

POULSBO DISTRIBUTION SCHEDULE

RESOLUTION NO. 2023-11

SUBJECT: Poulsbo Event and Recreation Center

CONFORM AS TO DATES & SIGNATURES

- Filed with the City Clerk: 10/25/2023
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- Signature of City Clerk
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Kati Diehl
Deputy City Clerk

11/02/2023
Date

RESOLUTION NO. 2023-11

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POULSBO, WASHINGTON, APPROVING THE PERC FEASIBILITY STUDY DATED JANUARY 2023, DECLARING THE CITY COUNCIL'S INTENT TO DEVELOP PHASE 1 OF THE POULSBO EVENT AND RECREATION CENTER THROUGH PARTNERSHIP WITH THE KITSAP PUBLIC FACILITIES DEVELOPMENT AGENCY, AND TO PURSUE IMPLEMENTATION OF PHASE 2 AND 3.

WHEREAS, The Olhava Master Plan Land Use Site Plan July 1995, included a community park site to satisfy the City's required park mitigation of the proposed residential and commercial uses; and which this park was identified in the Olhava Master Plan draft and final Environmental Impact Statement; and

WHEREAS, upon the expectation of the community park site to be deeded to the City, the Poulsbo Park Commission recommended, and City Council identified ball fields as the preferred park use for the Olhava park land mitigation, identifying "Olhava Ballfields" on the City's 6-year Capital Improvement Program (CIP) beginning in 2000; and

WHEREAS, First Western Development deeded the park property to the City in 2009; and

WHEREAS, while the Olhava Ballfields were identified on the City's 6-year CIP consistently over the years, the City did not have adequate funding to develop the property into ballfields; and

WHEREAS, in 2018, the Kitsap Public Facilities District (KPFDD) announced a call for proposals for public agencies for regional events, sports and recreation facilities; and

WHEREAS, the KPF D is authorized to provide project funding for public facilities that provide economic impact, benefit the residents and communities of Kitsap County, are greater than \$10 million in total value, and have matching funds from a public partner of no less than one-third of the project value; and

WHEREAS, on December 31, 2018, the City submitted a proposal to KPF D for an event and recreational facility that consistent of two multi-purpose turf fields and an event and recreation building; and

WHEREAS, on March 11, 2019, the City presented to the KPF D Board of Directors the components of the two multi-purpose fields and event/recreation facility, its fulfillment of the Olhava Master Plan, and the economic uplift opportunity within the developing College Marketplace; and

WHEREAS, on July 29, 2019, the KPF D ranked the PERC second out of seven projects and the KPF D Board directed their attorney to begin working with the City to develop an Interlocal Agreement (ILA) with scope and funding; and

WHEREAS, on December 4, 2019, the KPF D and City of Poulsbo entered into an ILA in which the KPF D funded \$243,900 for the City to conduct a feasibility study for the PERC. The ILA identified that the feasibility study would include: Community Outreach, Market Analysis, Concept Plan/Location and Financial Analysis; and

WHEREAS, the City mobilized in early 2020 to issue requests for proposals for professional consultant services to prepare the different elements of the PERC feasibility study; and

WHEREAS, in October 2020, the City hosted an online community preference survey to gauge community interest and preferences on indoor recreation, outdoor recreation, recreation programming and events; and

WHEREAS, the City convened a PERC Community Steering Committee January 2021 made up of Poulsbo community leaders, members and volunteers who met eight times and advised the City and the PERC consultants during the development of the feasibility study;

WHEREAS, the City hired BERK Consulting to conduct research and prepare a market analysis to understand the local and regional demand for PERC components; and

WHEREAS, BERK Consulting's market analysis conclusions are summarized as follows: Aquatic Centers has strong community interest but that indoor aquatics is a saturated market and would be difficult to complete with nearby aquatic facilities and outdoor recreation pool potentially feasible; Tournament Fields was found to be feasible with two on site and combined with other turf fields into a marketing package; and Event Spaces were found to be potentially feasible if designed as adaptable multi-use facilities that can support niche market; and

WHEREAS, the City hired ARC Architects and Bruce Dees and Associates Landscape Architects to work with the City and PERC Steering Committee to evaluate the feasibility of building sports fields with outdoor and indoor recreation facilities; and

WHEREAS, ARC Architects met with the PERC Steering Committee from June-November 2021 and identified three site and building options that could be sited on the PERC site; and

WHEREAS, the three site options were: 1) two tournament turf fields and park amenities; 2) one tournament field, recreation building and outdoor pool north/south

orientation; and 3) one tournament field, recreation building and outdoor pool east/west orientation; and

WHEREAS, the three building options were: Small: 29,000 square feet with high school sized gym, recreation rooms, offices, event space for 200 people; Medium: 46,000 square feet with high school sized gym, recreation rooms, offices, event space for 300 people; and Large: 70,000 square feet with NBA sized gym, indoor pool, recreation rooms, offices, event space for 450 people; and

WHEREAS, the 2021 preliminary cost estimates were \$8-10M for two tournament fields, \$30M for medium sized building with outdoor pool and one field, and \$45M for medium building with indoor pool and one field; and

WHEREAS, based ARC's site evaluation, additional land acquisition would be necessary to realize all PERC desired elements; and

WHEREAS, the PERC Steering Committee recommended considering developing the PERC in phases and to pursue additional land acquisition; and

WHEREAS, the PERC proposal was organized into three phases that represent the elements from the community survey, Market Analysis results, Site Evaluation results and PERC Steering Committee input: Phase 1: Two Tournament Fields w/outdoor recreation elements (walking circuit, sports courts, playground, parking/landscaping); Phase 2: Flexible event/meeting space and classrooms to host varied-sized community events, recreation gym and support to OC/WWU campus; and Phase 3: Outdoor warmwater recreation pool with resort-type features; and

WHEREAS, the City began development in 2022 of the PERC feasibility study evaluating the three-phased approach and included management and maintenance considerations, identified estimated expenditures and revenue analysis, operations impacts, and financial analysis; and

WHEREAS, the PERC Feasibility Study was released January 2023 which recommends moving forward with Phase 1 Tournament Fields and outdoor recreation amenities with KPFD as a funding partner; and

WHEREAS, the Phase 1 two turf tournament fields and outdoor amenities is estimated at \$11.7M cost; and

WHEREAS, the KPFD has communicated to the City that its financial modeling indicates that it can fund 67% of the Phase 1 full cost but its commitment to other regional partners would limit its funding for Phase 2 and 3; and

WHEREAS, the PERC Steering Committee met March 30, 2023 and recommended the phased approach with two tournament fields and outdoor amenities be Phase 1 with KPFD funding; and

WHEREAS, the Poulsbo City Council held a workshop in April 19, 2023 to be fully briefed on the PERC process and phased approach; and

WHEREAS, the Poulsbo City Council had several questions and requests for additional information from staff on the Feasibility Study at the conclusion of the April 19, 2023 workshop; and

WHEREAS, the Poulsbo City Council held a second workshop on August 16, 2023 for staff to answer the questions and requests for additional information from the April 19, 2023 workshop; and

WHEREAS, the Poulsbo City Council requested the PERC financial obligation be discussed in the context of the City's other capital projects and financing, and two workshops were held on September 13 and October 4, 2023 to discuss City revenue sources and capital project prioritization; and

WHEREAS, the Poulsbo City Council reached consensus at the October 4, 2023 workshop and will include the PERC Phase 1 in the City's 2024-2026 capital projects budget,

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF POULSBO, WASHINGTON, HEREBY RESOLVE AS FOLLOWS:

Section 1: **PERC Feasibility Study.** The City Council approves the PERC Feasibility Study, dated January 2023, attached as Exhibit A and incorporated herein.

Section 2: **PERC Feasibility Phases 1, 2 and 3**

1. It is the City of Poulsbo's intent is to develop Phase 1 of the Poulsbo Event and Recreation Center with the Kitsap Public Facilities District as its funding partner, with the KPFD providing 67% of the Phase 1 funding, and the City of Poulsbo with 33% of the funding.

2. Based on the PERC Feasibility Study preliminary cost estimate for Phase 1 is \$11.7M; the funding split is estimated at KPFD \$7.84M and City at \$3.86M.

3. The City of Poulsbo will seek grant assistance for Phase 1 and it will be used for the City's 33% funding portion in 2024. The City will also seek additional available methods to contribute to the funding of PERC Phase 1.

4. PERC Phase 1 final cost estimates will be developed upon preparation of final design and/or plans, specifications, and estimate. Depending on the cost estimate

or anticipated operational costs, secondary recreational elements identified in Phase 1 may be modified by the City. The project must be a minimum of \$10M as required by state statute.

5. The City understands that upon construction, it is the City's responsibility to own and maintain the PERC site.

6. The City Council intends to seek opportunities for implementation of PERC Phase 2 (recreational facility) and 3 (outdoor recreation pool).

7. Additional land acquisition is necessary, and the City Council directs staff to evaluate additional parcels that may be suitable for the facilities identified in Phase 2 and Phase 3.

8. The City acknowledges that funding source(s) other than the KPFDF is necessary for Phase 2 and 3.

9. The City acknowledges that voted bonds or a metropolitan park district will be necessary to fund and operate Phase 2 and 3, and this would necessitate additional action(s) by the City Council.

10. The City Council intends to continue to work with community agencies, specifically Olympic College and Western Washington University, in their plans to expand its collegiate degree offerings. The City Council acknowledges that Phase 2 Recreation and Event facility would significantly support, complement, and forward the strategic plans of both colleges. The City Council wishes to participate and partner with OC and WWU on Phase 2 as opportunities present themselves.

Section 3: Direction

1. The City Council directs staff to forward the Poulsbo Event and Recreation Center with Kitsap Public Facilities District as the City's funding partner.

2. The City Council directs staff on the following:

a. Coordinate with the Kitsap Public Facilities District to draft a new ILA that requests funding of \$1.7M to complete the following:

- Phase 1: Topographic survey, geotechnical investigations, land use and environmental permitting, completion of civil site improvement/utility plans, architectural building design, preparation of 30/60/90/100 plans, specifications and estimate, project management and development of bid documents.

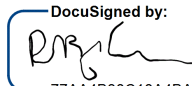
- Phase 2 and 3: Additional feasibility analysis including: finalization of facility programing and size; operations evaluation and staffing; facility management analysis; maintenance analysis; cost estimate for building construction; and financial revenue and expenditure analysis for O&M. This additional analysis will not be tied to a specific parcel/site, and is intended to be utilized when additional land acquisition is made, and the two phases can be forwarded.

b. The City intends during the time that Phase 1 development of plans, specifications and estimate is occurring, to coordinate and finalize with the KPFD to: a) identify the preferred bonding structure, b) final funding split amounts, and c) action for the construction funding of the PERC Phase 1 project. The funding structure will necessitate additional action by the City Council.

Section 4: **Effective Date.** This resolution shall take effect immediately upon passage.


RESOLVED this 1st of November, 2023.

APPROVED:

DocuSigned by:

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MAYOR, REBECCA ERICKSON

ATTEST/AUTHENTICATED:

DocuSigned by:

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CITY CLERK, RHIANNON FERNANDEZ, CMC