



# Memorandum

**TO:** MAYOR LICCARDO

**FROM:** Councilmember Khamis

**SUBJECT:** BUDGET DOCUMENT

**DATE:** May 22, 2019

Approved

Date

5/22/19

**RECOMMENDATION**

That the following recommendation be enacted.

**Proposal**

Program/Project Title: **Shade Structure - Almaden Community Center**

Amount of City Funding Required: **\$100,000: \$92,000 plus 8% contingency**

Fund Type (i.e. General Fund, C&C funds, etc.): **General Fund**

This change is:

One-time       Ongoing

Proposal Description, including anticipated outcomes (Please describe how change would affect services for San José residents, businesses, community groups, etc.):

**For several years now, PRNS staff has indicated that there is a need for covering the courtyard at the Almaden Community Center. The space is too hot to use for much of the year. The original estimate was \$250,000. After much discussion with the Council office and re-evaluation by PRNS, a revised plan has been developed with a new cost estimate of \$92,000.**

**Covering the courtyard will allow staff to program the courtyard, increasing the number of residents served at the facility. It will also allow staff to rent the courtyard for events, generating additional revenue. Good quality shade sails are typically warranted for about 10 years. Staff indicates that they expect the shade sails they acquire to carry a 5-10-year warranty. The infrastructure required to hold the sails is expected to last for many years, if not decades, beyond the life of the sails, making this a one-time investment, with minimal future costs. Community Center Staff indicates that if the shade structure is installed, they anticipate estimated annual revenue from renting the courtyard to potentially be \$5,000-\$10,000. So the cost recovery of the initial investment could be received within the lifespan of**

**the first set of sails, with additional revenue available for potential future replacement of sails and the supporting structure.**

**The revenue generated would return to the General Fund, not to the District 10 C&C funds. Records show that District 10 is the bottom third of the Districts when it comes to receiving C&C funds, receiving up to \$5,000,000 less than some other Districts since 2000. These lower fund allocations, coupled with the fact that the revenue generated will not return to the District 10 C&C budget, is the basis for our request to have this project funded from the General Fund. In addition, while the Almaden Community Center is frequented by residents from D2, D9, and other Districts, PRNS has indicated they do not have City-wide funds available for this project.**

**Funding Source**

Essential Services Reserve (\$4 million): \$100,000

Other (Program/Project/Fund):

**Department or Organization: Parks, Recreation, and Neighborhood Services**

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

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