
2010-2014 Adopted Capital Improvement Program
Overview

Council-Approved Revisions to the Proposed Capital Improvement Program (Cont'd.)

Furnishings and Equipment (\$203,000); Seven Trees Community Center – Multi-Service (\$1,335,000); TRAIL: Albertson Parkway (\$370,000); TRAIL: Guadalupe River Reach VI Gateway (\$200,000); TRAIL: Lower Silvercreek/Silverstone Place (\$1,385,000); TRAIL: Willow Glen Spur Acquisition (\$1,310,000 in Council District 6 C&C Tax Fund and \$1,000,000 in City-Wide C&C Tax Fund); Tully Road Ballfields Parking Lot Improvements (\$385,000); Vietnamese Cultural Heritage Garden (\$226,000); Watson Site Clean-up and Restoration (\$3,297,000); and West Evergreen Park (\$500,000).

- Seven General Fund supported projects totaling \$3,442,000 were also rebudgeted including: Kirk Community Center Renovation (\$268,000); Happy Hollow Park and Zoo Fixtures, Furnishings and Equipment (\$237,000); Mayfair Summer Aquatics (\$100,000); Parks and Recreation Bond Projects (\$302,000); Tamien Specific Plan Area Park Improvements (\$622,000); Watson Site Clean-up and Restoration (\$1,731,000); and Willows Senior Center Fire Damage (\$182,000).
- 46 Special Revenue Fund-supported projects (including the Emma Prusch Fund, Lake Cunningham Fund, Park Trust Fund, and San José Redevelopment Agency) totaling

\$15,359,585 were also rebudgeted. Significant rebudgets include: Backesto Park Improvements (\$837,000); Bascom Community Center – Multi-Service (\$307,000); Calabazas Branch Library Community Room (\$353,000); Camden Community Center Kid Zone Construction (\$550,000); Dairy Hill Detention Basin Refund (\$896,000); Edenvale Community Center Public Art (\$211,581); Fleming Park (\$302,000); Kirk Community Center Renovation (\$630,000); Kirk Community Center Renovation Fixtures, Furnishings and Equipment (\$232,000); Lake Cunningham Skate Park Sports Lighting (\$213,000); LoBue Park Development (\$503,000); Martin Park Expansion (\$2,820,000); Newhall Neighborhood Park (\$1,682,000); Paul Moore Park Renovation (\$262,000); Saint James Park Renovation (Phase I) (\$700,000); Seven Trees Community Center – Multi-Service (\$1,412,000); TRAIL: Coyote Creek (Tully Road to Los Lagos Golf Course) (\$200,000); TRAIL: Penitencia Creek Reach I (\$469,000); TRAIL: Thompson Creek (Aborn Road to Tully Road) (\$459,000); and TRAIL: Willow Glen Spur Acquisition (\$621,000).

In addition to these rebudgets, the City Council approved the increase, reduction, elimination or establishment of 16 projects and reserves in the P&CFD Capital Program. The actions include:

- Alum Rock Park Log Cabin (New) \$120,000 (City-Wide C&C Tax Fund);

Parks and Community Facilities Development
2010-2014 Adopted Capital Improvement Program
Overview

Council-Approved Revisions to the Proposed Capital Improvement Program (Cont'd.)

- Calabazas Park Play Lot Renovation (Decrease) \$100,000 (Park Trust Fund);
- Camden Community Center Locker Room Renovation (Increase) \$100,000 (Council District 9 C&C Tax Fund);
- Cypress Senior Center Parking Lot Expansion and Outdoor Patio (Decrease) \$25,000 (Park Trust Fund);
- Cypress Senior Nutrition Program (Temporary Relocation) (Increase) \$10,000 (Council District 1 C&C Tax Fund);
- Lake Cunningham Skate Park Trailer Installation (New) \$75,000 (Lake Cunningham Fund);
- Los Paseos Skate Park Master Plan (Elimination) \$50,000 (City-Wide C&C Tax Fund);
- McLaughlin Neighborhood Park Real Estate Services (New) \$9,000 (San Jose Redevelopment Agency);
- Mount Pleasant Park Minor Improvements (Increase) \$23,000 (Park Trust Fund);
- Paul Moore Park Renovation (Increase) \$243,000 (Council District 9 C&C Tax Fund);
- Preliminary Studies – Turnkey Parks (Decrease) \$200,000 (Park Trust Fund);
- TRAIL: Penitencia Creek Reach I (Increase) \$100,000 (Park Trust Fund);
- TRAIL: Penitencia Creek Reach VI (Increase) \$82,000 (Park Trust Fund);
- Reserve: Aquatics Master Plan Implementation (Decrease) \$100,000 (Council District 9 C&C Tax Fund);
- Reserve: Future PDO/PIFO Projects (Increase) (\$77,000) (Park Trust Fund); and
- Reserve: Los Paseos Skate Park Master Plan (New) \$50,000 (City-Wide C&C Tax Fund).

Parks and Community Facilities Development
2010-2014 Adopted Capital Improvement Program
 Attachment A - Operating Budget Impact

| | <u>2010-2011</u> | <u>2011-2012</u> | <u>2012-2013</u> | <u>2013-2014</u> |
|---|--------------------|--------------------|--------------------|--------------------|
| <u>Parks and Community Facilities Development - Bond Projects</u> | | | | |
| Bascom Community Center - Multi-Service | \$721,000 | \$745,000 | \$746,000 | \$747,000 |
| Soccer Complex | \$295,000 | \$521,000 | \$529,000 | \$550,000 |
| Softball Complex | \$380,000 | \$670,000 | \$679,000 | \$713,000 |
| Total Parks and Community Facilities Development - Bond Projects | \$1,396,000 | \$1,936,000 | \$1,954,000 | \$2,010,000 |
| <u>Parks and Community Facilities Development - Council District 3</u> | | | | |
| Watson Site Clean-up and Restoration (GF/380) | \$32,000 | \$32,000 | \$33,000 | \$34,000 |
| Total Parks and Community Facilities Development - Council District 3 | \$32,000 | \$32,000 | \$33,000 | \$34,000 |
| <u>Parks and Community Facilities Development - Council District 4</u> | | | | |
| TRAIL: Penitencia Creek Reach VI | \$5,000 | \$5,000 | \$5,000 | \$5,000 |
| Total Parks and Community Facilities Development - Council District 4 | \$5,000 | \$5,000 | \$5,000 | \$5,000 |
| <u>Parks and Community Facilities Development - Council District 7</u> | | | | |
| Nisich Park Development | \$8,000 | \$15,000 | \$15,000 | \$15,000 |
| Total Parks and Community Facilities Development - Council District 7 | \$8,000 | \$15,000 | \$15,000 | \$15,000 |
| <u>Parks and Community Facilities Development - Council District 8</u> | | | | |
| Aborn Park Playground Improvements | \$5,000 | \$5,000 | \$5,000 | \$6,000 |
| Chelmers Park Development | \$18,000 | \$35,000 | \$35,000 | \$35,000 |
| Total Parks and Community Facilities Development - Council District 8 | \$23,000 | \$40,000 | \$40,000 | \$41,000 |
| <u>Parks and Community Facilities Development - Council District 9</u> | | | | |
| Carolyn Norris Turnkey Park Developer Reimbursement | \$9,000 | \$18,000 | \$18,000 | \$18,000 |
| Total Parks and Community Facilities Development - Council District 9 | \$9,000 | \$18,000 | \$18,000 | \$18,000 |

Parks and Community Facilities Development
2010-2014 Adopted Capital Improvement Program
 Attachment A - Operating Budget Impact

| | <u>2010-2011</u> | <u>2011-2012</u> | <u>2012-2013</u> | <u>2013-2014</u> |
|--|---------------------------|---------------------------|---------------------------|---------------------------|
| <u>Parks and Community Facilities Development - Park Trust Fund</u> | | | | |
| Almaden Apartments Area Park | \$20,000 | \$20,000 | \$20,000 | \$20,000 |
| Buena Vista Park Expansion | \$10,000 | \$10,000 | \$10,000 | \$11,000 |
| Commodore Children's Park Development | | \$112,000 | \$114,000 | \$117,000 |
| Martial-Cottle Community Garden | | \$10,000 | \$41,000 | \$41,000 |
| Martin Park Expansion | \$61,000 | \$74,000 | \$75,000 | \$76,000 |
| Newhall Neighborhood Park | \$20,000 | \$20,000 | \$20,000 | \$20,000 |
| TRAIL: Penitencia Creek Reach I | \$20,000 | \$20,000 | \$21,000 | \$21,000 |
| Vista Turnkey Park Developer Reimbursement | \$82,000 | \$82,000 | \$82,000 | \$82,000 |
| Total Parks and Community Facilities Development - Park Trust Fund | <u>\$213,000</u> | <u>\$348,000</u> | <u>\$383,000</u> | <u>\$388,000</u> |
| Total Operating Budget Impact | <u>\$1,686,000</u> | <u>\$2,394,000</u> | <u>\$2,448,000</u> | <u>\$2,511,000</u> |

Parks and Community Facilities Development
2010-2014 Adopted Capital Improvement Program
Attachment B - Operating Budget Impact (Other Agencies)

| | <u>2010-2011</u> | <u>2011-2012</u> | <u>2012-2013</u> | <u>2013-2014</u> |
|--|------------------|------------------|--------------------|--------------------|
| <u>Parks and Community Facilities Development</u> | | | | |
| Baypointe Turnkey Park | \$24,000 | \$24,000 | \$24,000 | \$24,000 |
| Cadance Turnkey Park | \$5,000 | \$5,000 | \$5,000 | \$5,000 |
| Eden Court Housing Turnkey Park and Tot Lot | | \$15,000 | \$15,000 | |
| Edenvale Community Center | \$482,000 | \$733,000 | \$737,000 | \$742,000 |
| Goble Lane Turnkey Park and Tot Lot | \$25,000 | \$25,000 | \$25,000 | \$25,000 |
| Hoffman/Via Monte Neighborhood Center | | | \$199,000 | \$200,000 |
| Japan Turnkey Park and Totlot | \$15,000 | \$15,000 | \$15,000 | \$15,000 |
| King/Dobbin Site Turnkey Park and Tot Lot | \$15,000 | \$15,000 | \$15,000 | \$15,000 |
| Legacy Tot Lot | \$2,000 | \$2,000 | \$2,000 | \$2,000 |
| Mayfair Park | | | \$20,000 | \$21,000 |
| North San Pedro Turnkey Park | \$15,000 | \$15,000 | \$15,000 | \$15,000 |
| Piercy/Tennant Site Turnkey Park and Tot Lot | \$8,000 | \$15,000 | \$15,000 | \$15,000 |
| River Oaks Park | | \$28,000 | \$58,000 | \$60,000 |
| Riverview Park | | | | \$27,000 |
| Vista Montana Turnkey Park and Tot Lot | \$81,000 | \$81,000 | \$81,000 | \$81,000 |
| Total Parks and Community Facilities Development | \$672,000 | \$973,000 | \$1,226,000 | \$1,247,000 |

Parks and Community Facilities Development

2010-2014 Adopted Capital Improvement Program

Attachment C – Description of Five-Year Funding Assumptions

The following assumptions were used in formulating the overall five-year Parks and Community Facilities Development Capital Improvement Program:

1. The plan was formulated in conformance with City Council water conservation and planting policies.
2. Construction and Conveyance (C&C) Tax revenue is allocated according to the “needs-based” allocation criteria adopted by the City Council.
3. A 15% transfer from the Parks Central C&C Fund to the General Fund for operations, including contractual maintenance, is incorporated in each year of the five-year CIP.
4. In January 1996, the City Council approved an additional allocation of up to 5% of each Council District’s annual C&C funds to be made available for enhanced maintenance projects, if so requested.
5. Parks C&C tax revenue distribution methodology reflects changes to the Park and Community Facilities Inventory as of July 1, 2007.
6. Debt-financed facilities are not included in the inventory for the purpose of C&C revenue distribution until debt is paid off.
7. The 2% “special needs” allocation of C&C Tax revenues in each Council District may be expended on special projects that need not address service level deficiencies.
8. Expenditures on improvements to school sites are not restricted to the “special needs” allocation; the District Inventory is adjusted to reflect investment on school lands as addressing service level deficiencies (i.e., school improvements are treated as if made on City-owned lands).
9. City-owned facilities will continue to be classified for purposes of C&C Tax revenue distribution according to their functional use by the public and not by how the department manages the facility.
10. PDO and PIO fees are used to develop facilities to serve the neighborhoods/community in which the fees were collected and are budgeted only after receipt. Expenditures are not limited by Council District boundaries.
11. The City will continue to pursue one-time and last-chance land acquisition opportunities, including trails and greenways.
12. The City will move forward to implement facility improvements to comply with the Americans with Disabilities Act (ADA).
13. Opportunities for outside funding (e.g., federal, State, and other grants) will be pursued.

Parks and Community Facilities Development

2010-2014 Adopted Capital Improvement Program

Attachment D – Description of Funding Sources

The major revenue sources that support the Parks and Community Facilities Development Capital Improvement Program (P&CFD CIP) are described below.

Construction and Conveyance Tax

The City's C&C Tax has historically been the primary source of support for the P&CFD CIP. This revenue source is actually two taxes — a construction tax levied on residential, commercial and industrial development and a conveyance tax that is levied whenever there is a transfer of real property.

Of the total C&C tax revenues received, the majority is allocated to the Parks Capital Program (64% for Parks C&C funds and 1.2% for Park Yards), with the remaining funds distributed to the Public Safety, Library, Service Yards, and Communications Capital Programs. The Parks C&C funds are initially deposited into the Park Central Fund from which system-wide non-construction costs, capital equipment, and maintenance costs along with transfers to the General Fund are allocated. The remaining balance is then distributed as follows: one-third to the City-Wide Parks Fund and two-thirds to ten Council District funds for neighborhood/community parks and recreational facilities.

Of the amount distributed to Council District funds, 20% of the total is set aside for distribution to ten Council District funds (2% per district). This is referred to as the “special needs” allocation. The remainder of the neighborhood/community park C&C tax revenue is distributed to Council District funds according to the following four criteria:

- Neighborhood and community-serving park acres per 1,000 population;

- Developed neighborhood and community-serving park acres per 1,000 population;
- Square feet of neighborhood or community-serving center space per 1,000 population; and
- Developed park acres and facilities in good condition per 1,000 population.

This allocation of C&C revenue is referred to as the “needs-based” allocation and will vary district by district based on the above listed criteria.

Parks and Recreation Bond Projects Fund

On November 7, 2000, San José voters approved Measure P, a \$228 million general obligation bond for park and recreational improvements. This bond will provide funding over a 10-year period to renovate 69 neighborhood parks, renovate six community and senior centers, add three new community centers, build new sports complexes, expand the City's trail system at four locations, and enhance four regional park facilities, including implementing a number of improvements and renovations at Happy Hollow Park and Zoo.

Parkland Dedication Ordinance and Park Impact Ordinance Fees

The City Council adopted the Parkland Dedication Ordinance (PDO) in 1998 and the Park Impact Ordinance (PIO) in 1992. These ordinances require the dedication of land, development of park amenities and/or the payment of in-lieu fees from developers to meet the recreational needs generated by new housing development.

The primary purpose of the PDO/PIO is to help achieve the City's adopted service level

Parks and Community Facilities Development

2010-2014 Adopted Capital Improvement Program

Attachment D – Description of Funding Sources

Parkland Dedication Ordinance and Park Impact Ordinance Fees (Cont'd.)

objectives for neighborhood/community parks. It is important to note that PDO/PIO funds must be allocated to projects that benefit the residents of the housing units that generate the original fees. To that end, the highest priority for use of PDO/PIO fees is acquisition and development of new neighborhood/community parks to serve those housing developments. Second in priority is the development of currently undeveloped neighborhood/community parkland followed by the renovation of existing neighborhood/community park facilities to increase capacity that addresses the impact of new residents. PDO/PIO funds may also support neighborhood-serving elements in regional parks (i.e., the play area at Lake Almaden Regional Park).

In-lieu fees are deposited into the Park Trust Fund on a continuous basis throughout the year. The Council-approved methodology for allocation of these fees is to budget only actual receipts, since it is not possible to project accurately when developers will pay the in-lieu fees. In-lieu fees are collected for housing projects under 51 units or where land dedication is not desirable.

Open Space Authority 20% Funding Program

The Santa Clara County Open Space Authority (OSA) works to preserve open space and create greenbelts, developing and implementing land management policies consistent with ecological values and compatible with agricultural uses that provide proper care of open space lands and allow public access appropriate to the nature of the land for recreation. OSA approved the 20% program to assist participating jurisdictions with their own open space acquisition programs.

OSA program funds are allocated among participating jurisdictions based on each jurisdiction's percentage of parcels within the assessment district. In this program, the City has 74% of the parcels assessed. This assessment generates approximately \$450,000 annually toward the City benefit. To access these funds, the City's Parks and Recreation Commission recommends possible open space acquisition properties and/or development of open space facilities to the City Council. If approved by the City Council, the City must then make a formal request to the OSA Board of Directors. If approved, OSA will either place their funds directly into an escrow account for a specified open space acquisition or reimburse the City for improvements built per OSA requirements. The following lists OSA's permitted uses for the 20% funds:

1. Acquires open space areas that either preserve or restore natural environment, provides scenic preservation, establishes greenbelts and urban buffers, supports agricultural preservation, outdoor recreation areas that are minimally developed, and/or trail connections between open space lands of regional significances, or between urban areas and open space lands.
2. Enhances a site's open space benefits, including rehabilitation consistent with OSA's definition of environmental restoration. (Environmental restoration is defined as the improvement or rehabilitation of degraded ecosystems.)
3. Enhances public awareness and appreciation of open space (e.g., trails, overlooks, observation blinds, benches, interpretive signage programs).

Parks and Community Facilities Development
2010-2014 Adopted Capital Improvement Program
Attachment D – Description of Funding Sources

Open Space Authority 20% Funding Program
(Cont'd.)

4. Converts “abandoned lands” (e.g., utility right-of-ways, surplus school sites, quarries, etc.) into lands with open space benefit consistent with the Authority’s definition of open space.

Federal, State and Local Grants

The City receives a variety of federal, State, and local grants that provide support to capital projects, generally on a reimbursement basis and many times with matching requirements. Funding requirements and criteria vary depending on the grant.

Parks and Community Facilities Development
 2010-2014 Adopted Capital Improvement Program
 Attachment E - Public Art Projects

| | <u>2009-2010</u> | <u>2010-2011</u> | <u>2011-2012</u> | <u>2012-2013</u> | <u>2013-2014</u> |
|---|------------------|------------------|------------------|------------------|------------------|
| <u>Parks and Community Facilities Development - Council District 1</u> | | | | | |
| Council District 1 Public Art | \$14,000 | | | | |
| Starbird Youth Center Public Art (450) | \$50,170 | | | | |
| Total Parks and Community Facilities Development - Council District 1 | \$64,170 | | | | |
| <u>Parks and Community Facilities Development - Council District 2</u> | | | | | |
| Council District 2 Public Art | \$12,000 | | | | |
| Edenvale Community Center Public Art (450) | \$211,581 | | | | |
| Total Parks and Community Facilities Development - Council District 2 | \$223,581 | | | | |
| <u>Parks and Community Facilities Development - Council District 4</u> | | | | | |
| Council District 4 Public Art | \$47,000 | | | | |
| Total Parks and Community Facilities Development - Council District 4 | \$47,000 | | | | |
| <u>Parks and Community Facilities Development - Council District 5</u> | | | | | |
| Council District 5 Public Art | \$63,000 | | | | |
| Total Parks and Community Facilities Development - Council District 5 | \$63,000 | | | | |
| <u>Parks and Community Facilities Development - Council District 6</u> | | | | | |
| Council District 6 Public Art | \$47,000 | | | | |
| Total Parks and Community Facilities Development - Council District 6 | \$47,000 | | | | |
| <u>Parks and Community Facilities Development - Council District 7</u> | | | | | |
| Council District 7 Public Art | \$1,000 | | | | |
| Total Parks and Community Facilities Development - Council District 7 | \$1,000 | | | | |

Parks and Community Facilities Development
 2010-2014 Adopted Capital Improvement Program
 Attachment E - Public Art Projects

| | <u>2009-2010</u> | <u>2010-2011</u> | <u>2011-2012</u> | <u>2012-2013</u> | <u>2013-2014</u> |
|--|------------------|------------------|------------------|------------------|------------------|
| <u>Parks and Community Facilities Development - Council District 8</u> | | | | | |
| Council District 8 Public Art | \$1,000 | | | | |
| Total Parks and Community Facilities Development - Council District 8 | \$1,000 | | | | |
| <u>Parks and Community Facilities Development - Council District 9</u> | | | | | |
| Council District 9 Public Art | \$10,000 | | | | |
| Total Parks and Community Facilities Development - Council District 9 | \$10,000 | | | | |
| <u>Parks and Community Facilities Development - Council District 10</u> | | | | | |
| Council District 10 Public Art | \$44,000 | | | | |
| Total Parks and Community Facilities Development - Council District 10 | \$44,000 | | | | |
| <u>Parks and Community Facilities Development - City-Wide Parks</u> | | | | | |
| Pala Youth Center Public Art (450) | \$2,175 | | | | |
| Parks City-Wide Public Art | \$76,000 | | | | |
| Total Parks and Community Facilities Development - City-Wide Parks | \$78,175 | | | | |
| <u>Parks and Community Facilities Development - Park Trust Fund</u> | | | | | |
| Bernal Park Expansion Public Art | \$40,000 | | | | |
| Total Parks and Community Facilities Development - Park Trust Fund | \$40,000 | | | | |
| <u>Parks and Community Facilities Development - Park Yards</u> | | | | | |
| Park Yards Public Art | \$3,000 | | | | |
| Total Parks and Community Facilities Development - Park Yards | \$3,000 | | | | |
| <u>Parks and Community Facilities Development - Lake Cunningham</u> | | | | | |
| Lake Cunningham Public Art | \$63,000 | | | | |
| Total Parks and Community Facilities Development - Lake Cunningham | \$63,000 | | | | |

Parks and Community Facilities Development
2010-2014 Adopted Capital Improvement Program
 Attachment E - Public Art Projects

| | <u>2009-2010</u> | <u>2010-2011</u> | <u>2011-2012</u> | <u>2012-2013</u> | <u>2013-2014</u> |
|--|--------------------|------------------|------------------|------------------|------------------|
| <u>Parks and Community Facilities Development - Bond Projects</u> | | | | | |
| Public Art - Parks and Recreation Bond Projects | \$510,000 | | | | |
| Total Parks and Community Facilities Development - Bond Projects | \$510,000 | | | | |
| Total Public Art Projects | \$1,194,926 | | | | |

PARKS AND COMMUNITY FACILITIES DEVELOPMENT

2010-2014 Adopted Capital Improvement Program

SUMMARY OF RESOURCES

| | <u>Estimated 2008-2009</u> | <u>2009-2010</u> | <u>2010-2011</u> | <u>2011-2012</u> | <u>2012-2013</u> | <u>2013-2014</u> | <u>5-Year Total</u> |
|--|--------------------------------|-------------------|------------------|------------------|------------------|------------------|-------------------------|
| General Fund | | | | | | | |
| Contributions, Loans and Transfers from: General Fund | 8,276,000 | 3,442,000 | | | | | 3,442,000 |
| Total General Fund | 8,276,000 | 3,442,000 | | | | | 3,442,000 |
| Emma Prusch Fund | | | | | | | |
| Beginning Fund Balance | 254,917 | 253,917 | 181,917 | 213,917 | 247,917 | 283,917 | 253,917 * |
| Interest Income | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 8,000 | 40,000 |
| Miscellaneous Revenue | 72,000 | 72,000 | 74,000 | 76,000 | 78,000 | 80,000 | 380,000 |
| Total Emma Prusch Fund | 334,917 | 333,917 | 263,917 | 297,917 | 333,917 | 371,917 | 673,917 * |
| Subdivision Park Trust Fund | | | | | | | |
| Beginning Fund Balance | 83,627,894 | 75,700,085 | | | | | 75,700,085 * |
| Revenue from Other Agencies: Redevelopment Agency | 3,730,000 | | | | | | |
| Interest Income | 1,623,000 | | | | | | |
| Developer Contributions | 8,220,000 | | | | | | |
| Reserve for Encumbrances | 3,807,191 | | | | | | |
| Total Subdivision Park Trust Fund | 101,008,085 | 75,700,085 | | | | | 75,700,085 * |

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* The 2010-2011 through 2013-2014 Beginning Balances are excluded from the FIVE-YEAR TOTAL SOURCE OF FUNDS to avoid multiple counting of the same funds.

PARKS AND COMMUNITY FACILITIES DEVELOPMENT

2010-2014 Adopted Capital Improvement Program

SUMMARY OF RESOURCES

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| | Estimated 2008-2009 | 2009-2010 | 2010-2011 | 2011-2012 | 2012-2013 | 2013-2014 | Total |
|--|------------------------|-------------------|------------------|------------------|------------------|------------------|---------------------|
| Redevelopment Capital Projects Fund | | | | | | | |
| Revenue from Other Agencies: Redevelopment Agency | 2,892,157 | 418,585 | | | | | 418,585 |
| Total Redevelopment Capital Projects Fund | 2,892,157 | 418,585 | | | | | 418,585 * |
| Lake Cunningham Fund | | | | | | | |
| Beginning Fund Balance | 570,337 | 771,196 | 455,196 | 883,196 | 1,322,196 | 1,773,196 | 771,196 * |
| Interest Income | 24,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 125,000 |
| Miscellaneous Revenue | 720,000 | 720,000 | 731,000 | 742,000 | 753,000 | 764,000 | 3,710,000 |
| Reserve for Encumbrances | 97,859 | | | | | | |
| Total Lake Cunningham Fund | 1,412,196 | 1,516,196 | 1,211,196 | 1,650,196 | 2,100,196 | 2,562,196 | 4,606,196 * |
| Parks And Recreation Bond Projects Fund | | | | | | | |
| Beginning Fund Balance | 61,116,294 | 42,093,940 | 162,000 | | | | 42,093,940 * |
| Sale of Bonds | | | | | | | |
| Interest Income | 2,053,000 | 667,000 | 16,000 | | | | 683,000 |
| Reserve for Encumbrances | 55,335,646 | | | | | | |
| Total Parks And Recreation Bond Projects Fund | 118,504,940 | 42,760,940 | 178,000 | | | | 42,776,940 * |

* The 2010-2011 through 2013-2014 Beginning Balances are excluded from the FIVE-YEAR TOTAL SOURCE OF FUNDS to avoid multiple counting of the same funds.

PARKS AND COMMUNITY FACILITIES DEVELOPMENT

2010-2014 Adopted Capital Improvement Program

SUMMARY OF RESOURCES

V - 315

| | Estimated 2008-2009 | 2009-2010 | 2010-2011 | 2011-2012 | 2012-2013 | 2013-2014 | Total |
|--|--------------------------------|--------------------|-------------------|-------------------|-------------------|-------------------|----------------------|
| Construction And Conveyance Tax Funds | | | | | | | |
| Beginning Fund Balance | 61,680,969 | 50,550,447 | 12,066,447 | 11,940,947 | 12,624,947 | 13,637,947 | 50,550,447 * |
| Revenue from Other Agencies: | | | | | | | |
| Federal Government | 386,000 | | | | | | |
| State Government | 3,683,000 | 890,000 | | | | | 890,000 |
| Santa Clara Valley Water District | 285,000 | | | | | | |
| Redevelopment Agency | 11,017,000 | | | | | | |
| Valley Transportation Authority | 500,000 | | | | | | |
| Other Agencies | 400,000 | | | | | | |
| Taxes, Fees and Charges: | | | | | | | |
| Construction and Conveyance Tax | 12,388,000 | 13,040,000 | 13,040,000 | 14,344,000 | 14,344,000 | 14,344,000 | 69,112,000 |
| Contributions, Loans and Transfers from: | | | | | | | |
| Capital Funds | 3,996,000 | 4,356,000 | 4,405,500 | 5,524,000 | 5,734,000 | 5,830,000 | 25,849,500 |
| Miscellaneous Revenue | 356,000 | | | | | | |
| Developer Contributions | 500,000 | 500,000 | 1,000,000 | | | | 1,500,000 |
| Reserve for Encumbrances | 7,205,478 | | | | | | |
| Total Construction And Conveyance Tax Funds | 102,397,447 | 69,336,447 | 30,511,947 | 31,808,947 | 32,702,947 | 33,811,947 | 147,901,947 * |
| TOTAL SOURCE OF FUNDS | 334,825,742 | 193,508,170 | 32,165,060 | 33,757,060 | 35,137,060 | 36,746,060 | 275,519,670 * |

* The 2010-2011 through 2013-2014 Beginning Balances are excluded from the FIVE-YEAR TOTAL SOURCE OF FUNDS to avoid multiple counting of the same funds.