



THE CITY OF SAN DIEGO

October 10, 2013

Regional Park Advisory Groups

Dear Advisory Group Members,

It is that time of the year when the Park and Recreation Department staff makes recommendation allocations for the Regional Park Improvement Funds (RPIF) allocations. During the prior three years, our recommended allocations of the RPIF have been primarily to fund and complete existing capital improvement projects. For the Fiscal Year 2013 revenues, we continue with that recommendation, but we now start to look to future years.. Following is a summary of past allocations and the introduction of a new five-year approach we believe will be an effective means to managing this important revenue source going forward.

BACKGROUND

The San Diego Regional Park Improvement Fund (RPIF) is one of two capital improvement project funds to receive Mission Bay Park lease revenues from leaseholds in Mission Bay Park. The other fund is the Mission Bay Park Improvement Fund. The two funds were established by voter approval of revisions to the City Charter, Article V, Section 55.2 and became effective July 1, 2009, Fiscal Year (FY) 2010.

Per the Charter, RPIF is derived from the first \$2.5 million available or 25%, whichever is greater, of the excess revenue received over a threshold amount of \$23 million in Mission Bay leasehold revenues. The first \$23 million of Mission Bay leasehold revenues goes into the City's General Fund and may be used for any municipal purpose. The threshold amount drops to \$20 million beginning in FY 2015. In FY 2013 the RPIF received \$2,500,000 (unaudited), as per the Charter distribution thresholds.

The purpose of the RPIF is to support capital projects in San Diego Regional Parks, as identified in the City Charter or additional parks identified through City Council Ordinance. San Diego Regional Parks include Chollas Lake Park, Balboa Park, Mission Trails Regional Park, Otay River Valley Park, Presidio Park, San Diego River Park, Torrey Pines City Park, open space parks, and coastal beaches along with contiguous coastal parks. With the approval of a second reading of an ordinance by the City Council on October 15, 2013, Chicano Park in Barrio Logan will be designated as a Regional Park, thus making it eligible for RPIF. The San Diego Regional Parks Improvement Fund Oversight Committee (Oversight Committee) is responsible for reviewing proposals for the use of RPIF.

The following RPIF allocations were previously approved by the Oversight Committee:

<u>Fiscal Year</u>	<u>Project</u>	<u>Amount Allocated</u>
2010	Old Mission Dam Preservation – Mission Trails	\$315,000
2010	Diamond Street Coastal Access	\$100,000
2010	Pescadero Street Coastal Access	\$ 91,000
2010	Ocean Beach Comfort Station Replacement	\$250,000
2011	California Tower Seismic Retrofit Electrical Room	\$750,000

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2011	Museum of Man Roof Repair	\$150,000
2011	Mission Trails Reg. Park Multi Trail System	\$200,000
2011	Cowles Mountain Trail – Mission Trails	\$377,000
2011	Los Penásquitos Ranger Station	\$200,000
2012	Los Penásquitos Ranger Station	\$800,000
2012	Sunset Cliffs Natural Park Hillside Improvements	\$270,000
2012	Palisades Park Comfort Station	\$400,000
2012	Coastal Beach Access Projects	\$310,000
2012	Trail for All People	\$231,000
2012	Chollas Lake Playground Renovations	\$989,000

Beginning in FY12, the RPIF had a balance of \$3,473,675. The FY12 allocations approved by the Oversight Committee totaled \$3,000,000 leaving a carry forward balance of \$473,675. Adding the \$2,500,000 from FY13 revenues produces a fund balance (unallocated) of \$2,973,675. As a means to address funding needs for ongoing regional park Capital Improvement Program (CIP) projects to cover changes in project scope and construction change orders, develop a long-range funding strategy for future multi-million dollar projects, and have funding available for grant match opportunities, the Park and Recreation Department recommends approximately \$500,000 of the available funding be held in reserve leaving \$2,500,000 available for allocation each year. Employing a strategy to allocate funding over a five-year period allows flexibility to move projects forward to meet some of the needs within our regional park facilities.

FIVE-YEAR PLAN OBJECTIVES

When the City Charter, Article V, Section 55.2 became effective on July 1, 2009, (Fiscal Year 2010), it included a clear directive that the RPIF is to be used only for capital improvements. It further defined capital improvement as “physical assets, constructed or purchased, or the restoration of some aspect of a physical or natural asset that will increase its useful life by one year or more or which constitutes an environmental *“improvement”* of a natural asset.” Simply put, RPIF allocated to a project must result in a Capital Improvement. Prior RPIF allocations were primarily to complete existing CIP projects. Although there are still a few existing CIP projects to complete, it is time to start looking to the future and developing a strategy to begin to find high priority, and often expensive high dollar improvements. One strategy is simply to not allocate funds until enough funding is saved over the years to fund the design and construction of a particular project or projects. The other approach is to allocate the funding over a five-year period based on funding needs and typical project schedules. The Park and Recreation Department staff is recommending moving forward with the five-year option.

Allocating RPIF over a five-year period has a number of advantages over a year to year allocation approach:

- It allows higher dollar projects to be initiated while still leaving funds for smaller projects with shorter timelines.
 - Large projects can take an average of 2-3 years to complete the design and environmental documents, depending upon the complexity of the project and/or environmental issues presented. By assigning future funding to large projects to complete at least a first phase of construction, the design and environmental review can be initiated while still meeting the Charter requirements. Again, once a project is initiated with RPIF it must result in a completed capital improvement within a reasonable period of time, which for tracking purposes we are using five years or less.
 - Completing the design and environmental documentation also makes the capital project attractive for outside funds, such as grants and private donations which in turn releases the financial burden of the RPIF as the only fund source.
 - Flexibility is built into a five-year plan to accommodate changes in a project such as receiving grant funding or unexpected expenses.

- It provides stability and openness on the RPIF allocations by:
 - Looking at long-range funding needs rather than just year to year where higher dollar projects may be neglected due to yearly funding constraints.
 - Providing an overview of where RPIF funding is being allocated over time.
 - Providing a guiding document for audits, reports to the Advisory Groups, and the Oversight Committee.
- Provides clarity on project priorities and sound reasons for allocation recommendations.
 - First priority is to complete existing CIP projects.
 - Helps to ensure distribution of funding is proportionate with public use, asset condition and other funding sources available. Facilities with high public use and no other source of funding are a higher priority for RPIF.
 - Provides flexibility on when project phases are funded. Although a project initially funded for design must continue to move forward to a Capital Improvement, a five-year outlook allows for funding adjustments to meet a changing environment.
 - Provides Advisory Groups with a clear indication of priority projects, thus informing Advisory Groups whether projects they may be interested in are in the queue to receive RPIF or if alternative funding sources must be sought.

The five-year plan assumes the RPIF will receive \$2.5 million a year in coming years. Although future RPIF revenues cannot be predicted, the improving economy and the lowering of the threshold amount in FY15 makes anticipating \$2.5 million per year a reasonable assumption. However, \$2.5 million a year is a relatively small amount when compared to the needs of our regional parks. The RPIF cannot be expected to address all the needs. It can be used to move high priority projects forward and will most certainly be use to leverage funding from other sources.

The RPIF recommended allocations for the FY13 funds, to be used in the FY15 CIP, are such to take advantage of a five-year outlook to initiate high priority projects with a commitment to see those projects through to the completion of a capital improvement as required by the Charter.

RECOMMENDED ALLOCATIONS

The Park and Recreation Department staff is recommending \$2,450,000 of the FY13 RPIF be allocated to existing CIP projects and to allow the initiation of new CIP projects in FY15. The projects listed below are initial recommendations based on current needs and our understanding of project costs. The Park and Recreation Department staff may adjust future year allocation recommendations to the Oversight Committee's review and approval depending on the successful completion of projects that were previously funded by RPIF or other urgent/emergency project need. Future recommended allocations, based on current cost estimates which are subject to change, are also shown to assign future funds to the following projects:

- **California Tower Seismic Retrofit, Balboa Park, CIP #L-12003**

\$750,000 for FY15 CIP Budget

\$750,000 for FY16 CIP Budget

The seismic retrofit study for the historical and iconic California Tower in Balboa Park identified the first item of construction to be the relocation of the electrical room currently within the base of the Tower in order to make room for the seismic reinforcements necessary for the Tower itself. The electrical room work is underway. To protect this valuable City asset, we are recommending \$750,000 be allocated to this existing CIP project in FY15 CIP budget to initiate the preparation of the construction documents followed by another allocation of \$750,000 in FY16 to fund the construction and complete the project.

- **Chicano Park Comfort Station Replacement**

\$200,000 for FY15 CIP Budget

\$700,000 for FY18 CIP Budget

The existing comfort station within Chicano Park was constructed in 1974. It is beyond its life expectancy, is not accessible to park users with disabilities, and is too small to meet the demands of this highly used regional park. In recent years, Chicano Park has been awarded funding to address accessibility throughout the park which will include upgrades to both playgrounds. These accessibility improvements will attract more visitors to the park, thus escalating the need for a larger, accessible, and safe comfort station. The recommended allocation for the FY15 CIP budget will initiate the design of the new comfort station. When the design is complete, a more detailed and accurate costs estimate will be prepared. Currently, we are anticipating allocating an additional \$700,000 for the FY18 CIP budget to fund construction of the new comfort station.

- **Mohnike Adobe and Hay Barn Restoration**

\$500,000 for FY15 CIP Budget

\$1,000,000 for FY17 CIP Budget

The Mohnike adobe home, hay barn, and spring reservoir are located at the Rancho Penãsquitos stables within Penãsquitos Canyon Preserve in Rancho Penãsquitos. They are part of the historically designated Mohnike Adobe Cultural Landscape which was placed in the national register of historic places in 2002. The site is located in the eastern end of the Los Peñasquitos Canyon Preserve. The City is required to protect historic resources per the San Diego Municipal Code, section 143.0250, General Development Regulations for Historical Resources which requires that:

Designated historical resources that are occupied shall be maintained in the same manner as all other occupied structures in accordance with the Uniform Building Code and State Historic Building Code and in a manner that preserves their historical integrity.

Designated historical resources that are unoccupied shall be maintained in a manner that preserves their historical integrity.

In 1999, a Historic Structures Report was completed for the Mohnike Adobe home, hay barn and spring reservoir. Phase I of the rehabilitation program for the adobe home was completed in 2005. Additionally, the Historic Structures Report called for the rehabilitation of the hay barn also within the historic cultural landscape. Winter storms in 2010 severely damaged the hay barn creating an emergency situation in which the City Council approved the appropriation of \$126,928 for emergency shoring up of the barn to stabilize the building which had moved off its foundation in some locations. No historic renovations were made as a part of this emergency action. A Treatment Plan and an update to the 1999 Historic Structure Report are required prior to developing architectural and engineering plans for the rehabilitation work. The scope of the project will be to restore the hay barn, address Phase II recommendations for the adobe home, including accessibility, to further protect this valuable historic resource. The recommended allocation of \$500,000 for the FY15 CIP budget will initiate the design and environmental permitting in FY15. An allocation of \$1,000,000 for the FY17 CIP budget will provide funding for the highest priority restorations.

- **Sunset Cliffs Natural Park Drainage Improvements – Phase 1**

\$1,000,000 for FY15 CIP Budget

\$1,000,000 for FY17 CIP Budget

\$2,000,000 for FY19 CIP Budget

The Sunset Cliffs Natural Park Master Plan identifies a vision for this unique coastal park. "Create a Park where people can enjoy San Diego's natural coastal environment as it once was..." Manmade improvements near the park have created uncontrolled storm water runoff through the park, thus severely eroding the fragile soils and threatening the beautiful coastal bluffs. As the Master Plan recommended, a comprehensive drainage study was completed in 2012 which provided recommendations on how to

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address the storm water runoff and subsequent soil erosion. The recommended allocation of \$1 million for the FY15 CIP budget will initiate the design and environmental permitting for the first phase of the drainage improvements to address the most serious conditions. Allocations of \$1 million in FY17 and \$2 million in FY19 are anticipated to be sufficient to construct phase 1 of the drainage improvements.

Attached is a list of the RPIF eligible projects within our regional parks/facilities along with the projects that are proposed to receive RPIF funds. This list of projects is by no means an exhaustive list. Some project such as "Trail Improvements" are very generic in nature and need to be fleshed out to identify the specific improvements needed. Other projects such as the "Sunset Cliffs Park Drainage Phase 1" have had technical studies completed with clearly defined scopes of work. The Park and Recreation Department welcomes any insight or other projects you believe are worthy of future consideration.

ADVISORY GROUP MEETINGS

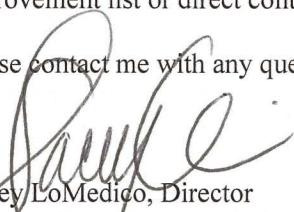
Staff asks that all the advisory groups concerned with RPIF allocations discuss this year's recommendations and five-year plan and provide comments directly to their staff representative at their upcoming meetings.

OVERSIGHT COMMITTEE MEETING

Park and Recreation Department would like to invite you to the Oversight Committee meeting to discuss the recommended allocations for the FY 2013 funding and make suggestions for future capital improvement projects. It is anticipated the recommendations will be presented to the Oversight Committee on November 21, 2013 immediately after the Park and Recreation Board meeting is adjourned. The meeting is at the historic Balboa Park at the Balboa Park Club located at 2144 Pan American Road West, San Diego.

With a significant needs list for improvements to our regional parks and limited funding, it is important we hear from our stakeholders to assist in the identification and prioritization of capital improvement projects eligible to receive Regional Park Improvement Funds. We look forward to your input, whether at an advisory group meeting, the Oversight Committee meeting, providing suggested revisions to the Unfunded Park Improvement list or direct contact with Department staff.

Please contact me with any questions you may have.



Stacey LoMedico, Director
Park and Recreation Department

Attachment: Regional Park Improvement Fund Five-Year Allocation Recommendations

cc: Scott Chadwick, Assistant Chief Operating Officer
Shannon Thomas, Deputy City Attorney, City Attorney's Office
Tony Heinrichs, Director, Public Works Department
Bill Fulton, Director, Planning and Neighborhood Restoration Department
Tom Tomlinson, Interim Director, Development Services Department
Andrew Field, Assistant Director, Park and Recreation Department
James Nagelvoort, Assistant Director, Public Works Department
Mark Nassar, Deputy Director, AEP, Public Works Department
Nancy Bragado, Principal Planner, Planning and Neighborhood Restoration Department
Park and Recreation Senior Management Team
Jim Winter, Project Officer II, Park and Recreation Department
Park and Recreation Board Members/Oversight Committee Members

Regional Park Improvement Fund Five-Year Recommended Allocations

Park and Recreation Department

October 2013

Project	WBS No.	Est. Cost**	FY 13 Funding FY 15 CIP	% of FY15	FY 14 Funding FY 16 CIP	% of FY16	FY 15 Funding FY 17 CIP	% of FY17	FY 16 Funding FY 118 CIP	% of FY18	FY 17 Funding FY 19 CIP	% of FY19	FY 18 Funding FY 20 CIP	Subtotal by Area	% of Total By Area
Balboa Park														\$1,500,000	12%
California Tower Seismic Retrofit*	L12003	\$1,500,000	\$750,000	31%	\$750,000	30%	Const.								
Museum of Man Seismic Retrofit		TBD													
Park Admin. Bldg. Frontispiece		\$1,500,000													
West Arcade Moorish Arch		\$1,500,000													
Auto Museum Historic Restoration		\$1,000,000													
Muni Gym Historic Restoration		\$1,500,000													
Federal Bldg. Entry Historic Restoration		\$100,000													
Palm Canyon Bridge Reconstruction		\$2,000,000													
Alcazar Garden Arbor Reconstruction		\$600,000													
Plaza De Balboa E. Entry Historic Restor.		\$400,000													
Sixth Ave. Playground*	S00616	TBD													
Golf Course Drive walkway		TBD													
Golden Hill Fountain Restoration		TBD													
Chicano Park														\$900,000	7%
Chicano Park Comfort Station		\$900,000	\$200,000	8%	Design				\$700,000	28%	Const.				
Chollas Lake Park															
Chollas Lake Playground Phase 2*	S14002	\$500,000			TBD										
Chollas Lake Parking Lot Improvements		\$300,000													
Coastal Parks & Beaches														\$7,050,000	57%
Sunset Cliffs Park Hillside Improvements*	S10091	\$2,900,000			\$1,100,000	44%	Phase 2 con.		\$1,000,000	40%	Phase 3 con.				
Sunset Cliffs Park Drainage Phase 1		\$4,000,000	\$1,000,000	41%	Design		\$1,000,000	40%			\$2,000,000	80%	Const.		
Sunset Cliffs Park Drainage Future phases		TBD													
Sunset Cliffs Park Master Plan Implem.		TBD													
Coastal Access Improvements 4 Sites*	AGF00006	\$2,400,000			\$150,000	6%	Design		\$800,000	32%	Const.				
Ocean Beach Park Comfort Station		\$900,000													
Ocean Beach Fishing Pier		\$7,000,000													
Crystal Pier *	S11014	\$8,500,000													
Repair and resurface beach parking lots		TBD													
South Mission Comfort Station		\$900,000													
EB Scripps Park Comfort Station		\$900,000													

Regional Park Improvement Fund Five-Year Recommended Allocations
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Project	WBS No.	Est. Cost**	FY 13 Funding FY 15 CIP	% of FY15	FY 14 Funding FY 16 CIP	% of FY16	FY 15 Funding FY 17 CIP	% of FY17	FY 16 Funding FY 118 CIP	% of FY18	FY 17 Funding FY 19 CIP	% of FY19	FY 18 Funding FY 20 CIP	Subtotal by Area	% of Total By Area
Mission Trails Regional Park															
MTRP Administrative Building		TBD												\$0	0%
Open Space Parks															
Mohnike Adobe and Hay Barn Restor.*	B-10164	\$1,500,000	\$500,000	20%	Design		\$1,000,000	40%	Const.					\$1,500,000	12%
Trail improvements		TBD													
Repair OS park entry and parking lots		TBD													
Revegetation		TBD													
La Jolla Parkway Brow Ditch Repair		\$1,100,000													
Otay Valley River Park															
Otay Valley River Park Improvements		TBD												\$0	0%
Presidio Park															
Junipero Serra Museum ADA Improvements		\$1,500,000			\$500,000	20%	\$500,000	20%	Design		\$500,000	20%	Const.		
San Diego River															
San Diego River MP Implementation		TBD												\$0	0%
Torrey Pines City Park															
Implementation of GDP		\$15,000,000												\$0	0%
Recommended Allocations			\$2,450,000		\$2,500,000		\$2,500,000		\$2,500,000		\$2,500,000				
Total over 5 years														\$12,450,000	

* Denotes existing CIP Projects

** Cost estimates indicated come from a variety of sources and are to provide a general guide for planning purposes only. They are subject to change as project information is more clearly defined.