



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Parks Bond Citizen
Oversight Committee

SUBJECT: SEE BELOW

DATE: 11-28-12

Approved

Date

COUNCIL DISTRICT: Citywide
SNI AREA: All

**SUBJECT: FY 2011-12 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 for the Parks Bond Citizen Oversight Committee (COC) 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, 2012, would conclude the COC's oversight review of the implementation of the Parks Bond Program in 2011-2012.

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.

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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 7, 2011, the Parks Bond Citizen Oversight Committee conducted a public hearing wherein the status of remaining projects to be delivered under the Parks Bond Program through June 30, 2011 was discussed. This report provides an update on the status of the projects through June 30, 2012.

ANALYSIS

I. Project Status

Fiscal Year 2011-2012 marks the twelfth 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 and other projects completed in the last fiscal year.

Regional Facilities

The renovation and expansion of the approximately 12 acres of the Happy Hollow Park & Zoo was the largest project included in the Parks Bond Program. The project was comprised of Phase I: Parking Lot, Phase IIa: HHPZ Zoo and Attractions, and Phase IIb: Pedestrian Bridge. Construction on the zoo and attractions (Phase IIa) began on February 2, 2008 and beneficial occupancy occurred on December 21, 2009. The facility's grand opening to the public was on March 20, 2010. Construction of the bridge (Phase IIb) began in July 2009 and beneficial occupancy occurred in May 2011. Construction of the parking lot (Phase I) began in August 2009 and partial beneficial occupancy of the parking lot occurred in May 2011. The remaining portion of Phase I opened in January 2012. Other regional facilities renovation projects completed in prior years as part of the bond program included Almaden Lake Park Phases I and II, Emma Prusch Park Phases I and II, and Municipal Rose Garden.

Trail Projects

All trail projects have been completed as part of this bond program. These projects included Coyote Creek Trail Reach 6, San Tomas Aquino-Saratoga Creek Trail Reach 6, Los Gatos Creek Trail Reach 4, Guadalupe River Trail (Woz Way to Virginia Street) and Los Alamitos Creek/Camden Avenue Intersection Improvement.

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Community Center/Facility Projects

Construction of the Bascom Library and Community Center was completed in December 2010 and the Community Center portion was opened to the public in June 2012. Other community center/facility projects completed as part of the bond in prior years included Southside Community Center, Camden Community Center, Berryessa Youth Center, Seven Trees Joint Library & Community Center, Roosevelt Community Center, Mayfair Community Center, Almaden Joint Library & Community Center and Gardner Community Center.

Sports Parks

Securing suitable sites for the construction of recreational sports facilities has been very challenging for the City.

On June 23, 2009, the City Council authorized the City Manager to negotiate and execute a Memorandum of Understanding between the City and the Earthquakes LLC for the lease of a 2.4-acre soccer practice field on city-owned Airport West property. This site is adjacent to the proposed Earthquakes Soccer Stadium. City Staff had planned on placing a regional soccer complex adjacent to this site at the rear of the Airport West property.

Both the operation agreement and the design/bid contract for the soccer complex were awarded in June 2012. The first Notice to Proceed was issued on November 1, 2012 for the start of the design; the first phase of construction is scheduled to begin in early 2013 with final completion of the entire complex scheduled for Spring 2014.

In addition, staff is continuing to pursue potential locations for a softball complex in the City and will continue to report to the Neighborhood Services and Education Committee of the City Council as well as the Parks and Recreation Commission on the status.

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

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 \$25,048,144, provided total revenues of \$253,078,144 through 2011-2012. A total of \$218,606,267 of these funds have been expended or encumbered through June 2012. 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.

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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, 2012 and submitted its report with no findings to the City on November 9, 2012. The report was presented to the Parks Bond Citizen Oversight Committee on December 5, 2012.

The audit is posted on the City's website (<http://www.sanjoseca.gov/index.aspx?NID=1918>). 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)**
- 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 5, 2012 meeting. Outreach was conducted through posting of flyers in community centers and libraries.

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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.

ROBERT LEVY
Chair
Parks Bond Citizen Oversight Committee

For questions please contact Matt Cano, Deputy Director, Parks, Recreation and Neighborhood Services Department at (408) 535-3580.