



STAFF REPORT

SUBJECT: Consideration of Resolution 2023-10, a Resolution of the City Council of the City of Clearlake Approving, Authorizing and Directing the Execution of a Joint Powers Agreement by and Among the City of Clearlake, the City of Lakeport, and the County of Lake to Form the Lake County Recreation Agency.

MEETING DATE: Feb. 16, 2023

SUBMITTED BY: Alan Flora, City Manager

PURPOSE OF REPORT: Information only Discussion Action Item

WHAT IS BEING ASKED OF THE CITY COUNCIL/BOARD:

The City Council is being asked to consider the entering into a Joint Powers Agreement (JPA) with the City of Lakeport and County of Lake to establish a countywide recreation agency.

BACKGROUND/DISCUSSION:

In 2019 a group of interested parties began meeting regularly to discuss the possibilities of improving recreational opportunities in Lakeport. Through the challenges posed by COVID 19, the group continued to meet virtually, and the interest expanded to include interested parties county-wide. This group came together organically and was not officially created by any elected body and has become known as the Lake County Recreation Task Force (LCRTF).

In October 2020, the City of Lakeport assisted the LCRTF in issuing a Request for Proposal (RFP) from qualified consulting firms to conduct and prepare a needs assessment and feasibility study so the LCRTF could determine whether to proceed with planning, funding and creating an indoor/outdoor multi-generational Recreation Center or Centers.

The LCRTF worked with Studio W architects and their subconsultants for the better part of 18 months to complete two phases of a feasibility study that were previously presented to elected bodies in the county and the public. The feasibility work included public input, site selection, development scope, conceptual design, programmatic options, capital and operating cost estimates, management structures and partnership opportunities.

On October 19, 2022, representatives from the City of Lakeport, City of Clearlake and the County of Lake met to receive a presentation from Jones Hall (Bond Counsel) and NHA (Municipal Advisor) on a plan to move the concept forward. At that meeting a consensus was had to hire Jones Hall to assist the jurisdictions with the formation of a Joint Powers Authority (JPA) through a joint power's agreement as well as support for soliciting polling and public research firms to conduct preliminary polling that will guide the next steps. FM3 was selected by a proposal review committee. The City of Lakeport has contracted Jones Hall and FM3 with cost sharing agreements with the City of Clearlake and the County of Lake.

To develop recreation and aquatics centers in our community will require capital and operational financing. LCRTF members have discussed a variety of ways to start to build the capital and operating financing stacks to ensure the completion and successful operation of facilities into the future. Member and partner contributions, state and federal requests, grants, donations, and joint use agreements are a few funding mechanisms necessary to the success of this project.

It is likely that even after a successful campaign to generate funding from the previously mentioned sources a funding gap will exist. An effective method to complete the capital and operational financing stacks would be for the JPA, using the member power, form a Community Facility District (CFD) and place a ballot measure for voter approval of a special tax that could pay for debt service on authorized bonds and operation costs associated with new recreation and aquatics facilities.

DISCUSSION:

The City of Lakeport, the City of Clearlake, and the County of Lake have been discussing the feasibility of placing a revenue measure on the March 2024 ballot to finance recreational facilities. The first step in the process is the formation of a “joint exercise of powers authority” (“JPA” or “Authority”) under California Government Code section 6500, et seq. to manage the process on behalf of the three agencies. The Authority would be a legally distinct and separate entity, with a separate 7-member board of directors that would be responsible for undertaking polling regarding the viability of a local tax measure passing within the jurisdictions of Lakeport, Clearlake, and Lake County; the type of tax measure to place before the voters; the recreational facilities to be acquired and maintained; and related matters.

Each of the City of Lakeport, the City of Clearlake, and the County of Lake would appoint 2 members to the 7-member Board of the JPA, and the final member of the Board would be a member of the public appointed by the other Board members.

The purpose of the Authority is to issue bonds or incur other obligations to finance and refinance capital improvement projects or working capital needed for recreational facilities located anywhere in the County of Lake and operating and maintaining said recreational facilities. The foregoing purpose is intended to be accomplished by placing a revenue measure before the voters in Lakeport, Clearlake, and the unincorporated County at the earliest feasible opportunity. The Authority may also enter into contracts with its members, other local agencies (such as school districts), and private parties to carry out its purposes.

Pursuant to California Government Code section 6508.1, the debts, liabilities and obligations of the Authority shall not constitute debts, liabilities or obligations of any of the Members.

Creating the Authority requires the adoption of the attached resolution by the City Council of each City and the Board of Supervisors of the County.

OPTIONS:

1. Adopt Resolution 2023-10 and Further Appoint Two Members to Serve on the Board.
2. Other direction

FISCAL IMPACT:

None \$ Budgeted Item? Yes No

Budget Adjustment Needed? Yes No If yes, amount of appropriation increase: \$

Affected fund(s): General Fund Measure P Fund Measure V Fund Other:

Comments:

STRATEGIC PLAN IMPACT:

- Goal #1: Make Clearlake a Visibly Cleaner City
- Goal #2: Make Clearlake a Statistically Safer City
- Goal #3: Improve the Quality of Life in Clearlake with Improved Public Facilities
- Goal #4: Improve the Image of Clearlake
- Goal #5: Ensure Fiscal Sustainability of City
- Goal #6: Update Policies and Procedures to Current Government Standards
- Goal #7: Support Economic Development

Attachments:

1. Resolution 2023-10
2. Lake County Recreation Agency JPA