

DATE ISSUED: October 7, 2005 REPORT NO. 05-189

ATTENTION: Honorable Mayor and Council Members
Docket of October 10, 2005

SUBJECT: Renewal of Lease and Joint Use Agreements for Joint Use Facilities

REFERENCE: 1) Council Policy 700-35, City Development of School Sites for Park Purposes;
2) 1948 Recreation Agreement with the San Diego Unified School District; and
3) Memorandum of Understanding between the City of San Diego and San Diego Unified School District for Development and Maintenance of Joint Use Facilities (MOU)

SUMMARY

Should the City renew 25-year lease and joint use agreements with the District for development and maintenance of joint use facilities at Dailard Elementary School, Ericson Elementary School, Mason Elementary School, Penn Elementary School, Serra High School, Tierrasanta Elementary School and Walker Elementary School?

Manager's Recommendations -

Renew expired, or expiring lease and joint use agreements by entering into new 25-year lease and joint use agreements with the District to continue the joint use facilities at Dailard Elementary School, Ericson Elementary School, Mason Elementary School, Penn Elementary School, Serra High School, Tierrasanta Elementary School and Walker Elementary School.

Other Recommendations - The San Diego City Schools' Board of Education will consider renewal of the lease and joint use agreements subsequent to City Council approval for these sites: Dailard Elementary School, Ericson Elementary School, Mason Elementary School, Penn Elementary School, Serra High School, Tierrasanta Elementary School and Walker Elementary School.

Other Recommendations - Park Planning and Development Division staff solicited public input from the appropriate Recreation Councils for each site and received a recommendation for approval to renew the joint use agreements, as follows:

- Dailard Elementary School - (San Carlos Recreation Council, November 3, 2003)
- Ericson Elementary School - (Mira Mesa Recreation Council, October 14, 2003)
- Mason Elementary School - (Mira Mesa Recreation Council, October 14, 2003)
- Penn Elementary School, (Paradise Hills Recreation Council, November 6, 2003)
- Serra High School - (Tierrasanta Recreation Council, March 14, 2002)
- Tierrasanta Elementary School - (Tierrasanta Recreation Council, March 14, 2002)
- Walker Elementary School - (Mira Mesa Recreation Council, October 14, 2003)

Fiscal Impact - Maintenance Requirements: The maintenance of these joint use facilities have been the responsibility of the Park and Recreation Department's Operating Division for the past 25 years. When parity is met pursuant to the formula outlined in the MOU, the maintenance costs will be shared equally between the City and the District. Parity calculations are outlined in Exhibit B attached to each proposed agreement. Based on the parity calculations, the City will continue to be responsible for maintenance at six sites, and the District for one site, within the foreseeable future.

Five of the seven sites will continue to require standard maintenance, as described in the DISCUSSION section of this report, which has been provided during the past term of the agreements. Annual standard maintenance for these six sites is estimated to be as follows, which is currently included in the Park and Recreation Department's Fiscal Year 2006 Operating Budget:

	<u>Currently budgeted</u> <u>(\$8,000/ac/year)</u>	<u>Standard maintenance level</u> <u>herein requested (\$8,500/ac/year, turf)</u> <u>(\$5,500/ac/year, courts or d.g.)</u>
Dailard Elementary School	\$ 23,840	\$25,330
Ericson Elementary School with Mesa Viking Park	57,120	
without Mesa Viking Park		46,240
Penn Elementary School	24,640	19,460
Serra High School	45,280	45,260
Walker Elementary School	<u>18,080</u>	<u>19,210</u>
 Total	 \$168,960	 \$155,500

The City's reduced maintenance costs, despite a slight increase in the per-acre cost, is due to a reduction in acreage at Ericson Elementary (with non-renewal of the adjacent park), and due to refined identification of turfed versus non-turfed areas, the latter of which incurs less maintenance costs.

The following two sites are under the minimum acreage recommended in the MOU to receive standard maintenance. However, they are large enough to be successfully maintained with an enhanced level of maintenance, as allowed for in the MOU. The annual increase to the Park and Recreation Department's Operating Budget for enhanced maintenance over the current maintenance budgeted in Fiscal Year 2006) will be requested in the Fiscal Year 2007 budget.

	<u>Currently budgeted</u> <u>(\$8,000/ac/year)</u>	<u>Enhanced maintenance level</u> <u>herein requested (\$12,500/ac/year, turf)</u>
Mason Elementary School	\$ 8,960	\$25,250
Tierrasanta Elementary	<u>\$11,920</u>	<u>\$18,625</u>
 Total	 \$20,880	 \$43,875

Capital Improvement Requirements: Each of the seven sites requires a one-time, capital expenditure to upgrade, renovate or replace facilities in order to endure another 25 years of joint use. Capital improvement costs recommended for each site are as follows:

Dailard Elementary School	\$110,000
Ericson Elementary School	\$710,000
Mason Elementary School	\$ 25,000
Penn Elementary School	\$105,000
Serra High School	\$115,000
Tierrasanta Elementary School	\$ 40,000
Walker Elementary School	\$ 50,000
Total	\$1,155,000

BACKGROUND

The City's Progress Guide and General Plan recommends 10 usable acres of neighborhood park (or five usable acres of parkland if located adjacent to an elementary school) for every 3,500 to 5,000 residents. In areas of the city where parkland is deficient per the City's General Plan standards, joint use facilities have provided a venue for City recreation programs typically provided at neighborhood parks. A joint use facility is defined as land or facilities that are owned by the City or another agency and shared between agencies to meet the recreational and physical education needs of both agencies.

The City and the District have been cooperating in the use of numerous recreational facilities in accordance with the City-District Recreation Agreement of September 1948, and the Memorandum of Understanding between the City and District for the Development and Maintenance of Joint Use Facilities adopted by the San Diego City Council on October 7, 2002 (Resolution No. 297149), and by the District's Board of Education on October 8, 2002.

Currently, the City has approximately 100 joint use agreements with various school Districts city-wide. To date, 26 existing joint use agreements between the City and District have expired, and were temporarily extended on a month-to-month basis until January 14, 2005 pursuant to the Amendment for the Extension of Certain Joint Use Agreements between the City of San Diego and the San Diego Unified School District, adopted by City Council on December 9, 2002 (Resolution No.R-97454.) Additionally, seven sites expired the end of calendar year 2004 and three sites will expire by the end of calendar year 2005, as summarized below:

The sites with expired joint use agreements, extended on a month-to-month basis, include the following:

1. Adams Elementary School
2. Cabrillo Elementary School
3. Crown Point Elementary School
4. Dailard Elementary School
5. Decatur Elementary School
6. Doyle Elementary School
7. Ericson Elementary School
8. Field Elementary School
9. Forward Elementary School
10. Hoover High School
11. Jerabek Elementary School
12. Kennedy Elementary School
13. King Elementary School
14. Lewis Middle School
15. Mann Middle School
16. Marston Middle School
17. Mason Elementary School
18. Memorial Community Park
19. Mesa Viking Neighborhood Park
20. Mira Mesa High School
21. Ocean Beach Elementary School
22. Pacific Beach Middle School
23. Penn Elementary School
24. Serra High School
25. Tierrasanta Elementary School
26. Walker Elementary School

The sites which expired at the end of calendar year 2004 include the following:

1. Alcott Elementary School
2. Bird Rock Elementary School
3. Clay Elementary School
4. Cadman Elementary School
5. Fletcher Elementary School
6. Hardy Elementary School
7. Juarez Elementary School

The sites which will expire by the end of calendar year 2005 include the following:

1. San Diego School of Creative and Performing Arts (Penn Athletic)
2. Valencia Park Elementary School
3. Walker-Wangenheim Middle School/Park

Of the 36 expired or expiring joint use sites, seven will not be renewed due to various reasons, such as lack of community support, limited recreational use of high school sites, increased or decreased school District needs, etc. These sites include Decatur Elementary School (School District requested to not renew – field needed by La Jolla High School), Forward Elementary School (use of this site is now governed by a Revocable Lease Agreement), Hoover High School (Recreation Council requested to not renew), Kennedy Elementary School (being replaced with new Kennedy/Porter Twin School), Mesa Viking Neighborhood Park (adjacent to Ericson Elementary School – not needed by School District), Mira Mesa High School (City and School District agreed to not renew), and Ocean Beach Elementary School (site had two leases of which first one covering a portion of site expired – current lease does not expire until 2022 and covers entire site).

The proposed new agreements replace the existing/expiring joint use agreements and are consistent with the MOU, which documents financial equity between the two agencies. Eleven of the expired sites have been renewed as summarized below:

1. Crown Point Elementary School - renewed by Council action on January 11, 2005
2. Doyle Elementary School - renewed by Council action on January 11, 2005
3. Jerabek Elementary School - renewed by Council action on January 11, 2005
4. Lewis Middle School - renewed by Council action on January 11, 2005
5. Mann Middle School - renewed by Council action on January 11, 2005
6. Marston Middle School.- renewed by Council action on January 11, 2005
7. Bird Rock Elementary School - renewed by Council action on May 3, 2005
8. Clay Elementary School - renewed by Council action on May 3, 2005
9. Field Elementary School - renewed by Council action on May 3, 2005
10. Fletcher Elementary School - renewed by Council action on May 3, 2005
11. Hardy Elementary School - renewed by Council action on May 3, 2005

The remaining 18 sites for which joint use agreements have or will expire (including the seven in this requested Council action), will be brought to City Council for approval of new joint use agreements within the next two to three months. These sites will continue to function as joint use facilities on an informal month-to-month basis until the new agreements are approved.

DISCUSSION

The following discussion pertaining to each proposed joint use site which is the subject of this report identifies the size and type of joint use facilities, as well as the associated fiscal impact, in terms of annual maintenance and one-time capital costs. A site evaluation was conducted for each joint use facility to identify any necessary upgrades which would enable the facility to endure another 25 years of use. A compilation of the estimated costs for all sites is offered in the Fiscal Impact section of this report.

Dailard Elementary School:

Dailard Elementary School is located at 6425 Cibola Road, San Diego, California, 92120, in the Navajo Community Planning Area. A 25-year lease and joint use agreement with the District for this school site expired on August 27, 2002, and it has been operating under the month-to-month agreement since that time. The terms of the previous and new agreements provide for the design, construction, operation and maintenance of approximately 2.98 acres of play fields. Amenities include five District backstops and 2.98 acres of irrigated and turfed fields.

Fiscal Impact for Dailard Elementary School: Annual maintenance at this joint use site is estimated to be \$25,330.00 for which funding is budgeted in FY 2006. Irrigation system renovation is needed at this site in order for the improvements to endure the entire length of this new 25-year lease and joint use agreement. Without this renovation, the joint use facilities would not be in compliance with the terms of the joint use agreement. The estimated cost for this renovation is \$110,000. Funding will be added to the Park and Recreation Department Capital Improvements Program (CIP) Budget when it is identified.

Ericson Elementary School:

Ericson Elementary School is located at 11174 Westonhill Drive, San Diego, California, 92126, in the Mira Mesa Community Planning Area. A 25-year lease and joint use agreement with the District for this school site expired on August 27, 2002, and it has been operating under the month-to-month agreement since that time. A portion of the adjacent Mesa Viking Park had been included in the previous joint use agreement. The City and the District mutually desire to terminate the joint use of the Mesa Viking Park portion of the previous joint use agreement due to lack of use for school athletic programs. The terms of the previous and new agreements provide for the design, construction, operation and maintenance of approximately 5.44 acres of play fields. Amenities include two City backstops, two District backstops, 5.0 acres of irrigated and turfed fields and 0.44 acres of skinned infield.

Fiscal Impact for Ericson Elementary School: Annual maintenance at this joint use site is estimated to be \$46,240.00 for which funding is budgeted in FY 2006. Extensive irrigation system and turf renovation is needed at this site in order for the improvements to endure the entire length of this new 25-year lease and joint use agreement. Without this renovation, the joint use facilities would not be in compliance with the terms of the joint use agreement. The estimated cost for this renovation is \$710,000. Funding will be added to the Park and Recreation Department Capital Improvements Program (CIP) Budget when it is identified.

Mason Elementary School:

District-owned Mason Elementary School is located at 10340 San Ramon Drive, California, 92126, in the Mira Mesa Community Planning Area. A 25-year lease and joint use agreement with the District for the Mason Elementary School site expired on August 27, 2002, and it has been operating under the month-to-month agreement since that time. The terms of the previous agreement provided for the design, construction, operation and maintenance of approximately 1.12 acres of turfed play fields at the school. Amenities include two District backstops and 1.12 acres of irrigated and turfed fields.

Fiscal Impact for Mason Elementary School: Annual maintenance at this joint use site is estimated to be \$9,520.00 for which funding is budgeted in FY 2006. Minor irrigation repair is needed at this site in order for the improvements to endure the entire length of this new 25-year lease and joint use agreement. Without this renovation, the joint use facilities would not be in compliance with the terms of the joint use agreement. The estimated cost for this renovation is \$25,000, which, when spent, will affect the parity calculations. Funding will be added to the Park and Recreation Department Capital Improvements Program (CIP) Budget when it is identified.

Penn Elementary School:

Penn Elementary School is located at 2797 Utica Drive, San Diego, California, 92139, in the Skyline/Paradise Hills Community Planning Area. A 25-year lease and joint use agreement with the District expired on August 27, 2002, and it has been operating under the month-to-month agreement since that time. The terms of the previous agreement provided for the design, construction, operation and maintenance of approximately 3.08 acres of play fields and incorporated herein by this reference [the Joint Use Area]. Amenities include, 2.38 acres of irrigated and turfed fields, two District backstops, 0.70 acres of parking lot and a pedestrian ramp and associated slope from the Penn Athletic Area.

Fiscal Impact for Penn Elementary School: Annual maintenance at this joint use site is estimated to be \$19,460.00, for which funding is budgeted in FY 2006. Minor irrigation system and infield renovation are needed at this site in order for the improvements to endure the entire length of this new 25-year lease and joint use agreement. Additionally, a drainage swale at the southwest corner of the site should be undergrounded to reduce the potential trip hazard and increase the useable area. Double swing gates at the parking lot would be preferred over the chain and bollard system that is currently used to control parking during certain hours. Without this renovation, the joint use facilities would not be in compliance with the terms of the joint use agreement. The estimated cost for this renovation is \$105,000. The Park Planning and Development Division staff will work with the Council District 4 office to identify appropriate funding for these capital improvements. Funding will be added to the Park and Recreation Department Capital Improvements Program (CIP) Budget when it is identified.

Serra High School:

Serra High School is located at 5156 Santo Road, San Diego, California, 92124, in the Tierrasanta Community Planning Area. A 25-year lease and joint use agreement with the District for this school site expired on August 27, 2002, and it has been operating under the month-to-month agreement since that time. The terms of the previous agreement provided for the design, construction, operation and maintenance of approximately 5.66 acres of joint use area. The joint use area is comprised of 4.71 acres of irrigated and turfed fields with four District backstops and 0.95 acres with six City tennis courts.

Fiscal Impact for Serra High School: Annual maintenance at this joint use site is estimated to be \$45,260.00 for which funding is budgeted in FY 2006. The tennis courts are in need of resurfacing, some gates need repair, and the lights have not been able to be properly maintained for the last five years due to the proximity of new portable classroom placement which has rendered the light fixtures inaccessible. These repairs are needed in order for the improvements to endure the entire length of this new 25-year lease and joint use agreement. The turf fields are anticipated to be jointly used for only a couple of years until a new joint use facility is constructed at Vista Grande Elementary School and becomes available for joint use. Therefore, it is recommended that only minor irrigation repair is pursued to enable use of the high school field to be used until that time. Without this renovation, the joint use facilities would not be in compliance with the terms of the joint use agreement. The estimated cost for this renovation is \$115,000. Funding will be added to the Park and Recreation Department Capital Improvements Program (CIP) Budget when it is identified.

Tierrasanta Elementary School:

Tierrasanta Elementary School is located at 5450 La Cuenta Drive, San Diego, California, 92124, in the Tierrasanta Community Planning Area. A 25-year lease and joint use agreement with the District expired on August 27, 2002, and it has been operating under the month-to-month agreement since that time. The terms of the previous agreement provided for the design, construction, operation and maintenance of approximately 1.49 acres of play fields. Amenities include 1.49 acres of irrigated and turf multi-purpose sports fields and two District backstops.

Fiscal Impact for Tierrasanta Elementary School: Annual maintenance at this joint use site is estimated to be \$18,625.00 at enhanced maintenance levels, for which funding is budgeted in FY 2006 at \$11,920. The additional \$6,705 in required annual maintenance cost will be requested as a new facility "add" in the Fiscal Year 2007 Park and Recreation Department Operating Budget. Minor irrigation system and turf renovation is needed at this site in order for the improvements to endure the entire length of this new 25-year lease and joint use agreement. Without this renovation, the joint use facilities would not be in compliance with the terms of the joint use agreement. The estimated cost for this renovation is \$40,000. Funding will be added to the Park and Recreation Department Capital Improvements Program (CIP) Budget when it is identified.

Walker Elementary School:

Walker Elementary School is located at 9225 Hillery Drive, San Diego, California, 92126, in the Mira Mesa Community Planning Area. A 25-year lease and joint use agreement with the District for this school site expired on August 27, 2002, and it has been operating under the month-to-month agreement since that time. The terms of the previous agreement provided for the design, construction, operation and maintenance of approximately 2.26 acres of play fields. Amenities include 2.26 acres of irrigated and turf fields.

Fiscal Impact for Walker Elementary School: Annual maintenance at this joint use site is estimated to be \$19,210.00 for which funding is budgeted in FY 2006. Minor irrigation repair is needed at this site in order for the improvements to endure the entire length of this new 25-year lease and joint use agreement. Without this renovation, the joint use facilities would not be in compliance with the terms of the joint use agreement. The estimated cost for this renovation is \$50,000. Funding will be added to the Park and Recreation Department Capital Improvements Program (CIP) Budget when it is identified.

CONCLUSION

The joint use and optimization of community assets benefits both the City and the San Diego Unified School District. The proposed joint use agreements are equitable for both agencies in accordance with the MOU. All funding approved to perform capital improvements at joint use site(s) will be factored into the parity calculations, which are to be reviewed and mutually revised, by each agency bi-annually to determine the length of time before maintenance is equally shared.

The consequence of not approving the lease and joint use agreements will mean the loss of much-needed recreation assets and loss of the capital investment for improvements made at each site over the years. The City has made an investment of over \$7.59 million in these seven sites over the term of the expired or expiring agreements, for which a total of \$4,744,000 has been spent on maintenance costs, \$1,830,000 in land contribution and \$1,022,000 has been spent on capital costs. To date, the total capital or land investments at each site are as follows:

Dailard Elementary School	\$634,000
Ericson Elementary School	\$2,618,000
Mason Elementary School	\$1,596,000
Penn Elementary School	\$676,000
Serra High School	\$1,322,000
Tierrasanta Elementary School	\$298,000
Walker Elementary School	\$452,000
Total	\$7,596,000

ALTERNATIVES

1. Approve the new lease and joint use agreements with modifications.
2. Do not approve the new lease and joint use agreements.

Respectfully submitted,

Ted Medina
Park and Recreation Director

Approved:
Deputy City Manager

TM/DS

Reference: Memorandum of Understanding Between City of San Diego and San Diego Unified School District for Development and Maintenance of Joint Use Facilities and Master Agreement dated October 8, 2002 were filed with City Clerk on May 14, 2003 and are available for review at the City Clerk's Office