

# Memorandum

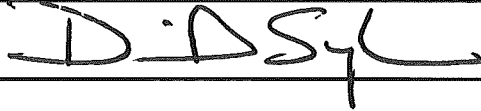
**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Angel Rios, Jr.

**SUBJECT:** VIETNAMESE CULTURAL  
HERITAGE GARDENS PROJECT

**DATE:** February 2, 2016

Approved



Date

2/3/16

## INFORMATION

This memo will serve to update the City Council and community on the status of the Vietnamese Cultural Heritage Gardens Project ("Project"). On September 26, 2000, City Council approved an amendment to the Kelley Park Master Plan to include the Vietnamese Cultural Heritage Garden. The Garden Master Plan calls for the construction of a four acre garden where Vietnamese culture, history, art and family traditions can be shared within the larger community.

On April 12, 2005 the City Council approved an agreement between the City and the Viet Heritage Society (VHS) for the development, operation and maintenance of the Project. The original agreement provided funding up to \$1,080,000 to the VHS toward design and construction of Phase I of the Project. Subsequent amendments between 2006 and 2011 increased the total contribution to \$1,830,000, extended the time to complete the work, and changed the phasing plan.

The VHS began construction of Phase 1a of the Project in May 2011. The scope of work included sidewalk improvements, grading, utilities, a 57-space parking area, entry area, Imperial main gate, central plaza, lotus pond, limited landscape, storm water management and associated infrastructure. Construction work is no longer occurring at the site and the project is not yet complete. One extended delay was related to non-conforming construction of the main gate. Today the site is secured with chain link fencing and subject to vandalism, graffiti, dumping and encampments.

The City began compliance review of the agreement with VHS to gain an understanding of roles, responsibilities and financial obligations of each party. The focus was twofold: how the construction process resulted in an incomplete project; and verification that public money was expended on the Project as intended.

The VHS was responsible for oversight and management of the construction project under the terms of the agreement. Staff has reviewed the bid, award and construction administration

phases of work and early findings are that it is likely that the project could have been managed more effectively by the VHS. The project remains incomplete and further investigation into the construction phase of work is ongoing.

City staff has reviewed available records and documents related to the Project, including financial records of the VHS. As per the term of the agreement between the City and VHS and amendments, the City paid VHS a total of \$1,050,000 toward design and construction of the Project between the years 2006-2012. Other public funders include the County of Santa Clara and the State of California. Private donations received by the VHS funded the gap of almost \$1 million between the total costs of the Project and the amount of public funding received.

Public funding and expenditure by the VHS are as follows:

<b>Public Funding Provided to VHS</b>	<b>Source</b>
\$100,000	Santa Clara County
\$1,300,000	State of California
\$1,130,000	City of San José
<b>\$2,530,000</b>	<b>Total Income from Public Agency Sources</b>
<b>Expenses Paid by VHS</b>	<b>Purpose</b>
\$850,000	Design Phase
\$2,670,800	Construction Phase
<b>\$3,520,800</b>	<b>Total Expenses Paid by VHS for Project</b>

Based on review of available records, we can confirm that the public funding was spent on the project. However, it also appears that the project could have been managed more effectively, resulting in an incomplete project. Currently, the City has \$700,000 remaining in the Capital Improvement Program Budget for this project. Staff has agreed with VHS that the City's Public Works Department will utilize this remaining budget to complete Phase I of the project to make it usable for the public. This will include items such as site security fencing, decomposed granite plaza, corrective work on electrical lighting, irrigation and main gate roof, and stabilize partially constructed lotus pond for temporary use as a stage pending further site development. Staff has begun design work, and anticipates construction to begin in summer 2016 and be completed in fall 2016. It is anticipated that any additional improvements to the Vietnamese Cultural Heritage Gardens would be constructed by the City, and planned as funding is provided by the community.

As part of the Mayor's Budget Message in 2015-16, \$200,000 was set aside over two fiscal years to fund a feasibility study for a Vietnamese Community Center. The study will include

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establishing an architectural program for the building, community outreach and site selection. Kelley Park and the Vietnamese Cultural Heritage Gardens are priority areas for location of any future community center. Outreach will begin with a meeting to be held on February 25, 2016, at the Firehouse, History Park in Kelley Park from 6:30 p.m. to 8:00 p.m.

/s/

Angel Rios, Jr.

Director, Department of Parks, Recreation  
and Neighborhood Services

For questions, please contact Marybeth Harasz, Interim Deputy Director, at (408) 793-5514.

