



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JUNE 13, 2023

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

SUBJECT: MEASURE Z – SUPPLEMENTAL APPROPRIATION IN MEASURE Z FUNDS
FOR ONE-TIME FUNDING FOR ELEVEN PARTIALLY FUNDED PARKS
CAPITAL IMPROVEMENT PROJECTS IN THE AMOUNT OF \$6,492,000; AND
ALLOCATION OF \$3,500,000 FOR PARKS FACILITIES ANNUAL DEFERRED
MAINTENANCE BEGINNING IN FISCAL YEAR 2024/25

ISSUES:

That the City Council authorize a supplemental appropriation of \$6,492,000 in one-time funding for eleven underfunded parks capital improvement projects; and allocate an annual allocation of \$3,500,000 for parks deferred maintenance beginning in Fiscal Year (FY) 2024/25.

RECOMMENDATIONS:

That the City Council:

1. With at least five affirmative votes, authorize a supplemental appropriation of Measure Z funds in the amount of \$6,492,000 for eleven underfunded parks capital improvement projects; and,
2. Allocate Measure Z funding of \$3,500,000 annually beginning in FY 2024/25 for parks facilities' deferred maintenance projects.

COMMITTEE RECOMMENDATION:

On Friday, April 14, 2023, the Financial Performance and Budget Committee, with Chair Hemenway, Vice Chair Cervantes and Member Fierro present, met to consider recommending City Council authorize \$6,492,000 for eleven underfunded park projects and an annual allocation of \$3.5 million for parks deferred maintenance projects in Measure Z funding. After discussion the Committee unanimously voted to recommend the City Council authorize a supplemental appropriation of Measure Z funds in the amount of \$6,492,000 for eleven underfunded parks capital improvement projects and allocate Measure Z funding of \$3,500,000 annually beginning in FY 2024/25 for parks facilities deferred maintenance projects.

BACKGROUND:

On November 8, 2016, the City of Riverside voters approved Measure Z, a one-cent 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, as well as road and tree maintenance.

On March 9, 2023, the Budget Engagement Commission was scheduled to meet, but due to a lack of quorum, the meeting was cancelled. This request was scheduled to be presented to the Commission, due to timeliness for projects, the request was moved forward to be reviewed and recommended by the Financial Performance and Budget Committee.

On April 14, 2023, the Financial Performance and Budget Committee were presented with a request for recommendation for one-time funding for eleven park projects and annual funding for parks deferred maintenance needs. All needs are critical needs, meet Measure Z criteria, and promote public safety and quality of life.

DISCUSSION:

The Parks, Recreation and Community Services Department (PRCSD) has identified eleven 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 material 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 material 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 the 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 are 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 projects have been prioritized based on the following factors outlined in the *Prioritization of Capital Improvements Projects Fiscal Policy* approved by the City Council on March 20, 2018:

1. Risk to health, safety and environment
2. Regulatory or mandated requirements
3. Asset condition, annual recurring costs and asset longevity
4. Community investment and economic prosperity
5. Level and quality of service
6. Sustainability and conservation
7. Funding availability

- 8. Project readiness and
- 9. Multiple category benefit and bundling opportunities

| Project Name | Ward | Cost Estimate | Current Funding | Source of Existing Funding | Current Request | Remaining Unfunded |
|--|-------|---------------------|---------------------|---|--------------------|--------------------|
| Arlington Pickleball Complex | 5 | \$2,864,219 | \$664,219 | CDBG 19/20 & 20/21, CFD 2006- 1 IA Bond Funds, & RDA 07/8 | \$840,000 | \$1,360,000 |
| Goeske Restrooms | 3 | \$262,000 | \$157,000 | CDBG 16/17 & 19/20 | \$105,000 | \$0 |
| Shamel Pool Deck Repairs and Improvements | 3 | \$600,000 | \$350,000 | General Capital Fund | \$250,000 | \$0 |
| Bordwell Basketball Court | 2 | \$220,000 | \$120,000 | CDBG 21/22 | \$100,000 | \$0 |
| Bordwell Parking Lot | 2 | \$110,000 | \$50,000 | CDBG 21/22 | \$60,000 | \$0 |
| Park Headquarters Staff Office Renovations | 3 | \$75,000 | \$0 | N/A | \$75,000 | \$0 |
| SAR Barriers Below Martha McLean Park | 1 | \$500,000 | \$0 | N/A | \$340,000 | \$160,000 |
| Patterson Park | 2 | \$10,769,000 | \$7,150,000 | Prop 68 Grant | \$3,619,000 | \$0 |
| Gage Canal Trail – Adding Exercise Equipment | 1 & 2 | \$5,308,509 | \$5,108,509* | Urban Greening Grant/Rec. Trails Grant | \$200,000 | \$0 |
| El Dorado Park Improvements | 6 | \$2,203,000 | \$1,800,000 | ARPA | \$403,000 | \$0 |
| Fairmount Rose Garden Improvements | 1 | \$650,000 | \$150,000 | Regional Park (413) | \$500,000 | \$0 |
| Total | | \$23,561,728 | \$15,549,728 | | \$6,492,000 | \$1,520,000 |

*Includes pending grant award in the amount of \$1.4 million.

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

Arlington Pickleball Complex

To date, \$664,219 in funding has been secured for this project to fulfill the community's fast-growing pickleball needs. Funds totaling \$1,504,219 were previously requested at the Financial Performance and Budget Committee in April 2023, for demolition of two existing tennis courts, design and construction of a new nine court pickleball complex, shaded bleachers on the two tournament courts, fencing, lighting, and other supporting amenities. A proposal for design-build services has since been received at a higher cost than estimated, and the shortfall is now \$2,200,000. The Purchasing Division and PRCSD staff are reviewing the design-build proposal in depth to determine whether the proposal is responsive and will make a recommendation for award and request additional Measure Z funding at a future Council date.

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 a safe, accessible, and modernized restroom that improves access and meets current building codes. An additional \$105,000 is requested to supplement the existing \$157,000 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 estimate 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

The \$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 Riverside Fire, Police and Public Works Departments, 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. When this funding request went through the Financial Performance and Budget

Committee in April 2023, \$160,000 from the Public Works Traffic Fund was going to be used for this project, however, at this time the Traffic Funds are needed for other traffic related projects and will not be allocated to this project. A request for additional Measure Z funds will be made at the time of construction contract award at a future City Council meeting.

Patterson Park

The requested \$3,619,000 will supplement the existing \$7,150,000 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, 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 additional \$200,000 is being requested request to fund exercise stations along the upcoming 2-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 University of California Riverside Sports Complex. The trail will be constructed using an Urban Greening Grant (\$3,708,509) and a Recreational Trails Program Grant (\$1,400,000).

El Dorado Park Improvements

El Dorado Park is an 8.47-acre open turf area with very minimal recreational amenities. The \$403,000 is requested to supplement the existing \$1,800,000 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 PRSCD 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 |

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 the increase in operational costs has left Parks deferred maintenance unfunded. The department has obtained various grants, used projected department wide savings at year end, as well as, scrambled to spend any leftover year end General Services Department’s Measure Z Deferred Maintenance Funds to address urgent deferred maintenance needs, but this strategy is not 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 to reverse this practice in Riverside for general City facilities and now it is time to allocate funding for the City’s deteriorating park infrastructure.

In February 2023, PRCSD received an appropriation of \$10 million in American Rescue Plan Act (ARPA) funding, to assist with the priority playground items listed above and some of the HVAC, flooring, and parking repairs. The Department is requesting Measure Z funding allocations to begin in FY 2024/25 when ARPA funding ends to continue the investment and establish an annual allocation for park deferred replacement.

STRATEGIC PLAN ALIGNMENT:

The funding requests contribute 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:

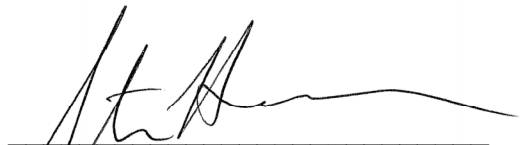
The total fiscal impact of this action for FY 2022/23 will be a one-time funding amount of \$6,492,000, plus an additional \$3,500,000 in annual funding to begin in FY 2024/25 and continuing forward thereafter. Upon Council approval, a supplemental appropriation of \$6,492,000 will be recorded from available fund balance within the Measure Z Fund for the following programs/projects listed in the table below.

| Fund | Program/Project | Account Number | Amount |
|-------------------|--|----------------|--------------------|
| Measure Z Capital | Arlington Pickleball Complex | 9923309-440301 | \$840,000 |
| | Goeske Restrooms | 9260209-440301 | \$105,000 |
| | Shamel Pool Improvements | 9923409-440301 | \$250,000 |
| | Bordwell Basketball Court | 9276309-440301 | \$100,000 |
| | Bordwell Parking Lot | 9276209-440301 | \$60,000 |
| | Park Headquarters – Staff Office Renovations | 9925909-440301 | \$75,000 |
| | SAR Barriers – below Martha McLean Park | 9925109-440301 | \$340,000 |
| | Patterson Park | 9339709-440301 | \$3,619,000 |
| | Gage Canal Trail – Exercise Equipment | 9409209-440301 | \$200,000 |
| | El Dorado Park Improvements | 9276809-440301 | \$403,000 |
| | Fairmount Rose Garden | 9918109-440301 | \$500,000 |
| Total | | | \$6,492,000 |

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 PRCSD deferred maintenance. This item will be included in future budget submission that will be brought forward in the next biennial budget cycle for adoption by City Council.

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

Concurs with;



Steve Hemenway, Chair
Financial Performance and Budget Committee

Attachments: 1. Presentation
2. Financial Performance and Budget Committee Minutes