

NOTICE OF SPECIAL MEETING

Pursuant to Section 54956 of the Government Code of the State of California, a Special Meeting of the **Tracy City Council** is hereby called for:

Date/Time: **Tuesday, February 22, 2022, 6:00 p.m.**
(or as soon thereafter as possible)

Location: **Tracy City Hall**
333 Civic Center Plaza, Tracy, CA.

Government Code Section 54954.3 states that every public meeting shall provide an opportunity for the public to address the Tracy City Council on any item, before or during consideration of the item, however no action shall be taken on any item not on the agenda.

This meeting will be open to the public for in-person and remote participation. In accordance with the California Department of Public Health Guidelines, universal masking indoors is recommended. Masks are required for unvaccinated individuals in indoor public settings. Members of the public may participate remotely in the meeting via the following method.

For Remote Public Comment:

During the Items from the Audience, public comment will be accepted via the options listed below. If you would like to comment remotely, please follow the protocols below:

- *Comments via:*
 - **Online by visiting** <https://cityoftracyevents.webex.com> and using the following **Event Number: 2551 349 7279** and **Event Password: TracyCC**
 - ***If you would like to participate in the public comment anonymously***, you may submit your comment via phone or in WebEx by typing “Anonymous” when prompted to provide a First and Last Name and inserting Anonymous@example.com when prompted to provide an email address.
 - **Join by phone by dialing +1-408-418-9388, enter 25513497279#8722922#**
- *Protocols for commenting via WebEx:*
 - *If you wish to comment under “Items from the Audience/Public Comment” portion of the agenda:*
 - *Listen for the Mayor to open “Items from the Audience/Public Comment”, then raise your hand to speak by clicking on the Hand icon on the Participants panel to the right of your screen.*
 - *If you no longer wish to comment, you may lower your hand by clicking on the Hand icon again.*
 - *Comments for the “Items from the Audience/Public Comment” will be accepted until the public comment period is closed.*
- **The total allotted time for public comment under “Items from the Audience/Public Comment” will be 15 minutes.**

1. Call to Order
2. Roll Call
3. Items from the audience - *In accordance with Council Meeting Protocols and Rules of Procedure*, adopted by Resolution 2019-240, a five-minute maximum time limit per speaker will apply to all individuals speaking during "Items from the Audience/Public Comment". For non-agendized items, Council Members may briefly respond to statements made or questions posed by individuals during public comment; ask questions for clarification; direct the individual to the appropriate staff member; or request that the matter be placed on a future agenda or that staff provide additional information to Council.
4. DISCUSS AND PROVIDE DIRECTION RELATED TO THE CURRENT CONDITION AND POTENTIAL RENOVATION OF RITTER FAMILY BALL PARK
5. RECEIVE AN UPDATE ON MEASURE V REVENUE PROJECTIONS AND CURRENT SPENDING PLAN AND PROVIDE DIRECTION TO STAFF REGARDING PROJECT PRIORITIES AND PROJECT DELIVERY OPTIONS
6. Council Items and Comments
7. Adjournment



Mayor

Posting Date: February 17, 2022

The City of Tracy is in compliance with the Americans with Disabilities Act and will make all reasonable accommodations for the disabled to participate in employment, programs and facilities. Persons requiring assistance or auxiliary aids in order to participate, should contact the City Manager's Office at (209) 831-6000 at least 24 hours prior to the meeting.

AGENDA ITEM 4

REQUEST

DISCUSS AND PROVIDE DIRECTION RELATED TO THE CURRENT CONDITION AND POTENTIAL RENOVATION OF RITTER FAMILY BALL PARK

EXECUTIVE SUMMARY

During the December 7, 2021 Regular City Council Meeting, Mayor Pro Tem Vargas and Council Member Bedolla asked staff to bring back a discussion on renovating the sports fields and lighting at the Ritter Family Ball Park. This report provides a background on the park, current facility demand, attempts to revitalize the park, park deficiencies, and opportunities for renovating the site.

DISCUSSION

Background

The Ritter Family Ball Park (the Ball Park) has long been part of the fabric of the Tracy sports scene and is well overdue for major renovations. Originally acquired by the City from C.E. and Margaret Ritter for \$10.00 in 1944, the north field was dedicated on May 26, 1946 and the south field was built in 1968. The lighting system was installed in the 1950's with some upgrades in 1992. However, very few improvements have been made to the facility beyond these key milestones. The entire infrastructure of the site has deteriorated and has been kept operational through a patchwork of repairs over the years. Some moderate changes were made during the 2000's including the replacement of the restroom building roof, removal of the grove of trees failing along Tracy Blvd, removal of the hazardous grandstands at the north ballfield, and the adjusting of sport field lighting due to outfield fences being removed from both fields to accommodate expanded use of the facility by football and soccer teams.

Facility Demand and Impacts to the Facility Infrastructure

The facility is in high demand because of its ability to be utilized by several sports organizations. Youth football, baseball, softball, adult and youth soccer, as well as adult baseball all enjoy the benefits of the amenities the Ball Park offers. Demand for the facility is year-round, including in the fall and winter, when football and soccer are able to utilize the fields in the evening hours because of the sports field lighting. The high utilization rates at this facility results in impacts to the turf and several other maintenance issues.

The Ball Park's irrigation and drainage system is over 50 years old and is an ongoing maintenance issue requiring significant staff time to continuously repair. The turf areas are often plagued with dry/bare areas due to the poor irrigation design and coverage, coupled with heavy usage. Park maintenance staff does their best to repair and maintain the facility, but major renovations are needed in order to address many of these ongoing issues.

Previous Attempts to Renovate the Facility

Over the past several decades, there have been numerous attempts by the community, the Parks and Community Services Commission and City Council to renovate this park and provide much needed upgrades. In 2008, Beal's Alliance created a draft conceptual plan for the site. Council also approved funding for several demolition projects for the Ball Park in 2008. This work was aimed at eliminating multiple hazards including hazardous trees, grandstands that were failing,

and an old snack shack that had been abandoned for years. In 2012, an attempt to reimagine this site into housing was rejected by the community and Council. In 2014, a conceptual site plan for a park renovation project was prepared by Verde Design and funding requests for a project have been on the Capital Improvement Program (CIP) list as unfunded for many years. This unfunded CIP project has also been a top priority of the Parks and Community Services Commission for several years as well as being listed on the original Measure V project list in 2017. It has since been removed from the Measure V project priority list due to lack of funding.

Today, the project remains unfunded and does not have any future funding identified for the renovation.

Facility Deficiencies

The primary issues impacting the facility's conditions are related to the old and failing infrastructure at the site. As noted previously, there has been little to no reinvestment into the major components of the Ball Park infrastructure over the decades. Below is a brief background on some of the key challenges at the facility:

Lighting and Electrical Systems – One of the major deficiencies at the Ball Park is the lighting. As previously mentioned, the lighting system was installed in the 1950's which is well past its useful life. The system has also been retrofitted over the years to accommodate various changes in programming. For example, the south area of the park has lighting that was designed for a small baseball field but was readjusted to accommodate the use of soccer and football. The result of this retrofit helped meet the needs of other programming, but the result is a poorly illuminated play area. Due to the age of the lighting and electrical systems in the park, the maintenance needs for repairs are elevated from that of a more updated sports complex. The electrical system, including all infrastructure, is aged and often in need of repair. There is one light pole completely out and several field lamps in need of replacement. The parking lot does not have lighting and there is no egress lighting which causes safety concerns. In response to this concern, City staff must wait for users to clear the facility before turning off field lights. Due to requests from local sports organizations, recreation staff, and Council Members, staff has researched various possibilities for providing better lighting for the site. Utilizing temporary constructing lighting and solar-powered streetlights was an option considered, but these options are not viable due to cost, operational implications and low quality of light compared to what is desired by the user groups. Staff also reached out to Pacific Gas and Electric (PG&E) back in 2016 to explore the idea of adding lighting to existing street light poles along Bessie Avenue, but have not received any feedback as of yet (although that is only a temporary solution and will cause other electrical loading issues with existing system). Another consideration that staff looked into was to upgrade/modify the existing sport field lighting poles by adding additional lights to help improve light quality. However, this option is also not viable due to no guarantee on light quality improvement with a high cost. Finally, staff researched the option of only upgrading the existing poles and adding new lights to the site in the areas that are dimly lit but that option will still require full replacement of all electrical infrastructure and will not guarantee a fully lit facility. This is also not necessarily a cost-effective solution.

Irrigation System and Controls - The irrigation system and grass is a product of patchwork repairs that parks maintenance staff have tried to maintain, but cannot fully resolve due to the age of the system. Much of the existing irrigation system's water lines date back to the original construction of the facility and include corroded galvanized pipe. Maintenance staff have upgraded most of the sprinklers and valves, but the many of the old pipes, wiring and other components remain.

Playing Surfaces – The grass surface is inconsistent in many areas due to the sub-standard irrigation system, compacted soil, and uneven drainage. These conditions have gotten progressively worse over time despite the various turf renovation efforts, routine mowing, aerating, and fertilizing performed by maintenance staff. The infield surfaces have also presented their own challenges (ie. remaining muddy for long periods after rains) but have remained safe and playable thanks to the implementation of proper care methods and materials. Since the infields do not have an adequate drainage system, they are often closed longer than usual after heavy rains. This causes scheduling conflicts with our users.

Amenities – The Ball Park's current restroom facility is outdated and undersized for the use. The ballfield backstops are also outdated, worn and do not meet current City standards. Spectator areas lack shade and sufficient seating. Lastly, the lack of parking is a well-known concern for site users and the neighboring residents.

The Only City 90-foot Diamond Baseball Field

One key element of the Ball Park is the fact that the north field, George Albano Field, is the only City-owned 90-foot diamond baseball field. The 90-foot field is used for youth ages 13 and over, with most of the users ages 13 to 17 years old. This puts the field in extreme demand for all user types, including local recreational leagues and the local travel ball clubs. It is the only safe 90-foot base path field for these groups to practice, otherwise they have to travel to nearby cities. This has caused issues with scheduling and a higher demand on maintenance of the field. Once a place for high-profile baseball games with announcers, grandstands and concessions, this field is now relegated to teams practicing in a sub-par facility with significant challenges for playing games.

Partnerships

Other key elements and partnerships/opportunities this park possesses are the American Legion Post, the Girl Scouts Hut and an adjacent vacant lot that used to be home to the Boy Scouts Hut. These elements only add to the high demand for this facility and create parking issues - but they also create opportunities for programming and partnerships. The American Legion has an agreement with the City to share part of their parking lot for park use, as a portion of their lot encroaches into park property. This has created an opportunity for expansion of parking for football practices but is not adequate to accommodate the full parking demand for that user group. The adjacent vacant lot (former Boy Scout Hut) may also be an opportunity for programming such as a playground or other park amenities.

Opportunities

Although there are several park deficiencies, there are also several opportunities to improve the facility through a renovation project. Last year (FY2021/2022), staff placed this project back on the CIP list for consideration as an unfunded project based on data collected during the Citywide Parks, Recreation and Trails Master Plan (PRTMP) update process. Analysis of the existing park system has identified a lack of neighborhood parks in the northeastern part of the City. Since the area is mostly built out, establishing new parks in this area is a challenge. Staff sees an opportunity to redesign the Ball Park in such a way that it could include neighborhood park type amenities to better serve the residents that live in that area along with continuing to serve as a high use sports complex for the entire City. The Draft PRTMP includes a conceptual plan that contemplates how the site could be re-envisioned based on goals and policies that were established during an extensive public outreach campaign. Elements such as a playground, a

walking loop, soft-surfaced paths, open restrooms, picnic areas, shade, picnic tables, and other non-sports related activities are considered. Renovating this park can reactivate this park for the neighborhood and also create more programming opportunities for our active recreation community.

Funding Opportunities

Based on preliminary estimates, staff believes renovating the Ball Park will require \$25 million including contingency and soft costs. Due to the projected cost, Council could consider this project for future Measure V funding. The staff report immediately following this item will cover an update on Measure V revenue projections and highlight potential opportunities for delivering projects earlier than anticipated.

STRATEGIC PLAN

This agenda item supports the City of Tracy's Quality of Life Priority, which is to provide an outstanding quality of life by enhancing the City's amenities, business mix and services, and cultivating connections to promote positive change and progress in our community.

FISCAL IMPACT

There is no fiscal impact from this staff report, as it is for informational and direction purposes.

RECOMMENDATION

That the City Council discuss and provide staff direction related to the current condition and potential renovation of the Ritter Family Ball Park.

Prepared by: Brian MacDonald, Parks and Recreation Director
Richard Joaquin, Parks Planning and Development Director

Reviewed by: Karin Schnaider, Finance Director
Don Scholl, Public Works Director
Midori Lichtwardt, Assistant City Manager

Approved by: Michael Rogers, City Manager

Attachment A - Powerpoint Presentation



ATTACHMENT A



DISCUSSION RELATED TO THE CURRENT CONDITION AND POTENTIAL RENOVATION OF RITTER FAMILY BALL PARK

February 22, 2022



OVERVIEW

- Background
- Facility Demand and Impacts to Infrastructure
- Previous Attempts to Renovate the Facility
- Facility Deficiencies
- Uniqueness of the Facility
- Opportunities



Think Inside the Triangle®



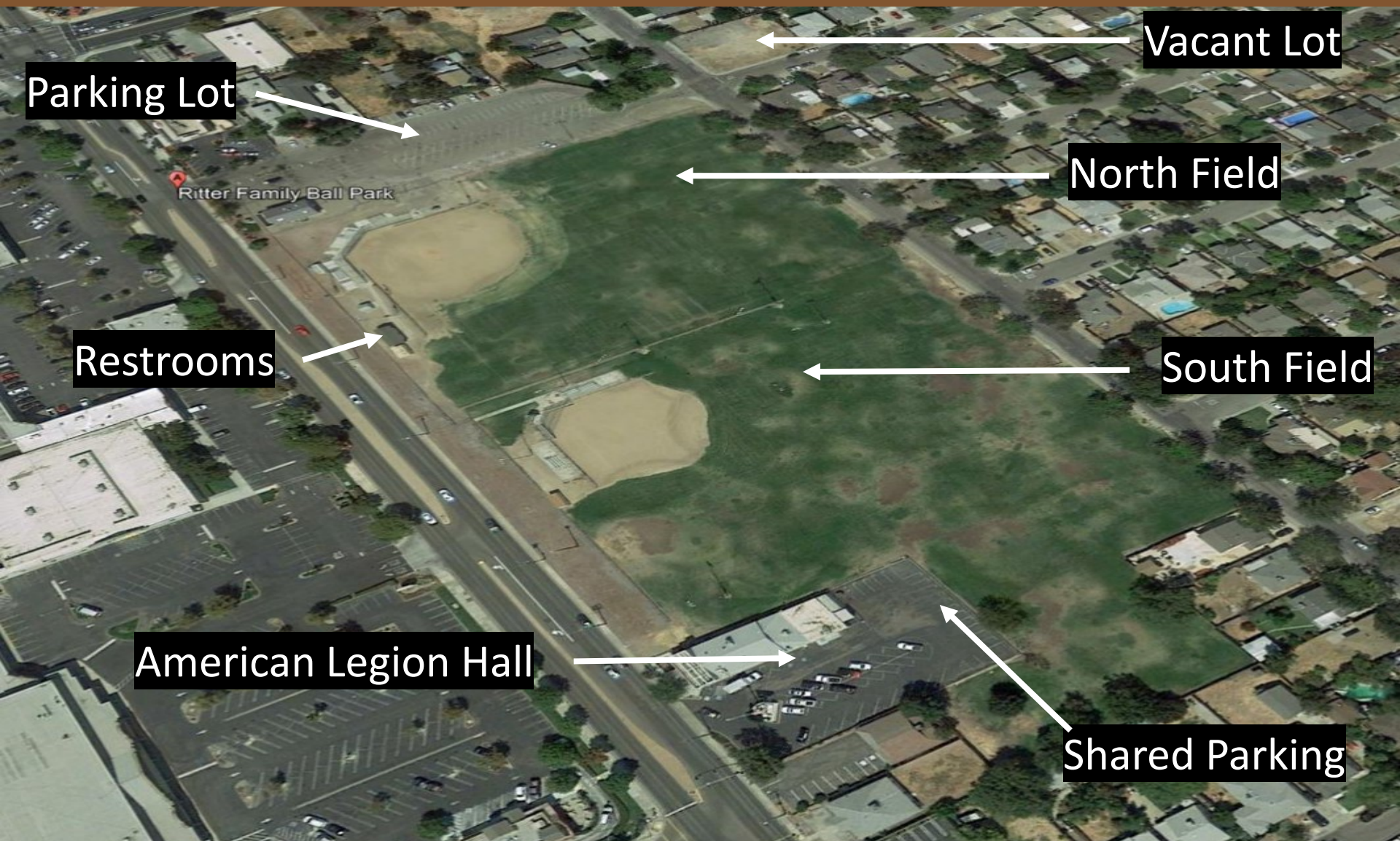
BACKGROUND

- Acquired from C.E. and Margaret Ritter for \$10 dollars in 1944
- North field built in 1946
- South field built in 1968
- Most original infrastructure exists today
- Minor improvements made over last several decades



Think Inside the Triangle®

CURRENT SITE LAYOUT



PREVIOUS AMENITIES



PREVIOUS AMENITIES



HISTORY



FACILITY DEMAND AND IMPACTS TO INFRASTRUCTURE

- High Demand due to ability for baseball, soccer, football and softball uses
- Only City facility that allows football teams to use and has lighting
- Only City facility that allows 13 and older baseball
 - 90 foot infields
- Creates impacts to the grass
 - Coupled with poor irrigation and drainage
 - 50 year old systems



PREVIOUS ATTEMPTS TO RENOVATE

- Several attempts by community, Parks and Community Services Commission and Council
- 2008: Beal's Alliance Study
 - Created draft concept plan
- 2012: Attempt to reimagine the site into housing
 - Not supported by community and Council
- 2014: Conceptual site plan created
 - Funding requested by Parks Commission
 - Funding not available
- 2017: Project included as a Measure V priority



Think Inside the Triangle™

MAINTENACE WORK



FACILITY DEFICIENCIES

- Lighting and electrical systems
 - Built in 1950s and retrofitted over the years
 - Lighting adjusted in 2000s to accommodate expanded programming
 - Resulted in poor overall lighting for entire site
 - One light standard works intermittently
 - No parking lot lighting or pathway lighting
 - System in need of several replacement items
 - Patchwork no longer viable
 - Staff recommendation to replace entire system due to newer technology and deficient power supply



FACILITY DEFICIENCIES



FACILITY DEFICIENCIES



FACILITY DEFICIENCIES



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OPPORTUNITIES

- Parks, Recreation and Trails Master Plan
 - Need for neighborhood park amenities in this area of town
 - Park-poor area of town
 - Redesign this site
 - Playground, walking loop, adequate restrooms, picnic areas, shade, etc.
 - Create more opportunities for sports programming
 - Explore option to use synthetic turf fields
 - Add parking

OPPORTUNITIES



LATEST UPDATE



LATEST UPDATE





FUNDING OPPORTUNITIES

- Council could consider funding this project through Measure V
- Measure V staff report and action items to follow this informational report



QUESTIONS?



February 22, 2022

AGENDA ITEM 5

REQUEST

RECEIVE AN UPDATE ON MEASURE V REVENUE PROJECTIONS AND CURRENT SPENDING PLAN AND PROVIDE DIRECTION TO STAFF REGARDING PROJECT PRIORITIES AND PROJECT DELIVERY OPTIONS

EXECUTIVE SUMMARY

At the March 23, 2021 City Council Special Meeting regarding Measure V, a motion was made by Council Member Arriola and seconded by Mayor Pro Tem Vargas to prioritize and fund Legacy Fields Phase 1E CIP 78185 via financing (debt service) and the Multi-Generational Recreation Center (Rec Center) project via Measure V funds. This direction also extended the completion of the Aquatic Center by approximately one year with Phase 1 completion in 2025 and Phase 2 ultimately completed in 2028. The Council also added the Nature Park project as a Measure V funded amenity with funding starting FY 2030/31 after the funding of Phase 2 of the Rec Center.

Since that time, significant progress has been made on a number of Measure V projects including completion of the design for Legacy Fields Phase 1E, issuing a Request for Proposals (RFP) for professional design services for the Rec Center, and ongoing work with Surland Communities on a phasing plan for the Aquatic Center. This report will provide an update on these projects, as well as it will provide an update on other unfunded Measure V projects.

To facilitate the discussion on the timelines of the projects, staff has provided an update on Measure V revenue projections and the current spending plan (projects, debt, operation, and maintenance). To facilitate project delivery, staff has provided some new project delivery considerations for funded and unfunded projects. Staff is seeking direction for prioritization of Measure V projects and committed budgets based on the funding alternatives recommended by staff.

DISCUSSION

Current Projects and Timelines Approved by the City Council

During the development of the FY 2021/22 Operating and Capital Budget, Council conducted public workshops to review and prioritize the proposed five-year capital improvement projects (CIP) and programs funded from the General Fund. At the March 23, 2021 City Council Workshop, as part of the annual CIP Outlook discussion, the City Council held a workshop to review the Measure V priorities and project timelines of the amenities based on available funding. Since the adoption of the FY 2021/22 budget, staff brought two other updates on Measure V projects. First, on August 31, 2021, the City held a workshop to discuss the location of the Multi-Generational Recreation Center (Rec Center) and desired components. On November 2, 2021, staff returned to the City Council on an update of the costs, timing, and financing of Legacy Fields final improvements, Phase 1E. Below is the summary of the current direction received from the City Council as of November 2, 2021. For a comprehensive list of Measure V milestones and direction year-to-date from the City Council, see the Attachment A.

City Council Direction for Measure V Funded Priorities (as of November 2, 2021)

PROJECT (PHASE)	MEASURE V CASH FLOW	OTHER CONTRIBUTIONS	TOTAL COST	PROJECTED FUNDING TIMELINE	PROJECTED CONSTRUCTION START DATE
Legacy Fields (Phase 1E)	\$21 M (debt)*		\$21 M	Funded through Lease Revenue Bonds in 2022; estimated 15-yr term	Spring 2022
Multi-Gen Recreation Center (Phase 1)	\$17 M plus \$4 M (previously committed)	\$5 M State grant and \$4 M developer contribution	\$30 M	Funded by FY 2022/23	Fall 2023
Aquatic Center (Phase 1)	\$33 M	\$10 M developer contribution \$2 M in impact fees	\$45 M	Funded by FY 2025/26	Summer 2025
Aquatic Center (Phase 2)	\$20 M		\$20 M	Funded by FY 2027/28	Summer 2027
Multi-Gen Recreation Center (Phase 2)	\$10 M		\$10M	Funded by FY 2030/31	Summer 2030
Nature Park (Phase 1)	\$8 M	Actively seeking grants	\$8 M	Not funded; possibly after FY 2030/31	Summer 2031
Other improvements	unknown		unknown	Not funded; possibly after FY 2031/32	unknown

*Note: Dates are tentative based on assumed annual revenues and potential construction timelines. Does not address new maintenance and annual debt payments.

Funded Project Updates:

- ***Legacy Fields Sports Complex Phase 1E***

On March 23, 2021, the City Council gave direction to staff to fully fund Legacy Fields Phase 1E CIP 78185, via debt financing. On November 2, 2021, City Council approved increasing the budget of the project to \$21 million based on inflationary cost increases and staff received direction to proceed with debt financing for a 15-year term.

On January 13, 2022, staff issued the bid advertisement for Legacy Fields and, on February 17, 2022, staff will open and begin the process of analyzing the bid responses. Staff will be returning to the City Council shortly after the bid opening to consider the award of a construction contract for the project and approve the bond Preliminary Official Statements for the debt financing. The scope of work remains the same as presented on March 23, 2021, which includes eastern wagon wheel improvements, sports field lighting, parking lot improvements, roadway and sidewalk top seal, wayfinding and signage package, a sump pump, and electrical improvements at the maintenance yard.

- *Aquatic Center*

A Final Conceptual Plan for the Aquatic Center was adopted by City Council on August 18, 2020 (Resolution 2020-154) with a not-to-exceed total project cost of \$65 million, including contingency and soft costs (\$55 million City contribution, \$10 million developer (Surland) contribution). On March 23, 2021, staff provided an update on the projected cash flow of Measure V and option for financing the projects, including revising the timing of project delivery. City Council approved the financing plan to phase the Aquatic Center with the goal of opening some components of the Aquatic Center by the summer 2026 and fully fund the City's contribution and open the Aquatic Center by summer 2028.

Per direction from the City Council, staff has continued to work with Surland on a phasing plan for the project. Through this process, the developer has indicated that current market inflationary costs are negatively impacting the costs of the project especially as it relates to developing a phasing plan for the Aquatic Center. The developer's consultants estimate the costs have already risen over 20% and they expect higher costs the further the phasing is stretched into the future. (See below for more discussion on inflationary impacts on construction and timelines on all projects.) Staff continues to meet regularly with the developer to discuss the progress of the Aquatic Center.

- *Multi-Generational Recreation Center*

On August 31, 2021, the City Council held a workshop to discuss the location and components of the Multi-Generational Recreation Center project (Rec Center). City Council directed staff to focus on a smaller community recreation center, which meant a bi-furcation of the original project and removing the multi-court tournament-sized gymnasium component to a future project located at Legacy Fields. The tournament-sized facilities were moved to an unfunded Measure V project list. City Council also directed staff to conduct further analysis of Joseph Ceciliani Park and one other site, to be determined, for the future location of the Rec Center.

Staff recently completed a Request for Proposal (RFP) process to hire an architect to complete a feasibility study, a conceptual design, construction documents, and construction support for the project.

The tentative timeline for the planning and design phase of the project is shown below:

Description	Time Frame
Preliminary Conceptual Design Phase	
Task 1 – Project Kickoff and Site Tours	2/16-3/18/22
Task 2 – Conceptual Design and Financial Analysis	3/21-6/17/22
Task 3 – Traffic Study and Environmental Support	6/17-08/26/22
Documentation Phase	
Task 1 – Schematic Design	6/20-9/2/22
Task 2 – Construction Documents & Bidding	9/5/22-6/30/23

- *Nature Park*

On March 23, 2021, the City Council added the Nature Park to the list of Measure V funded amenities with funding beginning FY 2030/31. Staff has been actively pursuing

grant funding to help potentially expedite the completion of a first phase of the Council-approved Master Plan and believes this project is very competitive to receive these grants. Staff is in the process of working with local non-profits to create partnerships with the goal of moving this project forward using grant monies. Staff was recently in contact with San Joaquin County Parks to explore future partnerships for grant funding. In addition, staff met with the State of California grant representatives in January 2022 to discuss this project and its likelihood for grant award success. This project is also proposed as one of the Federal lobby projects for the 2022 Pre-One Voice grant efforts. It should be noted that the land has been restricted by the General Services Agency (GSA) for park use only. As part of the GSA land swap, the City commits to developing this park and showing progress over a 10-year period. Based on the Nature Park Master Plan, approved by Resolution 2021-012, staff has been pursuing grant funding for an \$8 million Phase 1 project.

Finally, the Tracy Tree Foundation was recently awarded a grant to purchase tree seeds to begin the growing process for the future Nature Park forest. Staff is working with the Foundation on finding a nursery to grow the trees and allow them to get a head start on their establishment in advance of planning for the park.

Unfunded Project Updates

On October 30, 2017, City Council held a Special Meeting regarding Measure V projects. The Council included Ritter Family Ball Park and a skate/bike park as future unfunded projects. As stated above, the multi-court tournament-sized gymnasium component was bi-furcated from the Multi-Generational Recreation Center and revised to a future unfunded Measure V project. On December 7, 2021, Mayor Pro Tem Vargas and Council Member Bedolla requested staff bring back a discussion on renovating the Ritter Family Ball Park (the Ball Park). On July 6, 2021, Mayor Pro Tem Vargas and Council Member Bedolla requested staff bring back a discussion of a new skate park; and, on February 1, 2022, Council Members Arriola and Bedolla requested staff bring back a discussion on adding a City bike park; such as a BMX pump track. Below is an update on these unfunded Measure V projects.

- *Ritter Family Ball Park*

On December 7, 2021, Mayor Pro Tem Vargas and Council Member Bedolla requested staff to bring back a discussion on renovating and updating the Ritter Family Ball Park (the Ball Park). Staff presented an update on the current condition and potential renovation of the Ball Park earlier during this meeting. The park improvements are estimated at over \$25 million, but require a feasibility and conceptual plan in order to determine actual needs at the park. Staff is recommending the initial feasibility and design work begin at the Ball Park funded by Measure V; estimated at \$3 million; but recommends that the construction of the project remain on the unfunded list of priorities for Measure V until the initial design is complete. The design will better inform the Council and community of the enhancements needed at the park and the necessary off-site improvements. This approach will also provide an opportunity to find financing and or alternative funding sources for this project. This approach is similar to the actions taken with the Nature Park and the Rec Center. The completed design work will also aide the City's ability to apply for grants. As an alternative, City Council may provide direction to staff on this item.

- *Skate and Bike Park*

Through the City's Citywide Parks, Recreation and Trails Master Plan Update process, staff has considered the additions of a new skate park and a bike park within the City. Staff is considering a new skate park as part of the outdoor amenities (Phase 2 of the Rec Center) to be offered at the Measure V funded Rec Center. This will be discussed in the planning and design phase for the park's open space. Staff will continue to update the City Council as building and site planning begin this spring. As part of this update, staff is recommending the full \$40 million in Measure V funding to complete the project in one phase in an effort to reduce the current inflationary increases that the City is currently experiencing. (See below for more discussion on inflationary impacts on construction and timelines on all projects.) This will require advancing an additional \$10 million to the Rec Center and remove the phased approach to this amenity. As an alternative, City Council may provide direction to staff on this item.

Staff is also working with interested community groups to learn more about the aspects of the bike park; such as a BMX pump track. Currently, staff is considering various options for future discussions as part of the City's Citywide Parks, Recreation and Trails Master Plan Update, such as new neighborhood parks and/or other open space areas in the City parks network. Staff will continue to update the City Council as discussions continue with the community and the Park Commission and recommends that this project remain on the unfunded list of priorities for Measure V at this time. As an alternative, City Council may provide direction to staff on this item.

- *Multi-court Tournament-sized Gymnasium*

With the immediate need of the Rec Center addressing most of the community needs, staff recommends postponing the planning for the multi-court tournament-sized gymnasium at this time. The ideal location remains at Legacy Fields and will be part of the ongoing park planning for the overall 180-acre GSA park site. Staff will continue to update the City Council as discussions continue and recommends that this project remain on the unfunded list of priorities for Measure V. As an alternative, City Council may provide direction to staff on this item.

Projected Cash Flow and Inflationary Impacts

- *Committed Projects and Revenue Projections*

The City Council currently has three funded priorities underway and are using a hybrid of pay-go funding, including phasing the projects, and debt financing. The committed projects include Legacy Fields-Phase 1E (\$21M budget), Aquatic Center (\$55M in Measure V), and Rec Center (\$31M in Measure V). To fund these projects and open them as promptly as feasible, the City is financing \$21 million to advance the funding for Legacy Fields, has accumulated \$16 million, as of June 30, 2020, for the Aquatic Center, and has accumulated \$21 million, as of December 31, 2021, for the Rec Center. In addition to Measure V funding allocated to Rec Center, the City has secured an additional \$9 million in funding; \$5 million in state grant funding and \$4 million in public benefit money. Staff projects an additional \$10 million in Measure V Sales Tax will accumulate this year that can bring the Aquatic Center fund balance up to \$26 million by June 30, 2022.

The current annual cash flow is approximately \$13-\$14 million over the next few years; less the estimated \$2 million for debt service payments and operations of Legacy Fields

(see further discussion below). As a result, staff has revised their cash flow estimates to fully fund the Aquatic Center (City) budget, \$55 million, by FY 2023/2024; a full two years ahead of the projections last year.

- *Inflationary Impacts on Projects*

Over the last year, the City, like the rest of the state and nation, is facing steep increases in construction costs. Engineering, as well as our developers, are experiencing a 20% or more increase over their estimates. Legacy Fields was estimated to be \$17 million last March 2021, but was revised in November 2021 to \$21 million. Surland's consultants are now estimating the Aquatic Center's construction costs are higher due to inflation.

Originally, staff was considering a phased approach to the Rec Center with \$30 million for the building (\$21 million from Measure V and \$9 million other sources) and an additional \$10 million from Measure V for a second phase for site improvements after the Aquatic Center was complete. However, in order to construct a 30,000 +/- square foot facility and associated site improvements (outdoor recreational amenities, parking, circulation, landscaping, etc.) staff is recommending the Council fund the full \$40 million budget (\$31 million from Measure V and \$9 million other sources) and build the project in one phase to avoid budgetary creep related to inflation. With the project tentatively scheduled to go out to bid in spring 2023, staff recommend allocating an additional \$10 million of Measure V funds to the project.

- *Mitigating the Impacts of Inflation*

While the City is experiencing a growth in Measure V revenues, the pace of 5-6% growth is far below the construction inflation estimates of 20%. Each year that passes, the project costs outpace the incoming revenues. As a result, while the timeline improves for collection of cash, the amenities budget will continue to be beyond reach without some further alternatives to the current City Council direction.

To mitigate the impacts of inflation, the City's options are to either reduce the scope of the projects to match current cash flow projections or consider additional debt financing to advance the funds for the projects. Staff has evaluated the City's capacity for additional debt financing for tax-exempt projects and finds that the current conditions are still favorable to borrow, especially considering the cost inflation. While it is difficult to fully project the market conditions that will be available in summer 2023 when the Rec Center design is complete and ready for bid, current rates still have room to move upward while still reducing the impacts of construction inflation. By borrowing for the project, the current reserves of the Rec Center can be committed to the Aquatic Center and the City will have met its full \$55 million commitment by the summer of 2023. Both projects could potentially be under construction by next summer without phasing of either project. Staff recommends funding the Rec Center through debt and allocating the cash on hand to the Aquatic Center to expedite each project and avoid unnecessary inflation costs. As an alternative, City Council may provide direction to staff on this item.

Other Cost Considerations

As each of the amenities become working facilities, staff is considering the on-going costs that need to be covered using Measure V funds. Below is a discussion on these items and the estimated fiscal impacts that should be considered.

- *Debt Service Payments*

The City Council authorized the use of debt financing to fund Legacy Fields: Phase 1E (\$21 million). The estimated debt service payments for the 15-year term are between \$1.6 million and \$1.8 million. The City has capacity to borrow another \$30-40 million and the estimated debt service for a 15-year term is approximately \$3 million to \$4 million (depending on market conditions in summer 2023). Should the City Council authorize a second tax-exempt bond issuance, the total debt service for the project would be almost \$6 million for the next 15 years. Current revenues are approximately \$14 million annually. The estimated uncommitted revenues are revised to \$8 million before other operating costs. (See next section for this discussion.)

- *Operations & Maintenance*

Within the next 2-3 years, the City's three amenities could potentially be open and operating. Legacy Fields has been open and operating since 2012. Since that time, four additional phases of construction have been complete totaling over \$50 million. With the goal of maintaining the fields in top condition, staff hired Pros Consulting (Pros) to complete a business plan for the facility, including an operational and financial plan consisting of staffing analysis, operational standards, and a market and economic impact analysis. Similarly, staff will complete a business plan and market analysis for the Rec Center which will be similar to the study Surland conducted with their consultants for the Aquatic Center. The goal is to have a staffing and resource plan that protects the City's investment while also providing quality customer service at the City's facilities. The net costs of staffing, maintenance, and potential revenue will determine the on-going General Fund contribution to the various amenities to ensure staffing levels allows for proper maintenance of the facility at a competition level in order to ensure the facilities are prepped for recreation and tournament play.

The City Council has committed \$2 million for on-going operational need of Legacy Fields, Aquatic Center, and Rec Center. When added to the potential for \$6 million in debt service, the revised uncommitted Measure V Sales Tax revenue will be \$6 million annually.

- *Lifecycle Replacement & Capital Improvement Program (CIP)*

One the City Council Guiding Budget Principles states, "When capital projects are considered, all associated costs - including annual operating expenses and any additional future costs - should be identified in order to properly assess future financial impacts." Part of this principle is to plan for the lifecycle of assets, which means setting aside funding for aging of infrastructure and investing in capital improvements. For Parks & Recreation facilities, most assets/amenities fall into two general categories: 10-year lifecycle, or 20-year lifecycle. Lifecycle meaning the expected life of an asset before it reaches its useful life. Asset management is critical to the long-term success of any park or facility and is directly correlated to the strategic planning of the CIP. This lifecycle replacement model has come to the forefront of the Parks & Recreation Department's CIP planning efforts through the Citywide Parks, Recreation and Trails Master Plan Update process. For example, most of the existing assets at Legacy Fields were built in 2012 and are now almost seven years old. Staff has planned for the completion of the Phase 1 at Legacy Fields, but in the next 10 years, some areas will need to move into the 5-year CIP for Parks & Recreation and will compete with other projects for funding or find a dedicated funding source, like Measure V.

STRATEGIC PLAN

This agenda item is consistent with the City Council's adopted Quality of Life Strategy and meets the goal of enhancing the City's amenities.

FISCAL IMPACT

The City's Measure V capital as of December 31, 2022 is approximately \$37 million (\$16 million committed to Aquatic Center and \$21 million committed to the Rec Center). The City anticipates an additional \$10-11 million will be added to fund reserves as of June 30, 2022, which will be added to the Aquatic Center (City) budget if the City Council maintains its current direction to staff. These committed reserves may be modified depending on direction from the City Council.

Current revenues are approximately \$14 million annually. Future estimated uncommitted revenues are revised to \$6 million annually when considering two debt service payments and operational maintenance.

It should be noted that California Department of Tax and Fee Administration (CDTFA) is currently auditing one of City's reported tax collectors, which may result in the City having to return/refund some Measure V Sales Tax revenue that was potentially errantly reported by this retail location. The City anticipates a resolution to the audit in FY 2025-26. Staff will continue to update the City Council as the audit progresses.

RECOMMENDATION

Staff has compiled a list of recommendations and alternatives for the City Council and the public to discuss and provide direction to staff.

Recommendations

1. Staff recommends allocating \$40 million (\$31 million from Measure V and \$9 million other sources) to the Multi-generation Recreation Center (Rec Center), including building constructions and outdoor site improvements and avoid phasing of the project.
2. Staff recommends the expansion of debt financing to include the Rec Center for \$31 million and committing Measure V reserves to the Aquatic Center's \$55 million (City) budget and avoid phasing of the project.
3. Staff recommends committing \$3 million in Measure V funds to begin the feasibility and design study of Ritter Family Ball Park (the Ball Park).

Alternatives:

1. Continue with the current direction, including developing a phasing plan for the Rec Center and Aquatic Center. This alternative also does not modify the direction to amend the committed budget to include any unfunded projects.
2. Select a hybrid of funding some of the Rec Center or other eligible tax-exempt

Measure V project with debt financing; but still dedicating uncommitted reserves to the Aquatic Center.

3. Select a hybrid of funding some of the Rec Center or other eligible tax-exempt Measure V project with debt financing; but dedicating uncommitted reserves to another unfunded project and maintaining current direction to phase the Aquatic Center.
4. Provide other direction to staff.

For illustration purposes, below is a table to compare the current City Council direction to staff recommendations and alternatives with the potential start of construction for projects based on the direction provided.

Comparison of Current Direction to Staff Recommendation and/or Alternatives
Potential Construction Start Dates for Measure V Funded Priorities

PROJECT (PHASE)	CURRENT DIRECTION (ALTERNATIVE 1)	STAFF RECOMMENDATION (ALTERNATIVE 2)	ALTERNATIVE 3	ALTERNATIVE 4
Legacy Fields (Phase 1E)	Spring 2022	Spring 2022	Spring 2022	Spring 2022
Multi-Gen Recreation Center (Phase 1)	Fall 2023	Fall 2023	Fall 2023	Fall 2023
Aquatic Center (Phase 1)	Summer 2025	Summer 2023	Summer 2025	Summer 2025
Aquatic Center (Phase 2)	Summer 2027	n/a; phasing eliminated	n/a; phasing eliminated	Summer 2027
Multi-Gen Recreation Center (Phase 2)	Summer 2030	n/a; phasing eliminated	To be determined (New funding available FY 2025/26)	Depends on direction from City Council
Nature Park (Phase 1)	Summer 2031	To be determined (New funding available FY 2024/25)	Depends on direction from City Council	Depends on direction from City Council
Ritter Family Ball Park	Unfunded	Design in 2023; construction to be determined (New funding available FY 2024/25)	Depends on direction from City Council	Depends on direction from City Council
Other improvements	Unknown	Not proposed	Depends on direction from City Council	Depends on direction from City Council

*Note: Dates are tentative based on assumed annual revenues. Does not address new maintenance and annual debt payments.

Prepared by: Richard Joaquin, Parks Planning and Development Manager
Karin Schnaider, Finance Director
Reviewed by: Brian MacDonald, Parks and Recreation Director
Midori Lichtwardt, Assistant City Manager

Approved by: Michael Rogers, City Manager

ATTACHMENTS:

Attachment A - Comprehensive List of Measure V Milestones and direction date from
City Council
Attachment B - Powerpoint Presentation

Attachment "A"

Date	Action
October 30, 2017	<ul style="list-style-type: none"> ▪ Council prioritized Measure V projects <ul style="list-style-type: none"> ○ Aquatics Center, ○ Legacy Fields, ○ Multi-Generational Recreation Center ("Multi-Gen Rec Center"), ○ Library ○ Ritter Family Ball Park ▪ Committed 50% of all Measure V funds for debt to finance these amenities (Legacy Fields \$10 million; Aquatic Center \$30 million; Multi-Gen Rec Center \$40 million), 25% to pay-as-you-go amenities and 25% to operating and maintaining these amenities,
December 19, 2017	<ul style="list-style-type: none"> ▪ Approve Measure V funding for Senior Accountant (0.5 FTE) (<i>Resolution 2017-273</i>)
March 6, 2018	<ul style="list-style-type: none"> ▪ Council approved major community amenity projects to be funded by Measure V and allocated Measure V funds in the following amounts (<i>Resolution 2018-043</i>) <ul style="list-style-type: none"> ○ \$4 million (planning and design for the Multi-Gen Rec Center), ○ \$1 million (design for Aquatics Center) ○ \$1.5 million (design contract to complete Phase 1 at Legacy Fields). ○ Approve Measure V funding for Parks Planning & Development Manager (1 FTE) ▪ Council approved a construction contract to construct Phase 1C of Legacy Fields. This included an appropriation of \$3.6 million from Measure V funds. (<i>Resolution 2018-044</i>)
July 17, 2018	<ul style="list-style-type: none"> ▪ Council awarded construction contract to renovate the Lolly Hansen Senior Center, which included over \$950,000 in committed Measure V funds. (<i>Resolutions 2018-021 and 2018-141</i>)
April 16, 2019	<ul style="list-style-type: none"> ▪ Council approved a construction contract to construct Phase 1D of Legacy Fields. This included an appropriation of \$4.9 million from Measure V funds. (<i>Resolution 2018-146</i>)
September 18, 2018	<ul style="list-style-type: none"> ▪ Approve Measure V funding for Senior Maintenance Worker-Parks (1 FTE) (<i>Resolution 2018-197</i>)
March 5, 2019	<ul style="list-style-type: none"> ▪ Council directed staff to fund the City amenities (Aquatic Center and Multi-Generational Recreation Center) through a "pay-go" approach; in lieu of debt financing, funds would be accumulated over time.

May 21, 2019	<ul style="list-style-type: none">▪ Council approves land purchase from Wastewater Fund for expanded park land at Legacy Fields, \$1.8M (<i>Resolution 2019-104</i>)▪ Ratified, by motion, August 18, 2020												
November 5, 2019	<ul style="list-style-type: none">▪ Developer presented Aquatic Center Final Conceptual Plan funding scenarios of \$54M, \$80M and \$130M.▪ Council, by motion, established a total not-to-exceed budget of \$65M (\$55M in Measure V and \$10M in Developer's Contribution) for the Aquatic Center												
November 19, 2020	<ul style="list-style-type: none">▪ Council confirms Measure V project priorities and approves funding allocations. (<i>Resolution 2019-232</i>) <table><tr><th>Project</th><th>Amount</th><th>Timeline</th></tr><tr><td>Aquatic Center</td><td>\$55M</td><td>2019-2024</td></tr><tr><td>Multi-Gen Rec Center</td><td>\$40M</td><td>2024-2028</td></tr><tr><td>Operations & Maintenance</td><td>\$40M</td><td>2024-2037</td></tr></table> <p>Note: Timelines may shift based on future Council direction regarding pay-go projects.</p>	Project	Amount	Timeline	Aquatic Center	\$55M	2019-2024	Multi-Gen Rec Center	\$40M	2024-2028	Operations & Maintenance	\$40M	2024-2037
Project	Amount	Timeline											
Aquatic Center	\$55M	2019-2024											
Multi-Gen Rec Center	\$40M	2024-2028											
Operations & Maintenance	\$40M	2024-2037											
June 16, 2020	<ul style="list-style-type: none">▪ Council approves one-time use of Measure V to fund General Fund deficit resulting from the COVID-19, \$2.2M. Council directs staff to repay the funds within three years. (<i>Resolution 2020-105</i>)												
August 18, 2020	<ul style="list-style-type: none">▪ Council approved the Aquatic Center Final Conceptual Plan with a not-to-exceed budget of \$65 million, including contingency and soft costs, \$55M from Measure V and \$10M from Developer's Contribution. (<i>Resolution 2020-154</i>)												
December 15, 2020	<ul style="list-style-type: none">▪ Council approved \$500,000 Small Business Grant; returning for further discussion for funding at midyear. (<i>Resolution 2020-215</i>)												
March 23 (capital five year plan approval) May 16 (budget approval)	<ul style="list-style-type: none">▪ Legacy <i>Fields</i>: Per Council direction, staff will proceed with construction of Phase 1E including optional improvements for \$17.1 million using debt financing funded by Measure V. Bid documents will be finalized and the project will be put out to bid in Fall 2021. Construction is estimated to take 12-18 months with completion tentatively set for Fall/Winter 2022. <u>Phase 1E Scope of Work</u><ul style="list-style-type: none">a. Eastern Wagon Wheel Improvements (to match Western Wagon Wheel)<ul style="list-style-type: none">1. Fields 3, 4 and 5 fencing and paving2. Renovation of Field 13. Renovation of Field 24. Paving, parking lot access and shade structures for all fields												

	<ol style="list-style-type: none"> 5. Restroom/Concession Building and plaza area 6. Electrical infrastructure work for all fields 7. Sport field and pathway lighting <ol style="list-style-type: none"> b. Parking Lot Improvements <ol style="list-style-type: none"> 1. Pave and stripe four (4) existing gravel parking lots 2. Underground electrical infrastructure work for future vehicle charging stations 3. Construct new secondary exit at southern end of complex 4. Construct (1) overflow gravel parking lot fully improved overflow parking lot to the northwest of the soccer fields 5. Roadway & Sidewalk Top Seal 6. Slurry seal and stripe spine road 7. Slurry seal and repair existing asphalt sidewalk c. Wayfinding, Signage & Sponsorship Opportunities Package <ol style="list-style-type: none"> 1. Vehicular Approach and Experience 2. Pedestrian Approach and Experience 3. Field Identification Markers 4. Informational Kiosks, Photo ops, Branding d. Other Critical Improvements <ol style="list-style-type: none"> 1. Sump pump to address flooding along Tracy Boulevard 2. Electrical improvements to Maintenance Yard <ul style="list-style-type: none"> ▪ <i>Multi-Generational Recreational Center:</i> Per Council direction, staff will proceed with a phased approach to constructing this project with Phase 1 completion goal of 2023. Phase 1 includes \$3.9 million of committed Measure V funding, \$4 million in public benefit money from Prologis, and another \$17 million from Measure V (estimated budget for Phase 1 is \$24.9 million). Staff will return to the City Council with a request for policy direction on the project including site selection and scope of Phase 1. After the scope and site location are determined, staff will issue a Request for Proposals (RFP) to begin design of Phase 1. The remaining phase(s) will be on hold until additional funding is available after 2028 and the completion of the Aquatics Center; estimated total not to exceed budget of \$40 million. ▪ <i>Aquatics Center:</i> Per Council direction, staff will continue to work on a phased approach to the Aquatics Center project with Surland Communities, LLC (Developer). Depending on Council direction, a phasing plan could see the Phase 1 open by 2026. Phase 2 would be completed by 2028 for the total not to exceed budget of \$65 million, including
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	<p>contingency and soft costs; funded from \$55 million of Measure V and \$10 million in developer contribution.</p> <ul style="list-style-type: none"> ▪ <i>Nature Park</i>: The Nature Park is now considered a Measure V major amenity project as a “future funded” in 2030 outside the five year CIP Outlook. There is approximately \$375,000 in the budget from the Swainson’s Hawk Habitat Mitigation Fund that can be used for initial planning this project. Staff is still working on determining if this funding can be spent on design and/or construction. Also, there may be an opportunity to utilize other community benefit funds in the amount of \$200,000 from the Holly Commerce project. Should Council decide to allocate this community benefit money, staff can return with options for project planning that may include, amongst other things, partnering with a nursery to purchase and maintain tree seeds for future use contract grow trees for the project. This strategy is common practice for landscape projects that have long timeline for completion or site conditions that do not allow for trees to be planting for a substantial amount of time.
November 2, 2021	<ul style="list-style-type: none"> ▪ Legacy Fields Bond Financing – Per Council direction staff to proceed with a tax-exempt lease revenue bond financing for Legacy Fields Measure V amenity, \$21 million of construction proceeds with a 15-year repayment term. The estimated annual lease payment of \$1.6 million dollars will be funded through General Fund Measure V Sales Tax. The estimated lease payments are based on current market rates and subject to change based on market conditions at the time of sale.



RECEIVE AN UPDATE ON MEASURE V

February 22, 2022

OVERVIEW

- Current Council Direction & Priorities
- Funded Project Updates
- Unfunded Project Updates
- Projected Cash Flow and Inflationary Impacts
- Other Cost Considerations
- Recommendations and Alternatives



Think Inside the Triangle®



Current Council Direction & Priorities



Current Projects & Timelines

(as of November 2, 2021)

PROJECT (Prioritized from top to bottom)	MEASURE V CASHFLOW	OTHER CONTRIBUTIONS	TOTAL COST	PROJECTED CONSTRUCTION START
 Legacy Field (Phase 1E)	\$21 M (debt)*		\$21 M	Spring 2022
 Multi-Generational Recreation Center (Phase 1)	\$17 M plus \$4 M (previously committed)	<ul style="list-style-type: none"> \$5 M State grant \$4 M developer contribution 	\$30 M	Fall 2023
 Aquatic Center (Phase 1)	\$33 M	<ul style="list-style-type: none"> \$10 M developer contribution \$2 M impact fees 	\$45 M	Summer 2025
 Aquatic Center (Phase 2)	\$20 M		\$20 M	Summer 2027
 Multi-Generational Recreation Center (Phase 2)	\$10 M		\$10M	Summer 2030
 Nature Park (Phase 1)	\$8 M	Actively seeking grants	\$8 M	Summer 2031
Other improvements	unknown		unknown	Not funded; possibly after FY 2031/32



Funded Project Updates



LEGACY FIELDS

Phase 1E Project Update

- Design complete
- Bidding complete, analyzing bids
- Finance plan coordination nearing completion
- Engineer's Estimate for total project cost: \$21,000,000
- Staff to return with agenda item for awarding construction contract



Image of Western Wagon Wheel

**GROUNDBREAKING
SPRING 2022**



Think Inside the 'Triangle'



AQUATIC CENTER

Current Progress

- Phasing Plan with Developer (Surland)
 - Inflation impacts on estimated cost

Measure V Projections 3/23/2021

- \$45-48M available for project by 6/30/23
- \$55M (City Contribution) by 6/30/25

Next Steps

- Continue to negotiate with Surland Companies on an amendment to the Surland Developer Agreement (DA), Start design



Final Conceptual Plan
Budget: Not-to-exceed \$65 M
(Resolution 2020-154)



Think Inside the Triangle™



MULTI-GENERATIONAL REC CENTER

Current Progress

- Request for Proposal (RFP) process complete
 - City hiring LPA, Inc. for planning/design process

Next Steps

- Project Kickoff and Site Tours
- Conceptual Design & Financial Analysis
- Traffic Study and Environmental Support
- Schematic Design
- Construction Documents & Bidding



Image credit: LPA, Inc.



Think Inside the 'Triangle'



NATURE PARK

- March 23, 2021 City Council added the project to the list of Measure V funded amenities
 - Funding available for project beginning FY 2030/31
- Actively pursuing grants
 - Project is very competitive
 - Seeking \$8M for Phase 1
- Staff working on partnerships
 - Local non-profits
 - San Joaquin County Parks & Recreation



Conceptual view of Nature Park



Think Inside the 'Triangle'



Unfunded Project Updates



RITTER FAMILY BALL PARK

- Council request to bring back a discussion on renovating and updating the Ball Park
- Staff presented an update earlier tonight
 - Estimated \$25M needed for park renovation
 - \$3M needed to fund feasibility and conceptual planning



The Ball Park Monument

SKATE & BIKE PARKS

- Citywide Parks, Recreation and Trails Master Plan
 - Both amenities identified as a need
- Skate park
 - Potential to incorporate into Rec Center project as an outdoor recreation amenity
- Bike Park (BMX Pump Track)
 - Staff considering various options, not recommending to fund with Measure V at this time

MULTI-COURT GYMNASIUM

- Citywide Parks, Recreation and Trails Master Plan
 - 200,000+ SF of indoor recreation space needed
- Staff recommendation is to consider a future project at Legacy Fields for tournament-style gymnasium
 - Facility would create indoor recreation opportunities for both local and regional use
 - Can help meet the needs of the Public Use Plan with the General Services Administration (GSA) for land around Legacy Fields
- Staff is not recommending Measure V funding at this time





Projected Cash Flow and Inflationary Impacts



Committed Projects and Updated Revenue Projections

Three funded priorities underway:



- Financing \$21M for Phase 1E



- \$16M accumulated as of 6/30/20
- Additional \$10M projected by 6/30/22
- Fully Funded (\$55M) by FY 2023/24
 - 2 years ahead of last years projections



- \$21M accumulated as of 12/31/21
- \$5M State grant funding
- \$4M Public benefit money

**Current
Measure V
Annual Cash
Flow ~\$13-14 M
over the next
few years**

Inflationary Impacts on Projects

- Construction costs are 20% or more over Engineer's Estimates



- Phase 1E estimate was \$17M (3/2021), adjusted to \$21M (11/2021)



- Work on the Phasing Plan has shown cost estimates increasing at similar rate

- Similar increases are being seen on all CIP projects

Mitigating Impacts of Inflation

Measure V revenue growth is 5-6% annually, while construction inflation is at 20%

Options

- Reduce scope to align with current cash flow projections, and/or
- Consider additional debt financing to advance funds for the projects.

Staff Recommendation

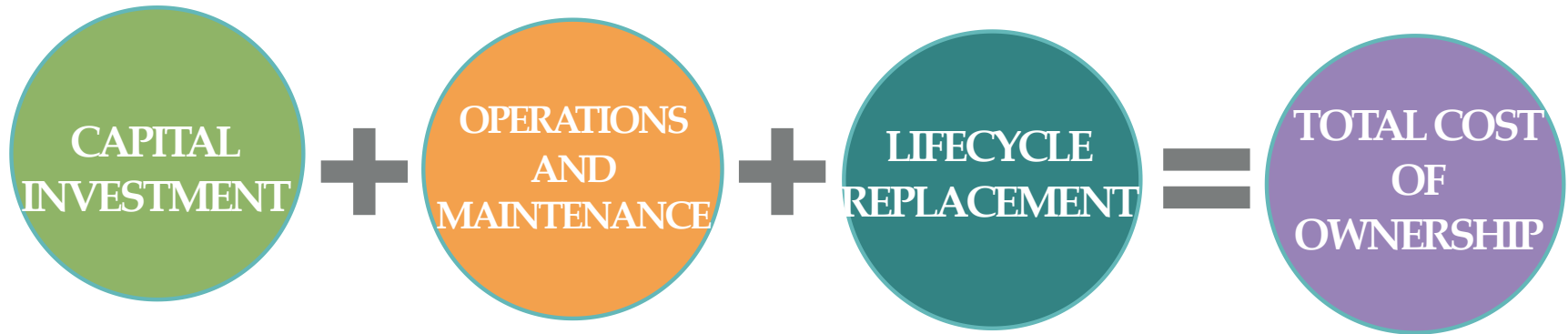
- Finance Rec Center Project, build in one phase
- Freed up cash can be committed to Aquatics Center, build in one phase
- Rec Center and Aquatics Center have potential to be under construction by Fall 2023



Other Cost Considerations



OTHER COST CONSIDERATIONS



- Capital Investment of over \$125 M with Legacy Fields, Multi-Gen, and Aquatics Center
- Budgeting for capital reserves is critical to the long-term success of these projects
- Existing assets already 5+ years old at Legacy Fields



Recommendation and Alternatives



Recommendation



1. Allocate \$40 M (\$31M Measure V and \$9M other sources) to the Multi-Generational Recreation Center project and proceed with one phase only of construction



2. Expansion of debt financing to include Rec Center for \$31M and commit reserves to Aquatics Center \$55M (City) budget and avoid phasing



3. Commit \$3M in Measure V funds to begin feasibility and design study of Ritter Family Ball Park

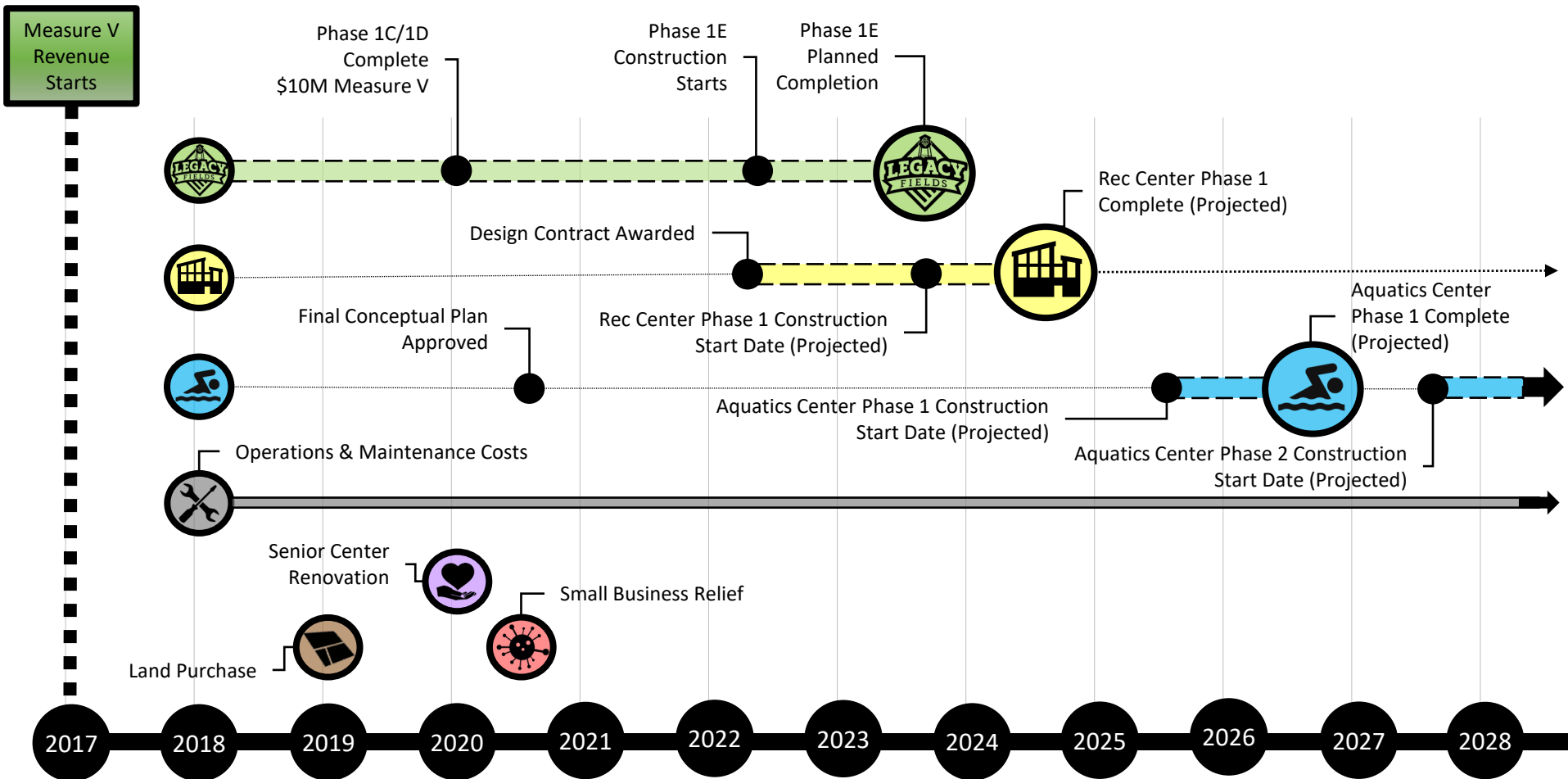
Alternatives

1. Continue with current direction, including developing a phasing plan for the Rec Center and Aquatics Center. This alternative also does not modify the direction to amend the committed budget to include any unfunded projects.
2. Select a hybrid of funding some of the Rec Center or other eligible tax-exempt Measure V project with debt financing; but still dedicating uncommitted reserves to the Aquatics Center

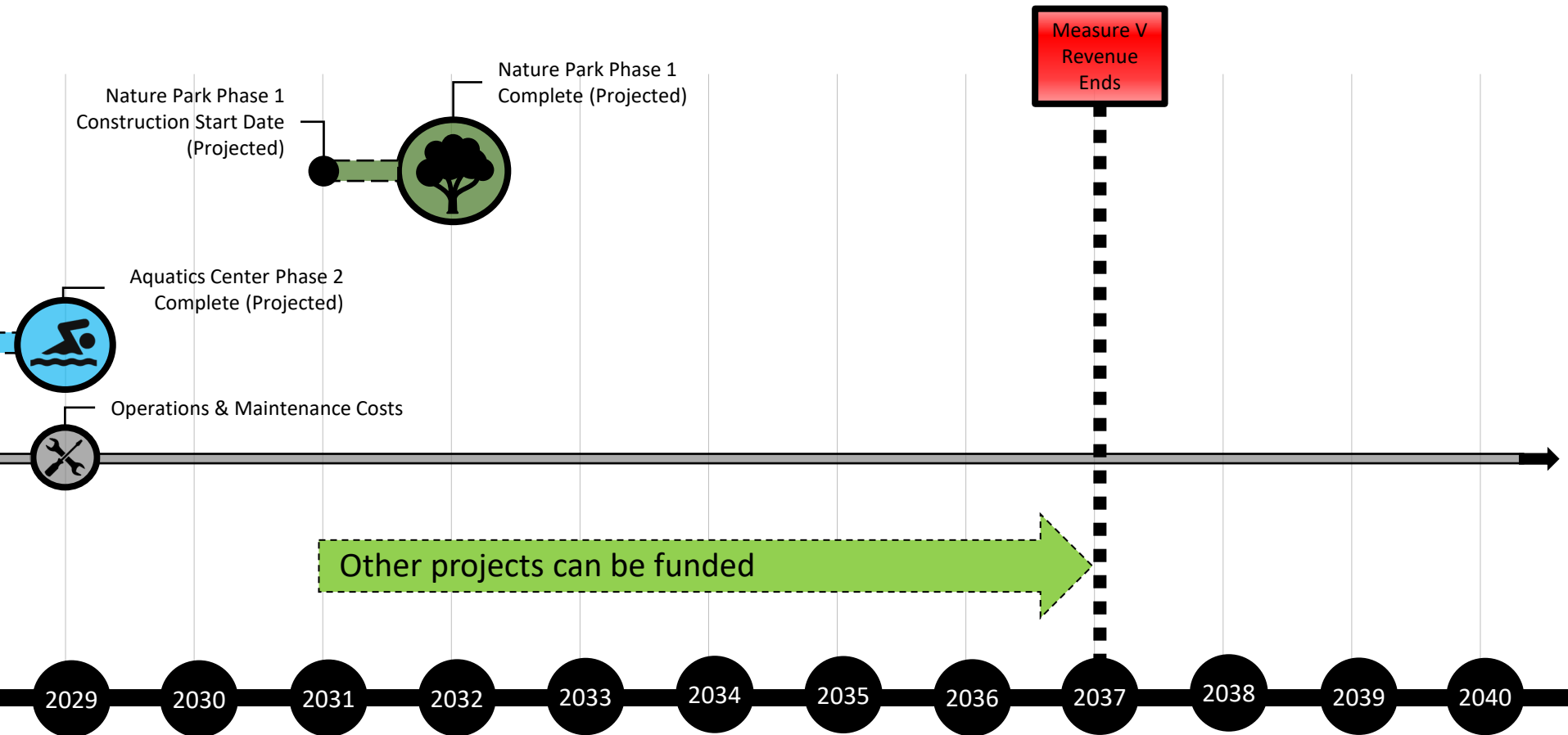
Alternatives

3. Select a hybrid of funding some of the Rec Center or other eligible tax-exempt Measure V project with debt financing; but dedicating uncommitted reserves to another unfunded project and maintaining current direction to phase the Aquatics Center
4. Provide other direction to staff.

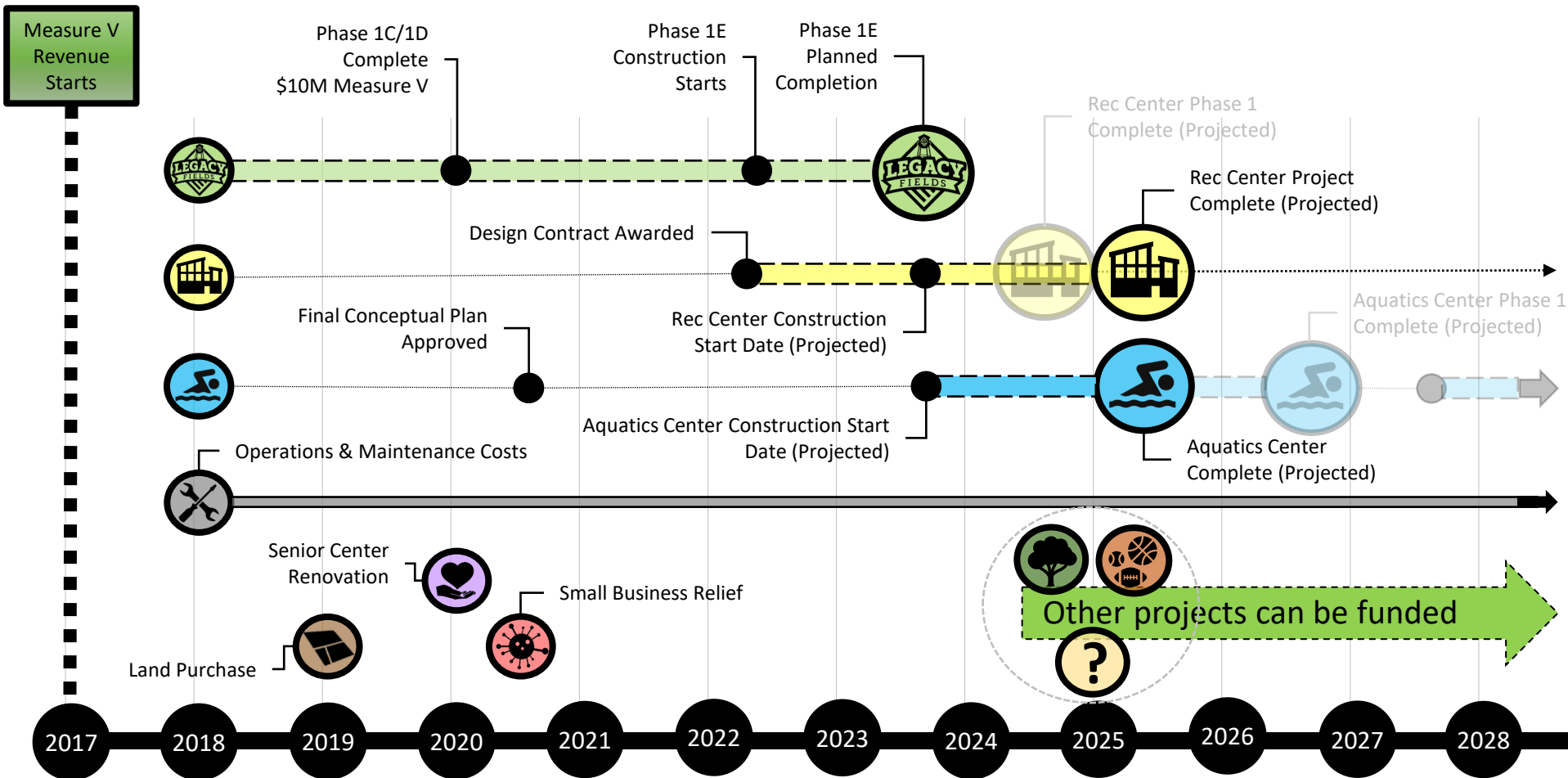
MEASURE V PROJECT FUNDING TIMELINES (Current Direction)



MEASURE V PROJECT FUNDING TIMELINES (Current Direction)



MEASURE V PROJECT FUNDING TIMELINES (Staff Recommendation)





QUESTIONS?

