



City of Arts & Innovation

# Financial Performance and Budget Committee

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**TO: FINANCIAL PERFORMANCE AND BUDGET COMMITTEE MEMBERS** **DATE: APRIL 14, 2023**

**FROM: PARKS, RECREATION AND COMMUNITY SERVICES DEPARTMENT** **WARDS: ALL**

**SUBJECT: MEASURE Z – SUPPLEMENTAL APPROPRIATION IN MEASURE Z FUNDS FOR ONE-TIME FUNDING FOR 11 UNDERFUNDED PARKS CAPITAL IMPROVEMENT PROJECTS IN THE AMOUNT OF \$6,492,000; PARKS FACILITIES ANNUAL DEFERRED MAINTENANCE IN THE AMOUNT OF \$3,500,000 BEGINNING IN FISCAL YEAR 2024-2025**

## **ISSUES:**

That the Financial Performance and Budget Committee review and recommend a supplemental appropriation of \$6,492,000 in one-time funding for 11 underfunded park capital improvement projects; and an annual allocation of \$3,500,000 for park deferred maintenance beginning in Fiscal Year 2024-2025.

## **RECOMMENDATIONS:**

That the Financial Performance and Budget Committee recommend that the City Council:

1. Authorize a supplemental appropriation of Measure Z funds in the amount of \$6,492,000 for 11 underfunded park capital improvement projects; and
2. Allocate Measure Z funding of \$3,500,000 annually, beginning in fiscal year 2024-2025 for park facilities deferred maintenance projects.

## **BACKGROUND:**

On November 8, 2016, the City of Riverside voters approved Measure Z, a one-percent transaction and use tax to help pay for critical unfunded City programs and services, including repair and maintenance of City facilities, such as police and fire stations, recreation centers and libraries, and road and tree maintenance.

The Parks, Recreation and Community Services Department (PRCSD) is requesting one-time funding for 11 park projects and annual funding for park deferred maintenance needs. All needs are critical needs, meet Measure Z criteria, and promote public safety and quality of life.

On April 13, 2023, the Budget Engagement Commission was scheduled to receive a report to review and make recommendations for a supplemental appropriation of \$6,492,000 in one-time funding for 11 underfunded park capital improvement projects; and an annual allocation of \$3,500,000 for park deferred maintenance beginning in Fiscal Year 2024-2025. Due to the timing for publication of this report, outcomes from this meeting are not included but will be discussed.

**DISCUSSION:**

The PRCSD has identified 11 park Capital Improvement Projects (CIP) where additional funding is needed for completion. Several projects have been previously awarded grant funding, but due to high inflation and increased labor and materials costs since the pandemic, funding is no longer sufficient. Initial funding requests were prepared prior to recent construction cost increases. Several factors are contributing to higher construction costs. Ongoing global political issues, wars, and the COVID-19 pandemic have contributed to supply chain issues which have led to low inventory and availability of materials. Labor shortages have required companies to pay higher rates for skilled workers. Construction materials and raw materials costs have increased by approximately 25-75%. Transportation and tariff costs have also increased. Cost estimates and bids received from contractors are significantly higher than what was awarded.

The park projects listed below, in priority order, ensure that recreational offerings and parks meet the needs of the community and improve the quality of life. Replacement of aging infrastructure ensures the amenities continue to be accessible and safe for use. Adding and repurposing amenities ensures that the PRCSD is actively meeting the changing recreational needs of the community.

During the COVID-19 pandemic shut down, outdoor space for the community was critical, and parks remained opened for all to use. As private sector recreational opportunities increase in cost, it is essential to continue to fund parks and open spaces as affordable options for all to enjoy.

The following projects are listed in priority order and currently require an increase in funding to complete.

CIP Projects					
Project Name	Ward	Cost Estimate	Current Funding	Additional Funding Needed	Priority
Arlington Pickleball Complex	5	\$1,500,000	\$660,000	\$840,000	1
Goeske Restrooms	3	\$245,000	\$140,000	\$105,000	2
Shamel Pool Deck Repairs and Improvements	3	\$600,000	\$350,000	\$250,000	3
Bordwell Basketball Court	2	\$220,000	\$120,000	\$100,000	4
Bordwell Parking Lot	2	\$110,000	\$50,000	\$60,000	5
Park Headquarters Staff Office Renovations	4	\$75,000	\$0	\$75,000	6

SAR Barriers Below Martha McLean Park	1/3	\$500,000	\$160,000	\$340,000	7
Patterson Park	2	\$10,725,000	\$7,106,000	\$3,619,000	8
Gage Canal Trail Phase 1 – Exercise Equipment	1	\$200,000	\$0	\$200,000	9
El Dorado Park Improvements	6	\$2,400,000	\$1,997,000	\$403,000	10
Fairmount Rose Garden Improvements	1	\$650,000	\$150,000	\$500,000	11
<b>Total</b>		<b>\$17,225,000</b>	<b>\$10,733,000</b>	<b>\$6,492,000</b>	

#### Arlington Pickleball Complex

To fulfill a community need, funds totaling \$1,500,000 will be used for design and construction of a nine court pickleball complex, with shaded bleachers on two tournament courts, fencing, lighting, and other supporting amenities. To date, \$660,000 in funding has been secured; an additional \$840,000 is needed for this project.

#### Goeske Senior Center Restrooms

The existing men's and women's restrooms are over 30 years old and are not compliant with current building codes. Renovations are needed on the interior and exterior of the restrooms to provide safe, accessible, and modernized restrooms that improve access and meet current building codes. An additional \$105,000 is requested to supplement the existing \$140,000 currently funded.

#### Shamel Park Pool Deck and Improvements

This \$600,000 project requires removal and replacement of the pool deck to repair failing concrete at the gutter, including removing and reinstalling/replacing starting platforms, lifeguard towers and other fixtures in the work zone, and provide a shade structure over a seating area. On March 15, 2022, the City Council approved a supplemental appropriation from General Fund reserves for the initial estimated amount of \$350,000 for this project. An additional \$250,000 is needed for this project.

#### Bordwell Basketball Court Replacement

The \$220,000 project will replace the basketball court concrete slab to eliminate tripping hazards, and will also include minor grading, landscaping, irrigation, court surfacing, and striping. To date, \$120,000 in funding has been secured; an additional \$100,000 is needed for this project.

#### Bordwell Parking Lot

The \$110,000 project will slurry seal and stripe the existing parking lot, remove accessibility barriers and tripping hazards, and improve traffic marking visibility for parking spaces and traffic flow. To date, \$50,000 in funding has been secured; an additional \$60,000 is needed for this project.

#### Park Headquarters Staff Office Renovations

\$75,000 will reconfigure and renovate the offices to increase the number of workstations and modify them to meet the demand for additional staffing needed to implement recreational programs, activities and capital project management.

### *Santa Ana River Barriers at Martha McLean Park*

In partnership with the Public Works Department, this \$500,000 project will install barriers to block unauthorized vehicles from entering the Santa Ana River bottom via Martha McLean-Anza Narrows Park and the Santa Ana River Trail. Work will also include re-routing pedestrian access in two locations to facilitate Fire Department access through barriers for unauthorized vehicles. This work will prevent the establishment of encampments in the river bottom as a measure to reduce the risk of wildfires and negative impacts to the river ecosystem. \$160,000 in funding has been earmarked by the Public Works Department from the Traffic Fund. An additional \$340,000 is needed for this project.

### *Patterson Park*

The requested \$3,619,000 will supplement the existing \$7,106,000 of funding to allow full implementation of the Patterson Park Master Plan. The plan proposes incorporation of new passive and active use play features including fitness nodes, a “Healthy Eating, Active Living” walking and jogging path, soccer fields, a splash pad, basketball court, picnic tables, and shaded playgrounds. The plan also includes the revitalization or replacement of existing features as needed, such as the parking lot and restroom. Planting, irrigation modifications, new site furnishings, and minor grading operations will also be incorporated.

### *Gage Canal Trail Phase 1 – Exercise Equipment*

This \$200,000 request is to fund exercise stations along the upcoming two-mile active transportation and recreational greenway Gage Canal Trail (Phase 1) project which will provide an off-street trail and bike path connection between Palmyrita Avenue in the Hunter Business Park area to Blaine Street at the UC Riverside Sports Complex.

### *El Dorado Park Improvements*

El Dorado Park is an 8.47-acre open turf area with very minimal recreational amenities. \$403,000 is requested to supplement the existing \$1,997,000 in funds to extend a walking path along the entire extent of the park, and to add fitness equipment, a shaded playground and trees. A portion of the turf will be converted to low-water-use landscaping to reduce water consumption.

### *Fairmont Rose Garden*

The \$650,000 project will install pavers to create an ADA accessible path, replace the gazebo and two arches, renovate the irrigation system, and replace missing roses to bring the rose garden up to standards. To date, \$150,000 in funding has been secured; an additional \$500,000 is needed for this project.

### *Annual Deferred Maintenance*

The PRCSD is responsible for oversight of facilities maintenance and Capital Improvement Programs for park facilities, including 60 park properties, almost 3,000 acres of park land and approximately 350,000 square feet of building facilities. The PRCSD perpetual priority deferred maintenance needs currently totals \$32.9 million, as summarized in the chart below. A minimum of \$3.5 million per year is needed to ensure annual deferred maintenance needs are met and can be routinely performed on a schedule. Deferred maintenance is comprised of, but not limited to, maintenance of building infrastructure, such as, roofs, flooring, painting, heating, ventilation and air conditioning, bathroom fixtures, lights, etc., and park infrastructure, such as pool plaster, filters and pumps, shade structures, playgrounds, sidewalks, furniture, parking lots, irrigation systems, etc.

Deferred Maintenance \$32.9 Million			
Maintenance Priority	Estimated Cost	Maintenance Priority	Estimated Cost
Playground Surfacing Replacement	\$6,505,000	Hardscape Repairs	\$380,000
Playground Equipment Replacement	\$5,905,000	Rubber Surface Roll Coating	\$290,000
HVAC	\$3,170,000	Fencing Repairs	\$1,250,000
Parking Lot Repairs	\$1,825,000	Fibar	\$105,000
Well Replacement	\$1,305,000	Painting	\$1,220,000
Lighting	\$580,000	Outdoor Courts	\$685,000
Sport Field Lighting	\$215,000	Electrical	\$125,000
Flooring	\$610,000	Shelters	\$800,000
Pools	\$7,825,000	Irrigation	\$105,000

The General Fund Park Refurbishment Account and Recreation Center Rehabilitation Accounts were eliminated in 2012 due to budget constraints. The elimination of deferred maintenance funding and increases in operational costs have left park deferred maintenance underfunded. The department has obtained various grants, used projected department-wide savings at year-end, and scrambled to spend any leftover year-end General Services Measure Z Deferred Maintenance funds to address urgent deferred maintenance needs, but this strategy is neither effective nor sustainable.

As outlined in the General Services Preliminary Needs Assessment Report to the City Council on February 23, 2016, deferred facility maintenance has undesirable consequences, including the potential for more significant and costly repairs, reduced energy efficiency, and safety or environmental concerns due to deteriorating facilities. It is not uncommon for state and local governments facing budgetary challenges to postpone infrastructure spending to future years, creating a backlog of deferred infrastructure maintenance. Fortunately, the Measure Z allocation has begun the process of reversing this practice in Riverside for general City facilities and now it is being recommended to allocate funding for the City’s deteriorating park infrastructure.

In February 2023, PRCSD received an appropriation of \$10 million dollars in ARPA funding, to assist with the priority playground items listed above and some HVAC, flooring, and parking repairs. The Department is requesting Measure Z funding allocations to begin in Fiscal Year 2024-2025 when ARPA funding ends, to continue the investment and establish an annual allocation for parks deferred maintenance.

**STRATEGIC PLAN ALIGNMENT:**

This item contributes to **Strategic Priority 1 – Arts, Culture and Recreation**, and **Goal 1.3** in addressing parks and open space maintenance needs.

This action aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – Addressing deferred maintenance and park CIP projects ensures the safety of the public and serves the overall needs of the community.
2. **Equity** – The City of Riverside maintains a large parks system and parks are accessible to all citywide.
3. **Fiscal Responsibility** – Addressing deferred maintenance ensures that infrastructure is well maintained and prevents costly repairs and premature replacement in the long run.
4. **Innovation** – Addressing deferred maintenance and parks capital projects ensure the City is continuing to address the community's changing recreational needs.
5. **Sustainability & Resiliency** – Routine preventative maintenance measures ensure the longevity of park equipment and amenities.

**FISCAL IMPACT:**

The fiscal impact of the action is \$6,492,000 for the CIP projects listed above in FY 2022/23 and \$3,500,000 annually for the deferred maintenance request beginning in FY 2024/25. Upon City Council approval, a supplemental appropriation will be recorded in the CIP projects listed below from Measure Z available fund balance. Additionally, the Measure Z Spending Plan will be updated to reflect program funding in the amount of \$3,500,000 annually beginning in FY 2024/25 for PRCSO deferred maintenance.

As illustrated in the attached Measure Z Spending Plan, there are sufficient unallocated reserves to fund this request.

Prepared by: Pamela M. Galera, Parks, Recreation and Community Services Director  
Approved as to availability of funds: Edward Enriquez, Interim Assistant City Manager/Chief Financial Officer/City Treasurer  
Approved by: Kris Martinez, Assistant City Manager  
Approved as to form: Phaedra A. Norton, City Attorney

Attachment:

1. Measure Z Spending Plan
2. Presentation