



Memorandum

TO: PARK AND RECREATION
COMMISSION

FROM: Marybeth Harasz

**SUBJECT: STATUS REPORT ON PRNS
CAPITAL IMPROVEMENT
PROGRAM**

DATE: November 17, 2014

**PRC AGENDA: 12-3-14
ITEM:**

Approved

Date

COUNCIL DISTRICT: Citywide

RECOMMENDATION

Accept this report on the status of the Parks, Recreation and Neighborhood Services (PRNS) Department's Capital Improvement Program (CIP), which includes the development of parks, trails, and recreational facilities.

OUTCOME

This report provides a status of the capital improvement projects that are managed by PRNS. This annual report provides an opportunity for the Park and Recreation Committee (PRC) to review the status of all active capital improvement projects and grant applications, and for staff to update the City Council on any significant changes.

BACKGROUND

The vision of PRNS is to be a "National Leader of Parks and Recreation in cultivating healthy communities through quality programs and dynamic public spaces." 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 (P&CFD) Capital Improvement Program (CIP), with a long-term capital investment plan for the acquisition, development, and maintenance of parks, recreational facilities, trails, and open space. Current staffing levels support the following priorities for the CIP and include infrastructure backlog, sports fields, trails (Green Vision), revenue generation (grants), land banking, partnership projects and new park development.

The CIP team in PRNS actively manages numerous projects ranging from strategic planning studies to land acquisition and the design and construction of parks and recreational facilities. Other parts of the work plan consist of feasibility studies, master plans, concept designs and oversight of project implementation for the major and minor capital projects.

The 2015-2019 adopted CIP budget totals \$346.5 million, with \$186.9 million allocated in 2014-2015. The top major funding sources for 2014-2015 are the Construction and Conveyance Tax Funds (which include grant revenues and other partnerships – \$92.3 million), Park Trust Fund (\$71.8 million), and Parks and Recreation Bond Projects Fund (Measure P – \$20.0 million). The CIP includes both major and minor capital projects. Major capital projects are typically those with construction costs greater than \$100,000. The CIP must forecast five years ahead for projects and expenditures, due to the numerous minor infrastructure projects, and the fact that large scale projects require a multi-year development cycle.

ANALYSIS

This report is divided into three sections:

- A. Capital Improvement Projects Overview
- B. Grant-Funded Capital Projects
- C. Parks Bond-Funded Capital Projects

A. Capital Improvement Projects Overview

A more detailed list of annual accomplishments for the CIP team is highlighted in the Citywide Capital Improvement Program Annual Status Report, which is scheduled to be reviewed by the City Council on November 18, 2014.

Key highlights of the program's accomplishments over the past year include:

- Acquired approximately 21.6 gross acres of the Agnews property to construct a future park;
- Received direction to proceed with negotiations for the Arcadia site for the development of the bond funded softball complex;
- Awarded four grants for a total value of \$4.7 million over the last year;
- Land banked 1.3 acres of the Rosemary Street/Kerley Drive property for the future site of Rincon Park; and
- Constructed 0.3 miles of new trails.

PRNS continues to focus on providing quality services and partnering with community-based organizations. With this, the City and partners are collaborating to ensure that the capital investments help the department become more financially sustainable. Over the past several years, PRNS has continued to decrease its reliance on the General Fund and has increased its

cost recovery rate (revenue brought in versus expenses) from 22% to 40%. Capital project investments have played a significant role in this cost recovery increase, attributable to revenue-generating facilities such as Leland, Sheppard, Mise and Watson soccer fields. Moving forward, the department continues to work on new projects that will generate revenue such as the Coleman Soccer Facilities, the Patty O'Malley Community Sports Facility, and projects which are, or will be, maintained by non-General Fund revenue streams such as the Guadalupe River Park Rotary Play Garden, and Orchard Park.

There are currently more than 150 major park improvement projects, each at various stages of funding and development. The CIP team's work plan includes a number of different types of projects. (See attachment A). Examples include:

- Land acquisition efforts such as Del Monte Park, Spartan Keyes Area Park, Alum Rock and 31st Street Park. and discussions with VTA to potentially acquire the Five Wounds site (Whitton to Williams);
- Numerous partnership projects such as Trust for Public Land for the Measuring San José Park Value and Benefits, Franklin McKinley Academy, SPUR for the St. James Park activation, and exploratory committee for the Levitt Pavilion; and
- Master planning efforts such as Shady Oaks Park and Kelley Park.

The table below lists the **top 10 construction projects** currently funded in the CIP:

Project	Total Funding	Scope
Coleman Soccer Complex	\$15 million	Construct a soccer complex on 2.4 acres
Vista Montana Park	*\$5.8 million	Construct 6 acres of park
Lake Cunningham Bike Park	\$3.2 million	Construct a bike park
Martin Park Expansion	\$3.0 million	Construct a 4.7 acre park
Trail: Three Creeks Interim Improvement Pedestrian Bridge	\$3.0 million	Remove and install new steel bridge <i>(on hold pending EIR process)</i>
Del Monte Park Land Acquisition	\$2.9 million	Acquire property to expand future park <i>(partial funding to acquire)</i>
Roberto Antonio Balermينو Park	\$2.5 million	Construct 1.8 acres of park
Trail: Coyote Creek (Story Road to Selma Olinder Park)	\$2.5 million	Construct 0.7 miles of trail
Trail: Penitencia Creek Reach 1B(Noble-Dorel)	\$2.4 million	Construct 0.35 miles of trail
Penitencia Creek Park Playground Renovation	\$1.5 million	Renovate youth and tot lot playgrounds

*Includes \$2 million in developer contribution

B. Grant Funded Capital Projects

Capital projects funded through grants are also included in the CIP. Grant writing and management is a highly technical and resource-intensive effort conducted by staff that also oversee the planning and development of park and trail projects. The entire process is deadline-driven, and can be high pressure at times, especially with competitive grants. The CIP team monitors approximately 50 grant funding suppliers, including local, state and federal sources. Staff becomes aware of grants either by formal notification, or by tracking the annual process used by many grantor agencies. The grant writing process includes four major elements: 1) Pre-development of a project to be suitable for grant funds; 2) Identification of well-aligned project; 3) Council memorandum and financial strategy; and, 4) Grant writing.

As with all public funds, the grant-funded projects require careful financial oversight and management. The majority of the grants PRNS pursues are reimbursable, which means the City must “front” the funding for the capital improvement project and track the borrowing from other City funds such as the Park Trust or Construction & Conveyance Tax funds.

Each grant has its own set of rules - some can be used to pay for certain phases of work like acquisition, feasibility study, design, bid/award and construction. The phase of work is defined in the initial grant application, so staff must have a well-defined project before funding is provided. The CIP Team invoices regularly for expenses, based on the phase and the timeline specified in the grant.

The reimbursement rates for grant programs typically vary from 50% to 99%, and the average reimbursement rate is 80% of project costs.

The following major milestones occurred during the reporting period:

- **Grant reimbursements** – The City received reimbursements from existing grants totaling \$2,760,534; and
- **Grant Status** - Applied for nine grants totaling \$15 million, awarded four grants totaling \$4.8 million, three grants totaling \$6.5 million are still pending and two grants totaling \$3.7 million were declined.

The following table gives additional detail with regard to the nine grants:

CIP Project	Grant	Amount	Status
Three Creeks Trail (Los Gatos Creek)	Urban Greening Program	\$1,000,000	Awarded
Coyote Creek Trail (Brokaw- Union Pacific Railroad)	Priority Conservation Area	\$712,700	Awarded
North San Jose Trails (Bay Trail)	Climate Ready	\$62,727	Awarded
Tamien Park and Alum Rock/31 st Street	Housing &Community Development	\$2,978,600	Awarded
Coyote Creek Trail (Singleton Crossing)	Fisheries Restoration	\$405,000	Pending
Coyote Creek Trail (Singleton Crossing)	Integrated Regional Water Management Implementation Program	\$2,500,000	Pending
Coyote Creek Trail (Watson Park-BART)	Active Transportation Program (State)	\$3,600,000	Pending
Coyote Creek Trail (Watson Park-BART)	Active Transportation Program (Regional)	\$3,600,000	Declined
Coyote Creek Trail (Singleton Crossing)	Priority Conservation Area	\$106,250	Declined

C. Parks Bond-Funded Capital Projects

To date, 95 of 97 projects from the \$228 million Measure P Bond approved in 2000 have been completed.

The Coleman Soccer Facility design phase is complete, and the construction phase is pending the remediation of asbestos containing material discovered during the demolition of existing paved areas. Interstate Paving was awarded the design build contract for the development of the Coleman Soccer Complex project. Plans for the project have been submitted for review at 90% completion. A separate briefing on the status of this project is planned for Council in the next few months.

The last remaining Bond project is the regional softball facility. On February 4, 2014, the Mayor and City Council accepted a report which provided an update on the Measure P Bond funded softball facility site selection process. Staff was also to proceed with negotiations with the owners of the Arcadia site for the development of a softball facility at that site, with a minimum of three adult-sized, lighted softball fields. In addition, staff was asked to return with a recommendation on how to use any remaining park bond funds. The City is actively pursuing land dedication for the 14.5 acres on which up to 4 fields can be built.

COST SUMMARY/IMPLICATIONS

The projected additional costs of maintaining and operating new and expanded parks and recreation facilities are noted in the 2015-2019 Adopted Capital Improvement Program. The net increase to the operating budget for maintenance in 2015-2016 is \$55,000 and will grow to \$320,000 by 2018-2019. A number of parks scheduled to come online over the next five years include the Arcadia Softball Complex, Lake Cunningham Bike Park, Martin Park Expansion, and sections of the Lower Silver Creek Trail.

COORDINATION

This memorandum has been coordinated with the City Manager's Budget Office and the City Attorney's Office.

/s/

MARYBETH HARASZ
Division Manager

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

Attachment A: List of PRNS Capital Improvement Projects

CAPITAL IMPROVEMENT PROJECTS

(Attachment A)

CURRENT PROJECTS
Agnews Property Preliminary Studies
Allen at Steinbeck School Soccer Field
Almaden Lake Park Yard Renovation
Almaden Ranch Pedestrian Bridge Feasibility Study
Alum Rock Park Bridge Repair
Alum Rock Park Log Cabin Renovation
Alum Rock Park Security Improvements
Alum Rock Park Youth Science Institute Building
Alviso Park Improvements
Backesto Park Renovation
Basking Ridge Park Improvements
Biebrach Pool Improvements
Bramhall Park Improvements
Bramhall Park Lawn Bowling Green Renovation
Branham Park Playground Renovation
Butcher Park Lighting Upgrade
Cahill Park Turf Renovation
Calabazas Community Center Feasibility Study
Calabazas Community Center Portable Classroom
Calabazas Community Center Renovation Feasibility Study
Camden Community Center Gymnasium Upgrade Study
Camden Community Center KidZone Safety Improvements
Camden Pool Renovations
Cataldi Park Fitness Zone
Chris Hotts Park Fencing and Minor Improvements
Chris Hotts Park Improvements
City-wide Community Gardens Study
Coleman Soccer Fields
Columbus Park Sports Field Lighting Upgrades
Comanche Park Play Area Renovation
Commodore Children's Park
Community Center People Counter Systems
Council District 4 - Dog Park
Coy Park Playground Renovation
Del Monte Park
Del Monte Park Land Acquisition
Doerr Park Play Area Renovation
Dove Hill Park Playground
Essex Park Master Plan
Evergreen Community Center Tot Lot
Evergreen Park Play Lot Renovation
Family Camp Master Plan
Family Camp Repairs - Rim Fire
Fire Station 19 Demolition
Fowler Creek Park Improvements
Guadalupe River Park Feasibility Study
Guadalupe River Park Rotary Play Garden
Happy Hollow Park and Zoo Enhancements

Happy Hollow Park and Zoo Exhibit Improvements
Hillview Park Renovation
Kelley House Demolition (General Fund)
Kelley Park Master Plan
Lake Cunningham Bike Park
Lake Cunningham Park Neighborhood Improvements
Leininger Center Renovation
Mayfair Park Pedestrian Gate
McLaughlin Park Renovation
Metcalf Park Playground Replacement
Metzger House and Barn Feasibility Study
Mise Park Renovation
Martial-Cottle Community Garden
Martin Park Expansion
Municipal Rose Garden Improvements
Parks and Community Facilities Greenprint Update
Penitencia Creek Park Playground Renovation
Plata Arroyo Park Improvements
Rincon South Park
River Glen Neighborhood Center Replacement
Riverview Park Design Review and Inspection
Roberto Antonio Balermينو Park
Roosevelt Park Improvements
Saratoga Creek Dog Park Turf Replacement
Shady Oaks Park Master Plan
Shirakawa Community Center Renovation
Silver Creek Linear Park Improvements
Silver Leaf Park Renovation
Solari Park Sports Field Conversion
Southside Community Center Improvements
TRAIL: Bay Area Ridge Visibility Enhancement
TRAIL: Coyote Creek - Singleton Channel and Pedestrian Bridge
TRAIL: Coyote Creek (Highway 237 Bikeway to Tasman Drive)
TRAIL: Coyote Creek (Story Road to Phelan Avenue) Design
TRAIL: Coyote Creek (Story Road to Selma Olinder Park)
TRAIL: Guadalupe River Master Plan (Chynoweth Avenue to Virginia St)
TRAIL: Guadalupe River Under-crossing (Coleman Road) Design
TRAIL: Guadalupe River Under-crossing (Union Pacific Railroad) Study
TRAIL: Los Alamitos Creek Connection (Leland High School)
TRAIL: Los Gatos Creek Reach 5 B/C Design
TRAIL: Lower Guadalupe River (Gold Street to Highway 880)
TRAIL: Lower Silver Creek Reach 4/5A (Alum Rock Ave to Hwy 680)
TRAIL: Lower Silver Creek Retaining Wall
TRAIL: Penitencia Creek Reach 1A Design
TRAIL: Penitencia Creek Reach 1B (Noble Avenue to Dorel Drive)
TRAIL: Penitencia Creek Reach 7A
TRAIL: Strategic Planning
TRAIL: Thompson Creek (Quimby Road to Aborn Court) Design
TRAIL: Thompson Creek (Tully Road to Quimby Road)
TRAIL: Three Creeks Interim Improvements and Pedestrian Bridge
Venetian Terrace
Vinci Park Minor Improvements

Watson Park Improvements
West Evergreen Park
Willow Glen Community Center Improvements
SPORTS FIELDS/PARTNERSHIPS
Frisbee Golf at Kelley Park
Lincoln Glen Little League
Santa Clara County Parks Dept at Marshall Cottle Park
Open Space Authority & SCC Park (Five Wounds Acquisition)
Willow Glen Little League
Vietnamese Heritage Garden
Pioneer High School
Alum Rock Park
Cricket 20/20 and Penitencia Cricket
Softball Complex
South San Jose Soccer/RJ Castro
Abronzino Field House Fund
Boys and Girls Club
Children's Discovery Museum
SPUR - St. James Park
Trust for Public Land Measuring Park Value and Benefits Study
Franklin McKinley Academy
Levitt Pavilion Property
LAND ACQUISITIONS & INVESTIGATION
Parkland Valuation Study
San Felipe Rd (Karstan)
Spartan Keyes Parkland
Flea Market
Alum Rock and 31st Street (Park)
Three Creeks Trail - Encroachment
Del Monte Park - Swenson Properties
Del Monte Park - Gerry Graham
Del Monte Park - Nanez
Santana Park (Purchase)
Bellevue Park/Three Creeks Trail
Thousand Oak Park
Doerr Parkway
Penitencia Creek Reach 1A-Property Encroachment
Arcadia Site (Eastridge Mall)
Alum Rock/Penitencia Creek House
Prusch Park Easement
Three Creeks Trail (Falcon Place)
Church Property (Williams Rd & Nazarene Way)
Arcadia Expansion Site
State of CA Coyote Creek Lands
Communication Hill North Parcel
Tamien Park JPB Easement
Commodore Park Sidewalk
Five Wounds Trail (William-Whitton)
Guadalupe Trail (Virginia-UPPR)

Home Adjacent to Church Property
Almaden/Camden Property
TURNKEY/PARK IMPROVEMENT
Cadence Campus Park (Essex)
Orchard Park (FOX Properties)
Riverview Park
Vista Montana Park (1 Acre)
Vista Montana Park (5 Acre)
Santana Park (Dedication)
Brookside Estates Trail
Great Oaks-iStar
10th and Mission
Montecito Vista
Japantown
Newbury Park
Communications Hill
Flea Market



Status Report on Capital Improvement Program

Park and Recreation Commission
December 3, 2014

Capital Program Overview

- **Overview of Capital Program**
- **Grants Update**
- **Parks Bond-Funded Projects**
- **Questions and Discussion**

Capital Program Overview

- **\$346.5 Million over 5 years**
- **>150 Major Projects**
- **Primary Funding Sources**
 - ✓ Park Trust Fund
 - ✓ Construction and Conveyance
 - ✓ Measure P “Bond” Funding
 - ✓ Grants

Capital Program Overview

- **Priorities**

- ✓ Infrastructure Backlog
- ✓ Sports Fields
- ✓ Trails (Green Vision)
- ✓ Revenue Generation
- ✓ Land Banking
- ✓ Partnership Projects
- ✓ New Park Development

Capital Program Overview



Grant Funded Projects

EXHIBIT - A2
PROPOSED TAMMEN STATION PARK SITE

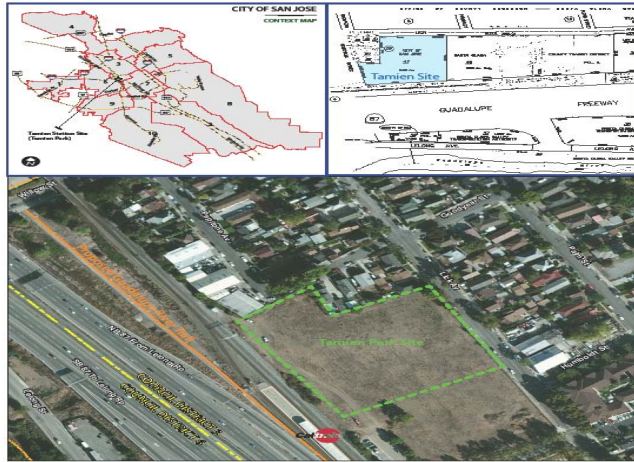
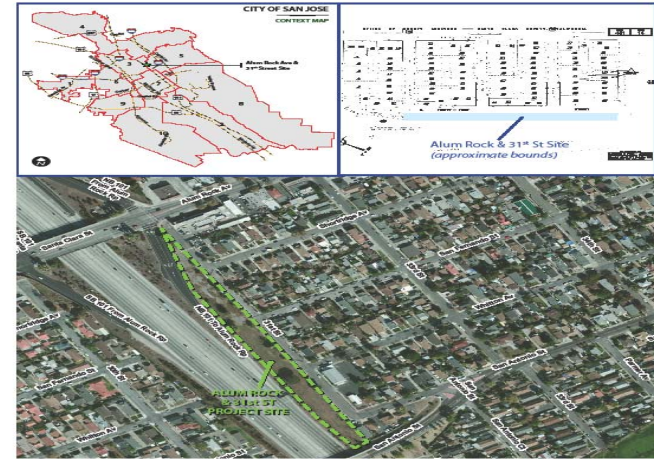


EXHIBIT - A1
PROPOSED ALUM ROCK & 31st STREET PARK SITE





Partnership Project



Sports Field



New Parks



Trails

Parks Bond-Funded Capital Projects

- 95 of 97 projects completed
- Two remaining projects: Coleman Soccer Facilities and the softball complex
- Funding: \$9.5m softball and \$7.8m contingency

Questions and Discussion



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Parks Bond Citizen
Oversight Committee

SUBJECT: SEE BELOW

DATE: 11-17-14

Approved

Date

COUNCIL DISTRICT: Citywide

SNI AREA: All

**SUBJECT: 2013-14 STATUS REPORT ON THE PARKS AND RECREATION BOND
PROJECTS**

RECOMMENDATION

Accept this report on the status of San José Safe Neighborhood Parks and Recreation Bond Projects.

OUTCOME

This report provides an opportunity to review the status of the projects funded by the San José Safe Neighborhood Parks and Recreation Bond Program (Parks Bond Program) approved by voters in November 2000. It also gives the community the opportunity to provide input on the remaining projects to be delivered by the Parks Bond Program. Acceptance of this report, together with the audit of the Parks and Recreation Bond Projects Fund for the Year Ended June 30, 2014, would conclude the COC's oversight review of the implementation of the Parks Bond Program in 2013-2014.

BACKGROUND

In November 2000, the City of San José voters approved a \$228 million General Obligation Bond, specifically known as the San José Safe Neighborhood Parks and Recreation Bond (Measure P), for the purpose of acquiring property for and constructing improvements to parks and recreation facilities throughout the City. This bond passed with an over 78% approval rating.

COC/PRC AGENDA: 12-03-14

Subject: Status Report on Parks Bond Program

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On April 10, 2001, the City Council designated the Parks and Recreation Commission as a Committee of the Whole (Committee) to conduct the citizen's oversight review responsibilities associated with Measure P. The Parks Bond Citizen Oversight Committee meetings provide the public with the opportunity to understand, review, and address any significant and relevant issues related to the implementation of the parks and recreation bond projects.

On December 4, 2013, the Parks Bond Citizen Oversight Committee last conducted a public hearing on the status of remaining projects to be delivered through June 30, 2013. This report provides an update on the status of the remaining projects through June 30, 2014.

ANALYSIS

I. Project Status

2013-2014 marks the fourteenth year of the City's implementation of the Parks Bond Program. Improvements to sixty-nine neighborhood parks, seven regional parks projects, construction/renovation of nine community centers/facilities and five trail projects have been completed.

The construction of two sports complexes remain to be completed. The following is a status of these remaining projects.

Soccer Complex

The Coleman Soccer Facility design phase is almost complete, and the construction phase is pending the remediation of asbestos containing material discovered during the demolition of existing paved areas. Interstate Paving was awarded the design build contract for the development of the Coleman Soccer Complex project. Plans for the project have been submitted for review at 95% completion. A separate briefing on the status of this project is planned for the City Council tentatively on December 9, 2014.

Softball Complex

The last remaining Bond project is the regional softball facility. On February 4, 2014, the Mayor and City Council accepted a report which provided an update on the Measure P Bond funded softball facility site selection process. Staff was also to proceed with negotiations with the owners of the Arcadia site for the development of a softball facility at that site, with a minimum of three adult-sized, lighted softball fields. In addition, staff was asked to return with a recommendation on how to use any remaining park bond funds. The City is actively pursuing land dedication for the 14.5 acres on which up to 4 fields can be built.

II. Annual Audit of the Parks and Recreation Bond Projects Fund

COC/PRC AGENDA: 12-03-14

Subject: Status Report on Parks Bond Program

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The Parks and Recreation Bond Projects Fund (Fund 471) is supported solely by General Obligation (GO) Bond proceeds and accounts only for expenses that are eligible to be paid for by the bond proceeds. GO Bonds were issued in six series between 2001 and 2008 to provide funding for projects that include those funded by the Parks Bond Program.

A total of \$228,030,000 in General Obligation Bonds (the entire Parks Bond Program authorization) was issued to fund Parks and Recreation Bond projects. These bond proceeds, combined with interest earnings and other revenues of \$25,883,555, provided total revenues of \$253,913,555 through 2013-2014. A total of \$222,496,733 of these funds has been expended and \$11,436,996 encumbered through June 2014. The balance of the funds will be used to complete the projects indicated above. There are no new projects to be funded by the Parks Bond Program.

The independent accounting firm of Macias Gini & O'Connell LLP completed their annual audit of the Parks and Recreation Bond Projects Fund (Fund 471) for the fiscal year that ended on June 30, 2014 and submitted its report to the City on November 14, 2014. The report was presented to the Parks Bond Citizen Oversight Committee on December 3, 2014.

The audit is posted on the City's website (<http://www.sanjoseca.gov/index.aspx?NID=1919>). Copies can also be obtained from the Parks, Recreation and Neighborhood Services Department on the 9th floor of City Hall at 200 East Santa Clara Street, San José, California.

EVALUATION AND FOLLOW-UP

The COC reports on the status of the Parks Bond Program to the City Council on an annual basis.

COORDINATION

This report was coordinated with the Finance Department, the City Manager's Budget Office, the City Auditor's Office and the City Attorney's Office.

POLICY ALTERNATIVES

Not Applicable.

PUBLIC OUTREACH/INTEREST

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater.
(Required: Website Posting)

COC/PRC AGENDA: 12-03-14

Subject: Status Report on Parks Bond Program

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Criteria 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)**

Criteria 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)**

Although this project does not meet the criteria set above, the City posted the item on the COC's website for its December 3, 2014 meeting. Outreach was conducted through posting of flyers in community centers and libraries.

FISCAL/POLICY ALIGNMENT

This report meets the legal commitment and requirement to implement a Citizen's Oversight Committee to review the implementation of the Parks Bond Program and provide the public with opportunities to understand, review, and address any significant and relevant issues related to the implementation of the Program.

COST SUMMARY/IMPLICATIONS

Not applicable.

CEQA

Not a project.

SERGIO JIMENEZ
Chair
Parks Bond Citizen Oversight Committee

For questions please contact Marybeth Harasz, Division Manager, Parks, Recreation and Neighborhood Services Department at (408) 793-5514.

* [Parks and Recreation Bond Projects Fund Report for the Year Ended June 30, 2014](#)