

THE REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE

MEMORANDUM

TO: REDEVELOPMENT AGENCY BOARD	FROM: HARRY S. MAVROGENES EXECUTIVE DIRECTOR
SUBJECT: UPDATE ON MACSA CHILDCARE GRANT	DATE: OCTOBER 27, 2010

INFORMATION

In June 2007, the Redevelopment Agency entered into a grant agreement with MACSA for the development of 80 Smart Start spaces in their Sinclair Avenue building. This grant agreement was the culmination of a Request for Proposals in 2005 to which MACSA responded. The Notice of Completion for the project was recorded on May 1, 2009.

A requirement of the grant is that MACSA operate a Smart Start program (which is a San Jose-specific childcare and education program) for fifteen years. To confirm their intent to meet this requirement, Agency staff spent months working with MACSA and their landlord (Alum Rock School District) to obtain confirmation of a 15-year lease. The Smart Start program throughout the City is managed by the Library Department, and this arrangement is spelled out in the grant agreement.

On a recent visit to MACSA, the Library staff determined that there was not a Smart Start program operating at the site. MACSA has not been able to find a licensed operator to meet these requirements.

Because MACSA appears to be in default of the grant requirements, Agency staff will begin the process of notification of this condition and work with the Library staff and MACSA to identify alternative solutions to this issue.



HARRY S. MAVROGENES
Executive Director