



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jon Cicirelli

SUBJECT: SEE BELOW

DATE: October 18, 2021

Approved

Date

10/22/21

COUNCIL DISTRICT: 7

**SUBJECT: GRANT APPLICATION FOR CALIFORNIA DEPARTMENT OF PARKS
AND RECREATION AND SANTA CLARA VALLEY OPEN SPACE
AUTHORITY FOR PARK DEVELOPMENT LOCATED AT THE
SOUTHEAST CORNER OF MIDFIELD AVENUE AND HAVANA WAY**

RECOMMENDATION

Adopt a resolution authorizing the City Manager to:

- a. Submit a grant application and, if awarded, negotiate and execute a grant agreement, amendments and related documents with the California Department of Parks and Recreation for the Proposition 68: General Per Capita Grant Program for an amount up to \$177,952 for park development at the southeast corner of Midfield Avenue and Havana Way; and
- b. Submit a grant application and, if awarded, negotiate and execute grant agreements with Santa Clara Valley Open Space Authority for an amount up to \$550,000 for park development at the southeast corner of Midfield Avenue and Havana Way.

OUTCOME

Awarded grants from two sources: 1) the Proposition 68: General Per Capita Grant Program; and 2) the Santa Clara Valley Open Space Authority (OSA) will supplement appropriated City funds to develop a playground in the Tropicana Neighborhood in east San José.

BACKGROUND

The property is a small (0.15-acre) site at the southwest corner of Havana Drive and Midfield Avenue.

On June 5, 2017, California voters approved Proposition 68 (Parks, Environment, and Water Bond), authorizing \$4.1 billion in general obligation bonds for State and local parks, environmental protection projects, water infrastructure projects and flood protection projects. The \$4.1 billion in bond revenue has been earmarked for eligible project categories including Parks and Recreation (including development of recreation within park-poor neighborhoods).

The General Per Capita Grant Program under Proposition 68 is for local park rehabilitation, creation, and improvement grants to local governments on a per capita basis. Grant recipients are encouraged to use awards to rehabilitate existing infrastructure and to address deficiencies in neighborhoods lacking access to the outdoors.

Since 2014, the Tropicana Neighborhood community has focused on improving their neighborhood and engaged the City Manager and the Department of Parks, Recreation, and Neighborhood Services (the Department) to create a pocket park on remnant land owned by the California Department of Transportation (Caltrans). The property identified for a pocket park is a small (0.15-acre) site at the southwest corner of Havana Drive and Midfield Avenue (see Attachment A). The neighborhood refers to the site as *Nuestro Lugar* (Spanish for “Our Place”) and envisions it as a neighborhood-gathering space. The community-developed plan calls for a playground, tables, seating, landscaping, a small stage, a mural, and storage to hold the tools and supplies needed for sustaining the site (see Concept Plan in Attachment B).

In 2015, the Latinos United for a New America (LUNA) secured a \$250,000 grant from the OSA to build the pocket park. In 2019, LUNA commenced work with VER Consultants for *pro bono* (no cost) services to create a park plan. Since May 2019, LUNA and community members have been meeting with the Department, the Department of Transportation, the Department of Public Works and other City departments to advance the project.

The City has taken actions to secure the site for future park development and ensure access to the OSA Grant funds that had been awarded to LUNA and that could be awarded to the City. The City recently executed a Lease Agreement with Caltrans (on June 30, 2021 for a 12-year term with renewal options to June 29, 2033). The City is now working towards acquisition of the site from Caltrans to develop and operate the site as a pocket park, as part of the City’s Parks System.

The OSA Board has recently extended the deadline for LUNA to confirm site access, an important milestone in project delivery. At the August 26, 2021 meeting, the OSA Board voted unanimously to transfer the LUNA grant to the City because of its fiscal capacity to front contract expenditures and for delivery of public park improvements under the guidance of the Director of Public Works. The OSA Board at the same meeting, expressed support for the City to apply for an additional \$300,000 grant to close a funding gap in the project budget. The OSA Grant program does not have a deadline, and staff anticipates applying prior to December 2021 to secure the resource in a timely manner as it receives updates from the State about the related Proposition 68 application.

ANALYSIS

Confirmation of the City's intent to use the site as parkland is important for funding. Proposition 68's Per Capita Program supports local park rehabilitation, creation and improvements. The program has \$185,000,000 in available funding statewide.

The City of San José submitted a questionnaire to the State of California (State) in May 2019 to be eligible to receive funding. The State notified the City in spring of 2020 that an appropriation of \$177,952 was the maximum grant available. The City has until December 2021 to submit a project application for project approval from the State. With the relatively low grant award available, staff carefully reviewed active projects that had a funding shortfall.

The Department is proposing to apply for the pocket park at Midfield Avenue for the following reasons:

- The relatively small amount of grant funding that is available is well-suited to advance the development of a pocket park;
- The Proposition 68 grant will leverage a significant OSA grant already secured by LUNA, and available to the City via OSA's transfer of funds;
- The project is within a severely disadvantaged community so no matching funds are required per State guidelines; and
- Closing the budget gap will advance a project that has been advocated for since 2014 and part of the Department's work plan since that time.

The project is consistent with the strategic plan for the Department, ActivateSJ, which calls for Equity & Access through development of parks in underserved neighborhoods. The Tropicana Neighborhood has limited open space available at public school campuses, with no public parks within 0.75-mile, which is a metric used by the Department as part of ActivateSJ for neighborhood park access. The playground will accommodate children, ages ranging from five to 12. The 0.15-acre site is much less than the half-acre objective for new parks but presents an opportunity for parkland development not otherwise available in the immediate area.

Through prior arrangements, the community will support upkeep of the pocket park and supplement routine park maintenance tasks conducted by the Department. Community tasks will include litter pick-up, graffiti removal, and general upkeep. The City will assume the role of ensuring public safety by conducting a monthly inspection of the playground structure and routine park maintenance tasks. Future capital improvements, should they be needed, will be considered within the context of the Departments budget process.

CONCLUSION

The City Manager will: 1) submit a grant application for \$177,952 under the Proposition 68: General Per Capita Grant Program and, if awarded, negotiate and execute a grant agreement with the State of California; 2) negotiate and execute a grant agreement with OSA for \$250,000; and,

3) apply for and, if awarded, negotiate and execute a grant agreement with OSA for up to \$300,000.

EVALUATION AND FOLLOW-UP

The Department will report on project development via regularly scheduled updates with the Council Office for District 7. The Department will return to the City Council with park naming recommendations near the time that park construction should get underway.

CLIMATE SMART SAN JOSÉ

The recommendation in this memo has no negative impact to the Climate Smart San José goals for energy, water, or mobility.

PUBLIC OUTREACH

This memorandum will be posted on the City Council's Agenda website prior to the November 2, 2021, City Council meeting.

COORDINATION

This memorandum has been coordinated with the City Manager's Budget Office, Office of Economic Development (Real Estate Unit), Department of Public Works and the City Attorney's Office.

COMMISSION RECOMMENDATION/INPUT

No commission recommendation or input is associated with this action.

FISCAL/POLICY ALIGNMENT

The proposed action is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy.

COST SUMMARY/IMPLICATIONS

If received, the City will need to front the total cost of the Proposition 68 grant (\$177,952), as well as the total amount received from the Santa Clara Valley Open Space Authority (up to

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\$550,000). Funding will be sourced from either the Park Trust Fund, the Construction and Conveyance Tax Fund for Council District 7, and/or the Citywide Construction and Conveyance Tax Fund Matching Grant Reimbursement Reserve.

If grants are awarded, revenues and corresponding expenses for the project will be recognized and appropriated as part of the budget process.

CEQA

Midfield-Havana Pocket Park: Categorically Exempt, CEQA Guidelines Section 15332, Infill Development Projects, File No. ER20-200.

/s/

JON CICIRELLI

Director of Parks, Recreation and
Neighborhood Services

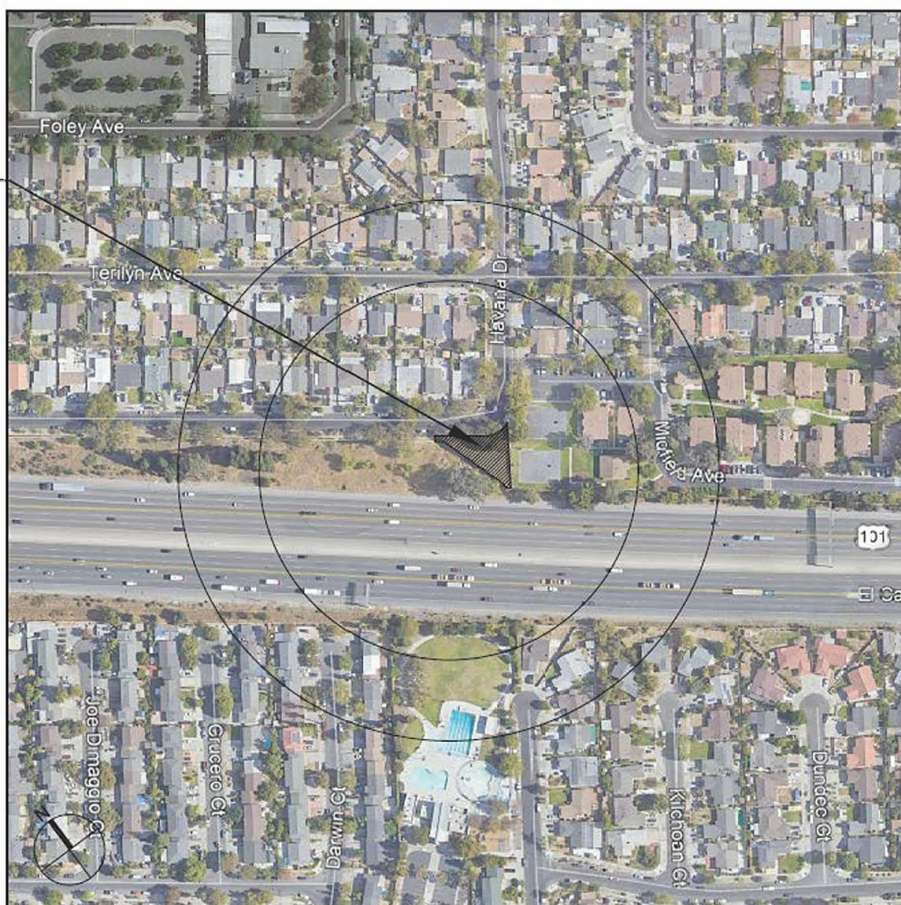
For questions, please contact Nicolle Burnham, Deputy Director, at
nicolle.burnham@sanjoseca.gov.

Attachments:

- A. Project Location Map
- B. Conceptual Site Plan

Attachment A

PROJECT LOCATION



NOT TO SCALE

**Attachment B
Conceptual Site Plan**

