Council Agenda: 03/16/04
Item: 4.3

CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL

FROM: Stephen M. Haase
Larry D. Lisenbee

SUBJECT: **FUNDING FOR THE EVERGREEN SMART GROWTH STRATEGY AND RELATED DOCUMENTS**

DATE: March 3, 2004

Approved

Date 3/3/04

Council District: 8
SNI Areas: KONA and West Evergreen

RECOMMENDATION

It is recommended that the City Council take the following actions to revise the established 2003-2004 funding for the preparation of the Evergreen Smart Growth Strategy, Evergreen Area Development Policy update, and related environmental documents:

Adopt 2003-2004 Appropriation Ordinance and Funding Sources Resolution Amendments in the General Fund as follows:

1. Increase the Citywide appropriation for the Evergreen Smart Growth Strategy by $1,102,581; and

2. Increase the estimate for earned revenue from Other Revenue by $1,102,581.

BACKGROUND

On November 4, 2003, the City Council adopted a resolution authorizing the City Manager to negotiate and approve a Funding Agreement for the Evergreen Smart Growth Strategy and related documents (Agenda Item 4.7). As part of this action, the Council delegated approval authority to the Director of Planning, Building and Code Enforcement for minor amendments to the agreement, such as accounting for increases in funding for this effort by the major Evergreen property owners and amending schedules or tasks in a manner that remains consistent with the information contained in the original memorandum.

Now that this planning effort is underway, the original project tasks have been reviewed and revised to reflect a clearer understanding of the steps that are required to complete the major milestones, as well as the sequencing of those milestones. In order to move forward in an expeditious manner and thereby conclude the effort in June 2005, monies allocated in latter phases of the project need to be moved to Phase I in order to cover staff efforts and allow the City to hire specialized consultants related to financing districts.

ANALYSIS

The estimated costs through June 2004 have been revised to $1,338,171. The proposed appropriation actions would allow the City to accept additional funds in the current fiscal year to stay on schedule by starting on the financing district elements as soon as possible.

The entire estimated budget for this effort remains at approximately $8.8 million. No new staff are required to meet the revised work plan; existing staff are assigned to this effort and paid for by the property owners. It is still assumed that the effort would conclude in June 2005 with the City Council's consideration of the Evergreen Smart Growth Strategy and related items.

As allowed by the City Council, the Director of Planning, Building and Code Enforcement will be working with participating property owners to execute a first amendment to the Funding Agreement acknowledging this funding modification.

PUBLIC OUTREACH

The Evergreen Smart Growth Strategy process involves extensive participation through open community task force meetings, broad community meetings at key points in the process, and ultimately public hearings before Planning Commission, other relevant City Commissions, and the City Council.

COORDINATION

The preparation of this memorandum and cost estimates was coordinated with the City Attorney's Office, Department of Public Works, and Department of Transportation. The preparation of the funding agreement was coordinated with the City Attorney's Office.

FISCAL IMPLICATIONS

In February 2003, the City Council approved the Mayor's Budget Strategy memorandum setting forth specific guidance to control costs. With respect to long range planning, the direction was "to defer or suspend advance land use planning efforts without outside funding." Per this Council direction, a funding agreement has been approved with self-selected Evergreen property owners who are volunteering to finance the preparation of the Evergreen Smart Growth Strategy, Evergreen Area Development Policy update, and related environmental documents. This property owner group is called Yerba Buena Opco, Inc.

CEQA

Exempt, PP03-10-349.

STEPHEN M. HAASE, DIRECTOR
Planning, Building and Code Enforcement

for LARRY D. LISENBEE
Budget Director

I hereby certify that there will be available for appropriation in the General Fund in the Fiscal Year 2003-2004 monies in excess of those heretofore appropriated therefrom, said excess being at least $1,102,581.

for LARRY D. LISENBEE
Budget Director

Evergreen funding memo