

RESOLUTION NO. 2019-132

RECEIVING A PRESENTATION AND PROVIDE COMMENTS ON THE DRAFT REPORT AND FINANCIAL ANALYSIS FOR THE SPORTS CENTER AND RECEIVE AN UPDATE ON THE AQUATIC CENTER DRAFT PLAN.

WHEREAS, The City of Marina acquired the former military pool and the adjacent vacant building west of the intersection of 2nd Avenue and 9th Street as part of the closure of the former Fort Ord; and

WHEREAS, plans need to be developed to revitalize the use of the pool building and adjacent building into an aquatic center and sports center; and

WHEREAS, City Council approved a project to analyze alternatives for revitalization of the pool building in the fiscal year 2018-2019 budget; and

WHEREAS, City Council approved a project to analyze alternatives for the Water City building in fiscal year 2019-2020; and

WHEREAS, the city entered in an agreement with Jeff Katz Architecture (JKA) as the prime consultant for the aquatic and sports center planning and analysis; and

WHEREAS, Draft aquatic center concepts and financial strategy were presented to the public and an open house and a special City Council meeting on July 23rd, 2019 and input was received at that time; and

WHEREAS, the draft sports center report (Exhibit A) and financial statements (Exhibit B) have been prepared and are ready for review; and

WHEREAS, input and comments on the draft aquatic center plans have been incorporated and will be presented by staff and consultants along with the draft sports center report and financial statements;

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Marina that does hereby receive a presentation and provide comments on the draft report and financial analysis for the sports center and receives and update on the aquatic center plan.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 3rd day of December 2019, by the following vote:

AYES: COUNCILMEMBERS: Berkley, Urrutia, O'Connell, Morton

NOES: COUNCIL MEMBERS: None

ABSTAIN: COUNCIL MEMBERS: Delgado

ABSENT: COUNCIL MEMBERS: None

Gail Morton, Mayor pro-Tem

ATTEST:

Anita Sharp, Deputy City Clerk



MARINA SPORTS CENTER

REPORT

FINAL DRAFT

NOVEMBER 22, 2019

SUBMITTED BY:

JKA j e f f k a t z
ARCHITECTURE

280 Bettencourt St, Sonoma, CA 95476

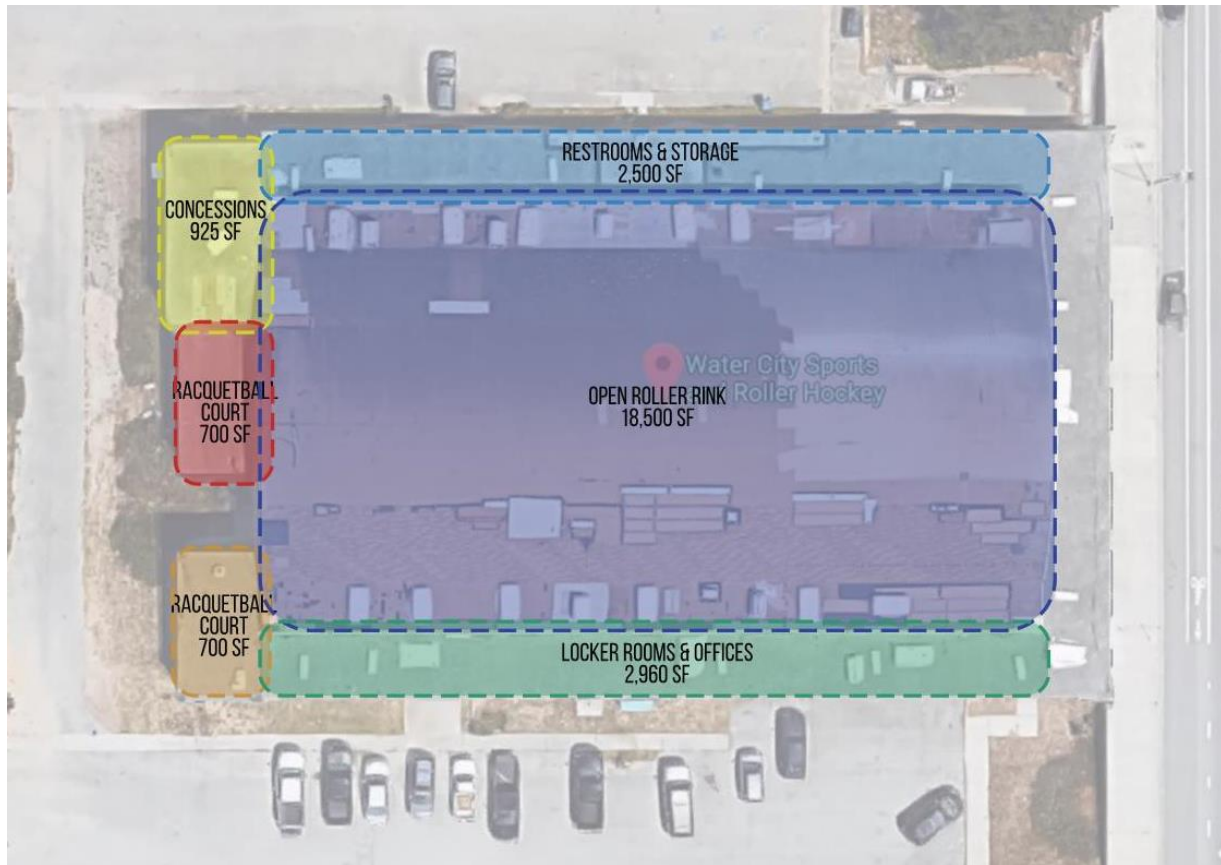
619.698.9177 (Office)

www.jeffkatzarchitecture.com

INCLUDING INPUT FROM OUR CONSULTANT TEAM:

THE ISAAC SPORTS GROUP

EXISTING FACILITY:



CURRENT PROGRAMS AND USE:

- Roller hockey (youth and adult leagues and instruction)
- In-line skating lessons
- Public skating (weekends)
- Youth Soccer Clinics (select weekends)
- Archery
- Racquetball (unclear on how much use they actually get)
- Rink Rental

SCHEDULE:

- Virtually all evenings and weekends-limited to no daytime school-day programming and some summer afternoon programming

FACILITY LIMITATIONS:

- Rink floor surface is not great for other court activities
- Locker rooms need upgrading
- Limited sport space flexibility

CITY GOALS & OPPORTUNITIES:

- Significantly expand the use of the existing Sports Center
- Provide sport and recreational activities to a much broader range of Marina residents
- Meet City needs for additional sport facilities and programs
- Provide expanded access, use, and programs throughout the day/week
- Complement existing sport facilities available in the City, including School District and Collegiate facilities open to public use
- Provide synergies and complementary programs with the other facilities in the Master Plan for the site:
 - Aquatic Center
 - Park, sports fields, playground
- Attract users from outside Marina to utilize the facility
- Develop a business model which helps offset operating costs

SPORT & RECREATION OPPORTUNITIES:

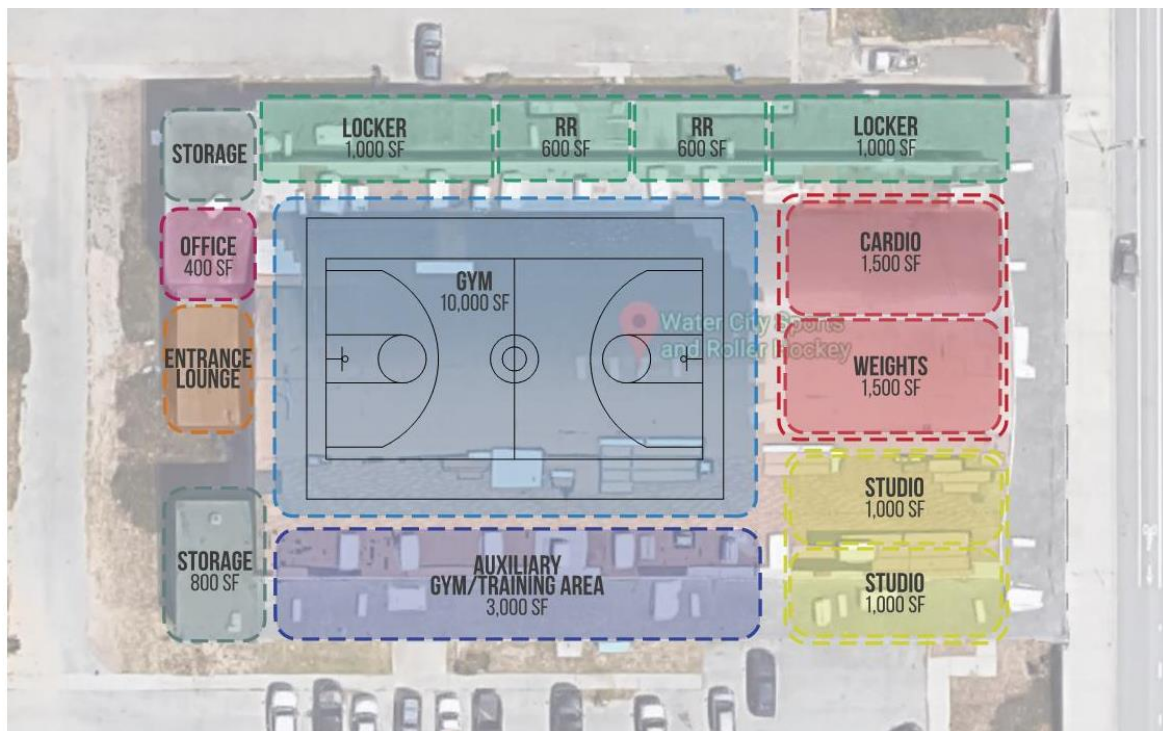
- Court Sports
 - Volleyball
 - Pickleball
 - Basketball
 - Cheer/dance teams
 - Special Olympic and Paralympic sports
 - Wheel chair basketball
 - Drop-in open court space
- Field Sports
 - Indoor soccer/futsal
 - Instructional programs
- Sport Training
 - Batting and pitching cages
 - Turf section for training
 - Cross training
 - Sport team training
- Outside user groups
 - Veterans groups and the Veterans Administration
 - Sport leagues and Clubs
 - Monterey Pickleball Club (MPBC)
 - Police Athletic League
 - IMUA Volleyball Club (currently uses Hartnell Community College gym)
- Special functions
 - Birthday parties

FITNESS AND COMMUNITY OPPORTUNITIES:

- Group Fitness
 - Aerobics
 - Yoga
 - Pilates
 - Spinning
 - Special needs programming
- Senior Programming
- Home School PE and fitness programming
- Integration with current City Recreation programs
 - Youth Center
 - Teen Center
 - Senior Center

SPORTS CENTER DESIGN OPTION:

- Enhanced Sports Center Goals
 - Utilize existing spaces with minimal new buildout and renovation
 - Optimize the flexibility of multi-purpose uses of existing spaces
 - Update support amenities
 - Repurpose existing spaces to more popular uses
 - Update infrastructure for enhanced efficiency
 - Incorporate Court Space, Workout Space, Fitness Spaces & Function Spaces



This program provides a more diverse community 'recreation center' concept that fits within the current building footprint and intends to provide services to more residents and provide programs that many Marina residents are currently going to the Monterrey Rec/Fitness Center, other facilities outside Marina, or to private facilities for.

Here are the key elements:

- Cardio/Strength workout spaces (Totaling 3,000 sq feet)
- Workout Rooms and studios (2,000 to 2,500 sf total in several different size spaces)
- Gym Space (approximately 10,000 sf)
 - Full basketball court: OR
 - 2 x volleyball courts: OR
 - 4 pickle ball courts : OR
 - Subdividable with nets
 - Sport flooring for multiple use
 - NOTE: May even have the ability to lay down turf as needed
- Auxiliary Gym/Training spaces (Total space = 3,000)
 - Spinning studio or
 - Racquetball courts
 - NOTE: Racquetball is losing popularity and participants. We see many facilities repurposing RB courts to spinning studios, exercise studios, martial arts studios or other flex space.
- Locker rooms (Total approximately 3,200 sf)
 - General Locker rooms
 - Gender Neutral spaces
 - Family/handicap changing rooms with full amenities
- Office: 400 sf (specific to Sports Center instructors and staff)
- Storage: 800 sf
- Connecting area between Sports Center and Aquatic Center (more detail later)
 - Administration Space
 - Concessions
 - Potential for meeting/multi-function or classroom space linking the two facilities
 - Covered eating area or pavilion (can complement picnic areas in Master Plan outdoor areas)

INTEGRATION & SYNERGIES WITH ADJACENT PROGRAMS:

- Aquatic Center
 - Enhance support facilities for Aquatic Center
 - Provide concession facilities in Sports Center to support Aquatic Center patrons
 - Provide link between the two buildings
 - Outdoor/covered or indoor

- Concession or Picnic or social area between buildings
 - Lobby/entrance space between the two for shared entry point and access control
- Provide one-stop recreational and sport “shopping”
 - Multiple and current facility use by different members of the family
 - Becomes more of a destination center
- Management efficiency
 - Shared management and staffing
 - Shared maintenance and operational support
 - Enhanced revenue based on synergistic growth of programs
- Outdoor Spaces
 - Indoor facilities to support outdoor users and activities
 - Concessions supporting the picnic areas
 - Indoor meeting spaces to support outdoor activities
 - Link comparable indoor and outdoor facilities to expand programs
 - Basketball
 - Pickleball
 - Outdoor sand volleyball court(s) to complement indoor court space
 - Outdoor exercise trails and workout stations to complement indoor fitness spaces and programs
 - Provide training facilities in Sports Center that support the teams and groups using the outdoor facilities
 - Indoor, outdoor, and aquatic activities to support birthday parties, holiday events and other special events, rentals and social activities
 - Create optimum facilities for youth activities, sport camps, and events

KEY SITE ELEMENTS PROPOSED:

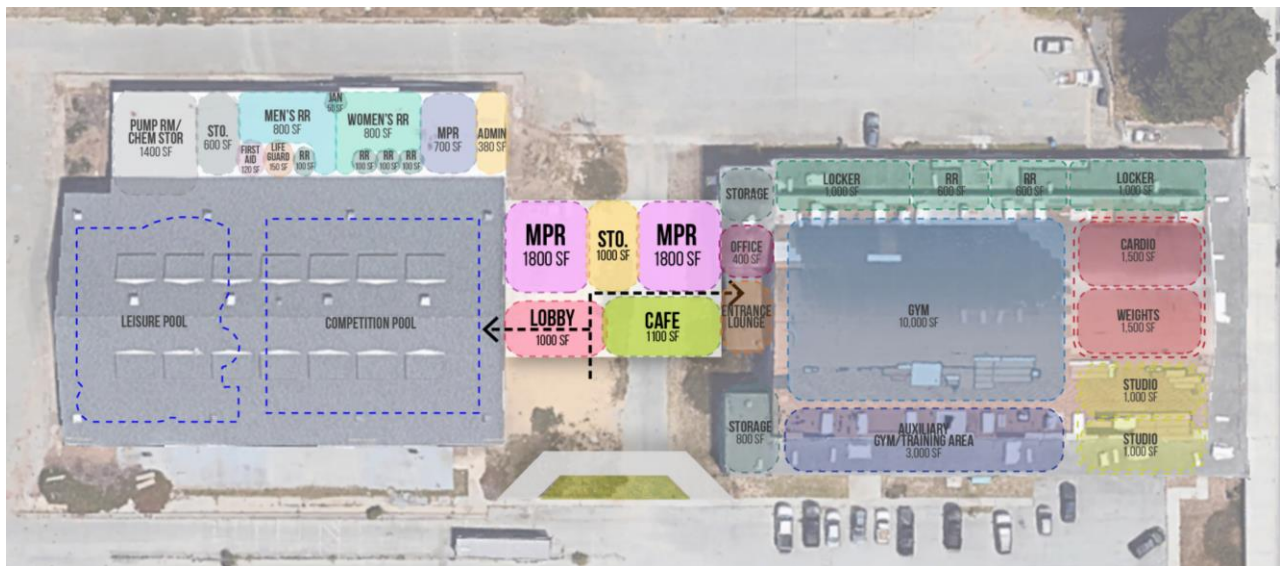
- Drop-off near entry
- Pedestrian access to public sidewalk
- Access to public transportation
- Bike parking
- Vehicle parking
 - 167 parking spaces required by zoning for the aquatic facility and sports complex.
- Entrance Plaza
 - An entrance plaza would connect the aquatic center and sports complex to pedestrians while still keeping them separate facilities. It could also serve as a special events space and can be used by both the complex users as well as the park public.
- Entrance ‘Connector’ Building

- A connector building would physically and programmatically connect the aquatic center with the sports complex and provide a single entrance for both facilities. It could bring together programs that would otherwise stay separate and could give the public easy access to both facilities.

CONNECTOR BUILDING – SINGLE STORY OPTION:



CONNECTOR BUILDING – TWO STORY OPTION:



2ND FLOOR:



MANAGEMENT OPTIONS:

- Facility Management
 - Initially assuming management by City Recreation and Cultural Services Department
 - Shared management responsibilities with Aquatic Center and outdoor facilities
 - Can explore outsourcing management as an option in conjunction with Aquatic Center
- Program Management
 - City Rec to develop sport leagues, instructional programs, teams, etc.
 - Option to outsource programs to existing clubs or partners
 - IMUA Volleyball Club
 - Monterey Pickleball Club
 - Police Athletic League (like Seaside partnership with PAL for youth basketball in Seaside)
 - Boys and Girls Club

FINANCIALS:

- Revenue Sources
 - Membership
 - Daily drop-in use
 - Facility space rentals
 - Leagues
 - In house programs
 - Outsourced programs
- Cost Centers
 - Staffing
 - Utilities
 - Maintenance
 - Program Expenses
 - Equipment
 - Long Term capital reserve fund
- Financial detail to be developed in conjunction with City staff

	A	B	C	D	E	F	G	H	I	J
1	Marina Sports Center									
2	Financial Forecast Pre-Opening Year Through Year 5									
3										
4										
5	November 20, 2019									
6	Assumes Sports Center is a stand alone facility. Shared Staff, Services, and Program Support with Aquatic Center are not initially factored in.									
7	*Year Zero is the period between closing of existing center through opening of renovated Sports Center.									
8	Potential for Shared Costs with Aquatic Center						Questions for City			
9	Operational Expenses		Potential to Reduce Costs			Issues to Review				
10	Assumes 2.5% annual increase in utility and equipment costs									
11	Category		% of Tot(Y2)	Year Zero*	Year 1	Year 2	Year 3	Year 4	Year 5	Comments
12	Utilities									
	Courts and Gym Area									Total Square Footage = 13,000 sq ft @\$1.75/sq ft May save some \$\$ based on any downtime of facility.
13										
14		Electric	1.9%		14,300	14,658	15,024	15,400	15,785	
		Water/Sewer	0.1%		750	769	788	808	828	
15										
16		Gas (Heat/Cool)	1.0%		7,700	7,893	8,090	8,292	8,499	Average Temperature Targets: 65 degrees in cooler months and 75 degrees in summer
17										
18	Workout & Studio Areas									Space = 5,000 sq ft @ estimate of \$2.00/sq ft. Cardio, Strength, Studios.
19		Electric	0.8%		6,100	6,253	6,409	6,569	6,733	
20		Water/Sewer	0.1%		500	513	525	538	552	
21		Gas (Heat/Cool)	0.5%		3,400	3,485	3,572	3,661	3,753	
22			0.0%			0	0	0	0	
23										
24	Common & Support Areas/Lobby									Space = 6,000 sq ft @ estimate of \$2.50/sq ft. Locker rooms, lobby, offices, storage, restrooms
25		Electric	1.0%		7,200	7,380	7,565	7,754	7,947	
26		Water/Sewer	0.4%		3,000	3,075	3,152	3,231	3,311	
27		Gas (Heat/Cool)	0.6%		4,800	4,920	5,043	5,169	5,298	
28			0.0%			0	0	0	0	
29										
	Connecting Area with Aquatic Center									Space: 6,370 sq ft @ estimate of \$2.25/sq ft Entrance/lobby, meeting/function space, storage, admin.
30										
31		Electric	1.2%		8,600	8,815	9,035	9,261	9,493	Paid by Tenant-separately metered
32		Water/Sewer	0.1%		1,000	1,025	1,051	1,077	1,104	
33		Gas (Heat/Cool)	0.6%		4,750	4,869	4,990	5,115	5,243	Paid by Tenant-separately metered

Operational Expenses

	A	B	C	D	E	F	G	H	I	J
		Category	% of Tot(Y2)	Year Zero*	Year 1	Year 2	Year 3	Year 4	Year 5	Comments
11										
34			0.0%			0	0	0	0	
35										
36										
37		UTILITIES SUBTOTAL	8.4%	0	62,100	63,653	65,244	66,875	68,547	Total Utilities average \$2.000/square foot. NOTE: Current Sports Center utilities are averaging approximately \$13,000/year as reported by current leasing organization. We anticipate significantly higher utilities based on much greater full day use and more amenities.
38		Maintenance								Some of these services can be outside contracted services
39										
40		Building Repairs & Maintenance	0.8%		5,000	6,000	7,000	7,175	7,354	
41		Building Grounds & Maint	0.0%		0	0	0	0	0	Budgeted in overall Dunes Park groundskeeping
42		Custodial Service			0	0	0	0	0	Outsourced: See in Outside Services cost center.
43		Equipment Repairs	0.5%		3,000	3,500	4,000	4,100	4,203	
		Court/Floor Maintenance & resurfacing	0.0%		0	0	0	3,000	5,500	Courts should be resurfaced or coated every 4-6 years depending on the type of court surface. Projected annual cost to stagger resurfacing beginning in Year Three. A well maintained and
44										
45		Equipment Maintenance	0.3%		1,000	2,500	3,000	3,075	3,152	Exercise machines and sport and event equipment
46										
47		OPER. & MAINTENANCE SUBTOTAL	1.6%	0	9,000	12,000	14,000	17,350	20,209	
48										
49		Equipment & Supplies-Aquatic Center and Rec Space								Includes start up supplies and any equipment not included in Capital Costs or Start Up costs or FF&E (Furniture, Fixtures, & Equipment) and annual replenishment or replacement. Specific program equipment showing in Program Expenses.
		Additional Sports Equipment		7,000	1,000	2,500	3,500	3,588	3,677	FF & E not included in Start Up or Capital Costs. Includes replacement and new equipment annually as needed.
50										
51		Office	0.2%	500	1,500	1,538	1,576	1,615	1,656	Some included in start up costs
52		First Aid/Safety	0.2%	500	1,500	1,538	1,576	1,615	1,656	
53		Custodial Supplies	0.4%		3,000	3,075	3,152	3,231	3,311	
		Uniforms	0.2%	500	1,500	1,538	1,576	1,615	1,656	Important for staff look and identification. May be offset by equipment/apparel sponsorships.
54										
55		Fitness Machines-Replacement	0.4%		0	3,000	6,000	7,500	8,000	Replenishment of sport and game equipment each year as needed.
56		Fitness Equipment Leasing	0.0%		0	0	0	0	0	Consider option of leasing training equipment, especially cardio equipment.
57		General Supplies and Equipment	0.1%		1,000	1,025	1,051	1,077	1,104	
58										

Operational Expenses

	A	B	C	D	E	F	G	H	I	J
11		Category	% of Tot(Y2)	Year Zero*	Year 1	Year 2	Year 3	Year 4	Year 5	Comments
59		EQUIPMENT & SUPPLIES SUBTOTAL	1.9%	8,500	9,500	14,213	18,430	20,241	21,060	
60		Staff Costs								Assumes escalation at 3% per year unless otherwise indicated.
61										
62		Facility Director	10.8%	40,000	80,000	82,400	63,600	65,508	67,473	Target start at least 6 months prior to opening of Sports Center.
63		Facility Supervisors	7.0%	4,316	52,000	53,560	63,601	65,509	67,474	Could be one person, but budgeted as two part-time positions averaging total of 50 hours/week @ \$20/hour. Start 1 month prior to opening for training.
64		Facility Operations/Maintenance Manager	8.2%	10,020	60,000	62,400	64,896	67,492	70,192	Hired 2 months prior to opening.
65		Program & Fitness Manager	6.8%	12,500	50,000	52,000	54,080	56,243	58,493	Start 3 months prior to opening. May include some instruction or training responsibilities.
66		Marketing/Membership/sales, Community Relations Manager	7.5%	18,150	55,000	57,200	59,488	61,868	64,342	Part of Facility Director position initially, can develop this position jointly with Aquatic Center. Start 4 months prior to opening. May also initially combine with Program Manager.
67			0.0%							
68		Management Performance Incentive Pool	0.0%							None included in operating model.
69		Facility Monitors		2,500	72,576	90,720	94,349	98,123	102,048	All part-time hourly staff. Handle court and workout facility set-up and monitoring and miscellaneous tasks during operation, including some minor custodial responsibilities. Average 1.0 monitors/day for average of 14 hours/day @ \$18/hour for 360 days/year by Year Two.
70		Custodial Staff	0.0%		0	0	0	0	0	Outsourced. See in outside services.
71		Fitness Instructors	0.0%		0	0	0	0	0	In program expenses
72		Front Desk/Access Control Staff	9.3%	1,000	69,120	71,194	73,329	75,529	77,795	360 days X 12 hours of operation X 1 on duty X \$16.00 per hour average. Can swing shift with monitors. Important customer service position. May be reduced with main entrance shared with Aquatic Center.
73		Clerical/Office	1.6%	500	12,000	12,360	12,731	13,113	13,506	Part-time at \$16/hour: 15 hours/week for 50 weeks/year. Front Desk Staff Can Assist. Can clerical be covered by Rec department or City staff?
74			0.0%							
75		Health Care & Benefits	11.7%	28,235	85,750	88,900	84,722	87,889	91,175	Calculated at 35% of full time salaries. Depending on management structure and any public employee requirements.

Operational Expenses

	A	B	C	D	E	F	G	H	I	J
11		Category	% of Tot(Y2)	Year Zero*	Year 1	Year 2	Year 3	Year 4	Year 5	Comments
76		Payroll Taxes	4.7%	6,674	33,802	36,138	36,456	37,754	39,099	Calculated at 7.5% of pay for all employees
77			0.0%							
78		Travel	47.9%	1,800	4,000	4,160	4,326	4,499	4,679	Development, sport, management, and event related travel.
79		Staff Professional Development	35.9%	1,500	3,000	3,120	3,245	3,375	3,510	
80		Professional Dues	11.5%	600	1,000	1,000	1,000	1,000	1,000	Certifications and professional organizations
81			0.0%							
		Event Staff Costs	0.0%							All extraordinary Event Staff Costs are paid separately by Renter or included in event expenses if hosted by local organization.
82										
83										
84										
85		STAFF SUBTOTAL	80.8%	127,794	578,248	615,151	615,823	637,901	660,786	
86										
87		Outside Services								NOTE: Outside services linked to funding, fundraising, design, etc included in capital costs, not operating budget.
88										
89										
90		Outsourced Services	1.3%	0	10,000	10,250	10,506	10,769	11,038	HVAC maintenance and other services as needed.
		Custodial Services	4.0%	1,000	30,000	30,750	31,519	32,307	33,114	Some light custodial duties and cleaning handled by facility monitors. Based on City staff projections and existing contracts.
91										
92		PR/Media	0.0%							City Services
		Marketing	0.0%							Staff position with additional sharing of existing city communications tools.
93										
94		Referees and Event Staff								In Program Expenses
95		Other	0.0%							Catchall place holder at this point
		Operations/Mngmt Consultant	0.0%							Management/Operations consultant to help open, train and facilitate operations in year zero and one- Can also assist in marketing programs and develop sponsorships and advertising. Nothing factored in at this point.
96										
		Trash Collection	0.3%		2,000	2,050	2,101	2,154	2,208	Is this budgeted in overall park? May be covered in franchise agreement
97										
98										
99		OUTSIDE SERVICES SUBTOTAL	5.7%	1,000	42,000	43,050	44,126	45,229	46,360	
100										
101		General Office Costs								
		Phone, Media, Internet Service	0.4%		3,000	3,075	3,152	3,231	3,311	
102										
103		IT and Computer Support	0.4%		3,000	3,090	3,183	3,278	3,377	May be part of existing City services/support.
104		Postage	0.1%		500	515	530	546	563	

Operational Expenses

	A	B	C	D	E	F	G	H	I	J
11		Category	% of Tot(Y2)	Year Zero*	Year 1	Year 2	Year 3	Year 4	Year 5	Comments
105		Fees-Registration/CC/On-Line	0.0%	0	0	0	0	0	0	Calculated at 3% of membership revenue
106		Marketing, advertising, and Promo Materials	0.3%	2,500	2,500	2,000	1,000	1,000	1,000	Will want to include some marketing money for promotion of the new facility. Amount will drop as facility gains in popularity and community learns about what the facility is offering-Larger expense in year one for grand opening. This is in addition to regular City marketing and rec materials and website.
107		Legal Fees	0.0%							In overall City Budget
108			0.0%							
109										
110		General Office Subtotal	1.1%	2,500	9,000	8,680	7,865	8,055	8,251	
111										
112		Miscellaneous	0.7%		5,000	5,000	5,000	5,000	5,000	Always good to include a little miscellaneous buffer.
113										
114		TOTAL-OPERATING EXPENSES	100.0%	139,794	714,848	761,746	770,489	800,652	830,212	
115										
116		OPERATING GROSS BUDGET								
117										
118		Annual Operating Expenses			\$ 714,848	\$ 761,746	\$ 770,489	\$ 800,652	\$ 830,212	
119										
120		Insurance		1,000	22,500	23,175	23,870	24,586	25,324	Link to existing City policies.
121										
122		Property Taxes								Not applicable
123										
124		Debt Service on Operating Line of Credit								Not anticipated
125										
126		TOTAL ANNUAL OPERATING COSTS			\$ 737,348	\$ 784,921	\$ 794,359	\$ 825,238	\$ 855,536	
127										
128		Debt Service on Project Cost								
129										
130										
131										
132										
133		TOTAL NET OPERATING COSTS INCLUDING DEBT SERVICE								
134										
135										
136										
137										

Operational Expenses

	A	B	C	D	E	F	G	H	I	J
11		Category	% of Tot(Y2)	Year Zero*	Year 1	Year 2	Year 3	Year 4	Year 5	Comments
138		Long Term Replacement/Maintence Fund and Capital Reserve Accrual			10,000	25,000	40,000	50,000	65,000	For long term capital equipment replacement and maintenance. Reserve target/budget is \$500,000 by Year 10 and \$1.2M by Year 20.

Program Expenses

	A	B	C	D	E	F	G	H	I	J
1	Marina Sports Center									
2	Financial Forecast Pre-Opening Year Through Year 5									
3										
4										
5	November 20, 2019									
6	Assumes Sports Center is a stand alone facility. Shared Staff, Services, and Program Support with Aquatic Center are not initially factored in.									
7	*Year Zero is the period between closing of existing center through opening of renovated Sports Center.									
8										
9	Program Expenses		Program relatated expenses not included in annual operating pool staff and expenses							
10			Potential for Shared Costs with Aquatic Center					Questions for City		
11			Potential to Reduce Costs			Issues to Review				
12	Category		% of Tot(Y2)	Year Zero	Year 1	Year 2	Year 3	Year 4	Year 5	Comments
13	Community Educational Programming									
14	Program Director		0.0%		0	0	0	0	0	In overall Facility Director Responsibilities.
	Instructors		6.8%		3,780	4,347	4,695	4,929	5,176	Hourly-Instructor fees increase at rate equal to increase in program gross revenue-
15										Instructor wages average 35% of gross
16	Payroll Expenses/benefits/taxes		1.7%		945	1,087	1,174	1,232	1,294	Assume part-time instructors
17	Travel, Staff Development		0.0%							Staff development and Training
18	Marketing and Promo Materials		0.0%							
19	Other Program Expenses		0.8%		500	500	500	500	500	
20	Postage		0.0%							
21	Fees-Registration/CC/On-Line		0.5%		297	342	369	387	407	Calculated at 2.75% of registration fees
22										
23	COMMUNITY EDUCATIONAL SUBTOT		9.8%	0	5,522	6,275	6,737	7,049	7,377	
24	Training, Fitness and Therapy Programs									All Currently Included as outside programs renting space.
25										
26	Fitness Program Director		0.0%		0	0	0	0	0	In overall Facility Director Responsibilities.
	Instructors		48.4%		23,700	31,125	33,615	35,370	37,241	Hourly Wages calculated as 30% of class fee revenue
27										
28	Payroll Expenses/benefits/taxes		4.8%	0	2,370	3,113	3,362	3,537	3,724	Assume part-time instructors
29	Travel, Staff Development		0.0%							Staff development and Training
30	Marketing and Promo Materials		0.0%							Included in overall facility marketing
31	Other Program Expenses		1.6%		1,000	1,000	1,000	1,000	1,000	
32	Postage		0.0%							
33	Fees-Registration/CC/On-Line		4.4%		2,173	2,853	3,081	3,242	3,414	Calculated at 2.75% of registration fees

Program Expenses

	A	B	C	D	E	F	G	H	I	J
12		Category	% of Tot(Y2)	Year Zero	Year 1	Year 2	Year 3	Year 4	Year 5	Comments
34										
35		TRAINING, FITNESS AND THERAPY SUB	59.2%	0	29,243	38,091	41,058	43,150	45,379	
36										
37		In-House Leagues								Calculated as net revenue in Program Revenue. Specific expenses can be calculated later when type of league and sport are specified later in the development process.
38		League Manager	0.0%							
39		Referees	0.0%							
40		Scoreboard & Table Staff	0.0%							
41		Payroll Expenses/benefits/taxes	0.0%							
42		Travel, Staff Development	0.0%							
43		Marketing and Promo Materials	0.0%							
44		Other Program Expenses	0.0%							
45		Postage	0.0%							
46		Fees-Registration/CC/On-Line	0.0%							
47										
48										
49		LEAGUE SUBTOTAL	0.0%	0	0	0	0	0	0	
50										
51		Camp and Clinic Programs								In-House Programs
52		Camp Director	0.0%		0	0	0	0	0	In overall Facility Director and Assistant Manager Responsibilities Staff calculated at 40% of total gross clinic fees
53		All Camp Staff	18.2%		10,200	11,730	12,668	13,302	13,967	
54										
55		Payroll Expenses/benefits/taxes	0.4%	0	204	235	253	266	279	Camp coaches are usually subcontractor. Payroll taxes are only calculated on 20% of wages.
56		Marketing and Promo Materials	0.8%		500	500	500	500	500	
57		Postage	0.0%							
58		Fees-Registration/CC/On-Line	1.3%		701	806	871	915	960	Calculated at 2.75% of registration fees
59		Other Camp Expenses	2.7%		1,500	1,725	1,863	1,956	2,054	
60										
61										
62		CAMP & CLINIC SUBTOTAL	23.3%	0	13,105	14,996	16,156	16,939	17,760	
63										

Program Expenses

	A	B	C	D	E	F	G	H	I	J
12		Category	% of Tot(Y2)	Year Zero	Year 1	Year 2	Year 3	Year 4	Year 5	Comments
64		Tournaments: In-House								
65		Tournament Manager								Currently calculated as net revenue in Program Revenue. Once nature of in-house Calculated at 2.75% of registration fees Referees are subcontractors. Tournament/Table/scoreboard staff pulled from Facilitators and are Courts staff.
66		Referees	0.0%							
67		Tournament Staff	0.0%							
68		Coach Travel and Entertainment	0.0%							
69		Other Tournament Expenses	0.0%							
70		Fees-Registration/CC/On-Line	0.0%							
71		Marketing and Promo Materials	0.0%							
72		Payroll Expenses/benefits/taxes	0.0%	0						
73										
74		TOURNAMENT SUBTOTAL	0.0%	0	0	0	0	0	0	
75										
76										
77		Miscellaneous Expenses		5,000	5,000	5,000	5,000	5,000	5,000	
78										
79		MISCELLANEOUS EXPENSES SUBTOTAL		5,000	5,000	5,000	5,000	5,000	5,000	
80										
81		TOTAL-EXPENSES	100.0%	5,000	52,870	64,362	68,951	72,137	75,516	

	A	B	C	D	E	F	G	H	I	J
1	Marina Sports Center									
2	Financial Forecast Pre-Opening Year Through Year 5									
3										
4										
5	November 20, 2019									
6	Assumes Sports Center is a stand alone facility. Shared Staff, Services, and Program Support with Aquatic Center are not initially factored in.									
7	*Year Zero is the period between closing of existing center through opening of renovated Sports Center.									
8										
9	Facility Revenue		Potential for Additional Revenue				Issues to Review			
10			Potential for Additional Revenue based on Shared Programs with Aquatic Center.							
11										
12	Category	% of Tot(Y2)	Year Zero	Year 1	Year 2	Year 3	Year 4	Year 5	Comments	
13	Educational, Camp and Clinic Programs									
14										
15	Kids summer or holiday camps/all sport activities	0%		0	0	0	0	0	Any outside groups renting space for programs. In house camps/clinics are in program revenue. Can have upside revenue when linked to aquatic programs as part of camp.	
16	Sport Specific Camps & Clinics	1%		8,100	8,100	8,100	8,100	8,100	Camps and Clinics run by outside groups renting court time. Calculate 6 outside clinics per year for 2.5 days using 2 courts for 15 total clinic hours @\$45/court-hour. Year One Projections. Future years may actually decrease as The Courts actually increase their in-house run camps and clinics. Total annual court hours = 180. Access to pools can also increase sport camp revenue.	
17	After School Program: 3:00pm to 5:00pm	3%		19,950	22,943	24,778	26,017	27,318	Program targeting school age kids after school (anticipate program run in conjunction with outside organization). 1/2 of gym for 1.5 hours x 5 days a week for 38 weeks a year.	
18	Other Outside programs									
19	Evening Skills Clinic or Programs: 5:00pm to 6:00 pm (pre-evening teams or leagues)	3%		23,040	25,920	28,800	30,240	31,752	Program can be flexible in focus and can provide different focus throughout the year. Can focus on all ages. 3 courts x 1 hour/day x 5 days per week for 48 weeks per year. Revenue Projected for Year Three is \$28,009; which is 25% less than the peak time court rent for Year 3. Year One is calculated at 80% of Year Three and Year Two is calculated at 90% of Year Three. A significant revenue upside potential exists. One court remains	
20		0%			0	0	0	0		
21										

Facility Revenue

	A	B	C	D	E	F	G	H	I	J
12		Category	% of Tot(Y2)	Year Zero	Year 1	Year 2	Year 3	Year 4	Year 5	Comments
22		CAMP, REC, THERAPY SUBTOTALS	7%	0	51,090	56,963	61,678	64,357	67,170	
23		Court Rental: Club and Training Use								Projected Court rates: Peak Hours: Full Gym=\$125/hour; half gym = \$70/hour; auxiliary Gym = \$60/hour. As City further develops project these projections will become more detailed by individual user group with commitments.
24		Main gym/courts	0%				0	0	0	NOTE: Hartnell college charges between \$100 to \$140/hour for heir gym. Average school gym rental in area is \$125/hour.
25		IMUA VolleyBall			78,750	78,750	78,750	82,688	82,688	Based on direct request for time from group. Rate = \$125/hour for 15 hours/week @ 42 weeks/year. Would start in Year One. Club has said they would rent as much space as City can get them. Can also increase if there are a couple outdoor beach VB courts on the site.
26		Monterey Pickleball Club								Currently uses outdoor public park facilities in Monterey and Pacific Grove. Good potential for them to use indoor and outdoor courts at the Sports Center and overall site. Nothing factored in at this point. Included as part of overall outside rentals.
27		Outside Leagues and Club Use								Potential use of facility by outside league or league in conjunction with City, such as the Police Athletic League Youth Basketball program in Seaside. Currently in overall gym and court rentals.
28		Overall Gym and Court rentals			81,250	100,000	112,500	115,875	119,351	Based on the rent and assumption that half of the after school open time is available for outside rental the projected rental capacity is \$125,000 at full utilization. Calculations: 3 hours/weekday for 50 weeks/year and 5 hours/weekend for 50 weeks/year @average of \$100/hour = \$125,000. Calculating at 65% capacity in Year One to 90% capacity in Year Three
29										
30										
31		Pickleball Court Time Rental	0%		0	0	0	0	0	Factored in to overall Gym and Court rentals.
34		Personal Training-BBball and Vball	0%							Esitmate rental of 8 court hours/week @ \$50/hour (mostly off peak with some peak as available) for 45 weeks/year.
35		Open Gym/court drop in								Included in membership and daily use revenue.
36		Auxiliary Gym			40,625	50,000	56,250	57,938	59,676	Average rental of 3 hours per weekday and 5 hours per weekend day @average of \$50/hour for 50 weeks/year.
38										
39		Potential Outside User Groups & Programs								Revenue currently just part of overall Gym, Court, & Auxiliary Gym rental line item. Details by user group to be developed as project moves further into development.

Facility Revenue

	A	B	C	D	E	F	G	H	I	J
12		Category	% of Tot(Y2)	Year Zero	Year 1	Year 2	Year 3	Year 4	Year 5	Comments
40		Special Needs Programs	0%							Many active programs in Area in the areas. May develop programs for these groups in-house, but initially would plan on current organizations renting available space. Can include instruction, practice and competitions.
41		Special Olympic Programs	0%							
42		Paralympics								
43		Veterans Programs	0%							
44		Wheel Chair Basketball	0%							
45		Wheel Chair & Sit Down Volleyball	0%							
46		Other	0%							
47										
48		Miscellaneous	0%		0	0	0	0	0	
49										
50		CLUB AND TRAINING RENTAL SUBTOTAL	28%	0	200,625	228,750	247,500	256,500	261,714	
51		League Rental								Outside Leagues
52										
53										
54		Potential League Partnerships			52,800	66,000	67,980	70,019	72,120	
55		Other?	0%							
56										
57		LEAGUE RENTAL & REVENUE SUBTOTAL	8%	0	52,800	66,000	67,980	70,019	72,120	
58		TOURNAMENTS & EVENTS								Outside organizations renting facility for events, tournaments, clinics, showcases, etc. With limited # of courts and importance of member use and access, we do not anticipate a large number of tournaments. We would anticipate 12 tournament days/year utilizing gym space for 8 hours/day @ \$100/hour by Year Two. This is factored out of the overall capacity rentals. Tournaments are fun by outside groups. In-house program tournaments are part of the Program Revenue Center.
59										
60		Outside Organization run Basketball Tournaments	1%		7,200	9,600	10,080	10,584	11,113	
61		Tournament Fees	0%		2,400	2,400	2,520	49,920	51,917	
61										

Facility Revenue

	A	B	C	D	E	F	G	H	I	J
12		Category	% of Tot(Y2)	Year Zero	Year 1	Year 2	Year 3	Year 4	Year 5	Comments
62		Facility direct event revenue	0%							Includes revenue from events hosted by facility where facility controls event tickets, programs, event advertising, event licensed merchandise, etc. In rentals for events hosted by outside groups these rights are retained by the host organization. Nothing factored in to budget.
63		Birthday Parties and other parties	1%		11,250	11,813	12,403	13,023	13,674	Average Fee of \$150 for party-anticipate 75/year initially.-covers wide range of party functions. May increase if 2nd retail space is repurposed for meeting or function space. Estimated 300 court-hours per year.
64										
65		Classroom and function space rentals	1%		5,000	5,000	5,000	5,000	5,000	Rental of function space for community meetings, group meetings, event support, classes, etc. Average of \$50/hour for
66										
67		Gym/Court Space rental for meetings, trade shows, non-sport functions.	0%							Nothing factored into initial financials, but potential exists for use of court space for wide range of events when available.
68										
69		Event Sales commissions (non-food)	0%		2,500	3,000	3,000	3,000	3,000	3,000
70		Event Food Concessions	1%		3,600	4,800	5,040	5,292	5,557	Food Concessions based on event specific days calculating 20% profit margin on average revenue of \$2,000/event day for 12 days/year.
71		Hotel Room Rebates-Events, camps, etc.	0%		0	0	0	0	0	Potential for hotel room night rebates through preferred hotels for tournaments. Usually averages approximately \$8/room/night. May be controlled by event host. Nothing factored in to financial projections at this point.
72										
73		EVENTS REVENUE SUBTOTAL	4%	0	31,950	36,613	38,043	86,819	90,261	Event revenue for the upgrade option is calculated at a 25% increase over the base option
82										
83		Sales								All of these numbers represent net profits from these operations
84		Retail	0%							No Revenue: Sales through 2nd Time Sports (retail lease)

Facility Revenue

	A	B	C	D	E	F	G	H	I	J
12		Category	% of Tot(Y2)	Year Zero	Year 1	Year 2	Year 3	Year 4	Year 5	Comments
85		Daily Food Service-Outside Vendors	2%		13,800	14,214	14,640	15,080	15,532	Food operations may be handled in house or by outside vendor. This includes regularly scheduled use and can support outside site users and Aquatic Center in future. Aggressive projections can be an average net profit of 20% on concessions and average gross sales of \$1,000/weekday and \$2,500/weekend for 46 weeks/year. For purposes of these calculations we only have factored in 20% of this total. This does not include event specific concessions. Current projections do not include concessions opening during the week for regular use. This represents an upside and would have potential for daily concessions when combined with pool and summer use of full site and facilities.
86		Vending	0%		3,000	3,090	3,183	3,278	3,377	Vending machines at facility-healthy snacks, water, drinks, etc. Net Revenue.
88		SALES SUBTOTAL	2%	0	16,800	17,304	17,823	18,358	18,909	
89		Public Memberships/Daily Usage								See the Membership and Use Worksheet for Year Two Projections. Year One is 80% of Year Two. Years Three on increase at 5% per year. Based on analysis performed for Aquatic Center and area facilities we used roughly the same membership and daily use fees as for the stand alone Aquatic Center. Separately, the Sports Center and Aquatic Center rates are approximately about 50% to 60% of the comparable rates for the Monterey Sports Center. The combination of the Aquatic Center and the Sports Center can be very effective in increasing overall membership and revenue projections. The Sports Center will have more adult memberships and fewer family memberships than the aquatic center, but these tend to balance. Reduced the membership calculations based on current competition in the market.
90										
91		Sports Center Regular Memberships	39%		254,687	318,358	334,276	350,990	368,540	Also potential for some Year Zero pre-opening membership promotions to generate some cash flow prior to opening.
92		Sports Center Military Memberships	7%		47,203	59,003	61,953	65,051	68,304	
93		Bundled membership programs with Aquatic Center in future.								
94		Daily Drop in Use	1%		8,636	11,515	12,091	12,695	13,330	
95		Corporate Programs or Memberships								Nothing established at this point
96		Team Memberships-for Drop-in Use								Nothing established at this point
97										
98		MEMBERSHIP/DAILY USAGE SUBTOTAL	48%	0	310,526	388,877	408,320	428,736	450,173	
99										
100		Facility Sponsorships and Contributions								Facility Specific fundraising, sponsorship and advertising Includes cost relieving in-kind donations (VIK)
101										

Facility Revenue

	A	B	C	D	E	F	G	H	I	J
12		Category	% of Tot(Y2)	Year Zero	Year 1	Year 2	Year 3	Year 4	Year 5	Comments
102		Sponsorships & Advertising Facility Sponsorship	2%		10,000	15,000	20,000	20,000	20,000	In support of Facility in general Can include scoreboards, court ads, lobby and more.
103		Facility Advertising	1%		3,300	4,950	6,600	6,600	6,600	Title sponsor of a Court: 4 @ \$1,500. Signage on Court or Scoreboard and potential for spots in TV monitors or streetside message kiosk.
104		League & Program Sponsor Grant Support	0%							Showing in Program Revenue Potential program for membership scholarships-Nothing factored in but potential exists. Explore a separate not-for-profit affiliated with The Courts to fund scholarships for programs and memberships for members of community who cannot afford to participate. May coordinate with Team and Tournament partners who use the facility.
105										
106		Fundraising & Contributions	0%							No private annual fundraising or contributions factored into budget.
107										
108										
109										
110		SPONSORSHIP/CONTRIBUTIONS SUBTOT	2%	0	13,300	19,950	26,600	26,600	26,600	
111										
112		Public Use School District Use Fees	0%				0	0	0	Current local school gyms are totally booked with waiting lists. May have some use by the local schools but City Parks and Rec will also continue to use School District facilities. Current use is based on reciprocal use agreement with Marina Schools. Not anticipating any revenue from Schools at this point. Will be addressed in ongoing Joint Use Agreement developed covering new school facilities plus the Marina Sports Center and Aquatic Center.
113										
114										
115		PUBLIC USE SUBTOTAL	0%	0	0	0	0	0	0	No partnership or rental use included in this business model
116										
117		Miscellaneous Income								
118		Other	0%							
119										
120		MISCELLANEOUS INCOME	0%	0	0	0	0	0	0	
121										
122										
123		GRAND TOTAL-INCOME	100%	0	677,091	814,456	867,945	951,390	986,947	

	A	B	C	D	E	F	G	H	I	J
1	Marina Sports Center									
2	Financial Forecast Pre-Opening Year Through Year 5									
3										
4										
5	November 20, 2019									
6	Assumes Sports Center is a stand alone facility. Shared Staff, Services, and Program Support with Aquatic Center are not initially factored in.									
7	*Year Zero is the period between closing of existing center through opening of renovated Sports Center.									
8										
9	Program Revenue		Potential for Additional Revenue				Issues to Review			
10	Potential for Additional Revenue based on Shared Programs with Aquatic Center.									
11										
12	Category		% of Tot(Y2)	Year Zero	Year 1	Year 2	Year 3	Year 4	Year 5	Comments
13	Community Education Programming									
14	Home School Program		6%		10,800	12,420	13,414	14,084	14,788	Home Schooling is popular in the region and requires some PE programming. Gym space during the school day in the North Metro area can accomodate some home school programming, as an in-house program or outsourced rental. Considering it in-house programming for now, but very minimal revenue initially, but making use of low demand court-time during the school day. Use of volunteers and parents. This represents the net revenue. Plan for half gym use an average of 6 hours/week for 36 weeks @\$50/hour.
15										
16			0%		0					
17	Miscellaneous		0%		0					
18			0%		0					
19										
20	COMMUNITY PROGRAMMING SUBTOTAL		6%	0	10,800	12,420	13,414	14,084	14,788	
21	Training, Fitness and Instructional Programs									In-House Programs not included in initial programs but likely to evolve based on facility capabilities and success of outside programs. Many active programs in Area in the areas. May develop programs for these groups in-house, but initially would plan on current organizations renting available space. Revenue currently showing in Facility Revenue. Anticipate these programs run by outside clubs and organizaitons.
22	Special Needs Programs		0%				0	0	0	
23										
24	Special Olympic Programs		0%							
25	Veterans Programs		0%							

Program Revenue

	A	B	C	D	E	F	G	H	I	J
		Category	% of Tot(Y2)	Year Zero	Year 1	Year 2	Year 3	Year 4	Year 5	Comments
12		Dry-Land Training and Fitness classes	22%		30,000	45,000	48,600	51,030	53,582	Some basic fitness classes included in membership. Cost for premium classes.
26										
27										Cost schedules can be by individual class or multi-class session
28		Personal Training & Personal Coaching	14%		24,000	30,000	32,400	34,020	36,061	Personal training is a strong growing market. Rates vary from \$60 to \$90/hour. Project 400 hours/year of personal training averaging @\$75/hour by Year Two (average of 8 hours/week for 50 weeks).
29		Senior Programs	3%		5,000	5,750	6,210	6,521	6,847	Significant opportunities with senior living centers in area. Can develop program during low use daytime hours. Should engage early in the program development process. Only minimal revenue factored in at this point.
30		Sport Instructional Programs			20,000	23,000	24,840	26,330	27,647	Entry level and development programs run by City for youth and adults. Can include basketball, volleyball, pickleball, and other activities and sports (may include use of outdoor site facilities at some point.
31										
32										
33		TRAINING, FITNESS & INSTRUCTION SUB	50%	0	79,000	103,750	112,050	117,901	124,136	
34										
35		In-House Leagues								In-House: Not included in business model at this point. Initial breakdown of in-hours versus outside groups is roughly 50/50 of gym/court time. Since the type of league and sport is not yet identified, the revenue projections are factored in average net revenue per gym hour, which is cost of gym/court time minus average of league, staff, and officials costs. Average net positive revenue for leagues should average \$75/hour. In-house leagues also are great marketing tools to drive memberships, so the benefits of in-house leagues go beyond just league revenue.
36		Adult and/or Youth Leagues	22%		36,480	45,600	52,440	56,635	59,467	Calculations: 8 weekend league hours for 36 weeks/year plus 8 hours/week for 40 weeks per year @ average net revenue per hour of \$75 by Year Two.
37										
38		LEAGUE SUBTOTAL	22%	0	36,480	45,600	52,440	56,635	59,467	

Program Revenue

	A	B	C	D	E	F	G	H	I	J
		Category	% of Tot(Y2)	Year Zero	Year 1	Year 2	Year 3	Year 4	Year 5	Comments
39										
40		Camp and Clinic Programs								
41										
42		Kids summer day camps/all sport activities	7%		12,000	13,800	14,904	15,649	16,432	Multiple sport/activity youth day camp. 40 participants @\$75/week for 4 days for six weeks in summer.
43		Summer Basketball Camps	4%		6,750	7,763	8,384	8,803	9,243	Projection for Year 1. 3 camps per Year: Average 30 participants @\$75/camper for 3 days and 4 hours/day. Increase to 40 participants in Year 2. Anticipating outside groups will also rent time for summer and holiday camp. Included in facility rental revenue.
44		Summer Volleyball Camps	4%		6,750	7,763	8,384	8,803	9,243	Projection for Year 1. 3 camps per Year: Average 30 participants @\$75/camper for 3 days and 4 hours/day. Increase to 40 participants in Year 2. Anticipating outside groups will also rent time for summer and holiday camp. Included in facility rental revenue.
45										
46		CAMP/CLINIC PROGRAMS SUBTOTAL	14%	0	25,500	29,325	31,671	33,255	34,917	
47										
48		Tournaments								
49										
50		In House City tournaments								Most tournaments are run by outside user groups. In-house tournaments are casual entry level/rec level tournaments and
51		Tournament Fees and revenue	6%		10,000	11,500	12,420	13,041	13,693	Showing in food concession facility revenue center.
52		Food Concessions	0%							
53										
54										
55		TOURNAMENT SUBTOTAL	6%	0	10,000	11,500	12,420	13,041	13,693	
56										
57										
58		Program Specific Sponsorships and Contributions								Includes cost relieving in-kind donations (VIK) Sponsorships in support of specific programs run by the Courts
59		Sponsorships	2%		5,000	5,000	5,000	5,000	5,000	In support of Specific Programs: Tournaments, Leagues, Clinics, Pickle Ball, etc.
60		Advertising	0%							In support of Specific Programs-Nothing factored in initially.
61		Annual Fundraising	0%							No annual fundraising factored into projections.
62		Partnerships	0%							Opportunity for corporate health programs/program funding and other partnerships
63		Grant Support	0%							Scholarship Programs and other grant support for programs or individuals not able to afford programs or equipment.
64										
65		SPONSORSHIP/ADVERTISING SUBTOTAL	2%	0	5,000	5,000	5,000	5,000	5,000	

Program Revenue

	A	B	C	D	E	F	G	H	I	J
12		Category	% of Tot(Y2)	Year Zero	Year 1	Year 2	Year 3	Year 4	Year 5	Comments
66										
67		Miscellaneous Income								
68		Other	0%							
69										
70		MISCELLANEOUS INCOME	0%	0	0	0	0	0	0	
71										
72										
73		GRAND TOTAL-INCOME	100%	0	166,780	207,595	226,995	239,916	252,002	

**Marina Sports Center
Profit & Loss Summary**

November 20, 2019

Assumes Sports Center is a stand alone facility. Shared Staff, Services, and Program Support with Aquatic Center are not initially factored in.

*Year Zero is the period between closing of existing center through opening of renovated Sports Center

EXPENSES	*Year Zero	Year One	Year Two	Year Three	Year Four	Year Five
OPERATIONAL EXPENSES	\$ 139,794	\$ 714,848	\$ 761,746	\$ 770,489	\$ 800,652	\$ 830,212
Utilities	\$ -	\$ 62,100	\$ 63,653	\$ 65,244	\$ 66,875	\$ 68,547
Maintenance	\$ -	\$ 9,000	\$ 12,000	\$ 14,000	\$ 17,350	\$ 20,209
Equipment and Supplies	\$ 8,500	\$ 9,500	\$ 14,213	\$ 18,430	\$ 20,241	\$ 21,060
Staff Costs	\$ 127,794	\$ 578,248	\$ 615,151	\$ 615,823	\$ 637,901	\$ 660,786
Outside Services	\$ 1,000	\$ 42,000	\$ 43,050	\$ 44,126	\$ 45,229	\$ 46,360
General Office	\$ 2,500	\$ 9,000	\$ 8,680	\$ 7,865	\$ 8,055	\$ 8,251
Miscellaneous	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
PROGRAM EXPENSES	\$ 5,000	\$ 52,870	\$ 64,362	\$ 68,951	\$ 72,137	\$ 75,516
Community and Educational Programs	\$ -	\$ 5,522	\$ 6,275	\$ 6,737	\$ 7,049	\$ 7,377
Training, Fitness, and Therapy	\$ -	\$ 29,243	\$ 38,091	\$ 41,058	\$ 43,150	\$ 45,379
Leagues: In-House	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Camps and Clinics	\$ -	\$ 13,105	\$ 14,996	\$ 16,156	\$ 16,939	\$ 17,760
Tournaments: In-House	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Concessions & Food	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
INSURANCE		\$ 22,500	\$ 23,175	\$ 23,870	\$ 24,586	\$ 25,324
OPERATING LINE OF CREDIT-DEBT SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ 144,794	\$ 790,218	\$ 849,283	\$ 863,310	\$ 897,375	\$ 931,052

REVENUE

FACILITY REVENUE	\$ -	\$ 677,091	\$ 814,456	\$ 867,945	\$ 951,390	\$ 986,947
Educational, Camps and Clinics	\$ -	\$ 51,090	\$ 56,963	\$ 61,678	\$ 64,357	\$ 67,170
Court Rental: Clubs & Training	\$ -	\$ 200,625	\$ 228,750	\$ 247,500	\$ 256,500	\$ 261,714
League Rental	\$ -	\$ 52,800	\$ 66,000	\$ 67,980	\$ 70,019	\$ 72,120
Tournaments & Events	\$ -	\$ 31,950	\$ 36,613	\$ 38,043	\$ 86,819	\$ 90,261
Sales	\$ -	\$ 16,800	\$ 17,304	\$ 17,823	\$ 18,358	\$ 18,909
Memberships & Daily Use Fees	\$ -	\$ 310,526	\$ 388,877	\$ 408,320	\$ 428,736	\$ 450,173
Facility Sponsorships/Advertising/Contributions	\$ -	\$ 13,300	\$ 19,950	\$ 26,600	\$ 26,600	\$ 26,600
Public Entity Use	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PROGRAM REVENUE	\$ -	\$ 166,780	\$ 207,595	\$ 226,995	\$ 239,916	\$ 252,002
Community and Educational Programs	\$ -	\$ 10,800	\$ 12,420	\$ 13,414	\$ 14,084	\$ 14,788
Training, Fitness and Instructional Programs	\$ -	\$ 79,000	\$ 103,750	\$ 112,050	\$ 117,901	\$ 124,136
Leagues: In-House	\$ -	\$ 36,480	\$ 45,600	\$ 52,440	\$ 56,635	\$ 59,467
Camps and Clinics	\$ -	\$ 25,500	\$ 29,325	\$ 31,671	\$ 33,255	\$ 34,917
Tournaments: In-House	\$ -	\$ 10,000	\$ 11,500	\$ 12,420	\$ 13,041	\$ 13,693
Program Sponsorships/Advertising/Fundraising	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL INCOME	\$ -	\$ 843,871	\$ 1,022,051	\$ 1,094,939	\$ 1,191,306	\$ 1,238,949
NET OPERATING REVENUE (DEFICIT) WITHOUT DEBT SERVICE	\$ (144,794)	\$ 53,653	\$ 172,768	\$ 231,629	\$ 293,931	\$ 307,897
COST RECOVERY OF ANNUAL OPERATING EXPENSES		107%	120%	127%	133%	133%

DEBT SERVICE-Capital Costs

NET OPERATING REVENUE (DEFICIT) WITH DEBT SERVICE

LONG TERM REPLACEMENT & MAINTENANCE FUND

Annual Contribution or Budgeted set aside	\$ 10,000	\$ 25,000	\$ 40,000	\$ 50,000	\$ 65,000
Fund Accrual: First 5 Years	\$ 10,000	\$ 35,000	\$ 75,000	\$ 125,000	\$ 190,000
10 Years					\$ 570,000
20 Years					1,370,000

November 25, 2019

Item No. **11a**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of December 3, 2019

CITY COUNCIL TO CONSIDER ADOPTING RESOLUTION NO. 2019-, RECEIVING A PRESENTATION AND PROVIDE COMMENTS ON THE DRAFT REPORT AND FINANCIAL ANALYSIS FOR THE SPORTS CENTER AND RECEIVE AN UPDATE ON THE DRAFT AQUATIC CENTER PLAN

REQUEST:

It is requested that the City Council:

1. Adopt Resolution No. 2019-, receiving a presentation and provide comments on the draft report and financial analysis for the sports center and receive an update on the draft aquatic center presentation.

BACKGROUND:

In June 2005, the City of Marina adopted a Parks and Recreation Facilities Master Plan. The Plan adopted a mission statement that says, "The City of Marina is committed to establishing and maintaining facilities, parks and services that enhance the quality of life for all ages, cultural origins and abilities." The Plan identified key goals pertaining to parks and recreation facilities and included: developing a centrally located recreation center complex for use by Marina citizens that includes an indoor swimming pool, gymnasium, basketball court, volleyball, and racquetball courts. (Goal 2; Objective 2-2). The Plan also established a goal to develop adequate level of funding for parks and recreational facilities now and in the future. (Goal 6; Objective 6-1, Policy 6-1).

A survey was conducted at that time and distributed to 4,500 homes. Approximately 321 people responded to the survey and 85% wanted a centralized recreation center, with an indoor pool as the highest rated use at 50%, followed by indoor gym, volleyball and racquetball at 40%.

In 2009, the City developed a Parks and Recreation Facilities Strategic Implementation Plan to provide a guiding document for strategic implementation for siting, constructing, and programming of the City's parks and recreation facilities. This Plan had a goal to create a unified city by linking Central Marina with Southern and Northern Marina as the City grows and develops and a key component of this was to develop a quality recreation complex to accommodate recreation programs for people of all ages. The Plan recommended that the highest priority be placed on the following parks and facilities to augment the existing system:

1. Sports Complex with indoor swimming pool, gymnasium and fitness center
2. Athletic Fields Complex - with baseball, soccer fields, fitness course and concession stand.

This Plan identified various funding options to develop these facilities and parks.

- Impact fees
- General Fund (unallocated fund balance)
- Grants and corporate sponsorships
- Certificates of Participation
- Bond financing
- School joint use agreements
- Public/Private partnerships
- Special District Tax (Mello Roos)
- User fees

After 1994 when the former Fort Ord military base closed, the former military indoor pool and the adjacent gym building west of the intersection of 2nd avenue and 9th street were transferred to the City of Marina. Since that time the pool building has remained vacant and deteriorated over time. The adjacent building was converted into a roller skating arena (Water City Roller Hockey) and has been operated by a private business. Both of these buildings were deteriorating quickly on the outside. In 2014, a grant was secured to put new roofs on both of the buildings, paint the outside, fix broken windows and doors and secure the buildings from vandalism. This was the first step in stabilizing these buildings for future use.

The City Council approved in the budget for fiscal year 2019-2020 a project to analyze the revitalization and renovation of the indoor pool and Water City Roller Hockey buildings. Jeff Katz Architecture (JKA) was hired as the prime consultant for the aquatic and sports center planning and analysis. The JKA team also includes Water Technology Inc, and Isaac Sports Group for the aquatic and financial planning elements of the projects.

The draft aquatic center concepts and financial strategy were presented to the public at an open house and a special City Council meeting on July 23, 2019. Input was received from both the public and the City Council. The aquatic center reviewed by the City Council would cost an estimated \$7 - \$7.5 million to renovate. If this facility were constructed new at a different location it would cost around \$15 million. While the old pool is vacant and unusable at this point, it is a significant asset to the city because its foundation and structure are solid and will allow a renovated indoor pool facility at half the cost of a new building.

The Council directed staff to completed final concepts plans for the aquatic center and to also develop a draft concept plant for a recreation sports complex at the Water City Roller Hockey site along with a proposed financial and funding strategy

ANALYSIS:

The draft sports center report (**EXHIBIT A**) and financial statements (**EXHIBIT B**) have been prepared and are ready for review. The report and financial statement will be presented by staff and consultants.

Input and comments on the draft aquatic center plans have been incorporated and will be presented by staff and consultants.

FISCAL IMPACT:

Funding for the aquatic and sports center studies are included in the Capital Improvement Program budgets for fiscal years 2018-2019 and 2019-2020. Funding for design and construction of and improvement resulting from this planning process will be addressed at future meetings when City Council considers the budget in relation to community priorities.

CONCLUSION:

This request is submitted for City Council consideration and comment.

Brian McMinn, P.E., P.L.S.
Public Works Director/City Engineer
City of Marina

REVIEWED/CONCUR:

Layne P. Long
City Manager
City of Marina