

## **FEASIBILITY OF SUGGESTIONS DOWNTOWN PHASE II**

Council has requested staff analysis of the suggestions from the public information sessions on Phase 2. The schedule for this request is to provide said analysis to coincide with Council review and discussion. The current draft of this schedule is as follows:

June 11, 2019

- Presentation and discussion of the adaptive signals.
- Summary of suggested modifications and concerns.
- Staff review and recommendation regarding non-feasible, fiscal red flags or cautions on suggestions.

June 18, 2019

- Discussion on suggestions, concerns and next steps.
- Discussion on development partner review and input of suggestions and concerns.

July 9, 2019

- Staff review of viability on discussed or proposed modifications from the June 18<sup>th</sup> meeting.
- Next steps.

Staff review and recommendations on suggestions of concern (for the June 11 work session):

### **1. Move City Hall to Phase 2**

- a. In 2014 Council had an independent analysis completed of all potential public properties that were adequate for the siting of a municipal administrative building. The estimated size of the municipal building was 14,000 +/- square feet. This study identified few available publicly owned properties that did not have constraints such as dedicated park lands, wetland or floodplain, etc.
- b. Properties in the phase 2 area were focused on removing tax exempt due to that property being the highest valued property which currently paid no taxes.
- c. The PASCO building and its 20+/- acres was an under-utilized facility and had been listed for sale for a number of years. Purchasing at 3.4 million 33,000 square foot building plus renovation costs provided a significant financial benefit to the City.
- d. The PASCO company has retained space in a smaller facility within the City so their income tax has remained within our community.
- e. The new City Building provides a third of the space for community facilities for events and functions. Parking at this facility is more than adequate for such functions without taking away from other parking needs.
- f. The estimated cost of the construction of a new facility 5 years ago including land was estimated between \$10 to \$12 million. The estimated total cost for the

PASCO building, including renovation is \$7 million. When presented with this as an alternative option to building, Council was unopposed to the PASCO building as a more fiscally responsible solution to the City's current needs with the plus of having community space.

## **2. Community Recreation Center**

- a. In 2002 the City conducted an independent study to determine the feasibility of building a community recreation center and determined it was not feasible at that time as the construction would require an almost 2 mill property tax levy with an additional half mill to cover operating as user fees would not cover total operating costs.
- b. By today's dollars the same facility would cost approximately \$32 million which would equate to a 2.5 mill property tax levy for construction and a .5 mill levy for operating plus user fees.
- c. Community recreation programs are provided through the school district in Hudson. So, who would own and who would operate?
- d. The 2002 design was for a 78,000 square foot facility including pool and track. There are other options for smaller facilities that could be investigated but a location in the downtown area is not conducive for a recreation facility nor does the timeline work. Should Council wish to investigate rec center options, staff recommends beginning the process with a community survey and doing so in partnership with the school district.