



Memorandum

**TO: NEIGHBORHOOD SERVICES
AND EDUCATION COMMITTEE**

FROM: Jon Cicirelli

**SUBJECT: POLICE ACTIVITIES LEAGUE
TRANSITION UPDATE**

DATE: November 26, 2018

Approved

Date

12/6/18

RECOMMENDATION

Accept this update report on the transition of operations and management of the Police Activities League from the San José Police Department to the Department of Parks, Recreation and Neighborhood Services and cross-reference the report to the City Council for January 8, 2019.

OUTCOME

The purpose of this memorandum is to provide an update to the Neighborhood Services and Education (NSE) Committee regarding the status of the transition of the management and operations of the Police Activities League (PAL) Stadium Complex from the San José Police Department to the Department of Parks, Recreation and Neighborhood Services (PRNS).

BACKGROUND

In 1968, San José PAL was founded to promote a constructive relationship between law enforcement, young people, and residents, by providing youth programming in partnership with the Police Department. San José PAL activities include baseball, boxing, cheerleading, soccer, taekwondo, etc., and served more than 1,600 youth in 2017. In addition, PAL operates the PAL Stadium, which is owned by the City, under a contract with PRNS. While PAL is an independent 501(c)3 nonprofit, historically, the Police Department has provided some staffing, including having a sergeant serve as the organization's Executive Director.

On June 7, 2018, the Office of the City Auditor published its *Audit of the San José Police Activities League*¹ which highlighted areas of growth and areas that required change. The City Council accepted the audit report at its August 14, 2018 meeting and gave further direction to the

¹ City Auditor's Report: <http://www.sanjoseca.gov/DocumentCenter/View/78221>

City Manager, as outlined in a joint memorandum from Mayor Sam Liccardo and Vice Mayor Magdalena Carrasco,² and a memorandum from Councilmember Sylvia Arenas,³ and modified in the motion. Council directed the City Manager to:

1. Return to the City Council within 90 days with a short-term operations and management plan that includes:
 - a. An outreach plan to inform PAL families and neighborhood about the management transition of PAL and what they can expect moving forward with registration, operations, and continuity;
 - i. The information should be posted clearly on the PAL website.
 - b. A proposal to address near-term maintenance needs that require immediate attention at the PAL sports complex;
 - c. A timeline for the removal of all unauthorized branding/sponsorships from the PAL site by January 2019; and
 - d. A plan to ensure reservations are handled in a transparent and fair manner.
2. Return by spring 2019 with a long-term operations model for Council consideration and feedback that includes:
 - a. A timeline for the transition of operations from the Police Department staff to PRNS staff, or to a culturally and managerially competent non-profit organization;
 - b. A proposal for a new fundraising model; and
 - c. A maintenance plan and an assessment of the capital needs for repair and replacement of fields and surrounding infrastructure of the PAL sports complex.
3. Conduct outreach to obtain community and stakeholder input and feedback for the future of the PAL program.
4. Identify families that were overcharged PAL registration fees in all sports and all Districts in Fiscal Year 2017-2018 (providing restitution where possible) and offer a reduction of fees for future enrollment in PAL programs for Fiscal Year 2018-2019; and
5. Report updates on the outreach and transition plans to the NSE Committee on a quarterly basis until a new model has been successfully adopted and implemented.
6. Present the proposed operations and fundraising models to the NSE Committee before bringing the recommendation to the City Council in Spring 2019.

² Memorandum from the Mayor and Vice Mayor, dated August 14, 2018,:

<http://sanjose.legistar.com/gateway.aspx?M=F&ID=04e4ba6c-63f2-4519-9100-b9bdc1d13955.pdf>

³ Memorandum from Councilmember Arenas, dated August 13, 2018,:

<http://sanjose.legistar.com/gateway.aspx?M=F&ID=7dc1c73f-6fd6-45fb-9a86-5fa618483dfa.pdf>

Since the August 14, 2018 City Council meeting, PRNS has held a total of five meetings, three of which were with internal staff and two with the PAL Board of Directors, to discuss the current state of operations and determine how to ensure a smooth transition of management oversight. In collaboration with these stakeholders, PRNS is developing a 30-60-90 Day Work Plan (Attachment A) that will:

- Evaluate current operational and financial needs of the PAL Stadium Complex;
- Review and recommend the best service model going forward; and
- Provide detailed responses to items 1a-1d in the joint memorandum from the Mayor and Vice Mayor, as modified by the City Council.

Based upon the outreach, analysis, and recommendations developed during this process, PRNS intends to bring forward a budget proposal for implementing a new operations and maintenance model for the PAL Stadium Complex during the 2019-2020 budget development process. In the interim, PRNS plans to use the \$270,000 in one-time funding that was allocated in the City Council's approval of the Mayor's 2018 June Budget Message⁴ to fund some of the operational needs and immediate capital improvement projects needed to operate a safe facility in the near term. The Police Department is working collaboratively with PRNS on the above transition plan. As directed in the 2018-2019 budget, Police staffing has been moved from PAL to other priority needs in the Department. The Cadet Program has been moved from PAL to the Support Services Division in the Police Department's Bureau of Field Operations. The PAL Board of Directors has appointed an interim executive director to manage day-to-day operations while the transition work is in-process.

ANALYSIS

Community Outreach Plan

Staff is actively engaged with PAL to identify and connect with key stakeholders regarding potential changes. PRNS will continue to work with families, sports leagues, volunteers and public figures to understand their interests and needs and draft a smooth transition plan with that input in mind. To this end, PRNS will conduct focus groups with league officials, coaches, and current PAL Board Members to obtain feedback on how to improve the management and operations of PAL. The Department will also host outreach meetings for current participants, future participants, sponsors, the general public, and local neighborhood, and send out informational email blasts informing current and prospective participants of the change in management. Concurrently, PRNS will use social media platforms to extend its reach to those who may not already be registered participants or engaged in the overall conversation. In addition, PRNS will work with its internal Communications Office to develop appealing outreach and marketing materials that can be distributed and posted on the PAL website, the

⁴ Mayor's June 2018 Budget Message: <http://sanjoseca.gov/index.aspx?NID=4682>

Department's website, and other social media pages (see Attachment C, *PAL Outreach Plan – DRAFT*).

Facility Maintenance Plan

The Department is evaluating short-term and long-term capital improvement projects needed for PAL. To date, staff has identified many capital infrastructure needs among the complex's various facilities and has already developed a plan for repairing or replacing the deteriorating infrastructure (see Attachment B, *PAL Stadium Capital Improvement Projects Needed*). Based on these assessments, the estimated funding needed to complete short-term projects is \$358,000.

This estimate is based on costs related to those projects that will (1) address immediate safety needs, and (2) have a material impact on improving program delivery during this operational transition. These projects include replacing drinking fountains, repairing potholes, and addressing vegetation and pest management issues. The Department has focused attention on mitigating near-term health and safety issues for participants, and included re-grading and replacing damaged turf in the baseball field's infield as a means for reducing the risk of falls, breaks, and sprains among little league participants. In addition to the replacement of sod and wooden bleachers in some of the fields, PRNS has also made minor repairs and renovations to some bathrooms and the locker rooms. As other projects move forward, PRNS plans to increase the frequency of scheduled maintenance at the PAL Stadium Complex to maintain the work that has already been completed, including turf and bathroom repairs at the facility.

The Department is developing a list of both minor and major long-term capital projects for facility improvements to present to the City Council in Spring 2019. These types of projects likely require large investments to address issues that have not been addressed in recent years, including the replacement of stadium lights with energy-efficient LED lighting, the football scoreboard, roofs, carpets, and HVAC systems in buildings on the facility grounds.

To begin addressing immediate needs, PRNS will use a portion of the one-time funding allocation of \$270,000. The Department will bring forward additional funding proposals through the 2019-2020 budget process.

Sponsorship Timeline and Policy Adherence

In agreement with the PAL Board of Directors and other stakeholders, PRNS supports removal of unauthorized branding and sponsorships from the PAL Stadium Complex, however, removing all signage by January 2019 is not feasible. As written in the Administration's response to the *Audit of the San José Police Activities League*,⁵ PRNS will actively engage with PAL to ensure that current signage is removed in the appropriate manner (when necessary), that the needs and concerns of sponsors and/or donors are addressed in doing so, and that alternative sponsorship

⁵ SJPd's response to the audit found at the back of the City Auditor's report. Retrieved from: <http://www.sanjoseca.gov/DocumentCenter/View/78221>

opportunities are explored with both policy compliance and facility/program sustainability needs in mind. Once this effort is complete, PRNS plans to facilitate a process among sponsors and donors to honor their donations and consider next steps in resolving any non-compliance issues. Given the length of the process of meeting with external partners, PRNS anticipates completing this task by July 2019, per the Administration's response to the audit.

Reservations

As stated in the Administration's response to the audit, PRNS and PAL will work together to create a new fee schedule for field use, whether through reservations or other means. San José PAL's current fee structure is more than 10 years old and has not generated a sustainable revenue stream to support safe and quality operations, programming, and maintenance.

The Department will review the existing fee structure and compare it to the pricing model currently used for the Department's Sports Field Reservations program. In addition, PRNS will work on implementing its scholarships policies for PAL programming. This policy will allow for fee waivers and/or reduced fees for eligible participants. The Department will work with PAL on how to best establish this policy and new pricing model. Once the new pricing model is finalized, PRNS will work with PAL to post this information on the PAL website with updated instructions on how to reserve the fields. Until the new business plan is finalized, PRNS plans to offer the community PAL facility rentals using the current pricing schedule.

With respect to Council direction to identify past participants who may have been overcharged, PRNS will continue to explore this with PAL. Unfortunately, as found in the audit report, past records may be incomplete and may make it difficult to locate participants.

Conclusion

In coordination with the San José Police Department and the City Manager's Office, PRNS staff recommends the NSE Committee accept this report's recommendations for the transition of management and operations of PAL and cross-reference this report to the City Council. Based on Committee and Council direction, PRNS will return with a report to the City Council in spring of 2019 to provide a more detailed plan to address the transition, propose a fundraising model, present an operations and maintenance plan, and provide an assessment of capital needs that include replacement of fields and infrastructure throughout the entire PAL complex.

EVALUATION AND FOLLOW-UP

This item will report to City Council on January 5, 2019. As directed by Council, status updates regarding the outreach and transition plans will be provided to the NSE Committee quarterly in 2019.

COORDINATION

This memorandum was coordinated with the San José Police Department.

FISCAL IMPACT

In June 2018, the City Council adopted the City's 2018-2019 Operating Budget, which included a one-time allocation of \$270,000 to support transitioning the management and operation of the PAL Stadium Complex from the Police Department to PRNS. As the City continues to finalize transition plans, these funds are being used to support costs related to interim staffing and short-term capital expenses. Prospectively, PRNS plans to submit recommendations for additional ongoing funding to repair, manage, and operate the facility through the 2019-2020 budget development process.

CEQA

Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action. Public Project number PP17-009.

/s/

Edgardo Garcia
Chief of Police

/s/

Jon Cicirelli
Acting Director of Parks, Recreation and
Neighborhood Services

For questions, please contact Justin Long, Parks Division Deputy Director, at (408)793-5579.

Attachments:

Attachment A – PRNS 30-60-90-Day Work Plan

Attachment B – PAL Stadium Short Term Capital Projects Needed

Attachment C – PAL Outreach Plan