

# Actions Related to the Sale Proceeds of the 1123 Coleman Avenue Property

City Council  
March 26, 2019  
Item 5.2

# Background

- September 18, 2018, Council authorized sale of 1123 Coleman Avenue – proceeds = \$24.8 million
  - \$5.1 million to the General Fund (Earthquakes practice fields)
  - \$19.7 million originally earmarked to ensure completion of the Agnews Soccer Complex or other parks projects per the City's bond counsel
- IRS Regulations require that bond related proceeds from this sale be expended within 24 months

# Current Status

- Updated Bond Counsel Direction
  - Coleman sale proceeds to PRNS reduced from \$19.7 million to \$4.7 million
  - Unrestricted Coleman sale proceeds increased from \$5.1 million to \$20.1 million
- Soccer Complex:
  - North San Jose community expressed concern about complex at Agnews
  - PRNS is evaluating strategies for soccer and closing out Measure P
  - Return to Council to discuss potential locations and options

# Coleman Sale Proceeds Use Summary

## \*\*\*Work in Progress\*\*\*

Proposed Use	September 2018	Revised Approach
General Fund – Land Leased to Earthquakes	\$ 5.1 M	\$ 5.1 M
PRNS Bond Fund Capital Projects	\$ 19.7 M	\$ 4.7 M
PRNS Sport Fields	----	\$ 5.0 M
PRNS Re-Use Facilities/Strike Team	----	\$ 3.0 M
Other General Fund Priorities	----	\$ 7.0 M
<b>Total</b>	<b>\$ 24.8 M</b>	<b>\$ 24.8 M</b>

# PRNS Bond Fund Project Selection - \$4.7M

- Shovel ready projects
- Construction phase, but underfunded projects
- New projects that can be completed in less than 24 months, reduce infrastructure backlog, and are in Council Districts with limited capital funding
- Prioritize facilities with previous Measure P funded work OR where private activity is unlikely to occur

# PRNS Bond Fund - Existing Projects

- Hathaway Park Renovation (CD1)
- La Colina Park Playground Renovation (CD2)
- Iris Chang Park Development (CD4)
- Alum Rock Avenue and 31<sup>st</sup> Street Park Phase II (CD5)
- River Glen Park Improvements (CD6)
- Welch Park and Neighborhood Center Improvements (CD8)
- Trail: Yerba Buena Creek Pedestrian Bridge – Preliminary Design (CD9)
- Butcher Park Playlot Renovation (CD9)
- Playa Del Rey Shade Structure (CD10)
- Waterford Park Improvements (CD10)

# PRNS Bond Fund - New or Underfunded Projects

- Seven Trees Community Center Lighting (CD7)
- Solari Park Improvements (CD7)
- All-Inclusive Playground – Emma Prusch Farm Park (Citywide)

# Proposed Action

- Accept the proposed use of \$4.7 million of proceeds from the sale of 1123 Coleman Avenue

NOTE: This action is not an approval of the use of other proceeds (\$20.1M). Additional detail is provided for information only and will be allocated through the 2019-2020 Proposed Budget process



# **Actions Related to the Sale Proceeds of the 1123 Coleman Avenue Property**

## **Presenters:**

**Jon Cicirelli, Acting Director, PRNS**  
**Margaret McCahan, Budget Director**

City Council  
March 26, 2019  
Item 5.2