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# M E M O R A N D U M

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**DATE:** March 4, 2008  
**TO:** City Council Members  
**FROM:** Jennifer Bruno, Budget and Policy Analyst  
**RE:** Central City Recreation Center Funding Update

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This memo pertains to funding of the expansion/renovation of the Central City Recreation Center. To date, the County has allocated \$3,164,000 in Zoo, Arts, and Parks (ZAP) funds towards this project. The County's allocation fell far short of the total funding request at the time, and instead of a full renovation and expansion of the Center, would only have provided a basic mechanical and electrical upgrade. Additional funding commitments from a variety of organizations are needed in order to reach the desired outcome of a fully renovated and expanded recreation center.

In previous briefings, the Council has voiced general support for this project moving forward. The purpose of this briefing is to ascertain the City's willingness to fund the request in the upcoming budget amendment, as other funding sources identified are contingent on the City's contribution.

The following chart breaks down the current funding sources:

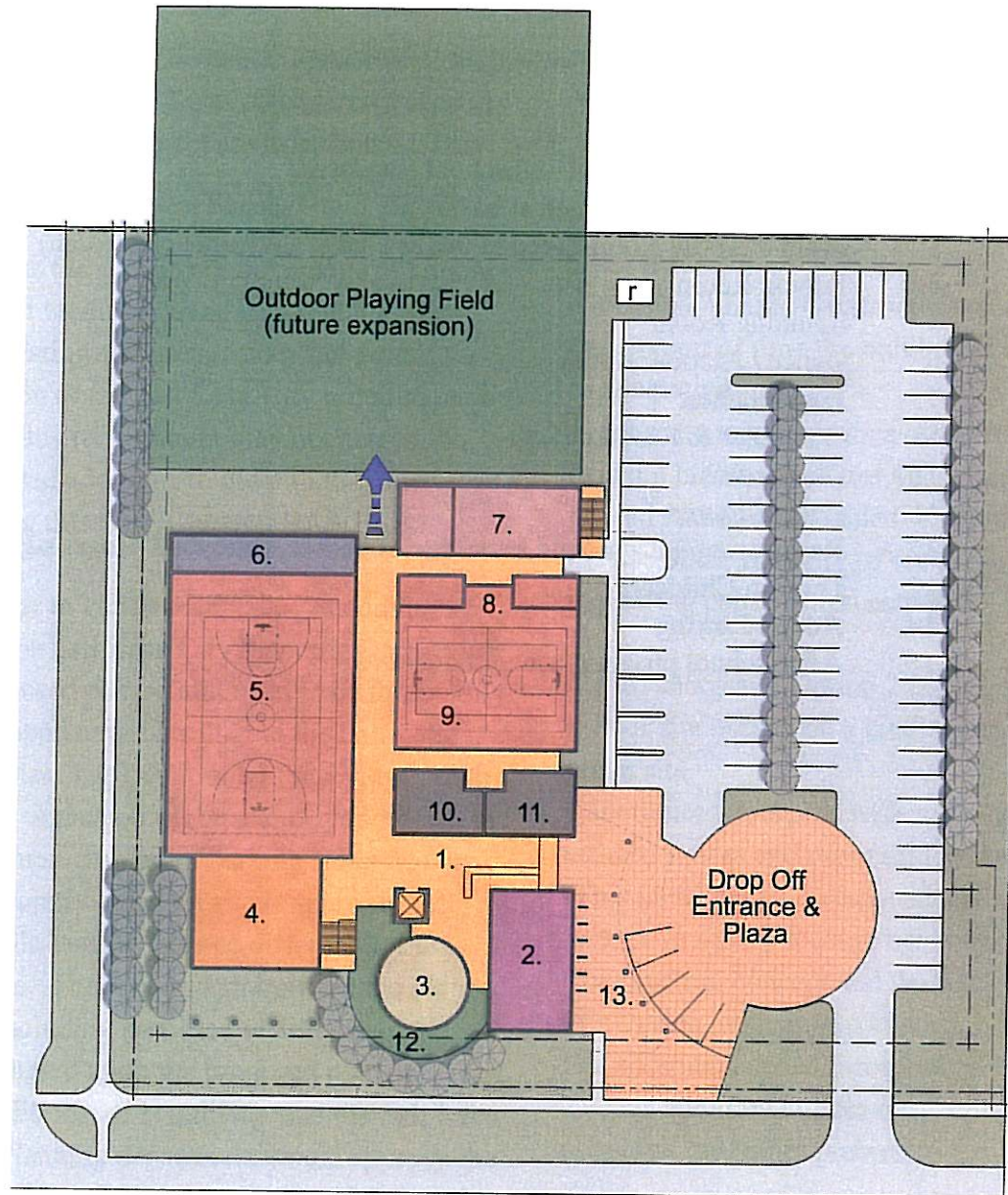
|   |                     |
|---|---------------------|
| Salt Lake County ZAP funds (secure)   | \$3,164,000         |
| New Markets Tax Credit (pending confirmation)                                     | \$2,449,200         |
| Salt Lake City (pending confirmation)   | \$1,000,000         |
| Donation (pending, up to - New Markets Tax Credit is based on amount of donation) | \$4,000,000         |
| <b>Total</b>  | <b>\$10,613,200</b> |

Based on an updated estimate performed in February of 2008, the current cost to expand and rebuild the Central City Recreation Center, is **\$10,500,978**. This assumes a Gold level LEED Certification, with construction in 2010. This option would completely raze the existing facility and replace it with new construction on the existing site, and would allow for new spaces that would permit the development of new programs that would better serve existing clientele. It would allow the use of more efficient materials, as well as a redesign of the interior spaces to allow for security and user-friendliness. It would re-orient the structure to the corner of 300 East and 600 South, moving the surface parking lot towards the interior of the parcel (**see attached site plan**).

The Council will have the opportunity to discuss the budget implications of this project further when the Administration transmits Budget Amendment #3 to the Council. Given recent estimates by City finance personnel, the City's fund balance is currently at around 12.5% (approximately \$5 million above 10%).

## Legend Main Level

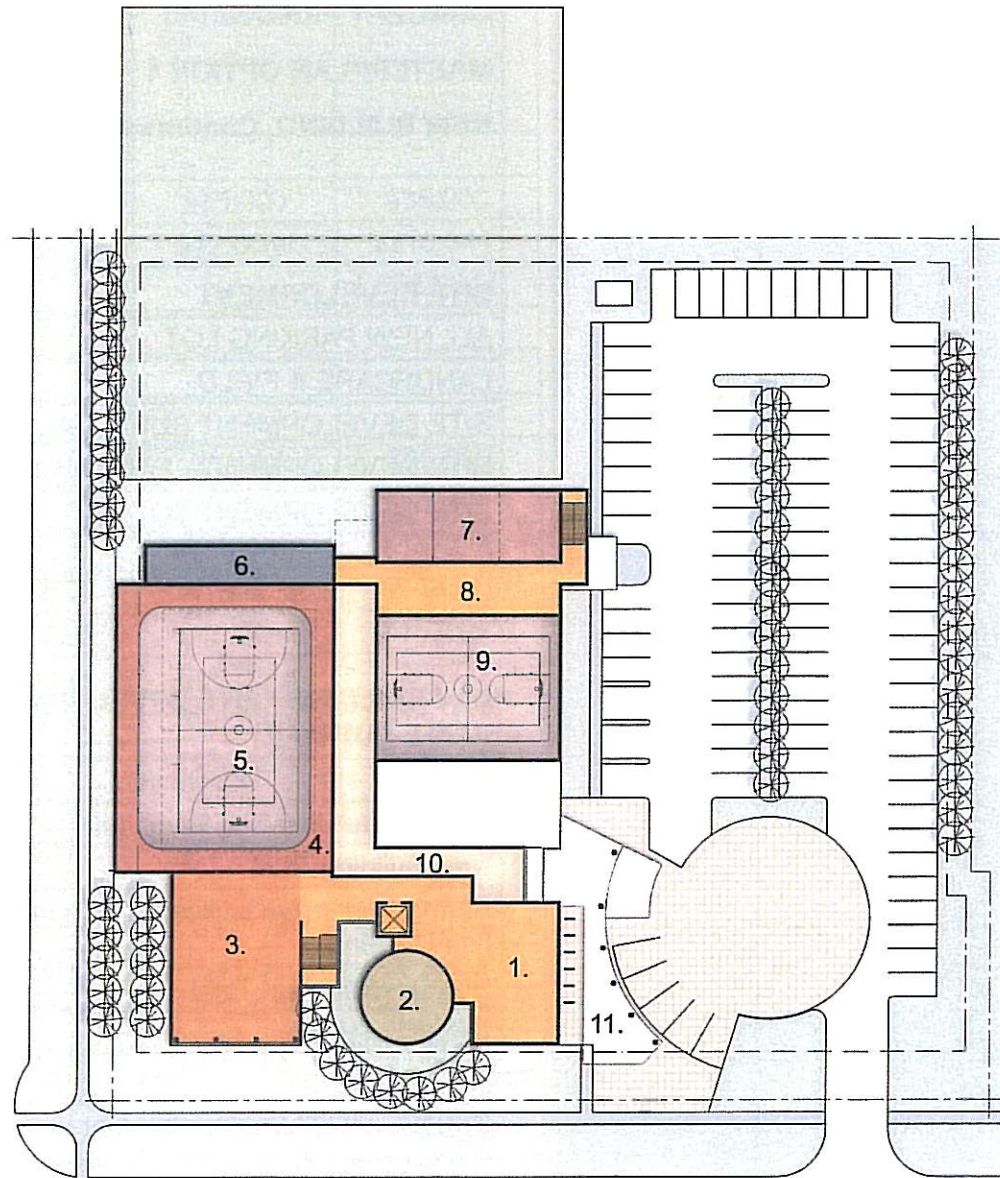
1. Entrance/ Lobby
2. Administration
3. Drop-In Day Care
4. Aerobics/ Dance
5. Gym
6. Storage/ Athletic
7. Classrooms/ Meeting Rooms
8. Food Prep./ Kitchen/ R.R.
9. Multi-Purpose
10. Mens Locker
11. Womens Locker
12. Tot Lot
13. Bike Racks



Masterplan Option 1 Main Level

## Legend Upper Level

1. Mtg. Room/ Optional "Flex" Space
2. Open to Day Care Below
3. Fitness
4. Running Track
5. Open to Gym Below
6. Mech. Equipment
7. Class Room(s) Flex Space
8. Spinning
9. Open to Multi-Purpose Below
10. Open to Circulation Below
11. Canopy at Entrance



Masterplan Option 1 Upper Level