TO:        HONORABLE CITY COUNCIL
FROM:     CITY MANAGER            DEPARTMENT: COMMUNITY SERVICES
DATE:     FEBRUARY 12, 2007       CMR: 136:07
SUBJECT:  UPDATE ON THE PUBLIC/PRIVATE PARTNERSHIP WITH FRIENDS OF HERITAGE PARK LIMITED LIABILITY COMPANY

This is an informational report and no Council action is required.

BACKGROUND
On June 5, 2006 the City Council approved a Council Colleagues Memorandum directing staff to work with the Friends of Palo Alto Parks and the neighbors of Heritage Park to explore the creation of a public/private partnership that would culminate in the construction of a playground at the park site. This report provides an update to this effort.

DISCUSSION
Staff and a neighborhood team have been working on developing a public/private partnership agreement that will lead to the construction of a playground at Heritage Park. The Heritage Park neighbors have made excellent progress towards their goal, including the formation of a limited liability company entitled Friends of Heritage Park, LLC (LLC) and the conceptual development of playground designs using a local landscape architect. They have had outstanding success in reaching most of their fundraising goals. A more detailed summary, as authored by the LLC, is contained in Attachment A, “Heritage Park Playground Project.”

Also attached is the signed Letter of Intent outlining the process by which this project is to be guided (Attachment B). Objectives yet to be completed are the development and approval of the playground design, a memorandum of understanding and option to lease, and a park improvement ordinance. Should playground design work be completed as anticipated, in March, the project will come back to Council for approval in April 2007. The LLC estimates that construction can begin as early as May 2007.

RESOURCE IMPACT
The LLC estimates the total cost of the playground to be $211,000. Of the estimated cost, the LLC needs to raise $26,000. The City has pledged $75,000 towards the project from the park development impact fee account. As of January 29, 2007 the balance of uncommitted funds in the account is approximately $873,000.

ATTACHMENTS
Attachment A: Heritage Park Playground Project
PREPARED AND APPROVED BY: ___________________________________________________

RICHARD JAMES
Director, Community Services Department

CITY MANAGER APPROVAL: ___________________________________________________

EMILY HARRISON
Assistant City Manager