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# MEMORANDUM

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**DATE:** August 17, 2010  
**TO:** City Council Members  
**FROM:** Jennifer Bruno, Deputy Director  
**RE:** Regional Athletic Complex – Riparian Area Restoration Plan and Budget Amendment

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## COUNCIL ACTION REQUESTED

*\*\*Note: Council Staff has prepared a motion for Council consideration – see Page 5 of this staff report\*\**

- A. The Administration has prepared a transmittal asking the Council to adopt the Regional Athletic Complex Riparian Restoration Plan.
  - 1. The plan was prepared by SWCA Environmental Consultants with input from a jointly-convened group of local experts, as directed by the Council (motion included in section labeled “Recent Background”).
  - 2. The Council has advertised a public hearing relating to this plan, in conjunction with two other public hearings relating to the Regional Athletic Complex (RAC). The hearings are set for August 17<sup>th</sup> at 7pm.
  - 3. The City’s Environmental consultant will be available at the Council’s work session to answer any questions the Council may have regarding the plan.
- B. The Administration is also requesting the Council amend the remaining expenditure budgets and direct the City Treasurer to sell the general obligation bonds to allow construction of the RAC to move forward.
  - 1. In January 2010, the Council authorized \$2 million of the \$22.8 million expenditure budget for Phase I of the RAC, and made release of the remaining funds contingent upon approval of the restoration plan.
  - 2. The Administration would like the Council to accept the restoration plan prepared by the consultants and authorize the remaining \$20.8 million in expenditures (\$13.3 million in remaining GO Bond funds and \$7.5 million from the Real Salt Lake contribution).
  - 3. In order to meet the goal of opening the RAC in the late fall of 2011, construction must begin in September. The Administration indicates that this is a time-sensitive issue because if the GO Bonds for this project are not sold by November, the City could be in jeopardy of losing the \$7.5 million contribution for the project from Real Salt Lake. In order for the bonds to be sold in November, the Council must give the treasurer direction to sell by the middle of September.
- C. The Administration has also submitted a petition to re-zone portions of the subject property and amend the relevant Small Area Master Plans. This land use petition will be briefed separately on August 17<sup>th</sup> and will have a separate Council Staff report. The public hearing has been set for August 17<sup>th</sup>, in conjunction with the other hearings on this issue.

## KEY QUESTIONS FOR COUNCIL CONSIDERATION

- 1. Does the Council accept the restoration plan as presented by the Consultant?
- 2. How does the Council wish to fund the restoration plans – in phases or up front? Does the Council wish to add to the project budget by identifying additional funding or direct the Administration to reduce the project scope to shift funds to this purpose?

3. Does the Council concur with the Administration's current plans for the project (number of fields, configuration, etc)?
4. Will the Council authorize the treasurer to release the bonds and approve the expenditure budget?

### **KEY ELEMENTS – RESTORATION PLAN**

- A. The City retained SWCA Environmental Consultants to prepare a restoration plan for the riparian area buffer along the Jordan River. The consultant prepared a draft plan that was circulated to a subcommittee of 13 local experts in relevant topics (hydrology, ecology, wildlife, ornithology, etc). After receiving the draft plan the subcommittee was then convened on May 12, 2010. The consultants received oral and written comments on the draft plan, which resulted in significant enhancements to final Plan. ***Note – the full plan is included in the Administration's transmittal, attached to this staff report.***
- B. The plan outlines restoration strategies for the riparian area located on approximately 44 acres on both sides of the Jordan River. Some restoration funds for the east side of the river will may be available as part of funding for the Jordan River Parkway construction to the Davis County line (exact amount of funds available is not known but this will be available soon). ***Note: Any funds available for restoration on the east side of the river could offset the total cost of the Restoration Plan.*** Plans for the west side of the river will be implemented along with construction of the RAC, and may have to be phased depending on budget (see Key Elements - Budget section). ***Note: The current RAC budget does not currently have budget allocated that would be sufficient to implement the complete restoration plan as outlined by the consultants.***
- C. The stated goal for the plan is to improve riparian and upland features and functions, including wildlife habitat and downstream water quality, while balancing the needs for recreation and public access in adjacent areas.
  1. The consultants used guiding principles of the Blueprint Jordan River plan to inform the plan.
    - i. Goals include: enhance connectivity of riparian habitat along the Jordan River through increased vegetative cover and improved habitat quality, establish buffers between the river and built environment, and restore riparian habitats.
    - ii. The recommended Restoration Area in the plan (buffer to the river) meets either the "Gold" (200 feet wide) or "Silver" (100 feet wide) level of environmental opportunity requirements outlined in the plan.
  2. The plan is intended to be a general planning document, to be used for construction planning and budget estimating purposes, and is not intended to provide construction-ready information.
- D. Once the Council determines the budget availability for restoration, a detailed implementation and management plan will be completed by SWCA, which will have a detailed planting plan with specific seed mixes. It is possible that the budget amount could change at that point as well, depending on the final scope of work and level of restoration decided upon.
- E. The following are key elements for Council consideration identified in the plan (the full plan is included in the Administration's transmittal):
  - a. For the purposes of this document, "Restoration" is the process of returning a degraded habitat to a healthy, self-sustaining ecosystem with natural function and a predominance of native species. For the purposes of this plan, "restoration" is

not the process of returning a site to its pre-human or pre-urban condition. The plan describes the current condition and identifies methods to achieve "Restoration" as so defined.

- b. The plan acknowledges that true habitat restoration is constrained by changes to the overall Jordan River system north of 2100 South (channelization, urbanization, flow modification).
  - i. Current existing water diversions for the Jordan River have reduced flows and limit flooding in the RA to the extent that it constricts the width of the area capable of supporting riparian vegetation.
  - ii. A main goal of the plan is to help mitigate this condition and improve plant species and diversity.
- c. The plan uses strategies that have been successful in other areas along the Jordan River in Salt Lake County (both publicly and privately owned).
- d. The stated objectives of the plan are
  - i. Reduce weed cover in the restoration area and maintain this reduction over time
  - ii. Establish a complex riparian wetland and upland habitats consisting of diverse, native plant species
  - iii. Enhance existing habitat and increase the diversity of abundance of migratory bird species
  - iv. Establish buffers and landscape features to physically and visually separate the natural and built environments.
- e. The plan calls for a buffer ranging from 100 to 400 feet with an average width of 240 feet on the West side of the river (adjacent to the Athletic Complex), and a buffer of 25 to 340 feet, with an average width of 140 feet on the East side of the river.
  - i. Existing riparian buffer widths are 5 to 40 feet.
  - ii. General experience shows that 100 to 300 feet of stream buffer is ideal for a successful riparian restoration effort, although some studies have shown widths that vary drastically by location and desired outcome (improving water quality, improving habitat for specific birds, etc). Details on these studies can be found on page 5 of the plan.
- f. The plan calls for installation of interpretive signage at the trailhead along the east side of the Jordan River (the closest public interface with the Restoration Area) that will provide educational opportunities and help foster stewardship of the environment through a better understanding of the river's ecology. This will include education information about wildlife as well as plants.
- g. The plan is to provide an improved habitat for migratory bird species, and has focused on ten priority species to achieve this goal, and inform the restoration strategies. Other wildlife species not in this priority list, with similar habitats will similarly benefit.
- h. The plan details different current and desired habitat types (see chart below). The plan notes that in 2003, Department of Wildlife Resources staff estimated that less than half of the vegetative cover in the restoration area was made up of native plant species.

	Acres				Approximate Price Per Acre	Approximate Restoration Price	Notes on Restoration Strategy
	Current	% of total	Proposed	% of total			
Off-channel wetlands	4.7	12%	8	19%	\$20,000 - \$35,000	\$160,000 - \$280,000	Increasing acres minimizes potential for invasive species, can be supported with existing groundwater.
Emergent bench wetlands	1.7	4%	2	5%	\$30,000 - \$50,000	\$60,000 - \$100,000	Allows for creation of wetland habitat where none exists. Weed treatment needed in current acres
Riparian forest complex	6.9	17%	5.9	14%	\$20,000 - \$40,000	\$118,000 - \$236,000	Currently dominated by non-native species. Must be phased over 10-20 years so as not to disrupt current wildlife. Some non-natives will be kept, allowing for greater diversity. Decrease is due to band of Russian Olives on West side of the river that will be removed.
Upland grasslands	20.7	51%	19.1	44%	\$5,000 - \$8,000	\$95,500 - \$152,800	Currently dominated by noxious and non-native grasses. Restoration will involve removal of non-natives followed by planting. Reduction is due to conversion of some areas to wetland category.
Upland shrublands	6.7	16%	7.4	17%	\$8,000 - \$15,000	\$59,200 - \$111,000	
Graminoid slope wetlands	0	0%	0.7	2%	\$30,000 - \$50,000	\$21,000 - \$35,000	Allows for gradual transition from river to upland, potential for diverse species.
TOTAL						<b>\$513,700 - \$914,800</b>	

*Note: These costs do NOT include monitoring. See item (m) below for more information on preliminary monitoring costs.*

- i. The City's consultant recommends that the City phase implementation of this Restoration Plan, regardless of budget availability. More detail on exact costs and phasing will be available at the Council's work session briefing.
- j. The plan details current conditions including existing plant, soils, water quality and wildlife on pages 8-12 of the plan (*and are shown in Map 3 in the plan, and also attached to this staff report*).
- k. Details of the restoration plan begins on page 13 of the plan (*and are shown in Map 4 in the plan, and also attached to this staff report*).
- l. The plan recommends systematic and on-going stewardship to prevent a future return to the current degraded state. *The Council may wish to as the Administration to identify the future potential budget needs for this corridor.*
- m. The plan calls for a need for continued maintenance and monitoring, although exact costs of this will not be known until a more detailed plan can be put together (which is tied to the Council-authorized budget). Preliminary costs are as follows :

	Duration	Cost (per year)	Cost (total)
Breeding Birds	2010-2014	\$4,000	\$16,000
Bird Migration	2010-2014	\$4,000	\$16,000
Weed Mapping	2010-2014	\$3,000	\$12,000
Native Vegetation Survey	2010-2014	\$4,000	\$16,000

*Total costs all categories - \$15,000 per year for 4 years.*

- n. The plan details the historic context of the site using documentation dating to 1902 (p. 2), current data, and interviews with local experts.
- o. All applicable state, county and City permits will be obtained and complied with, including the City's Riparian Corridor Overlay (RCO).

## KEY ELEMENTS – BUDGET

- A. The restoration plan gives an approximate price range by acre by recommended habitat type (up front costs, see detailed table above). It also identifies future needs for monitoring, evaluation, and maintenance to control for weeds and protect the environment for migratory birds and native vegetation (on-going costs, see detailed table above).
- B. The current budget for the RAC includes \$60,900 for the riparian area restoration. The total estimated cost for the riparian area restoration as recommended by the consultants is estimated to be between \$514,000 and \$915,000 depending on mix of habitat type.
- C. The City's consultant recommends that the City phase implementation of this Restoration Plan, regardless of budget availability. More detail on exact costs and phasing will be available at the Council's work session briefing.
- D. The recommended first phase of the restoration plan is approximately \$60,900, and is covered in the existing budget for the Regional Athletic Complex.
- E. The Council may wish to discuss a strategy for funding future phases at a later date, or may wish to consider amending the budget to fund the full restoration up front.

## POTENTIAL MOTION

["I move that the Council"] :

- ***Adopt/not adopt*** a resolution adopting the Restoration Plan as presented by the Administration and SWCA Environmental Consultants  
**AND/OR**
- ***Adopt/not adopt*** the budget amendment item A-1 relating to the expenditure budget for the Regional Athletic Complex, and authorize the City Treasurer to proceed and sell the General Obligation bonds.  
**AND/OR**
- **(Option identified by Council Staff)** Further amend the budget and add \$X from fund balance for the purposes of executing the proposed restoration plan. These funds shall be held in a separate capital improvement project account to ensure they will be used only for corridor restoration.  
**AND/OR**
- **(Option identified by Council Staff)** I move that all cost savings from the project be reported to the Council prior to any scope expansion or change so that the Council can appropriately weigh whether those cost savings should be allocated to restoration.

## UPDATE ON THE PLANS FOR THE FACILITY

The Administration recently informed Council staff that a number of unforeseen costs and more detailed design data, forced the Administration to reconfigure the facility to try to stay within the \$22.8 million total budget. The additional costs are as follows (amounts are approximate):

- \$800,000 – construction manager (unplanned)
- \$500,000 – Administration Building – 3,000 square feet – Administration had previously planned to have these offices elsewhere. Since conducting more research on comparable facilities, the Administration has indicated it is necessary for the success of the project for managers to be on-site.
- \$500,000 – Water Well – unanticipated
- \$200,000 – unanticipated Public Utilities fees

- \$300,000 – increased earthwork based on more detailed site surveys
- \$1 million – unforeseen needed site utilities based on more detailed design work (irrigation, lighting, drainage)

The result of these changes have caused the Administration to have to re-think constructing 2 baseball fields as a part of Phase 1 of the project because they are much more expensive to construct than soccer fields, and two baseball fields ultimately does not achieve the critical mass of fields needed to support an expansive recreation program. The two baseball fields cost \$800,000, compared to two soccer fields which cost \$209,000. The Administration did find savings in other site configurations (reducing lighting, reducing pavement, etc), **but ultimately is recommending eliminating the baseball fields from Phase 1, and constructing all 8 (potentially) baseball fields as a part of Phase 2.** The Administration indicates that it would not advise to remove soccer fields to achieve the savings because it would then reduce the City's ability to meet the public's demand for sports fields, and jeopardize the economic viability of the complex as a tournament site.

The Administration did find enough savings to add an additional 2 soccer fields to Phase 1 (\$209,000), and convert one central grassy area to a temporary soccer field (at the location where a potential indoor facility could be located). Earlier this year Phase 1 had 13 soccer fields and 2 baseball fields. The revised plan to fit in the current budget consists of 16 soccer fields (15 game fields and 1 championship field).

*The Council may wish to discuss this change and advise the Administration if it has concerns.*

*The Council may also wish to consider the addition of fields (and budget needed to do so) in context with the budget needed to complete the Restoration Plan. The Council may wish to have a policy discussion weighing the addition of fields to Phase 1 of the Complex vs. directing those funds toward implementing the Restoration Plan.*

## **RECENT BACKGROUND**

On January 12, 2010, the Council made the following motion with regard to the process of finalizing plans for the Regional Athletic Complex:

***["I move that the Council"]*** *Adopt the budget amendment items A-13&14, relating to the Regional Athletic Complex, as revised:*

- *\$41,044 in expenditure funds to cover the remaining costs associated with the Concept Plan; and*
- *\$22.7 million in revenue funds*
- *\$2 million in expenditure authority to cover initial pre-design, restoration plan development and construction drawings,*
- *The release of the second portion of funding (\$20.7 million) is contingent upon the Administration completing the following:*
  - *Presenting a detailed restoration plan to the Council that maximizes the ecological benefit for the riparian habitat within reasonable constraints assuming the Regional Sports Complex will be at approximately 2200 North and the Jordan River. The Council recognizes that this plan that could require an increase in the buffer as currently conceived and/or a reconfiguration of fields, if the City's consultants find it necessary. The Council also recognizes that additional property acquisition may be necessary.*
  - *It is the Council's intent to join with the administration to convene a half-day session with an invited group of individuals with relevant professional-academic credentials to seek their input on a draft of this restoration plan.*

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*The following was provided for the Council's work session on January 5<sup>th</sup>, 2010 in regard to the previous Budget Amendment Request for this project. It has been provided again for reference.*

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## **COUNCIL ACTION REQUESTED**

1. **Expenditure Authority** - The Administration has requested the Council add two items to the proposed budget amendment in order to facilitate the construction of the Regional Sports Complex at the site located at approximately 2200 North along the Jordan River:
  - a. \$41,044 – expenditure authorization to cover the remaining costs associated with the Concept Plan. *These funds are proposed to come from CIP cost overrun account.*
  - b. \$22.7 million – revenue and expenditure authorization to pursue Phase I build-out of the Regional Sports Complex. *These funds are proposed to come from the \$15.3 million voter-approved GO Bond, and the \$7.5 million letter of credit from Real Salt Lake. See Key Elements item C for more information relating to this topic.*
2. **Parameters Resolution for Bond Issuance** - The Administration has also forwarded the necessary paperwork and requested that the Council approve a Parameters Resolution for the issuance of the Sports Facility GO Bonds approved by voters in 2003 for the construction of the facility. The Administration would like the Council to adopt the Parameters Resolution **on January 12**, and hold a public hearing on February 2.

## **KEY ELEMENTS**

- A. The Administration has asked and is recommending that the Council authorize the full expenditure budget of a Phase I build-out (\$22,688,093).
- B. The Council may wish to discuss authorizing smaller amounts on a regular basis based upon need in order to maintain budgetary oversight of the project. ***Council Staff would appreciate direction from the full Council regarding this idea.***
  - a. Once the Council gives the Administration expenditure authority, there is no statutory requirement for the Administration to involve the Council in decisions made after that point, unless additional budget is needed.
  - b. The Council may wish to consider a template for smaller segments of budget authorizations, as there are a number of large projects on the horizon for the City, that the Council may wish to have continued oversight.
  - c. Should capital projects run over budget the Council is responsible to address the issue.
  - d. There is a public expectation that the City Council exercise oversight when authorizing large sums of money.
- C. At this point the Administration is proposing Phase I build-out only, because funding for Phase II build-out will likely not be identified until possibly later in the year. The Administration is in discussions with Salt Lake County about a possibility for a funding partnership for Phase II of the project. **See chart below for a breakdown of budget and components for each project phase.**

<b>Phase</b>	<b>Cost</b>	<b>Funding</b>	<b>Components</b>
Phase I	\$ 22,688,093	\$22.8m Funding Identified: \$15,300,000 GO Bond	13 Soccer Fields 2 Baseball fields 970 Parking Stalls 6.5 Acre central open space 452 trees

		\$7,500,000 RSL Contribution  <i>Note: the Administration recognizes that funding available actually exceeds cost, and will balance out the project as it goes forward.</i>	3 Restrooms 23 Acre Natural Preserve along river (101 to 350 feet wide along the river, and average distance of 223 feet from the river).
Phase II	\$ 17,245,859	Funding TBD	4 Soccer Fields 2 Baseball Fields 800 Parking Stalls 428 trees 2 Restrooms Access Road from Redwood Rd.
<b>Total</b>	<b>\$ 39,933,952</b>	<i>Phase I Funding Identified only</i>	17 Soccer Fields 4 Baseball fields 1770 Parking Stalls 6.5 Acre central open space 5 Restrooms 880 trees 23 Acre Natural Preserve along river

*Note: See maps and detailed budget breakdown included with the Administration's transmittal.*

D. The following are key elements of the project, as outlined in the Administration's transmittal:

a. **Project Scope:**

1. The original scope as presented to voters included 25 Soccer/Multi-use fields and 8 Baseball/Softball fields. The current full build-out (Phase I and II) contemplates 17 Soccer Fields and 4 Baseball fields.
2. The Administration has noted a number of issues contributed to the reduction in scope:
  - The original scope contemplated using 190 acres. After final survey work was completed, only 160 acres was transferred.
  - The original cost estimations for the bond election were completed in a short time frame, and were underestimated.
  - Further concept and site orientation planning, and considerations for well-designed open space refined the number of fields possible.
  - The City's riparian corridor ordinance was not in effect at the time of the bond election, and a 23 acre buffer between the fields and the river was not originally contemplated. This further reduced the "usable" site acreage.
3. The Administration acknowledges that funding is only secured for Phase I of the project (see components for Phase I in table above), further reducing the scope. Phase I build-out will not develop all of the acres of the site.
4. The Administration acknowledges that Phase II will only be built if an outside funding source is secured. The transmittal notes that The City is in active negotiations with SL County as a potential funding partner for Phase II.

b. **Environmental Issues:**



1. The Administration has provided a fact sheet detailing the Environmental Stewardship aspects of the Regional Sports Complex (**see attached**), specifically how the project follows and relates to the Jordan River Blueprint guidelines.
  2. The project includes 23 acres along the river that will restore, preserve and expand the existing riparian habitat. This will be completed as a part of Phase I of the project. This area, on the West side of the Jordan River, will be an average of 223 feet wide (101 feet at its narrowest and 350 feet at its widest), and will comply with and exceed the requirements of the City's riparian corridor ordinance.
  3. The Jordan River Blueprint document has identified this area has having opportunities for recreation as well as "silver level" preservation and restoration. Silver level areas are recommended to have 100-200 foot buffers. The Administration believes that the current plan for the sports complex is in keeping with the vision of the Jordan River blueprint.
  4. The complex has been designed to meet and exceed FEMA floodplain rules.
  5. The complex has incorporated a number of sustainable-design features including on-site stormwater management (to protect Jordan River water quality), limiting hardscape elements (less than 15% of the site), efficient irrigation to allow for the use of non-potable water in irrigation, and lighting shielding to protect wildlife and adjacent property owners from light pollution.
  6. The City has secured an additional \$1.3 million to enhance the trail along the east side of the River through the property to the Davis County line. The Administration is aware that Davis County will also be completing the trail link through Davis County to the Legacy Parkway trail.
- c. **Real Salt Lake (RSL) Gift Agreement** – Pursuant to their gift agreement in 2007, RSL is contractually obligated to contribute \$7.5 million towards the construction of the complex.
1. The letter of credit referenced in the gift agreement has an expiration date of December 31, 2010. The city must issue the bonds and commence construction in order to satisfy the terms of the letter of credit and begin drawing funds.
  2. Pursuant to the Gift agreement, the RSL funds can only be used for construction of the "Proposition 5 Facility" and refers to the facility as a "multiple-purpose regional sports, recreation and education complex to be built in Salt Lake County at 2000 North between Redwood Road and I-215. It does not reference a specific number of fields. *Note: The gift agreement would need to be re-negotiated if a different site were selected.*
- d. **Participation with the County** –
1. The City is in active negotiations with SL County to become a funding and operations partner in the facility. The Administration fully supports the concept of the County as a funding and management partner in the facility.

2. The County has often participated in funding for recreation facilities located in Salt Lake City (Fairmont Aquatic Center, Steiner Aquatic, Central City and Northwest Recreation Centers).
3. It is possible that the County and City would enter into a Operating and Management Agreement, which would define a governing board as well as the day-to-day responsibilities of each entity. The Administration is proposing the creation of a "Salt Lake Sports Authority board" to create rules, regulations and policies to govern the management, programming and operation of the complex.
4. The Administration is contemplating an arrangement where the county would be fully independent in operating the facility, and would pay for all operations cost from program revenues. Cost that are not covered by operating revenues would be shared on a 50/50 basis by the City and county. The terms of the agreement are still up for discussion. *The Council may wish to ask the Administration if this would be the operating agreement if only Phase I were constructed.*

e. **Business Plan –**

1. At the time of the 2003 Bond Initiative, the Administration calculated that the facility would very likely require a \$257,000 yearly annual subsidy in order to operate.
2. Now that the scope has been further defined, the business model and pro-formas has been updated.
3. The pro-formas (which contemplate Phase I and II build-outs separately) include expenses for staffing, maintenance and equipment, and contemplate the following breakdown for playing time and field usage:
  1. Competitive game use – 60% of available field time
  2. Recreation – 30% of available field time
  3. Tournament Use – 10% of available field time
4. Fields will also be given a time to "rest" in order to extend the useful life of the grass. The percentage of "rest time" will be better defined as a programming plan becomes more solid and the Salt Lake Sports Authority makes their recommendations. The revenue and expense models used a range of 0% to 50% rest time in order to calculate a subsidy range. The likely scenario is 25% rest time (75% utilization).
5. Subsidies will change as programming and operations decisions become more defined, but the Administration has provided the following estimates for potential subsidies.

<b>Potential Operating Subsidy (assuming 75% field utilization)</b>			
	<b>Phase I</b>	<b>Phase I (with more lighted fields)</b>	<b>Phase II (full build-out)</b>
Revenue	\$ 609,450	\$ 737,850	\$ 1,474,263
Expense	\$ (770,711)	\$ (783,785)	\$ (1,450,595)
<b>Operating Subsidy</b>	<b>\$ (161,261)</b>	<b>\$ (45,935)</b>	<b>\$ 23,668</b>

- f. Consultants – The Administration has retained MGB&A, a local landscape architecture firm, and CHA Sports, a nationally recognized architecture firm, as consultants and architects for the project.
- E. The following is a rough timeline of key decision points in the creation of the proposed Regional Sports Complex:
- **November 2003** – voters approved a \$15.3 million bond, with a requirement for a \$7.5 million match.
  - **November 2005** – City and the Division of State Parks entered into a Memorandum of Understanding that would allow the state to transfer ownership of up to 190 acres along the Jordan River (approximately 2200 North).
  - **2006** – The City Council appropriated \$350,000 for consulting and engineering fees, for the preparation of a schematic design, cost analysis, concept plan, and environmental analysis for the State Park site.
  - **2007** – Real Salt Lake gave the City the full \$7.5 million match in the form of a letter of credit, for the purposes of constructing the facility.
  - **2007** – After completion of the initial concept plan and cost analysis, the City became aware that the original scope presented to voters is not feasible given the final site size (160 acres), and budget. The concept plan is then broken down into smaller phases, to enable the City to work within the budget authorized by voters.
  - **September 2009** – The Council voted to authorize \$2.5 million for the purchase of land adjacent to the State Parks Division site, to enable future phases of the Sports Complex project, should funding be identified.
  - **October 2009** – The City’s MOU with the Division of State Parks was finalized, and after surveys were completed, the State transferred 160 acres of property to the City (the original estimate of 190 acres was over-estimated because no formal survey work had been completed at the time)

***Potential Future Timeline:***

- **January 2010** – Administration requests that the Council approve \$41,044 to cover expenditures relating to the concept plan and cost estimating, as well as a full construction budget of \$22.8 million.
- **January 12, 2010** – The Administration requests that the Council approve the Parameters resolution which would set a not-to-exceed amount, and call for a public hearing for the proposed GO bond issue.
- **February 2, 2010** – The Administration requests that the Council hold a public hearing relating to the issuance of bonds.
- **Spring 2010** – The Administration plans on requesting that the Council act to issue the bonds. The Administration is proposing to schedule the issuance of bonds along the same schedule as the Public Safety Building bonds.
- **April 2010** – The Administration plans on beginning construction at this point.

## **MASTER PLAN/POLICY CONSIDERATIONS**

- A. The property currently selected for development of the Regional Sports Complex is partly in unincorporated Salt Lake County, and partly within the current municipal boundaries of Salt Lake City. The portion of the property immediately adjacent to the River, within SLC Municipal boundaries is already zoned Open Space (OS). However, a majority of the property is currently zoned Light Manufacturing (M-1). The Council will need to act on both the annexation of the remainder of the property as well as the re-zoning of the property to OS before physical construction commences.

- B. Currently there is no statutory requirement for the Council to “choose” a site by vote, for any project authorized by the voters. The Council’s authority is in regard to budget, whether to place items on a ballot for consideration, and whether to issue bonds. It is staff’s understanding that based upon case-law final site selection and purchase is an administrative function.
- a. The Council has voted in the past (2006, Budget Amendment #1 of FY 2010) to authorize expenditures for pre-construction design and planning work, as well as funds for the purchase of adjacent property.
  - b. *The Council may wish to consider establishing a policy or ordinance change that would add a step in future large projects whereby the Council would consider adopting a resolution recognizing the Administration’s final site selection.*
- C. Council Resolution #13 of 2009 (adopted by the Council in February 2009) indicates support of the Goals and Initiatives as outlined in the “Blueprint Jordan River” plan. The resolution states the following:  
*“The Salt Lake City Mayor and City Council, hereby commit to support the goals and visions of Blueprint Jordan River, and to become active participants in the plans of Blueprint Jordan River by:*
- 1. Preserving as open space all land within the Jordan river corridor which is currently zoned as open space;*
  - 2. Considering modifying zoning ordinances to assure that any development within the Jordan River corridor is compatible with Blueprint recommendations;*
  - 3. Considering participation in cooperative efforts to fund open space acquisition, trail development, and habitat restoration where practical;*
  - 4. Selecting representatives to serve as members of a commission or board to oversee continued progress toward realization of all goals and visions of Blueprint Jordan River.”*
- D. The City Attorney’s Office has reviewed the language of the resolution and indicates that because the resolution is at a general level, it would not necessarily grant any legal status or zoning-equivalent classification on an individual property level. The Administration indicates that because this land will be developed as “open space,” with a large natural buffer between the fields and the river, that the proposed soccer complex is not necessarily in conflict with the goals and visions of the Blueprint Jordan River Plan.

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*The following was provided for the Council’s work session on September 8<sup>th</sup> in regard to the previous Budget Amendment Request for this project. It has been provided again for reference.*

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## **KEY ELEMENTS**

- A. The Administration has prepared a briefing for the Council in order to straw poll support of an upcoming budget amendment request, in order to expedite the negotiations for both the transfer of 160 acres of State land to the City (\$500,000), and for the purchase of adjacent private property (\$2 million) not immediately related to the cooperative agreement with the state. This property is shown in the map provided by the Administration.
1. The State Parks Advisory Board has approved the Cooperative Agreement between the City and the State, which outlines the terms of the deal for the state’s 160 acres. Once the City can approve the deal, the transfer will become final. The

Administration and State could finalize this transfer as soon as September 10, 2009, depending on straw poll from the Council.

- i. The 160 acres is currently valued at \$500,000 (*approximately 7 cents/square foot*). The City is not required to compensate the state for this land until the end of a 5 year period.
    - ii. The terms of the deal allow the City to provide “in-kind” compensation (include elements in the project or purchase land that is desirable and/or advantageous for the State development to the north) in order to reduce the purchase amount.
    - iii. The City has identified a minimum of \$336,600 in elements that the City would pursue regardless, that could be counted against the cost of the land transfer, bringing the price for the State land down to \$163,400 (*approximately 2 cents/square foot*).
  2. The Administration would also like to move forward in negotiations with certain adjacent properties, in order to provide the opportunity to phase in full development of the Regional Sports complex. In order to do this, the Administration is requesting an additional appropriation of \$2 million from the surplus land account.
    - i. The Council may wish to note that in order to complete Phase 2 of the plan, adjacent properties would need to be purchased.
    - ii. These properties are not necessary for Phase 1 of the plan.
    - iii. Funds to finance Phase 2 of the plan (approximately \$16 million) have not been identified.
    - iv. Council Staff has inquired with the Administration if this part of the request can be held over to the budget amendment discussion on September 22<sup>nd</sup>, so the larger request can be considered in context with the rest of the budget (**See Matters at Issue C**).
- B. The current balance of the surplus land account is approximately \$7.3 million. Assuming certain City land sales go through, the balance of the surplus land account after this allocation would be \$5.3 million.

## **BACKGROUND AND PROJECT ELEMENTS/PHASING**

- A. In November 2003, Salt Lake City voters approved a general obligation bond to support \$15.3 million for a “Regional Sports, Recreation and Education Complex.” The bond issuance was contingent upon receipt of \$7.5 million in matching funds. These funds could be raised from private organizations or other government entities. The Council indicated however, that the match must be in hand or “pledges satisfactory to the City” before bonds can be issued. Since then, Real Salt Lake has pledged \$7.5 million to contribute to this project, as the matching funds.
- B. The project is separated into two phases (see attached map). The \$22.8 million Phase 1 (funded with the bond and Real Salt Lake contribution) includes:
  1. 1,300 Parking Spaces
  2. 2 “Comfort Stations” (restrooms and concessions)
  3. 12 Soccer Fields (natural turf)
  4. 2 Baseball Fields
  5. Irrigation and landscaping, including irrigation pond

6. Maintenance Facility
  7. Nature corridor and trail development along the Jordan River
- C. Full build out of the facility according to the attached master plan (an additional \$16.2 million) would add:
1. 6 Soccer Fields (including potential championship stadium)
  2. 2 Baseball Fields
  3. 4 Softball Fields
  4. Additional parking
- D. The total cost of a fully-built facility is approximately \$39 million.
- E. Currently the entrance to the facility would be off of I-215 (east of the complex). The Master Plan calls for an eventual entrance off of Redwood Road at “Sports Park Boulevard,” which would be funded through other sources at some point in the future, potentially in Phase 2, as budget allows.

### **MATTERS AT ISSUE**

- A. The Council may wish to ask the Administration for a status update regarding the surplus land account, given other property acquisition plans in the City.
- B. The Council may wish to ask the Administration for a status update regarding the future management plan and business model of the Regional Sports Complex once open.
- C. The Council may wish to consider only straw polling the first part of the request, relating to the State Land Transfer, as that is time sensitive. Because the second part of the request relates to properties that would be needed only for Phase 2 of the overall project, the Council may have flexibility in terms of timing of a budget appropriation. Council Staff is confirming these timing needs with the Administration.

### **STRAW POLL**

The Council may wish to straw poll the following items:

- Does the Council support the upcoming budget amendment request of up to \$500,000 from the surplus land account for the execution of the land transfer agreement with the state?
- Does the Council support the remainder of the upcoming budget amendment (\$2,000,000 from the surplus land account) for the administration to use in negotiations to purchase adjacent private property?