



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Angel Rios, Jr.  
Jacky Morales-Ferrand

**SUBJECT:** SEE BELOW

**DATE:** September 25, 2017

Approved

Date

10/5/17

**COUNCIL DISTRICT: 3**

**SUBJECT: AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES (AHSC)  
ROUND 2 GRANT – ST. JAMES STATION**

## RECOMMENDATION

- a) Adopt a resolution authorizing the City Manager or his designee to:
- (1) Negotiate, enter, execute, and deliver a State of California Standard Grant Agreement (Grant Agreement) with any commitments necessary to deliver the agreed upon Grant Scope previously authorized by Council and as consistent with the proposed appropriation actions and future funding plan and all other documents required or deemed necessary or appropriate to secure the AHSC Program funds; and
  - (2) Negotiate and execute an agreement with First Communities Housing (FCH) to allocate responsibilities, liabilities, and the disbursement of AHSC funds between the City and First Communities Housing.
- b) Accept the future spending plan, requiring future appropriation actions, and the City's intent to deliver the scope of work for City projects identified in the Grant Application and Grant Agreement.

## OUTCOME

Adoption of the recommendation in this memorandum, together with future appropriation actions will allow for design and construction of Pellier, North San Pedro, and Bassett Street Parks (approximately 2 acres – see Attachment 1). These parks are part of a 0.2-mile off-street pedestrian corridor and recreation area that will connect the new North San Pedro Neighborhood to transit and Downtown San José. The City's execution of the Grant Agreement and acceptance

of the grant award will also fund streetscape improvements such as accessible sidewalks, energy efficient LED lighting, street trees, a new crossing at North 1<sup>st</sup> and Bassett Streets, as well as shared traffic lanes, wayfinding, and funding for the Viva CalleSJ open streets program. The City's co-applicant, First Communities Housing (FCH), will also receive permanent loan financing for their residential project delivering 135 affordable housing apartments. Execution of the Grant Agreement will allow FCH to secure this funding and proceed with construction.

### **EXECUTIVE SUMMARY**

The recommendations within this memorandum provide authority for the City Manager to enter agreements with the State of California's Housing and Community Development's (HCD) for acceptance of the Affordable Housing and Sustainable Communities (AHSC) grant awarded to the St. James Station Project (also referred to as 201 Bassett Street). In order for the City Manager to execute the Grant Agreement for award of the AHSC grant, Council should approve the proposed spending plan which identifies sufficient future funding to complete all projects included in the grant scope. This memo addresses the financial resources necessary to deliver the grant scope and affirms the City's intent to fulfil obligations under the grant.

Estimated costs submitted to HCD for complete delivery of the park projects range anywhere from \$6,000,000 to \$9,435,333. The upper range was aligned with documented leverage (prior agreements) and with preliminary site designs by landscape architects involved in the park designs (Gates and Associates and Bruce Hill). Sunk costs are factored in this estimate and include preliminary park design and preparation of the area for park development. Recent experience suggests that the park could be delivered at or below the low estimate; however, the underground conditions remain uncertain and final design characteristics still need to be determined. Staff is targeting a current delivery budget of \$6,000,000 for completion of the park component in the Grant.

Any costs above the grant award amounts (see Table 1, below) will need to be provided by the City and are not reimbursable by HCD. The proposed funding plan identifies a funding strategy for the park and pedestrian corridor project, planned for completion by the June 2021. Council appropriated \$500,000 in the Fiscal Year 2017-2018 Adopted Capital Budget for the initial design of the North San Pedro Area Parks Master Plans Project. This amount supports a Request for Proposals (RFP) to procure a master design consultant. Funds have also been appropriated in the Fiscal Year 2017-2018 Operating Budget to support the September 17, 2017 Viva CalleSJ event and these funds are expected to be reimbursed through the AHSC grant award.

The AHSC grant will provide the City with reimbursable funding for a portion of the park improvements at Pellier, North San Pedro, and Bassett Street Parks, as well as additional streetscape improvements and funding to support at least two Viva CalleSJ open streets events. The companion low-interest loan and the grant will provide FCH with resources to complete a 135-unit permanent housing project including units for homeless veterans and VTA Eco passes for residents. Execution of the Grant Agreement and other necessary agreements must occur to allow the housing project to secure financing for construction. It will also provide authorization for reimbursement of the Fiscal Year 2017-2018 portion of the grant for Viva CalleSJ.

## **BACKGROUND**

The Affordable Housing and Sustainable Communities (AHSC) or “Cap and Trade” program was established with a passage of Senate Bill 182 to implement Assembly Bill 32; the California Global Warming Solutions Act 2006. The purpose of the AHSC Program is to reduce Greenhouse Gas (GHG) emissions through coordinated projects that implement land-use, housing, transportation, urban greening and land preservation practices supporting infill and compact development near transit. Projects awarded funding through this highly competitive grant program, are only the most viable and impactful statewide and must support a broad array of coordinated public policy objectives.

On April 28, 2016, the departments of Parks, Recreation and Neighborhood Services (PRNS), Department of Transportation (DOT) and the Housing Department jointly submitted a Concept Application for a package of projects, including: a pedestrian recreation corridor (Pellier, North San Pedro, and Bassett Street Parks) and the Viva CalleSJ open streets program, Streetscape and Traffic Improvements, and an Affordable Housing project at 201 Bassett Street. The concept application was selected for a Formal Grant Application. City staff worked with First Community Housing and Enterprise Community Partners (an AHSC technical assistance provider) to submit the final application in June 2016. At that time, City Council authorized the City Manager to submit the grant application, enter into agreements necessary to formalize responsibilities between the joint applicants (City and FCH), and for the acceptance of grant funds not to exceed the proposed award amount of \$18,651,319. The final award amount was reduced by \$5,761,708 after Council authority was granted on June 14, 2016. At the request of the Developer the loan amount was reduced for the final application and brought the awarded amount from \$18,651,319 to \$12,889,611. This action reflects a reduced financial need by the affordable housing project (State Loan) and a desire to increase competitiveness of the application. It did not impact the amount of the grant funds requested or awarded to the City.

The State of California committed on October 11, 2016 to award \$12,889,611 in grant funding for a suite of project components, including park improvements at Pellier, North San Pedro, and Bassett Street Parks (\$1,345,046), as well as, streetscape improvements (\$2,130,268) such as ADA accessibility, LED lighting, public art street lighting, wayfinding, street trees, traffic safety striping (‘sharrows’), and funding to support at least two Viva CalleSJ open streets events (\$443,000). On November 21, 2016, California’s Housing and Community Development’s (HCD) notified staff of the program award. On June 5, 2017, staff was provided the template grant agreements and direction on their processing by representatives of the State of California HCD.

## **ANALYSIS**

The AHSC Program is a model for cross-sector collaboration and encourages agencies to think beyond ‘silos’ in delivering integrated and transformative projects. The Department of Parks, Recreation and Neighborhood Services (PRNS), Department of Transportation (DOT), and the Housing Department jointly identified well-aligned projects for the AHSC grant application.

Projects that were selected, support the goal of connecting the new North San Pedro Neighborhood (NSP) to Downtown San José, VTA light rail, and St. James Park. Additional project elements include, ADA accessible sidewalks, a new crossing at Bassett and North 1<sup>st</sup> Streets, wayfinding, public art lighting, street trees, LED lighting, and funding to support the Viva CalleSJ open streets program. Together the parks and more artful, safe, and inviting streetscapes, will encourage active transportation and transit use through more dynamic public spaces. This package offered a compelling vision and made for a successful proposal under the AHSC grant criteria.

The grant scope is based upon existing designs and initial cost estimates for the parks. The final designs for the parks are being revisited following recent community engagement and coordination between PRNS, the District 3 Council Office, and an Ad-Hoc Committee of community members. Over the course of several meetings, this group recommended that staff revisit the existing draft master plans, in order to better align with the new neighborhood's character. Once completely built out for instance, the NSP Neighborhood is likely to have the highest concentration of residents in Downtown San José. As none of the final master plans have yet been approved by Council and recognizing the new opportunity to integrate the park designs with other grant funded elements, staff is now planning to renew the design process. PRNS Staff is working with the Office of Cultural Affairs (OCA) and the Department of Transportation (DOT) to coordinate deliverables for the grant components and secure a master urban design consultant to weave the public projects into an iconic neighborhood identity. The goal of this effort is to create a unified neighborhood character, utilizing parks, wayfinding, public art, and other public infrastructure. Final master plans will likely differ from the current project scope.

The AHSC Program award will provide \$12,889,611 (\$8.92 million State Loan for housing and \$3.96 million State Grant) for the combined project components. The AHSC revenues are awarded as grant funds for public infrastructure and programs (Viva CalleSJ) and low interest permanent loans are for the affordable housing development. The funds awarded are summarized in Table 1 below. The grant program reimburses all eligible expenses up to the award amount (\$3,962,054), and costs beyond the grant allocation are not eligible for reimbursement.

HCD considers both parties as 'jointly and severally bound' to deliver the projects. In other words both parties are required by HCD to fund and complete each other's project components, should one party be unable to deliver its work product. A separate Indemnity Agreement between FCH and the City clarifies these responsibilities between the parties and establishes recourse, outside of HCD, should such a default occur. The Council already authorized the City Manager to enter such an agreement at the June 14, 2016 Council hearing, and this memorandum would reaffirm that authority. The City would be responsible to fund shortfalls for the park and streetscape improvements, as well, as any additional costs for Viva CalleSJ. FCH would be responsible for shortfalls in the housing project and the Developer's Eco Pass transit program.

*Table 1. Summary of AHSC Awarded Funds*

<u>Dept.</u>	<u>Capital Project</u>	<u>AHSC Funds</u>	<u>TYPE</u>
Developer	North San Pedro Apartments	\$ 8,927,557	State Loan
Developer	VTA Transit Eco Passes	\$ 43,740	State Grant
PRNS	Green pedestrian recreation corridor and park improvements on North San Pedro, at Pellier Park, and under Coleman Undercrossing.	\$ 1,345,046	State Grant
DOT	Curb and Sidewalk improvements at 1st and Bassett over light rail tunnel	\$ 665,740	State Grant
DOT	Bicycle "sharrows" and street signs on Bassett Street and 1st Street	\$ 10,259	State Grant
DOT	ADA sidewalk ramps on three streets	\$ 541,555	State Grant
DOT	Bike/ped way finding system to Light Rail, San Pedro Market, Bikeshare Pods and more	\$ 179,978	State Grant
DOT	Convert street lights to energy efficient LED (3-4 square blocks)	\$ 532,736	State Grant
OCA	Artist enhanced LED Lighting under Coleman Underpass	\$ 200,000	State Grant
PRNS	Viva CalleSJ (Open Streets Project)	\$ 443,000	State Grant
	<b>Grand Total</b>	<b>\$ 12,889,611</b>	

The City is responsible for delivering the scope of work for City projects outlined in the Grant Application and Grant Agreement (see Table 1 above). PRNS is responsible for the following project outcomes:

- Pellier Park, North San Pedro, and Bassett Street Parks: Complete design from Master Plan to 100% construction documents, permitting, bid/award of construction contract, and completed construction.
- Viva CalleSJ: Conduct at least 2 Viva CalleSJ Events serving the project area by April 30, 2020. Develop a business plan and ongoing funding strategy to maintain the program after the grant period ends.

At the time that the concept and final applications were submitted, the total pedestrian recreation corridor was estimated to cost \$13,457,250. The cost estimate was based upon:

- 1) Review of the landscape architects' estimates to complete design, secure permits, and construction of the three parks and paseo at Pellier Park;

- 2) Leveraged resources meant for the construction of these facilities in existing agreements (City Heights Parkland Agreement and HCD Infrastructure and Infill Grant); and
- 3) The estimated land valuation of the park sites dedicated for the three parks. The combined leverage summary for the park project is portrayed in Table 2 below:

**Table 2. Summary of Leveraged Resources & Maximum Total Project Cost (AHSC Grant Application)**

<b>Leveraged Resource</b>	<b>Description</b>	<b>Amount</b>
City Heights Parkland Agreement	Total agreement value includes redevelopment of Pellier Park – Phase 1 and adjacent paseo with additional dedication of parkland. Some value has been used for preliminary designs and site stabilization.	\$1,811,837
Infrastructure and Infill Grant (IIG) and associated agreements / amendments	Earmarked contingency was intended to fund Developer construction of parks (\$2,341,000) and park fees (\$3,936,850).	\$6,278,450
Land dedication (IIG)	Estimated investment value of new park sites (1.8 acres) based upon PDO/PIO land valuation.	\$4,021,917
AHSC Awarded Grant Funds	AHSC funds awarded for completion of the parks as a pedestrian recreation corridor.	\$1,345,046
<b><i>Estimated Maximum Project Cost (includes prior work, site preparation, and grant funds)</i></b>		<b><i>\$9,435,333</i></b>
<b><i>Total Project Cost (Including maximum project cost and land acquisition value)</i></b>		<b><i>\$13,457,250</i></b>

The resources outlined above were submitted as leverage for the total cost in the grant application. Leverage is distinct from ‘local matching’ funds (common in grant programs), in that leverage represents a documented commitment of resources to a project or effort, including sunk costs, and is broader than any current requirement to commit funds for completion of the project (such as a match). The resources in this case, have always effectively been earmarked for these projects, although they are not yet received, as referenced in the Cost Summary/ Implications Section of this memorandum (below). The leverage represents monetary values committed to the three NSP area parks in the recorded agreements listed above. Some of these funds have already been expended preparing the NSP Neighborhood for park development. Others will be provided as impact fees for projects in the NSP Neighborhood for its park service nexus (see Table 3).

The leverage represents a high range of total development costs for these parks (\$9,435,333) including prior expenses. This was presented in the AHSC Grant Application with estimates prepared by the parks’ landscape architects and adjusted for inflation. In comparison, Public Works park construction costs typically range between \$1.5-\$2 million per acre, depending on amenities and project complexity. There is a desire for a higher standard of quality in these three

parks, indicative of expected high use, their downtown urban surroundings, and of the Pellier Park State Historic Site. There are also potential unknowns regarding subsurface conditions discussed in the approved PEIR for the Brandenburg Mixed Use Project/North San Pedro Housing Sites. Site conditions and goals suggest that a cost estimate of \$3 million per acre, totaling up to \$6,000,000 for approximately 2 acres with right-of-way, is possible for delivery of the parks under current conditions. Staff is committed to high quality parks, at the best possible value to the City and is seeking to deliver the parks well within or preferably below the \$6,000,000 estimated project range. There are also many competing needs for which park impact fees are needed Downtown and staff will ensure resources are prioritized and distributed strategically. Council has already appropriated \$500,000 toward completion of the parks within the grant period (ending June 30, 2021). Current efforts are focused on an RFP process to select a master design consultant. Consultant selection will be coordinated with the Office of Cultural Affairs (OCA) and the Department of Transportation (DOT). The Viva CalleSJ Program has been included in the Fiscal Year 2017-2018 Operating Budget. Staff will return with budget requests for later stage project elements during the Operating and Capital Budget Process.

Staff estimates the park projects will cost up to \$6,000,000, but the higher cost estimate based upon the grant leverage (\$9,435,333) is summarized below to portray a worst-case scenario. Greater clarity on actual project costs will be reported to Council in the future as follows:

- Staff expects to seek approval of the Master Plans, which will include more detailed cost estimates prepared by Public Works.
- Appropriation actions for construction funding will be brought before City Council for approval or addressed as part of the traditional budget process.
- Staff anticipates seeking authorization to award a construction contract for park construction. This council action will include competitive bids and a recommendation to hire a qualified contractor.

PRNS has prepared a funding plan to cover the remaining estimate of \$4.15 to \$7.6 million in non-reimbursable funding; based upon the high range estimate excluding the \$1,345,046 AHSC grant award and the \$500,000 already appropriated for the park project. This gap will be adjusted as engineer's estimates are refined through completed design documents and competitive bids for construction. Project costs exceeding the grant award of \$1.34 million are not reimbursable and the City must secure those resources, as identified below. The current and future funding sources identified below, total up to \$9,435,333 with sufficient funding to ensure that the City can deliver the entire project scopes for grant funded park projects:

1. \$500,000 - Parks Trust Fund: North San Pedro Area Parks Master Plans (FY 2017-2018);
2. \$8,936,000 - Parks Trust Fund: Future PDO/PIO Reserve (FY 2017-2018 through FY 2020-2021)

Within the North San Pedro Neighborhood, there are at least six residential projects with entitlements awaiting completion of the Julian Street realignment to begin construction. Staff anticipates that construction schedules for City projects may be impacted as neighborhood streets become overwhelmed with construction equipment and staging. Staff will act strategically to complete the projects by the June 2021 grant deadline. Additionally, the City must execute the

necessary agreements with HCD for acceptance of the award and to seek reimbursement of funds expended for the September 17, 2017 Viva CalleSJ event.

Council previously authorized for the City Manager to execute the necessary AHSC agreements by that authorization up to the grant award amount. Staff recommends that City Council further authorize the City Manager to execute the Grant and Indemnity Agreements. This request is consistent with the proposed appropriations and future funding plan, as well, as any other documents necessary to complete the scope of work previously authorized by Council in the application package.

### **EVALUATION AND FOLLOW-UP**

Once the project cost is refined and a funding strategy is finalized, budget actions will be brought forward in the 2018-2022 Capital Budget Process to fully fund the grant projects. Development of the Park project will occur over several years and in phases. PRNS Staff will report on progress in completing design and construction work as appropriate.

### **POLICY ALTERNATIVES**

**Alternative #:** *Do not approve the future spending plan or execute the grant agreements.*

**Pros:** Does not require the future appropriation of significant resources to complete the park projects currently proposed.

**Cons:** The City would not be able to execute the Grant Agreement necessary to accept the award funds. The City and its co-applicant would lose the entire \$12,889,611 award and the associated projects, including the affordable housing development, three new parks downtown, streetscape improvements, wayfinding, public art lighting, and additional reimbursable funding for the Viva CalleSJ open streets program.

**Reason for not recommending:** Not only would the City lose the opportunity to complete all the identified projects tied to the AHSC Grant but a significant financial gap would be created in the budget for the affordable housing project. FCH is prepared to finalize its loan agreement that is tied to this grant funding source, to close on the property, and to begin construction on the project. Lastly, this could jeopardize the City's ability to secure future AHSC funding.

### **PUBLIC OUTREACH**

This memorandum will be posted on the City Council's Agenda website prior to the October 17, 2017 City Council meeting.



### **COORDINATION**

This memorandum has been coordinated with the Office of Cultural Affairs, the City Manager's Budget Office, Department of Transportation, and the City Attorney's Office.

### **COMMISSION RECOMMENDATION/INPUT**

No commission recommendation or input is associated with this action.

### **FISCAL/POLICY ALIGNMENT**

The recommendations in this memorandum are consistent with the Envision San José 2040 General Plan and Greenprint 2009 Update. Most particularly, the public-private and interdepartmental partnerships developed and successful award of State AHSC funds, represent best practices in fiscal sustainability, creative financing, and prioritization of impactful projects.

### **COST SUMMARY/IMPLICATIONS**

Staff leveraged existing agreements with earmarked resources dedicated to these three proposed parks in the Grant Application as evidence that the City is committed to completing the park projects. Cost estimates by the registered landscape architecture firms who crafted the preliminary park designs were inflation adjusted into current projections for application purposes. Staff has further estimated a cost of \$3,000,000 per acre for approximately 2-acres. The result is a total estimated project cost range of between \$6,000,000 and \$9,435,333. Toward these estimates \$500,000 has already been appropriated in the Fiscal Year 2017-18 Adopted Capital Budget and an additional \$1,345,046 reimbursable through the AHSC grant award.

The estimated \$4.15 to \$7.6 million in non-reimbursable funding required to deliver the project is proposed to be provided by park in-lieu fees outstanding from new residential projects in the North San Pedro Neighborhood. Park Trust Fund Revenues are expected to be paid to the City pursuant to existing parkland agreements as neighboring projects break ground. A summary of the residential projects is provided in Table 3 (following page), along with the amount of fees due from already executed agreements upon issuance of a building permit; outstanding projects are expected to break ground during Fiscal Year 2017-2018 after the Julian Street Realignment is completed. Sufficient funds for any project scenario are projected. Funds will be utilized as needed and appropriated per phase of each construction project.

**Table 3. Summary of Future Park Trust Fund Revenues**

<b>Funding Source</b>	<b>Description</b>	<b>Amount</b>
North San Pedro Residences (Block B)	Part of IIG Project; Apartment building to the west and adjacent to North San Pedro Park, south of Bassett Street. Awaiting completion of Julian Street Realignment.	\$5,473,275
North San Pedro Townhomes (Block A)	Part of IIG Project; Townhomes to the east and adjacent to North San Pedro Park, south of Bassett Street. Awaiting completion of Julian Street Realignment.	\$657,900
North San Pedro Townhomes (Block C)	Part of IIG Project; Townhome units north of Devine Street to east of Terraine Street. Awaiting completion of Julian Street Realignment.	\$321,300
North San Pedro Townhomes (Block D)	Part of IIG Project; Townhome units adjacent and to the north of Pellier Park, south of Devine Street. Awaiting completion of Julian Street Realignment.	\$214,200
Silvery Towers	Under construction; fees deferred until Certificate of Occupancy, per Original Downtown High-rise Incentive Program.	\$4,918,950
City Heights (Barry Swenson Builder)	Complete; outstanding Turnkey Agreement for redevelopment of Pellier Park and adjacent paseo. Total value of agreements was \$1,811,837. Some value has been used for preliminary design, site stabilization, and property realignment. Liquidation of the Agreement could yield the revenues estimated at remaining value shown ( <i>*total below, based upon low estimate</i> ).	\$700,000 - \$1,000,000
St. James Station (Affordable Housing Project)	Provided as reference, no parkland agreement in place, but fees are anticipated per AHSC terms. FCH affordable housing project and AHSC Program partner for State AHSC Loan/Grant. Estimated parkland fees due.	\$1,455,200 <i>(estimate)</i>
<b>Projected Park Fees Collected*</b>		<b>\$13,740,825</b>
<b><i>Estimated Maximum Cost for Grant Scope Projects</i></b>		<b><i>\$9,435,333</i></b>

Actual delivery costs for each project will be determined through the future phases of the design and construction process. The projected total remaining non-reimbursable funding gap of \$4.15-\$7.6 million, is proposed through future collections of park impact fees in the Park Trust Fund; estimated at up to \$9,435,333 from the executed parkland agreements identified in Table 3 (above). The table below provides an overview of the highest estimated construction costs and provide the maximum expected resource commitment; actual project delivery costs may vary as described above.

Funds for the Bassett Street underpass Public Art Project are anticipated through a combination of CIP percent funding for public art, including funding authorized from the Council District 3 Public Art Parks Fund (\$75,000), DOT Public Art Funds (\$300,000). City Council and the Arts Commission have already authorized \$175,000 to begin the project. Revenue supporting the DOT Projects has been identified (Fund 465), beginning in Fiscal Year 2018-2019 for the St. James Station at Bassett Bike/Ped Improvements Project.

Revenues covering the **PARK PROJECT BUDGET:**

1. ESTIMATED MAXIMUM COST OF PROJECT

Scoping Phase	\$120,000
Design Phase	\$1,287,000
Bid Phase	\$51,000
Construction Phase	\$6,950,000
Close out staffing	\$63,000
Project Contingency	\$965,000
<b>TOTAL PROJECT COST</b>	<b>\$9,436,000</b>

2. ESTIMATED EXPENDITURE SCHEDULE

FISCAL YEAR	ESTIMATED AMOUNT
2017-2018	\$500,000
2018-2019	\$3,800,000
2019-2020	\$3,500,000
2020-2021	\$1,636,000
<b>TOTAL PROJECT COST</b>	<b>\$9,436,000</b>

3. SOURCE OF FUNDING:

- Grant Funding - \$1,345,000 (reimbursement grant)
- Fund 375 - Park Trust Fund: North San Pedro Area Parks Master Plans (\$500,000 2017-2018)
- Fund 375 - Park Trust Fund: Future PDO/PIO Reserve (\$3,800,000 2018-2019)
- Fund 375 - Park Trust Fund: Future PDO/PIO Reserve (\$3,500,000 2019-2020)
- Fund 375 - Park Trust Fund: Future PDO/PIO Reserve (\$1,636,000 2020-2021)
- Fund 465 – St. James Station at Bassett Bike/Ped Improvement (\$485,000 2018-2019)
- Fund 465 – St. James Station at Bassett Bike/Ped Improvements (\$1,231,000 2019-2020)
- Fund 465 – St. James Station at Bassett Bike/Ped Improvements (\$749,000 2020-2021)
- Fund 465 – St. James Station at Bassett Bike/Ped Improvements (\$50,000 2021-2022)

A budget appropriation is already included in the Fiscal Year 2017-2018 Adopted Capital Budget to secure a master design consultant for the North San Pedro Area Parks Master Plans. Additional budget actions will be brought forward in 2018-2022 to complete the grant scope projects, including construction of Pellier, North San Pedro, and Bassett Street Parks.

4. FISCAL IMPACT: Staff estimates that the operations and maintenance impact of Pellier, North San Pedro, and Bassett Street Parks will be approximately \$45,000 annually. This amount is based on the cost of park maintenance, including a preliminary allowance for specialized amenities. High quality amenities with above average maintenance needs, are common in downtown parks and can be expected at the Pellier Park Historic Site. There will be no operational costs until completion of construction which is expected to occur as phased projects are completed. The 5-Year General Fund Forecast, which already includes Pellier Park, will be updated to include of North San Pedro and Bassett Street Parks.

#### **BUDGET REFERENCE**

Currently, there is no need to appropriate funds beyond the 2017-2018 Adopted Operating and Capital Budgets. Potential funding sources have been identified in the memo and will be requested once construction requirements of the project are identified.

#### **CEQA**

Determination of Consistency with the Brandenburg Mixed Use Project/North San Pedro Housing Sites Final Environmental Impact Report and Addenda thereto, File No. PP16-056.

/s/  
ANGEL RIOS, JR.  
Director of Parks,  
Recreation and Neighborhood Services

/s/  
JACKY MORALES-FERRAND  
Director of Housing

For questions, please contact Matt Cano, Assistant Director, Parks, Recreation, and Neighborhood Services at (408) 793-5553 or Ray Bramson, Acting Deputy Director, Housing Department at (408) 535-8234.



# AHSC 2016

St. James Station TOD: San Jose

-  **Project Area Boundary**  
1 mile radius from light rail station
  -  **St. James Light Rail Station**  
'Qualifying Transit Station'
  -  **STI Projects**  
Sidewalks, ADA, 'Sharrows', and Ped.-Rec. Connector
  -  **TRA Projects**  
Wayfinding and Coleman Bassett LED lighting
  -  **Disadvantaged Community Boundary**
  -  **A - Grocery Store**  
(Safeway Market)
  -  **B - Health Clinic**  
(St. James Health Center, Gardner Health Services)
  -  **C - Elementary School**  
(Horace Mann - SJPS)
  -  **Other Light Rail and Train**
-   

Inset Map: North San Pedro Area Downtown San Jose, CA



## ATTACHMENT 1

### St. James Station TOD Project Context Map

Downtown San Jose, CA

**Japantown / Ayer  
VTA Light Rail Station**

**NSP Apartments  
AHD Site**

201 Bassett St, San Jose, CA 95110

0.34 mile

See Inset Map

**Diridon Transit Station  
CalTrain, Amtrak, & VTA  
(future BART and High-Speed Rail)**

**St. James Park  
VTA Light Rail Station**

**DAC Tract 6085501000**

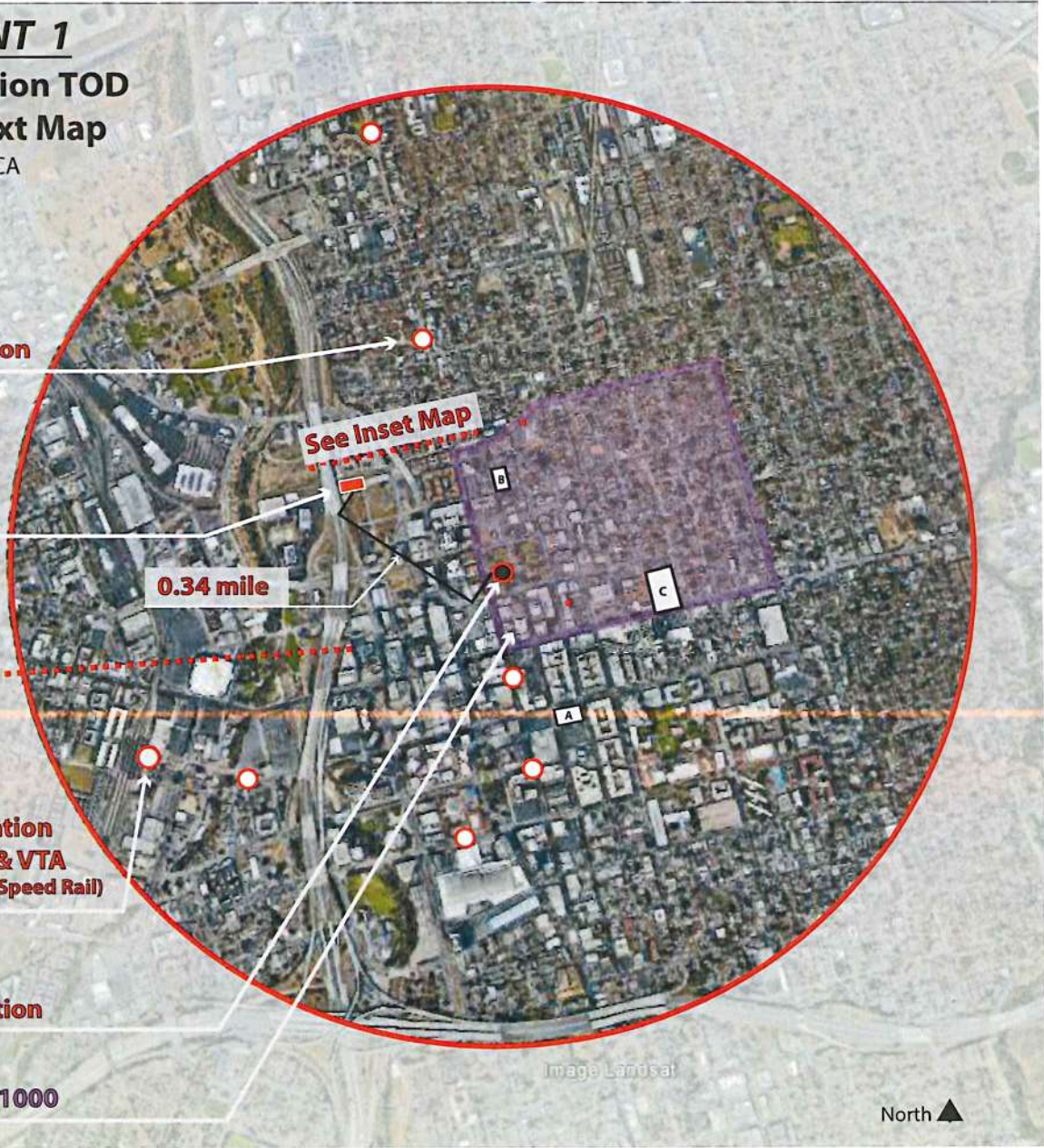


Image Landsat

North ▲