COUNCIL AGENDA: 06/29/21

FILE: 21-1538 ITEM: 2.26



# Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: Nanci Klein

Jon Cicirelli Jim Shannon

SUBJECT: INTERNAL TRANSFER FOR

**DATE:** June 15, 2021

FUTURE PARK SITE

Approved makes Manne	Date		
Grand 20.1 Million	06/17/21		

**COUNCIL DISTRICT: 3** 

# **RECOMMENDATION**

- (a) Adopt a resolution authorizing the internal transfer of approximately 0.39 acres of land known as 460 Park Avenue, from the Office of Economic Development to the Parks, Recreation and Neighborhood Services Department for the future construction of additional park and open space in exchange for the appraised value of \$390,000.
- (b) Adopt the following 2020-2021 Appropriation Ordinance amendments in the Subdivision Park Trust Fund:
  - (1) Decrease Future PDO / PIO Projects Reserve by \$390,000; and
  - (2) Establish the Council District 3 Property Acquisition appropriation to the Parks, Recreation and Neighborhood Services Department in the amount of \$390,000.

# **OUTCOME**

Adoption of this resolution will allow for the transfer of approximately 0.39 acres of City-owned land, as described and depicted in Exhibit A and Exhibit B, from the Office of Economic Development (OED) to Parks, Recreation and Neighborhood Services Department (PRNS), to support future parkland and open space provision in the Diridon Station Area, in exchange for the appraised value of \$390,000.

### **BACKGROUND**

460 Park Avenue is a 16,957 square foot (0.39 acres) vacant parcel located at the southeast corner of Park Avenue and Gifford Street, known as Assessor's Parcel Number 259-46-097, as

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described and depicted in Exhibit A ("Property"). The Property includes approximately 4,010 square feet reserved as a right of way that would not be included in a future park development.

460 Park Avenue was acquired in 1970 for the purpose of widening Park Avenue. At the time of acquisition, the Property had structures which were later used by the Police Athletic League ("PAL") as office and youth services until the PAL relocated to 680 South 34th Street in 2000. The buildings were demolished in 2008 due to the cost of maintenance and ongoing liability and safety concerns.

On June 16, 2009, the City Council, under Resolution No. 74994, declared the Property to be surplus to the needs of the City and authorized the City Manager to proceed with the sale or lease of the property. Since that time, staff identified multiple potential City uses of the property. On March 30, 2021, the Council rescinded the Property's surplus designation and declared that the Property is needed for present or future City use.

PRNS has identified the Property as a future park site to fill in park access gaps for the southeast portion of the Diridon Station Area (including the Delmas Park Neighborhood). The 2014 Diridon Station Area Plan (DSAP) identified the need for a neighborhood park in the Delmas Neighborhood. The 2021 Amendment to the DSAP, adopted by City Council on May 25, 2021, identifies the property at 460 Park Avenue as park. The 2021 Amended DSAP calls for up to 13,000 housing units in a dense, urbanized space. Many of these residences would not have private backyards. It is important for the Diridon Station Area to have well-connected and well-dispersed parks to provide accessible open space to residents. Use of the Property as a park would support this objective with its central location.

### **ANALYSIS**

The City of San José holds fee ownership of the Property. The Property has a general plan land use designation of Open Space, Parklands, and Habitat with conforming zoning for Open Space use. A City commissioned appraisal valued the property at \$390,000 (\$30/SF). Based on the appraisal, the highest and best use of this site is public or private recreational use as a park.

Currently, the residents of the Delmas Park Neighborhood have limited access to neighborhood park resources and face health and wellness challenges. The neighborhood's framing by Highway 87, Highway 280 and busy arterial roadways may discourage travel to the following:

- McEnery Park is the nearest neighborhood park and is located 0.3 mile to the east. Access from the neighborhood is via passage beneath Highway 87.
- Discovery Dog Park is 0.12 mile to the east. It has no recreational features for children or adults.
- Guadalupe River Park is 0.25 mile to the east. The park is regional in its design and resources, with few neighborhood park-like features (courts, sports fields, etc.) near the

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neighborhood. The Guadalupe River Park is within a 10-minute walk per the General Plan. Access from the neighborhood is via passage beneath Highway 87.

- The Delmas Park neighborhood is currently served by the 0.5-acre Discovery Dog Park. This neighborhood lacks the 3.5-acre target for parkland per the General Plan. Demographic research suggests that 20% of households have a person with a disability and 10% of the population is age 65 or older. Park development would provide nearby access to recreational resources and support public life experiences.
- The Census Tract data for this neighborhood reports a Healthy Places Index score in the bottom 20<sup>th</sup> percentile compared to the City in general.

The property at 460 Park Avenue is well suited for park development for the following reasons:

- Easily observed from Park Avenue and Gifford Avenue.
- Suitably sized for a range of neighborhood recreational features; such as playgrounds, open turf, picnic and seating areas, and court games. The actual features will be determined with input from the community during design development for the park.
- Centrally located within the Delmas Park Neighborhood, within the Diridon Station Area.

The Environmental Services Department (ESD) performed limited testing of the soil due to concerns that lead may be present from paint flakes from former structures that were on-site during a time when lead-based paint was commonly used. The testing showed two of four locations to have elevated levels of lead that exceed park standards. Further testing and mitigation will need to be done prior to, or during, park development. Based on staff experience with similar properties, the estimated environmental cleanup cost is not likely to exceed \$200,000. Funding for this work will be the subject of a future budget action.

Because the property is vacant, there is an ongoing City maintenance obligation to address illegal dumping, homeless encampments, and weed abatement. To minimize the occurrence of trespassing, the City would replace existing fencing with a perimeter chain link fence until planning and future development occurs.

It is noted that there are no current development plans for this identified park site, and any future parkland development projects would be subject to the typical approval and notice processes, and CEQA analysis.

### **CONCLUSION**

Staff recommends that the City Council approve the transfer of the subject properties from OED to PRNS to support a future park site, in exchange for the appraised value of \$390,000 to be paid from the Subdivision Park Trust Fund. Proceeds from this transfer will be deposited into the City's General Fund (\$390,000) as further discussed below in the Cost Summary/Implications section.

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# **EVALUATION AND FOLLOW-UP**

The transfer of the subject property is anticipated to be completed June 2021. Staff will return to the City Council in the future regarding budgetary actions for the study, planning, environmental, design, and development efforts that could lead to parkland development.

# **CLIMATE SMART SAN JOSE**

The recommendation in this memo aligns with one or more Climate Smart San José energy, water, or mobility goals.

# **PUBLIC OUTREACH**

This memorandum will be posted on the City's Council Agenda website for the June 29, 2021 Council Meeting.

In addition, staff conducted outreach about the location of this park throughout 2020. This included outreach throughout the process of developing the DSAP in the form of community meetings and on-line surveys. These included broad outreach meetings with the Station Area Advisory Group, community meetings on the DSAP plan, and presentations to local interest groups including the Diridon Area Neighborhood Group and Park Advocates.

In anticipation of this council action staff also informally asked Park Advocates and the Shasta Hanchett Neighborhood Association about the need for a park at this location. In both cases the feedback received was supportive for a neighborhood park at this location.

## **COORDINATION**

This memorandum has been coordinated with the Planning, Building, and Code Enforcement Department, ESD, and City Attorney's Office.

# **COMMISSION RECOMMENDATION/INPUT**

No commission recommendation is associated with this action.

### COST SUMMARY/IMPLICATIONS

PRNS will purchase the property, using the Subdivision Park Trust Fund, for a future site of park/open space development. Proceeds in the amount of \$390,000 will be deposited into the

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City's General Fund and the revenues will be applied to meet the 2020-2021 budgeted revenue estimate for property sales.

In addition, until planning and future development occurs on this property, the City would replace the existing fencing with a perimeter chain link fence, which is estimated to cost \$17,000 and will be funded by the existing Strategic Capital Replacement and Maintenance Needs appropriation in the Council District #3 Construction and Conveyance Tax Fund. The chain link fence is scheduled to be installed within two months of acquiring the property.

# **BUDGET REFERENCE**

The table below identifies the fund and appropriation to fund the transfer of the property recommended as part of this memo.

Fund #	Appn#	Appn. Name	Total Appn	Recommended Budget Action	2020-2021 Adopted Capital Budget Page	Last Budget Action (Date, Ord. No.)
375	NEW	Council District 3 Property Acquisition	N/A	\$390,000	N/A	N/A
375	8845	Future PDO / PIO Projects Reserve	\$9,424,757	(\$390,000)	V-444	2/9/2021 Ord. No. 30531

# **CEQA**

Not a Project, File No. PP17-010, City Organizational & Administrative Activities resulting in no changes to the physical environment.

/s/

NANCI KLEIN

Director of Economic Development

/s/JON CICIRELLI

Director of Parks, Recreation, and

Neighborhood Services

JIM SHANNON

**Budget Director** 

Attachments:

Exhibit A - Location of the Property

Exhibit B - Description of the Property

# **EXHIBIT A**

# Location of the Property



#### **EXHIBIT B**

# Description of the Property

All that certain real property situated in the City of San Jose, County of Santa Clara, State of California, being described as follows:

All of Lots 4, 5 and 6, as shown on that Map of the Subdivision of the Mc Clory Tract recorded on September 8, 1888 in Book D of Maps at Page 19, Records of Santa Clara County.

EXCEPTING the southeasterly 35.33 feet of Lot 6, measured at a right angle from and parallel to, the southeasterly line of said Lot 6.

#### PUBLIC RIGHT OF WAY EASEMENTS

Reserving therefrom easements for the installation and maintenance of public right of way, including but not limited to the facilities, appurtenances and improvements related thereto, such as: pavement, storm drainage and sanitary sewer systems, street lights and traffic signals systems and electrical appurtenances, street trees, curb, gutter, sidewalk, and public utilities such as potable and non-potable water, electrical power, gas, telephone, and cable television, and all appurtenances thereto and for any and all public uses, on, under, over, and through the real property situated in the City of San Jose, County of Santa Clara, State of California, being more particularly described as follows:

#### Easement Area One:

Beginning at the intersection of the southeasterly line of Park Avenue, with the northeasterly line of Gifford Avenue (formerly Mc Clory Avenue, also formerly Pleasant Avenue), as widened by the Indenture recorded on July 23, 1915 in Book 431 of Deeds, at Page 462, Records of Santa Clara County and as shown on that certain Map recorded on March 17, 1915 in Book O of Maps, at Page 70, Records of Santa Clara County; thence along said southeasterly line of Park Avenue, N 47°20'00" E 47.27 feet to the most westerly corner of the property described in the Indenture recorded on July 27, 1915

in Book 415 of Deeds, at Page 388, Records of Santa Clara County and shown on that certain Map recorded on March 17, 1915 in Volume O of Maps at Page 69, Records of Santa Clara County; thence along the northwesterly line of said Indenture (415 Deeds 388), parallel with and 5.00 feet southeasterly, measured at a right angle, of said southeasterly line of Park Avenue, N 59°20′ 00″ E 51.02 feet to the northeasterly line of Lot 5 as shown on said Mc Clory Tract; thence southeasterly along said northeasterly line of Lot 5, S 30°40′00″ E 28.59 feet to the beginning of a non-tangent curve to the left, concave southeasterly, having a radius of 655.00 feet, a radial line to said curve bears N 33°23′14″ W; thence along said curve through a central angle of 07°30′55″, for an arc length of 85.91 feet to the beginning of a compound curve having a radius of 10.00 feet; thence along said curve through a central angle of 85°15′51″, for an arc length of 14.88 feet to a point of cusp, said point being on said northeasterly line of Gifford Avenue (431 Deeds 462), N 36°10′00″ W 39.43 feet to the Point of Beginning.

#### Easement Area Two:

That certain portion of Lot 4, as described in the deed from M.A. Geoffroy to the City of San Jose, a municipal corporation, dated June 22, 1915 and recorded on July 23, 1915 in Book 431 of Deeds, Page 462, Official Records of Santa Clara County.

#### Easement Area Three:

That certain portion of Lot 5, as described in the deed from M.A Geoffroy to the City of San Jose, a municipal corporation, dated June 22, 1915 and recorded on July 27, 1915 in Book 415 of Deeds, Page 388, Official Records of Santa Clara County.

#### Easement Area Four:

The southwesterly 5.00 feet of Lot 6, measured at a right angle from and parallel to, the southwesterly line of said Lot 6.

The described property contains approximately 16,957 square feet (0.3893 acres).

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This description was prepared from record information and a limited field survey.

The Basis of Bearings for this description is the Bearing N 36°10' W shown as the northeasterly line of Gifford Avenue (formerly Mc Clory Avenue), as shown on that Map of the Subdivision of the Mc Clory Tract recorded on September 8, 1885 in Book D of Maps at Page 19, Records of Santa Clara County.

Attached hereto and by reference a part hereof is a plat labeled "PLAT TO ACCOMPANY DESCRIPTION OF REAL PROPERTY" depicting the subject property.

The above description of real property was prepared by me, or under my supervision, in conformance with the requirements of Section 8726 (g, k, l, m) of the Business and Professions Code of the State of California.



Steve G. Choy, PLS 6672

