

March 12, 2018

CITY COUNCIL STUDY SESSION ITEM

SUBJECT

Aquatic Center Update

STAFF CONTACT

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Parks and Community Services Department

POLICY ISSUES

Comprehensive Plan:

- PA-3. Equitably distribute a variety of parks, community centers and other indoor and outdoor recreation facilities throughout the City.
- PA-8. Develop partnerships with other public agencies and the private sector to provide parks, open space, and cultural and recreation facilities in the City.
- PA-15. Encourage the development of facilities for special purpose recreation.
- PA-25. Promote partnerships with public and private service providers to meet cultural, recreational, and social needs of the community.

In addition, the 2016 Parks & Open Space System Plan identified an opportunity for regional and private partnerships to help build and operate a competitive aquatics facility to serve the eastside. Finally, an aquatics facility would address several strategic target areas of Council's adopted vision: great places where you want to be, economic development, regional leadership, and high quality built environment.

DIRECTION NEEDED FROM COUNCIL

ACTION



DIRECTION



INFORMATION ONLY



Staff seeks direction on whether to continue to evaluate alternatives for the development and operation of aquatic facilities in Bellevue and the Eastside, utilizing up to \$250,000 in Council CIP Contingency (CIP Plan No. G-107). This investment will more precisely define scale, scope and location options for aquatic facilities, finalize partnership alternatives, and develop a framework for capital and operating funding information necessary to assist Council in determining whether, and under what circumstances, to proceed with an Aquatic Center. Council could also conclude to take no further action.

BACKGROUND/ANALYSIS

Built in 1970, the existing Bellevue Aquatic Center has served Bellevue's 140,000 residents for nearly 50 years, but it's age and capacity is inadequate to meet the current and future demand for aquatic programming in Bellevue. The City is in an exploratory phase to evaluate alternatives and partnerships to develop a new, year-round aquatic facility that considers the full-range of activity and demographic market segments associated with contemporary, state of the art aquatic facilities (Attachment A).

In 2006, the City was approached by a local non-profit organization, Swimming Pools for Leisure, Active Sports, and Health (SPLASH), whose mission was to advocate for the development of aquatic facilities to meet the needs of the region. As part of the 2007-2008 budget, Council approved funding to complete a feasibility study for a new aquatic facility. Currently, an aquatics group called SplashForward is similarly advocating for a comprehensive, state-of-the-art community aquatics center.

The 2009 study (Attachment D) 1) explored a range of facility options with estimated financial performance; 2) analyzed the current aquatic market; 3) conducted a preliminary site analysis; and 4) explored a range of financing options. A public outreach effort included stakeholder meetings, focus groups and a public interest survey.

The study was presented to Council in March 2009. Council expressed support for a high profile, comprehensive aquatic facility (Option D: Regional Aquatic Center) and directed staff to explore regional partnerships with adjacent cities, school districts and King County. Staff reported back to Council in early 2010 that, after a thorough review, these potential partners were not prepared to pursue a project at that time. Because of the general lack of partner interest coupled with the severe impacts of the recession, Bellevue ceased further exploration of aquatics alternatives.

Since 2010 the cities of Redmond and Kirkland independently did work exploring aquatics alternatives. The City of Redmond recently completed a comprehensive public recreation facilities study and in 2015 the City of Kirkland's aquatic center ballot measure failed.

In 2017, King County Parks convened a process to explore the viability of a regional approach for filling the aquatic facilities gap on the Eastside. King County Councilmember Claudia Balducci secured an appropriation of \$2M to work toward a regional solution. This process is not complete and all parties continue to meet.

On May 1, 2017, staff presented the aquatics issue to Council and were directed to continue to evaluate both a regional alternative and a Bellevue option (Attachment B, C). This work would also include exploring additional public/private partnerships and identifying potential locations. City staff have been reviewing the aquatic needs within Bellevue and the region, participating in the King County process, exploring potential partnership opportunities, and identifying potential sites. Following is a summary of work in those areas to date.

King County Regional Process

Since the last Council update, the cities of Kirkland, Redmond, Bellevue, and King County have continued to meet to share respective interests and explore regional partnership opportunities. This effort builds upon the research and public outreach each City has conducted on the supply and demand for a variety of recreation facilities and for aquatic facilities specifically. For aquatics, the findings similarly note the inadequacies of current facilities to meet the need for high demand aquatic programs. It is also clear that the competitive aquatics community is regional and highly mobile, with a high concentration of participation from Eastside cities. It is also valuable to examine the economic development impact of high profile, state of the art aquatics facilities of regional significance to further the Destination Tourism interests of Bellevue and the greater Eastside. Because of these commonalities, there might be synergies

among aquatic interests which might lead to a better coordinated and enhanced facility development and programming effort for the region.

Because of the complexities involved in a regional approach, multiple funding and operating options would be looked at, including a combination of funding. These options could include voter-approved levies and bonds, councilmanic bonds, revenue bonds, grants, and private/public partnerships. For example, one alternative discussed is the formation of a Metropolitan Park District to fund the construction and operation of multiple aquatic facilities. In this model, voters in each City would be asked to approve the formation of a special taxing district to construct and operate multiple aquatic facilities that collectively serve the population of the district.

The regional group is in the process of identifying potential sites for multiple facilities and more precisely defining what aquatic elements would be featured in each site. The next step in this process is for each City and King County to execute a Memorandum of Understanding (MOU) which outlines the tasks to finish this work. In general, the work would merge the independent effort of the parties into a collaborative facility and program plan with recommendations for governance and funding.

Bellevue Partnership Interests

In addition to the regional collaborations discussed above, partnerships to build and operate an aquatic facility have been encouraged with private non-profit organizations and private for-profit companies. The viability of partnerships can be evaluated based on whether they enhance the likelihood of meeting the current and future demand for aquatic facilities and programs. Partnerships should be consistent with and support the underlying principle of universal public access. Program capacity should be distributed equitably and fee structures should not pose a barrier to public participation.

Since the May 2017 Council presentation, staff has explored potential partnerships with the following groups, but additional work in this area is still warranted:

- The Bellevue School District (BSD) recently submitted a letter of interest to the City of Bellevue to meet the needs of their student athletes. It is expected that capital contributions would come through a future Bellevue School District capital levy.
- Bellevue College has expressed an interest in the possibility of siting an aquatic facility on their campus as a means of enhancing student services and exploring potential curriculum programs around health and wellness.
- There have been preliminary discussions with several health care providers exploring potential partnerships for the warm water therapy pool and wellness/fitness/rehabilitation components of a comprehensive aquatic center. Some initial feedback suggests that there needs to be more specificity about the scale, scope and location of an aquatic center and clarity about the process and timing for public investments.
- The City remains open and interested in pursuing public-private partnerships that directly advance the goal of an Aquatic Center. Specific examples include co-locating an ice skating facility on public land or partnering with the YMCA on building and/or operating a facility.
- Staff anticipates strong interest from national, state and regional competitive aquatics organizations. It is believed that this project advocacy might generate additional partnership opportunities beyond those described above.

Site Needs/Locations

Based on the 2009 Bellevue study, approximately 4-7 acres are needed to develop a comprehensive aquatic facility. This estimate ranges from approximately four acres with structured parking to seven acres with surface parking. The following sites were reviewed for suitability:

- Hidden Valley Park—a City-owned park that was subsequently redeveloped in partnership with the Boys & Girls Clubs of Bellevue.
- Airfield Park (formerly Eastgate Area Property)—a City-owned future park parcel whose development was included in the 2008 Bellevue Parks & Natural Areas Levy. The City is currently working toward a master plan including an athletic complex and general outdoor recreation facilities.
- Marymoor Park (King County)—Refers to the larger County regional park.
- Marymoor Park (Bellevue Utilities)—Refers to the site which contains three ballfields. Use of this site would require fair market value compensation.
- SE Eastgate Way Parcel—a King County-owned former Park-n-Ride site.
- Highland Park—a City-owned park adjacent to the Bellevue Family YMCA.
- Bellevue College Campus—the Bellevue College updated master plan reserved space for a community partnership and college officials have indicated a willingness to explore this idea fuller.
- Bel-Red Corridor Study Area—not a specific site, but this location was evaluated as part of the long-range land use and transportation vision.

The above sites were each evaluated for the following criteria: location to population, relationship to other facilities, convenience, site cost and ownership, size and capacity for expansion, zoning/land use, constructability, utilities availability, and partnership potential.

No significant work has been done since the 2009 study to analyze the viability of these sites either for Bellevue's needs alone or in collaboration with a regional approach. While several of these sites remain logical candidates at this point, it is expected that other sites will emerge as the process continues. Kirkland, Redmond and King County are also in the process of identifying other potential sites that would work either for their own needs or in collaboration on a regional approach.

Next Steps

City staff have been exploring options for an Aquatic Center for over a decade, during which time the lack of new facilities and continued population growth has only increased pressure for a solution. While the path toward a specific approach remains unclear, staff recommends we continue to participate in the King County regional process, including approval of a MOU, and continued exploration of partnership opportunities. While there is currently more energy and interest in collaborating on common interests than prior years, we believe that more time is needed for the ideas to evolve and become better clarified.

Staff seeks direction on whether to continue to evaluate alternatives for the development and operation of aquatic facilities in Bellevue and the Eastside, utilizing up to \$250,000 in available Council CIP Contingency. This investment will develop more precise information necessary to assist Council in determining whether, and under what circumstances, to proceed with an Aquatic Center, and includes the following tasks:

- Finalize the scale and scope of the program elements and prepare a schematic drawing and architectural rendering.

- Update the estimated capital costs by program element.
- Update the estimated operating cost performance by program element.
- Conduct a site feasibility analysis for several sites (including Marymoor and Bellevue College).
- Propose a financing and operational plan that could include public/private/nonprofit partnerships.
- Prepare communication tools and conduct a public outreach process to include public meetings and presentations.

Not proceeding would likely delay a decision to the upcoming or future budget cycles.

OPTIONS

1. Direct staff to utilize up to \$250,000 in available Council CIP Contingency (CIP Plan No. G-107) to develop more precise information necessary to determine whether Council wishes to proceed with an Aquatic Center including scale and scope, estimated costs, site feasibility, financing and operational plan, and communications and public outreach plan.
2. Do not proceed with additional work on an Aquatics Center and provide alternative direction to staff..

RECOMMENDATION

Option 1

ATTACHMENTS

- A. Bellevue Aquatic Center Concepts
- B. 5-1-17 Council Presentation Agenda Memo
- C. 5-1-17 Council Meeting Minutes
- D. Executive Summary - 2009 Bellevue Aquatic Center Final Feasibility Study

AVAILABLE IN COUNCIL DOCUMENT LIBRARY

Final Draft – Bellevue Aquatic Center Feasibility Study