



# Memorandum

**TO:** NEIGHBORHOOD SERVICES  
AND EDUCATION COMMITTEE

**FROM:** Jon Cicirelli

**SUBJECT:** 2018-2019 STATUS REPORTS ON  
PARKS AND COMMUNITY  
FACILITIES DEVELOPMENT  
CAPITAL IMPROVEMENT PROGRAM

**DATE:** October 28, 2019

Approved

Date

11-4-2019

## RECOMMENDATION

- (a) Accept the Annual Report on Park Impact Ordinance and Parkland Dedication Ordinance Fees for Fiscal Year 2018-2019; and
- (b) Accept the Annual Status Report on Department of Parks, Recreation and Neighborhood Services' Capital Improvement Program and the Trail Annual Report.

## OUTCOME

This annual report informs the community and Neighborhood Services and Education Committee regarding developer-related revenue fee collection and its use. It also informs on use of those fees paired with other resources to implement the Department of Parks, Recreation and Neighborhood Services (the Department) Capital Improvement Program (CIP). The annual report meets the reporting mandate per the California Mitigation Fee Act for the Parks Impact Fee.

## EXECUTIVE SUMMARY

The Department's Capital Projects Division manages the 2020-2024 Citywide CIP work plan. The Department oversees \$359.9 million in funded projects over this five year period, to plan, rehabilitate and construct new parks, trails, community centers, and other recreational facilities. This report on Park Impact Ordinance and Parkland Dedication Ordinance Fees provides an overview and update on key capital improvement projects that were completed or started in Fiscal Year 2018-2019, as well as those moving forward in Fiscal Year 2019-2020.

The Annual Status Report on the Capital Improvement Program provides an overview and status of primary capital project funding sources, including Construction Tax and Property Conveyance Tax (C&C) revenues; Park Trust Fund fees; the remaining balance on year 2000 Measure P

Bond funds; commercial paper securities funding; a variety of local, state and federal grants; and, insurance and Federal Emergency Management Agency (FEMA) reimbursement proceeds received in response to the City's 2017 Coyote Creek Flood response and recovery efforts.

## **BACKGROUND**

The California Mitigation Fee Act mandates annual reporting on the use of Parks Impact Fees monies inside the Park Trust Fund within six months following the end of each fiscal year.

The Department manages 3,533 acres of land, with more than 2,094 acres developed as parks, trails, and community centers. Table 1 is an inventory of these facilities:

**Table 1 – Inventory of Parks, Recreation and Neighborhood Services Facilities**

	<b>Parks</b>	<b>Trails</b>	<b>Centers</b>	<b>Unique Assets</b>
	197 neighborhood parks	52.81 miles paved	11 regional	6 swimming pools
	9 regional parks	8.87 miles	39 neighborhood serving	3 golf courses
		11.95 miles (est.) rural		2 BMX bike parks
				7 skate parks
<b>Total</b>	<b>206</b>	<b>98.95</b>	<b>50</b>	<b>18</b>

The Parks, Recreation and Neighborhood Services Capital Improvement Program is supported by technical professionals who manage and oversee the full range of development tasks including strategic planning, land acquisition, feasibility studies, master plans, concept designs, and project implementation oversight for major and minor capital projects. The CIP is supported through revenue from the following sources:

- Park Impact Ordinance and Parkland Dedication Ordinance (Park Trust Fund);
- Construction and Conveyance Tax Fund;
- Grants Programs;
- Measure P Bond Funding; and
- Commercial Paper.

## **ANALYSIS**

This report provides an overview of the portion of the Citywide Capital Improvement Program that is managed by the Department, including an update on the status of the Department's 2017 Coyote Creek Flood recovery efforts. Flood reconstruction is a high priority and it is vital that these projects move forward within the timelines specified by FEMA to ensure City



reimbursements are maximized to address the full breadth of recovery projects that the City is facing.

This report is divided into three sections:

1. Park Impact Ordinance and Parkland Dedication Ordinance Fees
2. Other Capital Improvement Program Funding Sources
  - A. Construction and Conveyance (C&C) Tax Fund
  - B. Grants Programs
  - C. Measure P Parks and Recreation Bond Projects Fund
  - D. Commercial Paper – 2017 Flood Recovery
3. Capital Improvement Program (CIP) Projects Overview
  - A. Parks
  - B. Trails

**1. Park Impact Ordinance and Parkland Dedication Ordinance Fees Report**

The City of San José enacted the Parkland Dedication Ordinance (PDO) in 1988 to meet the demand for new neighborhood and community parkland generated by the development of new residential subdivisions. The City's PDO is consistent with the State's Quimby Act (Government Code Section 66477). In 1992, the City Council adopted the Park Impact Ordinance (PIO), which is similar to the PDO, but applies to new non-subdivided residential projects, such as apartment buildings. The City's PIO is consistent with the State's Mitigation Fee Act (Government Code Section 66000 *et seq.*).

The PDO and PIO programs, require developers of new residential projects to provide the value equivalent of three new acres of parkland per 1,000 new residents. The population of a new development is estimated using US Census Bureau data and that is translated into a land dedication requirement (e.g., a development that would increase population by 2,000 residents would be required to develop or fund an equivalent amount of 6 acres of new parkland).

To meet this requirement under the PDO and PIO, residential developers may choose to dedicate land, improve existing parkland, provide private recreation areas, and/or pay a parkland fee in lieu of parkland dedication. Fees paid in lieu of land dedication are deposited into, and accounted for, in the Park Trust Fund. The fees paid are directly tied to the residential development activity and vary by geographic areas of the city.

Table 2 provides a year-over-year comparison of PDO/PIO-related revenues and associated expenditures (excluding encumbrances) from Fiscal Year 2016-2017 through Fiscal Year 2018-2019. Past years are included as a reference to show the annual variability in this revenue source.

**TABLE 2**  
**PARK TRUST FUND REVENUES & EXPENSES**  
**(in millions)**

	2016-2017	2017-2018	2018-2019
PDO/PIO Fee Collection	\$13.5	\$22.7	\$16.6
Interest / Other Revenues*	\$4.2	\$3.2	\$5.8
<b>Total Revenues</b>	<b>\$17.7</b>	<b>\$25.9</b>	<b>\$22.4</b>
<b>Expenditures**</b>	<b>\$17.5</b>	<b>\$19.7</b>	<b>\$11.3</b>

\*Includes grant reimbursement revenue

\*\*Excludes encumbrances of \$6 million

Table 2 shows that in-lieu fee collection varies from year to year, based upon development activity. The funds are secured as the developer obtains building permits from the City's Department of Planning, Building and Code Enforcement. Use of collected fees is geographically limited and proximate to the development (neighborhood-serving facilities must be within ¾-mile of the development and regional-serving facilities must be within three miles of the development). Development of new housing in San José is based upon available and suitable sites. The majority of the \$16.6 million of in-lieu fees collected in Fiscal Year 2018-2019 were in Council District 3 (\$9.5 million) and Council District 6 (\$5.9 million).

Projects funded with Park Trust Fund revenues shown above include:

- Del Monte Park Phase III Master Plan and Design (CD 6)
- St. James Park Master Planning and Redesign (CD 3)
- River Glen Park Improvements (CD 6)
- Lincoln Glen Park - All Inclusive Playground (CD 6)
- Berryessa Community Center Improvements (CD 4)
- Rincon South Park Development (CD 3)

In some cases, Park Trust Fund monies are collected but the Department is not able to move forward with a specific project (for example, when a desired project requires funding greater than the Park Trust Fund monies collected). In those cases, the Department coordinates with the City Council and Budget Office to establish reserves dedicated for specific future projects until sufficient resources are available to proceed. The five largest of these reserves are:

- Pueblo De Dios Development Reserve - \$5,262,000
- Coyote Creek Trail (Mabury to Empire Street) Reserve - \$ 5,049,000
- St. James Park Phase I Reserve - \$4,181,000
- Santana Park Development Reserve - \$3,138,000



- North San Pedro Area Parks Reserve- \$3,000,000

The majority of funds in the Parks Trust Fund have been committed to specific capital projects. Staff is working with City partners to explore options for delivering projects more efficiently by streamlining the bid process for mid-sized capital projects, and by working with developers to provide turnkey improvements to existing parks.

As required by the California Mitigation Fee Act, documentation on the City's use of Park Impact Fee monies for the fiscal year ending June 30, 2019 can be found on the City's website at: <http://www.sanjoseca.gov/DocumentCenter/View/87808> (Attachment A). This report is being presented to NSE in advance of the six months requirement, and is therefore in compliance with the Act.

## **2. Other Capital Improvement Program (CIP) Funding Sources**

### **A. Construction and Conveyance Tax Fund**

The Construction and Conveyance (C&C) Tax consists of two types of revenue generated by the City. The Construction Tax is levied on most types of construction, including residential, commercial, and industrial, and accounts for one percent of the overall C&C revenues. The Property Conveyance Tax is levied on the transfer of all real property with a value greater than \$100. C&C Tax is the largest source of the Department's CIP program's revenues, with 64 percent of the total Conveyance Tax receipts collected by the City allocated for parks-related projects, and the remaining revenues distributed among Fire, Library, Communications, and Service Yards.

C&C funds play a significant role in addressing the need to repair and replace the City's aging park infrastructure. In 2018-2019, the Department received \$30.7 million in C&C revenues versus the Adopted Budget of \$24.3 million. This difference is because actual C&C revenues were higher than those forecasted at the time of budget adoption, which was based on the assumption that there would be a slowdown in the local real estate market. These monies are used by the Department in various ways, including funding for ongoing capital-related appropriations, project-specific capital appropriations, staffing costs, and council district needs. Council district needs are determined based on a parks condition assessments and the growing infrastructure backlog in each district.

Table 3 summarizes the distribution of C&C funding within the Departments CIP Program.

**TABLE 3**  
**SUMMARY OF C&C ALLOCATIONS**

<b>Allocation of Funding for Central, Citywide and Council District</b>	<b>2018-2019 Funding Allocation (millions)</b>
Project-Specific Capital Appropriations *	\$46.5
Ongoing Allocations (see Table 4)	\$7.7
Staffing	\$7.3
Park Yards	\$3.6
Infrastructure Backlog Reserves	\$3.2
<b>TOTAL</b>	<b>\$68.3</b>

\*includes carryover from previous years

Table 4 summarizes the major ongoing C&C funding allocations within the Departments CIP Program.

**TABLE 4**  
**VALUE OF MAJOR ONGOING COUNCIL DISTRICT C&C FUNDING ALLOCATIONS**  
**(2018-2019)**

<b>Project Categories</b>	<b>2018-2019 (millions)</b>
Strategic Capital Replacement & Maintenance Needs	\$1.7
Minor Park and Minor Building Renovations	\$1.4
Minor Infrastructure Contract Services	\$0.2
Pool Repairs/Fountains	\$0.3
Preliminary Studies/Engineering	\$0.7
Agronomic and Tree Services/Weed Abatement/Ball Field Renovations	\$0.7
Major and Minor Park Equipment/Hardware	\$1.3
Miscellaneous Needs	\$1.4
<b>TOTAL (excluding Infrastructure Backlog Reserve)</b>	<b>\$7.7</b>

Strategic Capital Replacement and Maintenance Needs – These allocations are distributed among the council districts and provide funding for various items such as turf renovation, irrigation upgrades, and similar small repairs. Work funded in these allocations are typically completed by Parks Maintenance staff or through the Public Works Facilities team.

Minor Park and Minor Building Renovations – These allocations provide funding to address short-term minor capital repair and maintenance needs throughout the



year such as renovation and repair to existing community centers, park restrooms, neighborhood centers, picnic equipment and other park amenities.

Minor Infrastructure Contract Services – These allocations provide funding for contract services for minor improvements at park facilities. Improvements include turf area renovation, irrigation replacement and renovation, park lighting repair, infrastructure repairs to make park facilities compliant with new code requirements, and all other minor capital improvements that reduce maintenance efforts and enhance the usability of the park.

Pool Repairs/Fountains – These allocations provide ongoing funding from the Parks Construction and Conveyance Tax Fund (Council Districts) for updated code compliance, repair or replacement of mechanical equipment such as pumping equipment, chemical injection systems, filter equipment and other accessories, repair of pool lighting, and other capital repairs that arise and are necessary to keep the pools open and safe for public use at the City's six swimming pools.

Preliminary Studies and Engineering – This allocation provides ongoing funding from the Parks Construction and Conveyance Tax Fund (in conjunction with resources from the Park Trust Fund) to research, respond to City Council inquiries, and provide real estate services and related activities prior to recommendations for, or implementation of, formal projects.

Agronomic and Tree Services/Weed Abatement/Ball Fields Renovations – Combination of funding to support the following: preventative maintenance and rehabilitation work to soil, turf, and other plant materials as well as the renovation of damaged turf and sports fields in City parks; tree trimming, planting, and the replacement of trees and shrubs; weed abatement needs on undeveloped park properties throughout the City; and the renovation of sports fields at City parks including backstops, irrigation, turf renovation, dugouts, scorekeeper booths, lighting systems, and bleachers

Major and Minor Park Equipment/Hardware – Combination of funding to support the following: acquire large equipment that is required for the maintenance and safety of park facilities; purchase new equipment and replace existing equipment at community centers throughout the City; purchase park hardware and furnishings for neighborhood and regional parks throughout the City.

Miscellaneous Category – Multiple items such as Family Camp, Cooper Wire, Environmental Mitigation Maintenance and Monitoring, Volunteer Project Support, Pedestrian Bridge Assessment, etc.

## **B. Grants Program**

The Department actively pursues grants from a variety of local, state and federal sources. Pursuing external resources permits the City to leverage its resources to deliver new projects, increase the scope of projects, or advance projects sooner. Grant funding is seldom available as a cash transfer between agencies. Instead, grant opportunities typically require that the City front all expenses, produce matching funds, align projects to specific grant goals, and develop competitive grant applications that detail how projects can positively impact the community.

### Measure B

The 2016 Measure B grant program advanced by the Valley Transportation Authority (VTA) will soon be available to Santa Clara County agencies. The program will require that agencies submit a 10-year priority list of projects that they may pursue. This pre-qualification process requires that applicants submit project proposals that can advance with only partial funding from the program.

City staff has worked carefully with VTA staff to monitor and comment on the upcoming grant program's application process, guidelines and objectives. Voter approval of Measure B, provides a 30-year, half-cent countywide sales tax to support transit, highways, expressways and active transportation (bicycles, pedestrians and complete streets). The Department anticipates that Measure B will help advance the design and construction of *core trails* as part of the Interconnected Trail Network. Per the Trail Program Strategic Plan, core trails are defined for their Distance, Continuity, Land Use adjacencies, Usage for recreation and active transportation, and Character while adhering to Class I Bikeway Standards.

Per the VTA, Measure B funds will be available for projects of countywide significance, with priority given to those projects that connect schools, transit and employment centers; fill gaps in the existing bike and pedestrian network; safely cross barriers to mobility; and make walking or biking a safer and more convenient means of transportation for all county residents and visitors.

With these objectives for Measure B, staff expects to submit the following projects, which will be eligible to receive funding over the next 10 years. In all instances, staff would recommend pursuit of Measure B funding to be paired with City or other grant program resources to fully fund the intended scope of work. Once VTA accepts the list of projects, staff would present proposals to Council with associated budget recommendations. This approach aligns with VTA's goal to allocate the funds as "seed money," close budget gaps, and advance projects in conjunction with other resources.



Table 5 summarizes the projects to be submitted for Measure B eligibility list, which would need future Council review for grant applications. The Costs noted for each project are for estimated total project delivery and do not represent the amount to be pursued under Measure B, specifically. It is anticipated that the City can expect up to \$3 million in grant funding per year under Measure B, which would support on-street bikeways.

**TABLE 5**  
**Projects To Be Submitted for Measure B Applications**

<b>Project</b>	<b>Limits</b>	<b>Distance</b>	<b>Cost</b>	<b>Rationale</b>
Los Gatos Creek Trail - Council District 6	Caltrain Under-Crossing	0.2 mile	\$4.1M	Extends regional trail system, leads to Diridon Station Area, and is adjacent to emerging commercial/residential neighborhood. Adopted Master Plan, with CEQA and NEPA prepared.
Guadalupe River Trail - Council Districts 3, 4, 6, & 9	Virginia Street to Chynoweth Avenue & North San José Ramps	5.0 mile	\$47.0M	Extends regional trail system, leads to Tamien (Caltrain/VTA) Station and Diridon Station, supports access to North San José Transit (VTA-LRT) via ramp structures. Adopted Master Plan, with CEQA and NEPA prepared.
Coyote Creek Trail - Council Districts 3 & 4	Tasman Drive to William Street	8.0 mile	\$44.8M	Extends regional trail system, proximity to Berryessa BART and Little Portugal BART. Adopted Master Plan, with CEQA and NEPA prepared.
Thompson Creek Trail - Council District 8	Quimby Road to City Limit	5.0 mile	\$13.0M	Extends regional trail system, linkage to Eastridge Transit Station, proximity to future Capitol Expressway LRT. Adopted Master Plan and CEQA prepared.
Five Wounds Trail	Story to Mabury	2.8 mile		Extends future trail to two BART stations.

Parks and Water Bond Act of 2018 (Proposition 68)

Proposition 68 which was approved in June 2018, authorized \$4.1 billion in general obligation bonds for state and local parks, environmental protection projects, water infrastructure projects and flood protection projects. Staff has

applied for grants under this program and although they were not selected, staff will continue to pursue this funding opportunity.

In 2018-2019, the Department applied for nine grants totaling \$45.3 million. Table 6 documents the projects for which the grant applications were submitted and the corresponding funding that was awarded, pending, or declined.

**TABLE 6**  
**SUMMARY AND STATUS OF GRANT APPLICATIONS 2018-2019**

<b>Project Name</b>	<b>Grant Program</b>	<b>Amount</b>	<b>Status</b>
All-Inclusive Playground Grant Program	All-Inclusive Playground (Rotary Playgarden)	\$1,000,000	Awarded
	All-Inclusive Playground (Lake Almaden)	\$671,250	Awarded
Bay Area Priority Conservation Grant Program	Five Wounds Trail (Story-Whitton) Program	\$83,000	Preliminary Award
	Coyote Creek (Singleton Crossing)	\$140,000	Preliminary Award
Coyote Creek Trail (Singleton Road Fish Barrier)	BUILD Federal Grant (formerly called TIGER)	\$6,444,000	Declined
Five Wounds Trail - Development & Bike Plan	CA Dept. of Transportation (Cycle 4 ATP Grant Program)	\$33,610,000	Declined
Prop 68: Cultural, Community and Natural Resources	Ovefelt Chinese Cultural Facilities Restoration	\$1,401,302	Declined
	Vietnamese American Community Center	\$1,200,000	Declined
All-Inclusive Playground (Butcher Park)	All-Inclusive Playground Grant Program	\$800,000	Declined

### **C. Measure P Parks and Recreation Bond Projects Fund**

In November 2000, voters approved the Measure P Bond initiative, which provided \$228 million to expand the City of San José's parks infrastructure. To date, 88 of 90 original projects planned under Measure P have been completed. The two remaining projects include additional soccer fields and a softball complex. The construction of Arcadia Ballpark is expected to be completed in Fall 2019.

#### **Arcadia Ballpark**

The Arcadia Ballpark is being built on approximately 14.49 acres of land in Council District 8 and construction is approximately 99 percent complete. Construction of the facility began in the fall of 2017 and achieved substantial completion in September 2019. While staff initially expected an earlier delivery



date, the project has been delayed due to rain and the discovery of Native American remains while grading the site. Completion is expected in fall 2019 and beneficial occupancy in spring 2020, with staff move-in to start on the maintenance and operations of the facility. In the meantime, the Department continues to work on developing operations, staffing, and marketing plans to maximize utilization of the facility.

#### Columbus Park Soccer Facility

A soccer facility was planned as part of the 2000 Measure P Bond. The Department has evaluated and considered many locations since the measure was approved, but for many reasons none moved forward to construction. The City Council approved funding for design of Columbus Park to accommodate soccer and other uses on October 8, 2019. This project would expand all remaining bond funds and complete the program.

#### Coleman Property Sale

On March 26, 2019, the City Council approved the "Actions Related to the Use of Funds from Sale of the Coleman Avenue Property" memorandum. As part of these actions, \$24.8 million was recognized from the sale of the Coleman Property, with \$4.7 million transferred to the Parks and Recreation Bond Projects Fund. This represents the amount of sale proceeds required to be spent on bond-eligible projects based on an analysis from the City's Bond Counsel. The remaining \$20.1 million was placed in the 2019-2020 Proposed Budget Planning Reserve for allocation during 2019-2020.

Projects funded with the \$4.7 million allocation to the Parks and Recreation Bond Projects Fund include:

- All-Inclusive Playground – Emma Prusch – \$500,000;
- Alum Rock Avenue and 31st Street Park Phase II – \$1,000,000;
- Butcher Park Playlot Renovation – \$300,000;
- Hathway Park Renovation – \$850,000;
- Iris Chang Park Development – \$728,000;
- La Colina Park Playground Renovation – \$300,000;
- Playa Del Rey Shade Structure – \$100,000;
- River Glen Park Improvements – \$200,000;
- Seven Trees Community Center Lighting – \$150,000;
- Solari Park Improvements – \$150,000;
- Trail: Yerba Buena Creek Pedestrian Bridge - Preliminary Design – \$144,000;
- Waterford Park Improvements – \$100,000; and
- Welch Park and Neighborhood Center Improvements – \$200,000

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 and Recreation Bond Program.

A total of \$228,030,000 in GO Bonds (the entire Parks and Recreation Bond Program authorization) was issued to fund Parks and Recreation Bond projects. These bond proceeds, combined with interest earnings and other revenues of \$27,200,149, provided total revenues of \$255,230,149 through 2018-2019. A total of \$238,255,026 has been expended with another \$1,337,192 encumbered through June 2019. The balance of the funds will be used to complete the projects indicated above.

The independent accounting firm Macias Gini & O'Connell, LLP completed its annual audit of the Parks and Recreation Bond Projects Fund (Fund 471) for the fiscal year that ended on June 30, 2019 and submitted its report to the City on October 17, 2019. The report will be presented to the Parks and Recreation Commission on December 4, 2019 and is included as Attachment B.

The audit is posted on the City's website: <http://www.sanjoseca.gov/prc>. 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.

**D. Commercial Paper – 2017 Flood Recovery**

In January and February 2017, winter storms caused significant damage to several municipal facilities in the Alum Rock area and along the Coyote Creek corridor. Both events were declared disasters by the President of the United States on April 1, 2017, which allowed the City to seek reimbursement for recoverable costs and expenses (including those incurred for emergency response during and shortly after the event, as well as for prospective project costs related to restoring or replacing City-owned and operated property damaged by the flood). Upon conducting its assessment, the City identified a total of 26 flood-related reconstruction projects for which the City will seek reimbursement. Attachment B lists these projects and their current schedule for completion.

At the February 13, 2018 City Council meeting, staff presented the schedule for reconstructing the impacted facilities and a financial plan for funding this work. The City Council authorized the use of up to \$21 million dollars in commercial paper to finance the reconstruction. Much of the reconstruction expenses are expected to be reimbursed through the City's property insurance policies, the



Federal Emergency Management Agency (FEMA) and the California Governor's Office of Emergency Services (CalOES). The City's contribution towards the overall costs is expected to be at least 6.25 percent. Consequently, staff will continue to work collaboratively with other City departments to maximize reimbursements, thereby reducing the long-term impact to the capital program.

As of October 2019, the City has received \$4.3 million from its insurance provider (after a \$1.1 million deductible) and \$1.6 million from FEMA/CalOES. Staff will continue to work with FEMA and CalOES to ensure that projects conform to those agencies' requirements (including the tracking and documenting of activities and expenditures) to ensure maximum reimbursements. As of October 2019, the City has issued \$5,882,000 in Commercial Paper and anticipates the issuance of an additional \$3,504,000 to cover the costs of the 2017 Flood Recovery Projects. The City has paid a total of \$2,072,000 in principle and \$37,312 in associated fees, charges, and interest as of June 30, 2019.

To date, the following flood-related projects have been completed:

- Happy Hollow Park & Zoo Lower Restrooms, Commissary & Office
- Japanese Friendship Garden Public Restroom
- Martin Park (Booster Bump), Martin Park Resilient Surfacing
- Rocksprings Park Resilient Surfacing
- Selma Olinder Community Center, Selma Olinder Park Resilient Surfacing, Selma Olinder Theatre
- Watson Park Lighting, Future Mitigation, Irrigation, Electrical Repair, Turf Soccer Fields
- Debris Removal
- Alum Rock Park – Falls Road Reconstruction

Remaining projects are either in the design phase or in the construction phase. The status of all flood projects is shown in Attachment C.

### **3. Project Overview - Capital Improvement Program (CIP) Projects Overview**

#### **A. Parks Overview**

The CIP supports delivery of new and/or improved parks, trails, centers and other recreational projects. Major projects delivered or underway during 2018-2019 include:

- 5.6 acres of new parks:
  - Meadowfair Park Expansion – 2.0 acres
  - William Lewis Manly Park – 1.8 acres
  - North San Pedro Park – 1.1 acres

- Cannery Park - 0.74 acres
- 1.7 miles of improved and new trails:
  - Three Creeks Trail – 0.8 mile (paved trail and landscaping)
  - Guadalupe River Trail / Coleman Road Under-Crossing – 600 feet
  - Penitencia Creek Trail (King Road to Berryessa BART) – 0.3 mile (opening held until operations commence at the Berryessa BART Station)
  - Miscellaneous – 0.6 mile

In addition, during 2018-2019, the team oversaw and managed reconstruction of various park amenities that were damaged during the 2017 winter flood events. This work includes:

- Reconstruction of the Trestle Wall at Alum Rock Park;
- Restoration of public restrooms at Happy Hollow Park & Zoo and Kelley Park; and
- Reconstruction of the Japanese Friendship Garden Tea House and Koi pump house

Table 6 lists the top ten funded projects for the Department's CIP Program.

**TABLE 6**  
**TOP TOTAL FUNDED PARKS, RECREATION AND**  
**NEIGHBORHOOD SERVICES PROJECTS**

Project Name	Total Funding (millions)	Scope
Coyote Creek Trail (Story-Tully)	\$8.8	Construction of 2.25-mile trail segment.
Arcadia Softball Facility	\$8.5	Construction of a regional softball facility at the Arcadia site.
Pellier Park	\$3.5	Construct a new 1.0-acre neighborhood park.
PAL Stadium Turf Replacement	\$3.0	Replace the field turf.
Alum Rock Park Service Road Flood Repairs & Construction	\$2.7	Repair service road and reconstruct flood damaged areas.
Watson Park Turf, Lighting & Electrical Mitigation	\$2.6	Repair flood damages to park turf and electrical systems.
Japanese Friendship Garden Koi Pond and Koi Pump House	\$2.5	Repair and restore to pre-flood condition.
Tamien Park Development - Phase II	\$2.5	Construction for phase II of the park.
Three Creeks Interim Improvements and Ped Bridge	\$2.5	Replacement of the former trestle with a clear-span pedestrian bridge.
Iris Chang Park Development	\$2.3	New 2.6-acre park



## **B. Trails Overview**

The Department is developing one of the nation's largest urban trail networks, with over 61 miles open to the public with plans to expand the network by an additional 39 miles per the City's General Plan and other guiding documents.

The Trail Network grew by 1.7 miles during 2018-2019. Three projects were opened to the public: Three Creeks Trail from Minnesota Avenue to Coe Avenue; Guadalupe River Trail's Coleman Road Under-Crossing; and trails within the Communications Hill neighborhood. A fourth project was completed along Penitencia Creek Trail, from King Road to the Berryessa BART Station. That project's opening date is tied to the operation of BART in San José and is currently anticipated for 2020.

Staff worked with nearly 50 volunteers to conduct the 13<sup>th</sup> annual Trail Count on September 11, 2019. Seven count stations recorded the number of bicyclists and pedestrians using the Guadalupe River, Los Gatos Creek, Los Alamitos Creek, and Three Creeks trails. A week-long survey was also conducted to gather user opinions to improve trail planning and operations. Four of the seven trail count stations saw an increase in traffic. It is estimated that the Guadalupe River Trail at the River Oaks Parkway stations serve 935,000 per year, based on the Rails To Trails Conservancy Trail Traffic Calculator. The Trail Annual Report is presented as Attachment D.

Staff managed many trail projects, with several occurring along Coyote Creek and funded using City and grant-related resources. Staff also developed and sustained relationships with private companies to deliver new or enhanced trails. A short section of the Bay Trail was completed in September by collaborating with Marriott Corporation (Fairfield Inn) and the Bay Area Conservation District. Repair and restoration of the Highway 237 Bikeway Trail (Calabazas Creek to Lower Guadalupe River Trail) was funded and managed by Google, with planning, design and inspection oversight by the City. An overview of all projects under development can be found via the Annual Trail Report released on July 1, 2019: <http://www.sanjoseca.gov/DocumentCenter/View/85842>

Staff efforts to increase public awareness and engagement regarding the Trail Network occurred via social media, with a five percent increase in Twitter@SanJoseTrails followers and a 32 percent increase in Instagram@SanJoseTrails followers.

The City received the Advancing Trails Award for the Three Creeks Trail project at the International Trails Symposium held in Syracuse, New York in April 2019. The award acknowledges the Department's approach to planning and design that

recalled the former railway corridor's history and impact to the City's agricultural economy. Staff presented at the International Trails Symposium and the California Trails and Greenways Conference on the subject of Creative Problem Solving.

The Trail Annual Report (attachment D) provides information on the programs and projects completed over the past fiscal year.

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

The Department will continue to provide annual reports to the Parks and Recreation Commission and Neighborhood Services and Education Committee.

### **CLIMATE SMART SAN JOSE**

The recommendation in this memorandum does not have any negative impact on Climate Smart San José energy, water, or mobility goals.

### **PUBLIC OUTREACH**

No specific outreach has occurred regarding the Department's CIP status report; however, individual CIP projects have their own public outreach process.

### **COORDINATION**

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

### **COMMISSION RECOMMENDATION/INPUT**

This item will be presented to the Parks and Recreation Commission on December 4, 2019.

### **FISCAL/POLICY ALIGNMENT**

Projects discussed are consistent with the Envision San José 2040 General Plan and Greenprint 2009 Update.



October 28, 2019

**Subject: 2018-2019 Status Report on Parks and Community Facilities Development CIP**

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### **COST SUMMARY/IMPLICATIONS**

The projected costs of maintaining and operating new and expanded parks and recreation facilities are noted in the 2020-2024 Adopted Capital Improvement Program.

### **CEQA**

Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action.

/s/

JON CICIRELLI  
Director of Parks, Recreation and  
Neighborhood Services

For questions, please contact Nicolle Burnham, Deputy Director, at (408) 793-5514.

Attachment A: Report on Park Impact Ordinance and Parkland Dedication Ordinance Fees

Attachment B: Annual Audit of Parks and Recreation Bond Projects Fund

Attachment C: Project Costs and Schedule for Flood Projects

Attachment D: Trail Annual Report