

City of Sacramento

Legislation Text

File #: 2019-01213, **Version:** 1

Title:

Grant and Construction Agreement for the Del Paso Heights Sports Complex at Robertson Park, First Amendment to Ground Lease, and Second Amendment to Community Center Lease with The Mutual Assistance Network of Del Paso Heights

File ID: 2019-01213

Location: District 2, 3525 Norwood Avenue

Recommendation:

Adopt a Resolution: 1) approving the Grant and Construction Agreement for the Del Paso Heights Sports Complex at Robertson Park in the amount of \$1.9 million with The Mutual Assistance Network of Del Paso Heights (MAN) and the Sierra Health Foundation; 2) approving the First Amendment to Ground Lease at Robertson Park with MAN to include the additional park land for the Sports Complex; 3) approving the Second Amendment to Robertson Community Center Lease with MAN to extend the term to September 30, 2029 and include a 10 year option extension consistent with the term of the Sports Complex Ground Lease; and 4) authorizing the City Manager or the City Manager's designee to execute the agreement and lease amendments.

Contact: Dana Mahaffey, Senior Planner, (916) 808-2762; Raymond Costantino, Park Planning and Development Services Manager, (916) 808-1941, Youth, Parks and Community Enrichment Department

Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Del Paso Heights Sports Complex at Robertson Park Grant and Construction Agreement
- 3-First Amendment to Ground Lease at Robertson Park Sports Complex
- 4-Second Amendment to Lease Robertson Community Center
- 5-Resolution

Description/Analysis

Issue Detail: On July 30, 2019, City Council approved a 20-year Ground Lease with The Mutual Assistance Network of Del Paso Heights (MAN) for a portion of Robertson Park to renovate the large existing lighted baseball field and soccer field, which is the first phase of the planned Del Paso Heights Sports Complex. On that date the City Council also approved the phase 1 grant of \$350,000 for the \$670,555 project, which involves re-sodding or re-seeding of grass, irrigation upgrades, and other required infrastructure improvements, as well as a portion of the design costs for the phase 2 project and an environmental site assessment. The Ground Lease described the five vacant parcels of land that have been added to the park site by a transfer from the Redevelopment Agency Successor Agency.

Now that funding has been allocated in the 2019-20 budget for the costs to construct the Sports Complex, the proposed action includes allocating the \$1.9 million grant to MAN for the phase 2 project and amending the Ground Lease to include the additional land. The cost estimate for the phase 2 project was \$1.7 million; however, the land has some hazardous materials that need to be remediated at an estimated cost of over \$200,000 and MAN will need to fund City staff costs to review the plans and inspect the construction work in the amount of \$147,000. The gap in construction costs for the build-out of the Del Paso Heights Sports Complex will be made up with funds provided by MAN and the Sierra Health Foundation.

For the Phase 2 project, MAN plans to construct two new little league sized baseball fields, which can also be used for softball, and a new parking lot on the additional land and fencing to complete the “Del Paso Heights Sports Complex” at Robertson Park. The Del Paso Heights Sports Complex will be home to local youth sports leagues and a regional attraction for tournaments that generate revenue to sustain the fields and youth programs. The term of the Ground Lease at 20 years is based on City Code section 3.68.110 C, given that MAN will invest more than \$100,000 to improve the City property. This length of time will provide for MAN to recoup its expenses based on the useful life of the improvements and the potential revenue from the Sports Complex operations.

Since 2016, MAN has leased the City’s Robertson Community Center in Robertson Park to provide an after-school program that offers homework and academic assistance, physical fitness, recreational sports, medical physicals, nutrition education, and “in season” athletic league practices for disadvantaged youth. MAN also provides community programs such as the Reduction in African American Child Death and adult exercise and fitness programs at the Robertson Community Center.

The Community Center will be used to support the operation of the Sports Complex. Therefore, it is desirable that the term of the lease for the Community Center coincide with the term of the ground lease for the Sports Complex. However, under City Code section 3.68.110 D, leases of City property without bidding to a non-profit community organization cannot exceed 10 years. Therefore, the Community Center lease amendment extends the term to September 30, 2029 and includes an option for an additional 10 years.

Policy Considerations: The grant and lease agreements will implement YPCE's Strategic Plan Direction 3.2: Plan, manage and regularly evaluate the delivery of programs, events and services. Specifically, (F) - Create operational and programming guidelines and evaluate leased facilities to ensure that programs and services are meeting City requirements and local needs; and Strategic Plan Direction 5.3; Diversify and improve funding and resources to enhance services. Specifically, (C) - Coordinate with City leaders to expand the Department's financial resources to support youth development, parkland and facilities, lifelong learning and recreation, and community enrichment.

Economic Impacts: Once the Sports Complex is developed for use by youth leagues and baseball and softball tournaments, the increased activity could provide a stimulus for development of nearby vacant land. At the expiration or termination of the Ground Lease, the City will own the park improvements which were funded under the grants and constructed and maintained by MAN.

Environmental Considerations: The project to approve agreements for the Phase 2 project is exempt under California Environmental Quality Act Section 15304, Minor Alterations to Land, for the new fields, Section 15311, accessory structures, for the parking lot, fencing and signage; and Section 15330, mitigation of hazardous substances.

Sustainability: The Sports Complex project is consistent with the City's 2035 General Plan Goal ERC 2.2: Parks, Community and Recreation Facilities and Services, in that the agreement allows for the creative solution to provide neighborhood park and recreation facilities (e.g., provision of that reflect the unique character of the area; Building and improving parks and facilities to ensure safety for users and adjacent properties; provide parks and facilities for youth between the ages of 10 and 18 to ensure safe gathering places for their recreation; and, develop facilities (e.g., multi-field complexes) for a variety of organized sports.

Commission/Committee Action: None

Rationale for Recommendation: In December 2017, the City Council adopted the Citywide Youth Development Plan & Framework for Children and Youth Programs to guide the City in the design, operations, and evaluation of its children and youth programs. Through its own programs and strategic partnerships, the City of Sacramento will strive to offer all young people, regardless of background, the highest-quality youth development experiences.

Financial Considerations: In consideration for the grant to fund construction of the additional sports fields and maintenance of the improvements at Robertson Park, in lieu of rent MAN will set aside a portion of the revenues it receives from operation of the Sports Complex to pay for routine maintenance to fund repairs and to maintain the fields and improvements in good condition during the term of the Ground Lease. Sufficient funds are available in the Del Paso Heights Sports Complex (L19190300) to cover the City's second grant funding in the amount of \$1.9 million.

The Community Center lease requires MAN to reimburse the City for the building utilities and service expenses, but no rent is charged in consideration of the youth programming and community services provided by MAN.

Local Business Enterprise (LBE): Not applicable