



AGENCY: City Council
MEETING DATE: February 11, 2019
DEPARTMENT: City Manager
PRESENTED BY: Tabatha Miller
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AGENDA ITEM SUMMARY

TITLE:

Receive Presentation from the Fort Bragg Unified School District for Use of Measure AA/AB Funds Designated for School Playing Fields Improvements and Provide Direction to Staff

ISSUE:

In November 2016, the voters of Fort Bragg passed Measure AA which increased the City's Transient Occupancy Tax rate from 10% to 12%. The new rate became effective April 1, 2017. The companion advisory Measure AB earmarked the additional 2% (TOT) to the following uses:

| EARMARK | % OF TOTAL AA TAX | ESTIMATED \$ TO DATE TOTAL* | ESTIMATED FUNDS AVAILABLE |
|-----------------------------------|-------------------|-----------------------------|---------------------------|
| Marketing and Promotions | 50% | \$397,000 | \$20,000 |
| Coastal Trail Maintenance | 25% | \$199,000 | \$0 |
| Noyo Center | 12.5% | \$99,000 | \$0 |
| Special Projects – Playing Fields | 12.5% | \$99,000 | \$99,000 |
| Total | 100% | \$794,000 | \$119,000 |

- The to-date total includes TOT from 4-1-2017 through 12-31-2018. Revenue is estimated for the last quarter of calendar year 2018. Total includes seven quarters of revenue.*

To date, none of the funds earmarked for special projects for playing fields have been spent or distributed. The Fort Bragg Unified School District (FBUSD) has requested funds for Field Maintenance Equipment ranging from \$22,000 to \$78,000 to be used to improve the quality and efficiency of current field maintenance activities.

ANALYSIS:**2016 Athletic Fields Master Plan**

The TOT funding earmark, came from concerns about the deteriorated state of the local school athletic fields. In late 2015, the City received a grant for an Athletic Fields Master Plan. The Athletic Fields Master Plan by Verde Design reviewed and made recommendations on how to improve the condition of the athletic fields at Dana Gray Elementary School, Redwood Elementary School, Fort Bragg Middle School, and Fort Bragg High School. These sites provide the only local facilities for baseball, football, soccer, softball and other team oriented sports. Overuse and inadequate maintenance are noted as primary causes of the poor condition of the school athletic fields. Field renovations were recommended by Verde Design for each of the four school facilities.

The Master Plan adopted by City Council on January 25, 2016 estimated that natural grass fields maintenance is \$15,000 per year per acre. With over 22 acres of athletic fields, maintenance costs

for the FBUSD fields would be approximately \$330,000 in 2016 dollars. FBUSD is simply not able to financially fund this level of ongoing maintenance within its own means. One recommendation from the Master Plan was to purchase new pieces or larger equipment that could fill in gaps in the FBUSD's maintenance program or make the maintenance employees more productive. Specifically identified in the Master Plan was the purchase of equipment to be used to aerate the fields on a regular schedule. Aeration was noted as the best tool to relieve compaction and along with fertilization and mowing, is the trifecta of turf maintenance.

Use of the Funds

The language in the City Attorney's Impartial analysis for advisory Measure AB, which provided guidance on how the voters would like the proceeds of the additional 2% TOT revenue used, set forth the following:

A "Yes" vote expresses an opinion supporting the uses of the additional TOT proceeds in the following manner:

...

- *12.5% (i.e., one-eighth of the additional revenues) to undertake special projects that support tourism and benefit the community including, but not limited to, repair and enhancement of local athletic fields.*

There is no additional guidance on what projects would be eligible for the 12.5% additional TOT earmarked for improvements to local athletic fields. There is a basic assumption that the funds would be used on FBUSD fields, only because the City's own parks do not provide space for typical team sport athletic fields.

The Master Plan continually emphasizes the need for more complete maintenance of the FBUSD fields.

RECOMMENDED ACTION:

Staff recommends that the City Council evaluate the request by FBUSD to determine whether it fits within desired use of the Measure AA/AB TOT funds. If desired, staff respectfully requests that Council provide direction to bring back a budget amendment to appropriate funds of the selected option and a Memorandum of Understanding or similar agreement to set forth the terms for the use of funds.

ALTERNATIVE ACTION(S):

1. Provide staff alternative directions for funding the request.
2. Do not fund the request.
3. Direct staff to provide additional information at a future meeting, so that a decision can be made regarding funding the request.

FISCAL IMPACT:

Measure AA/AB was approved in November 2016 and collections of the additional 2% TOT started in April 2017. To date, no funds have been expended for field improvement projects and an estimated \$99,000 has been earmarked for such use. The request of \$20,850, also on the agenda this evening, and this request for up to \$78,000 from the FBUSD would total \$98,850, just within the amount of funding available as of 12-31-2018.

CONSISTENCY:

Funding equipment which will improve the quality of the FBUSD Athletic Fields by better maintenance practices is consistent with the Athletic Fields Master Plan adopted by City Council on January 25, 2016.

IMPLEMENTATION/TIMEFRAMES:

If Council provides direction to staff to fund the request, a budget amendment and MOU could be presented to Council within the next month for City Council action.

ATTACHMENTS:

1. FBUSD Presentation

NOTIFICATION:

1. Jeremiah K Murphy
2. Becky Walker
3. Barry Silva