



**STAFF REPORT  
CITY COUNCIL MEETING OF MARCH 3, 2015**

TO: Nancy Kerry, City Manager

FROM: Jim Marino, Assistant Director of Public Works

RE: Funding and Partnership with Bijou Bike Park Association to construct, maintain and operate a Bike Park in Bijou Community Park in accordance with both the Right of Entry for Construction and Volunteer and Maintenance Agreements.

**RECOMMENDATION:**

1. Approve funding in the amount of \$25,000 from undesignated general fund reserves for the required accessibility improvements to the Bijou Park restrooms.
2. Approve funding in the amount of \$61,241 for mitigation of new coverage for the bike park through one of the following options:
  - a. Fund new coverage in the amount of \$61,241.00 from undesignated general fund reserves.
  - b. Transfer approximately 32,925 Sq. Ft. of coverage from existing City banked coverage account to the project (value \$61,241.00).
  - c. Require BBPA to fund the mitigation of new coverage.
  - d. Partner with BBPA to co-fund the required coverage.
3. Contribute in-kind City services towards construction and oversight of the Bijou Bike Park in partnership with the Bijou Bike Park Association (BBPA)

**BACKGROUND:**

In September 2011, members of the BBPA presented the bike park project to the director of community services. The plan included a variety of features targeting a diverse bicycle community of all ages and abilities. The group was directed to collect more information on the feasibility of the plan including identifying the location with amenities and infrastructure to support the project.

In January 2012, BBPA met with the City Manager, Deputy City Attorney, and Community Services Director to present the bike park plan in more detail. On March 6, 2012, the BBPA was asked to present a conceptual project design to City Council. The outcome of the presentation was positive however no action was provided for future consideration.

On November 13, 2013 the BBPA formalized as a 501C3 nonprofit organization consisting of a mix of board members from both South Lake Tahoe BMX and Tahoe Area Mountain Bike Association (TAMBA). Both organizations have demonstrated success in construction, maintenance and event production in mountain biking and bicycle motocross (BMX) over a combined 20 years in South Lake Tahoe.

In spring 2013, the City embarked on a Parks, Trails and Recreation Master Plan and all existing proposals to modify park amenities were tabled pending community input derived from the public outreach process. The outcome of the community outreach process consistently demonstrated a high priority from the community for a bike park and bike trails. Also identified by the master plan was the need for a clearly defined policy for community groups and individuals to propose modifications to public parks and recreation facilities. In response, the Parks and Recreation Commission designed a policy subsequently approved by City Council on February 4, 2014.

In June 2014, the BBPA completed the application to modify Bijou Park via the newly approved Parks Policy and presented to the Parks and Recreation Commission. The commission made minor recommendations for changes and suggested the project move to development review.

At the August 5, 2014 Council meeting, Council moved to approve \$100,000 for a Bike Park project. The action, as documented in the official minutes of the City Council meeting was as follows:

“IT WAS MOVED BY COUNCILMEMBER DAVIS, SECONDED BY COUNCILMEMBER CONNER AND UNANIMOUSLY CARRIED TO RECOMMEND APPROVAL OF THE FIVE (5) YEAR CAPITAL IMPROVEMENT PLAN (CI-) - 2015-2020 AS SUBMITTED AND INCLUDING THE BIKE PLAN, FOR INCLUSION/ADOPTION INTO THE FISCAL YEAR 2014/2015 BUDGET DOCUMENT.”

On October 9, 2014, the Planning Commission approved a Major Design Review application to allow the BBPA to construct a multi-use bicycle facility on approximately five (5) acres within Bijou Community Park with conditions outlined herein (Attachment A).

On December 16, 2014, representatives of the BBPA met with the City Manager, City Attorney, Directors of Development Services and Public Works, Assistant Director of Public Works and Recreation Manager to discuss next steps including proposing the project as a City project to be built, maintained and operated in partnership with the nonprofit organization, Bijou Bike Park Association.

### **ISSUE AND DISCUSSION:**

The City of South Lake Tahoe prides itself for its parks system. Recently, the City Council pledged to enhance economic development, viability, and sustainability through recreation as a core strategy. As such, the City is exploring potential site improvements to several of its parks assets.

In October 2014, Public Works Staff brought forward to City Council the Five Year Capital Improvement Plan. Within the plan, several recreation related projects key to the City Council's strategic plan element of *Improving the Built Environment* were included. The Bijou Bike Park Project was contained within the five year CIP as a priority within the Recreation category for Capital Construction.

The Bijou Bike Park Project has been approved and/or supported by the following:

- City Council (August 2014)
- City Planning Commission (October 2014)
- City Parks & Recreation Commission
- El Dorado County Joint Powers Authority (Measure R&S)

The project consists of various compacted dirt courses/features and hardscape areas, and has been designed to include two (2) pump tracks, a BMX race track, kids learning zone, and a terrain park within approximately five undeveloped acres of the Bijou Park area (attachment A). The park will also include a hardscape paver stone entry area with signage that describes the park and its rules; bleachers for spectator seating; a future announcer booth; storage shed; and water and power utilities to service the park.

The new bike park would replace the less formal BMX track existing at the South Tahoe Middle School and provide a broader biking experience including the ability to host events sanctioned by USA BMX. The park, once constructed, will become a City asset and will be open to the public and available for special events, as approved by the Recreation Manager.

As stated above, In August 2014, the City Council approved contributing \$100,000 to the BBPA towards the project. The contribution is premised on the understanding that the City will financially contribute funds in exchange for the BBPA constructing the park through a combination of volunteer and contracting efforts as well as providing future maintenance to the park in cooperation with City staff and programs.

#### **STRATEGIC PLAN AND BUSINESS PLAN RELEVANCE:**

The attached Bike Park Agreement, and the City's partnership in constructing a bike park at Bijou Park, would advance all five of the City's priorities in its Business Plan, as follows:

- **Economic Development:** *To stimulate economic recovery and vitality.* The project has the potential of stimulating the economy by offering a venue for bike competitions.
- **Fiscal Sustainability:** *To ensure the City is a wise steward of the public's resources and maintains long-term financial viability.* The project would leverage public and non-profit funds to construct and maintain the facility on City-owned park land, considering short- and long-term financial impacts.
- **Improve the Built Environment:** *To improve the City's "First Impression" and ensure investment in community and tourist infrastructure.* The project would improve and enhance Bijou Park.
- **Public Trust and Accountability:** *To enhance civic engagement and maximize information outreach by listening to, understanding and fostering mutual respect with the community.* The project advances a community-driven vision and request to establish a new use at Bijou Park.
- **Partnership Development:** *To build cooperative and reciprocal partnerships with local, regional, and federal public, non-profit and private entities to enhance the vitality and quality of life of City residents, businesses and guests.* The project creates a partnership between the City and a local non-profit that represents two active community groups.

## **FINANCIAL IMPLICATIONS:**

On August 5, 2014 City Council approved \$100,000 to fund the construction of the park. The City's project account is 100-01951-44032.

The engineer's estimate to construct the project as provided by the BBPA and subsequently modified by City staff representing the costs of issues contained below is approximately \$511,091.00 (Attachment B). The City's original contribution of \$100,000.00 represents a financial partnership of approximately 19% of the project with the BBPA responsible for the remaining 81% including all labor and materials required to construct the project.

However, it has become clear that additional investments must be made by the City in order to complete the Bike Park project. The expenditures and actions described below represent an increase in soft and hard project costs above the \$100,000.00 previously allocated to the project. (\$86,241.00 additional hard costs of coverage and restroom upgrades, and \$35,000.00 additional soft costs of in-kind services). If approved, the project partnership ratio for the project goes from 19% City, 81% BBPA to 43% City, 67% BBPA. The total financial contribution being requested from the City by the BBPA is \$221,241.00 in hard and soft costs (\$121,241.00 above existing allocation).

The City Council is being asked to consider the following expenditures and actions:

1. Accessibility Improvements.

In order to permit the project, the City will need to make accessibility improvements to the existing restroom facility at Bijou Park. The estimated cost of the improvements is approximately \$25,000, and was not estimated in the original project estimate, nor considered included within the \$100,000 contribution.

2. Land Coverage.

The project will require mitigation of new land coverage with the Tahoe Regional Planning Agency (TRPA). Per the engineer's estimate, the proposed project will require a mitigation of approximately 32,925 square feet of coverage (new improvements). This mitigation fee is estimated to be approximately, \$61,241.00. The City may, if it has available, explore the transfer of existing banked coverage to avoid hard costs, but the value of the transfer remains the same. Other options to consider include placing 100% of the burden for purchase for land coverage on the BBPA, or a shared approach whereby the City and BBPA each contribute a portion of coverage. The BBPA is working with the TRPA to minimize the coverage mitigation quantity, the quantities and amounts above represent maximum mitigation fees. Note: TRPA may allow the City to obtain permit and mitigate the actual new coverage upon completion of the project in order to expedite permitting and construction.

3. In-Kind Services.

The City may need to provide in-kind services to see the project to completion. The City Public Works Department has the equipment and labor to provide the base course definition (grading and shaping the course). In addition, the City will need to oversee the expense of the \$100,000 contribution as those funds are

subject to prevailing wage requirements. Project oversight by City staff will be required to ensure the project is built according to the plans and permits. The Public Works Department estimates in-kind services of equipment and labor to be approximately \$35,000.00

4. Maintenance and Volunteer Agreement.

The BBPA cannot meet the bonding and insurance requirements to license or lease the land from the City and operate and maintain the park as originally proposed by City staff. The City Attorney's office seeks direction from Council regarding the agreements memorializing the relationship between the City and BBPA with respect to the Bike Park. The City Attorney's office will return to the City Council with agreements prepared for execution once direction is received.

If the additional hard and soft costs are approved by City Council, one condition of the Planning Commission's approval requires a maintenance agreement between the BBPA and the City, which requires City Council approval for:

- A right of entry allowing the BBPA to construct the bike park according to design standards, specific timelines and insurance requirements to be maintained throughout construction. The right of entry will also provide requirements and conditions related to contracting services and prevailing wages.
- Waiver and indemnifications for all volunteers of the BBPA.
- A requirement that BBPA report to staff regarding expenditures associated with the park construction.
- Maintenance provisions outlining the responsibilities of the BBPA and terms for regular reports on progress and performance.
- Special events requirements including that a percentage of fees from authorized events be designated for a Bike Park Maintenance Fund to be used exclusively for maintenance and repairs of the bike park.

### **Conclusion**

Approving the partnership agreement would allow the BBPA to proceed with constructing the park, including leveraging the City's investment to apply for grant funding and fundraising opportunities for ongoing improvements. The value of Bijou Bike Park Association in-kind services is estimated to be over \$300,000 for professional services and volunteer labor upon completion of the project.

Additionally, the Partnership Agreement will advance a portion of two General Plan Recreation and Open Space Element policies, as follows:

- **Policy ROS-1.7: Bijou Bike Park.** The City shall update the Bijou Park Master Plan to address current demands and opportunities. The City shall improve Bijou Park and enhance its value to the local community and visitors through the addition of such amenities as building a new world class level SK8 Park that has the capacity to accommodate both SK8boarding and BMX biking, improving the playground area and dog park, building a tot lot and picnic area, improving user facilities and amenities, and incorporating the disc golf course into all improvements.

- **Policy ROS-1.15: Park Maintenance.** The City shall encourage neighborhood groups, service clubs, and other organizations to help maintain City parks.

**SIGNATURES:**

*By:*

Concurrence:

\_\_\_\_\_  
Jim Marino, Asst. Director of Public Works

\_\_\_\_\_  
Ray Jarvis, Director of Public Works

Reviewed and Approved by:

\_\_\_\_\_  
Nancy Kerry, City Manager

Attachments: A. Site Plan  
B. Engineer's Estimate