

I have reviewed the proposed land swap and use agreements between the City and the YMCA contained in agenda items #19-00273 and #19-00274 for the purpose of evaluating the financial impact for the City. I found that there is incomplete information provided in that regard and recommend additional information and financial analysis be performed prior to deciding on an issue as important as deeding city land assets. Specifically:

- The financial impact section of item 19-00273 (Property Exchange) compares appraisals of the two land parcels to be exchanged, citing a \$324,000 difference that would be in the City's favor, however, the appraisal for the current city property acknowledges that there were no actual boundaries provided for the property appraised. Additionally, the appraisal of the YMCA property at \$520,000 is based heavily on the existing building and pool on the property, and that they are assumed to be in good condition, which appears to be counter to the intent of this transaction which is for the YMCA to abandon this old facility and for the City to raze it and make playing fields. The value of the leased cell phone tower and its revenue generating capacity is not included in this assessment and is retained by the YMCA.
- The financial impact section also indicates that all agreed to improvements (parking, playground, new sign, etc.) are already contained in LOST projects designated for the Roger Scott Athletic Complex. The actual LOST approved projects referred to are not enumerated and are not easily ascertained based on the descriptions provided in the current 2019 budget:
  - o Roger Scott Tennis Court renovations- (2019) \$1,171,975 (tennis court reconstruction)
  - o Roger Scott Swimming Pool – (2020) \$100,000 (shower & locker rooms)
  - o Roger Scott Athletic Complex – (2022) \$100,000 (fencing, dugouts, storage building)
  - o Vickrey Center – (2019) \$315,000 (2021) \$\$200,000 (windows, flagpole light, intercom, *playground*)

Please indicate what approved funding will provide the indicated improvements in the agreements?

- The agreement indicates the City will construct a stormwater holding pond. Is this a current stormwater project or will it be added to that program? What is the cost? (not listed in stormwater projects)
- There is no breakdown of the impact on the operating budget for the current Vickrey Center and Roger Scott complex. The item provides that the YMCA will pay \$2000/month for the facility use, and that the city will pay for all maintenance, janitorial and utility costs. What is the projected impact of this use agreement on the operating budget for the Vickrey Center? Roger Scott Complex? What are the current costs and how are they expected to change with the new center uses? How will the use agreement change the required city staffing of the center? How will the change in programs change the use fees for the city?
- Was leasing the land within the Roger Scott complex and paying market value for the YMCA property at Langley RD. considered as an option?
- \$1.2M of LOST funding was approved for a soccer complex at Mallory Heights. \$10,311 of this was spent in 2018. Was this spent on Mallory Heights plans? With the need to raze the existing building complex and additional promised improvements to Hitzman Park, is the remaining \$1,189,689 funding authorized for the Mallory soccer complex going to be adequate to build the complex at Hitzman?

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**Subject:** YMCA proposed land exchange and use agreement Agenda Items

Council Members, I have reviewed the proposed agenda items for the land swap and use agreements with the YMCA and found the information provided to be incomplete for determining the financial impact on the City for both capital improvement budgets and operating budgets. The attached provides details on specific information and questions that would help clarify the financial impact.

Sincerely, Butch

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