

MEMORANDUM

To: Mayor and City Council
From: Rich Rosenthal, Parks, Recreation and Facilities Director
Date: November 7, 2019
Subject: Aquatics and Events Center FAQ

Purpose

This memo furnishes answers to questions that have or may arise regarding Jackson Aquatics Center and the Aquatics and Events Center concept.

1. Why are Grants Pass and Ashland spending far less than \$7 million (the amount estimated to replace Jackson Aquatics Center) to address their old outdoor seasonal swimming pools?

The repair cost for the Grants Pass “Caveman” seasonal pool tank (at least \$1 million, currently unfunded) and the potential widening and deepening of Ashland’s “Meyer” seasonal pool (\$2.6 million) are not apples-to-apples comparisons to what would be necessary for the outdated Jackson Aquatics Center, which would involve demolition, rebuilding the bathhouse, replacing the pool deck, and updating all mechanical systems.

From a usefulness perspective, the 60-year-old Jackson facility doesn’t come close to meeting the community’s aquatics needs; repairing and bringing the entire facility in its current antiquated operational configuration up to code also won’t adequately address current deficiencies, future needs and citizen expectations.

The \$7 million number associated with Jackson represents today’s estimated cost of building what was proposed in the 2012 bond, which was \$4.9 million at that time. The difference reflects 57 percent cost escalation over the past seven years.

2. Why not address the need for a new aquatics facility by rebuilding Jackson Aquatics Center?

At its Jan. 29, 2019 study session regarding indoor recreation facility needs, City Council directed staff to pursue an aquatics facility (along with some interest in a combination aquatics and events center) that best addresses current aquatics deficiencies, which is quantified as a facility much larger than Jackson Aquatics Center.

In terms of current capacity, Jackson has 4,200 square feet of aquatics space that accommodates a capacity of 200 swimmers per swim session. The current aquatics space

deficiency is 12,612 square feet. Consequently, replacing or even enlarging Jackson would not adequately expand pool capacity to meet current and future needs of a city in excess of 82,000 residents.

3. How do you know how much aquatics space is adequate?

The City Council-approved Leisure Services Plan, which is adopted into the city's Comprehensive Plan, establishes level-of-service goals for recreation facilities. Historically, the City's desired level of aquatics space service is 216.5 square feet per 1,000 residents, a deficiency of 12,612 square feet, an area roughly equivalent to an Olympic-sized pool. At 4,200 square feet, Jackson is presently Medford's only public pool.

4. Question: Why not build multiple neighborhood swimming pools for less money than one large facility?

Building multiple neighborhood swimming pools similar in size to Jackson would not provide venues large enough for year-round swim needs that provide economic stimulus and improve cost recovery. Although it is possible the construction cost may be lower than the proposed Aquatics and Events Center, the ongoing operational costs of staffing, supervising and maintaining multiple aquatics facilities would result in lower cost recovery margins and a heavier reliance on General Fund subsidies.

5. What are the benefits of the Aquatics and Events Center?

The Aquatics and Events Center would benefit Medford in countless ways, most notably:

- Providing healthy activities and recreation that improve the lives of residents.
- Providing water safety skill development programs in a region with considerable numbers of creeks, rivers and lakes.
- Enhancing Medford's quality of life that supports a healthy tax base and attracts businesses.
- Providing a state-of-the-art regional venue that will attract visitors and generate economic stimulus for Medford citizens and businesses, similar to what U.S. Cellular Community Park does.
- Serving as a large and versatile space, including a potential site for emergency preparedness and a venue for events that cannot take place in smoky conditions.

6. What is the evidence of community support for the Aquatics and Events Center?

The Parks, Recreation and Facilities Department conducted major community surveys in Summer 2015 and December 2018 that indicate a majority of residents support development of recreation facilities, and particularly aquatics.

The 2018 statistically valid survey representing 1,351 Medford residents (with a +/- 4 percent margin of error) revealed 70% of respondents support construction of a municipal recreation facility, and 82% are inclined to vote in favor of an increase to the Park Utility Fee to build it.

The 2015 survey representing 1,854 residents, which formed the basis of goals and objectives of the 2017 Leisure Services Plan, indicated 83% support a new aquatics facility and the Park Utility Fee as the preferred funding mechanism.

7. Medford voters rejected aquatics facilities bond measures four times. Why should the City of Medford continue to pursue indoor recreation facilities?

Medford has an acute shortage of aquatics and indoor recreation spaces for a city of its size (82,000). The City has not built a new aquatics facility since 1960, when the population was 24,425 residents, and if Jackson Aquatics Center is unable to open, Medford will not have a public aquatics facility.

Voters rejected property tax-based pool replacement bond measures in 1971, 1988, 1998 and 2012, but post-election polling following the 2012 election indicated support of an aquatics facility but an aversion to property taxes as the primary funding mechanism.

8. Why is the Event Center a priority?

Much like its aquatics space deficiency, Medford is also acutely deficient in gymnasium space. The city's desired level of service is one gymnasium per 1,700 residents, representing a deficiency of 19 full-size basketball courts.

The Event Center potentially addresses this need with a capacity for eight full-size courts in a versatile 90,000-square-foot configuration that would be capable of hosting multiple simultaneous recreation activities along with trade shows, meetings, and other events currently unable to be held in the Rogue Valley due to the lack of suitable venues.

The Event Center could also serve as an emergency shelter in the event of evacuations and a site where outdoor events could be relocated in smoky conditions.

9. How will Medford pay for the Aquatics and Events Center?

The projected facility cost is between \$56.9 and \$60.7 million. Three primary funding mechanisms for debt service are a two percent increase to the Transient Lodging Tax (TLT); expanding the Airport Car Rental Tax to apply citywide; and a \$2.40/month increase to the Park Utility Fee (PUF).

An increase to the TLT requires voter approval or a voter-approved change to the City Charter to authorize TLT modifications through direct Council action. Staff operate under the assumption this issue will be vetted as part of the Charter review process for placement on the May 2020 ballot.

The 2017 parks refunding bond will mature in 2025, and the City has an opportunity to refund this bond early and include it in the Aquatics and Events Center bond. The additional cost per year for refunding the 2017 bond early would be \$290,000, and the annual savings through 2025 would be approximately \$1.6 million per year.

10. When would the Aquatics and Events Center open?

Assuming funding mechanisms are approved by June 2020, the soonest the facility could open is late 2022 or early 2023. Engineering, site preparation and construction would take about three years.

11. How much would aquatics admission fees cost?

The admission fees for residents and non-residents would be established based on a cost recovery policy vetted through the City's biennial budget process. For example, if the City seeks an 85 percent cost recovery rate from Aquatics and Events Center operations, admission fees and rental rates would be set to best achieve that goal.

Daily admission fees for indoor aquatics facilities in Oregon range from \$3 for youth to \$8 for adults, with monthly and annual passes typically available. Admission fees would be higher for non-residents.

12. Why is the size of the proposed competitive aquatics tank 33 meters in length instead of 25 or 50 meters (Olympic size)?

According to the City's aquatics design consultant, the 33-meter size is optimal for water polo meets and for local, state and regional competitive swim needs. Building a 50-meter pool would not add additional functionality justifying the higher construction and ongoing maintenance costs.

13. If the Aquatics and Events Center is built, what would happen to Jackson Aquatics Center?

Jackson Aquatics Center is entering its 60th year, and assuming Facilities staff are able to keep it operational this summer and beyond, it would be closed once the new facility opens. The maintenance and recreation resources for aquatics would then shift to the Aquatics and Events Center.

14. Why is the Howard Memorial Sports Park the preferred location for the Aquatics and Events Center?

The Howard Memorial Sports Park is the optimal location compared to Hawthorne Park, Bear Creek Park and Fichtner-Mainwaring Park because it is:

- Situated along major arterials near a freeway exit
- Close to commercial services
- Large enough of a space to easily fit the 163,000 square feet of building space and over 600 parking stalls
- Has enough acreage for future facility expansion