



Memorandum

TO: MAYOR REED

FROM: Vice Mayor Madison Nguyen

SUBJECT: BUDGET DOCUMENT

DATE: May 23, 2012

Approved

Madison Nguyen

RECOMMENDATION

That the following recommendation be enacted.

Proposal

Program/Project Title: West Evergreen Park

Amount of City Funding Required: \$100,000

Fund Type (i.e. General Fund, C&C funds, etc.) Essential Services Reserve

Anticipated Outcomes: Requested funding changes would affect benefits or services for San José residents, businesses, community groups, etc., as described below: (Use as much space as required.)

Requested funds would provide residents of the West Evergreen area access to a neighborhood park by releasing the Capital funding reserves allocated for the construction of West Evergreen Park and ensuring that Operations and Maintenance is fully funded for 10 years after its completion.

The West Evergreen Park site is an approximately one-acre site located within the West Evergreen Neighborhood Action Coalition, on the corner of Towers Lane and Aborn Road. The Master Plan for this park was approved by Council in 2007 which included the installation of a play lot for youth and tots, two picnic areas, a half court basketball and a skate element. This site was dedicated to the City by Barry Swenson Builders as part of their parkland requirement for the subdivision of their site on Aborn Road/Towers Lane/King Road for commercial and park uses.

In 2010, Council approved action placing a hold on the design and construction of new parks and recreation facilities that did not fit the strategies outlined in the 2009 Greenprint Update. The update limited staff's ability to move forward with projects that were in the pipeline. Later that year, Council adopted Resolution No. 75638 amending previous Council direction to allow for some flexibility regarding the development of parks and recreation facilities that do not meet the Greenprint update. This new policy gave the City Manager the authority to move forward with the construction of new recreational facilities if non-General Fund funding was identified to provide for a three year park establishment period and/or for long-term

maintenance of the new recreational facility. Ideally, the combination of the park establishment period and long term maintenance mechanism would provide for at least a 10 year period before the maintenance of the facility would need to be supported by the City's General Fund.

The City of San Jose's Budget Principle #8 indicates that Capital Improvement Projects with operations and maintenance costs exceeding \$100,000 annually cannot proceed without Council certification. Full Capital funding is currently appropriated via reserves in the Council District 7 Construction and Conveyance Tax Fund in the amount of \$1,562,000 and the Park Trust Fund for the West Evergreen Park in the amount of \$353,000. According to staff estimates, West Evergreen Parks' operations and maintenance would cost \$13,340 annually, way below the amount set in Budget Principle # 8, and therefore it makes sense to move forward with this project now.

Should this project move forward this fiscal year, the West Evergreen Park is expected to open in late 2013. Currently, there are funds allocated for three years worth of operations and maintenance and this request is intended to retain flexibility to access the release of one time allocated Capital funds for the construction of West Evergreen Park as well as ongoing operations and maintenance funds for a period of 10 years.

Capital funding for the development of West Evergreen Park has been in the pipeline for several years, but previous Council direction has hindered staff to move forward with its release.

Funding Source

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Department or Organization: Parks, Recreation and Neighborhood Services

Department or Organization Contact (Please list contact information for the individual that certified cost estimates contained within your recommendation.)

Name: Matt Cano, Deputy Director of PRNS

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This change is:

One-time Ongoing

The City Service Area to which the change best relates:

- Community and Economic Development Services
- Environmental and Utility Services
- Neighborhood Services
- Public Safety
- Strategic Support
- Transportation and Aviation Services