



DATE: January 6, 2025

TO: Honorable Mayor and Members of the City Council through City Manager

FROM: Delana Bradford, Management Analyst II, Public Works and Utilities (PW&U)
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SUBJECT: Resolution Accepting the Reallocation of Prop 68 Grant Funding from the
Kenilworth Park Revitalization Plan (C14502317) to the Lucchesi Skatepark
Project (C14402215)

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution authorizing staff to reallocate the \$215,996 in grant funding received through the California Department of Fish and Wildlife (CDFW) from the Kenilworth Revitalization Plan (C14502317) to the Lucchesi Skatepark Project (C14402215).

BACKGROUND

California's Proposition 68 (Prop 68), passed in June 2018, authorized \$4 billion in bonds for environmental and recreational projects, including park rehabilitation. Prop 68 funds are intended to create and improve parks, open spaces, and recreational facilities that enhance community access, equity, and quality of life. The City of Petaluma was eligible for \$215,996 through the Per Capita and Urban County Per Capita Programs. After evaluating potential projects, City staff pursued these grant funds to support efforts in the revitalization of Kenilworth Park and was awarded the \$215,996 in 2021. Kenilworth Park, located adjacent to the Petaluma Regional Library, was selected due to its central location and potential to serve as an accessible recreational space for the community.

Shortly after receiving the award, the City retained MIG, a design consulting firm, to guide the redesign of Kenilworth Park. Although MIG has produced a concept plan informed by multiple rounds of public input, construction remains unfunded, jeopardizing the City's Proposition 68 funds set to expire in 2028. Additionally, City staff recommends pausing the Kenilworth Park redesign to align it with the forthcoming Fairgrounds Master Plan effort, scheduled to begin in the near future.

DISCUSSION

The City Council initially approved the allocation of Proposition 68 funds to the Kenilworth Park Revitalization Project through Resolution No. 2021-198 N.C.S. Staff pursued these funds and successfully secured \$215,996 in grant funding. Proposition 68 guidelines allow for reallocation of funds to alternative eligible projects if the original project cannot proceed as planned, provided the alternative aligns with grant objectives and fulfills the necessary requirements. This flexibility enables the City to direct the funds toward a more feasible and impactful project while meeting the grant's intent.

Staff recommends reallocating the Prop 68 grant funds to the existing Lucchesi Skatepark Project, a top prioritized project in the FY 24-25 CIP, which is nearing shovel-ready status and expects to break ground in 2025, therefore offering a viable alternative to utilize these funds in a timely and impactful manner. The proposed skate park is located in the unprogrammed area near Novak Drive, bordered by the baseball field, soccer field, Boys & Girls Club, and tennis courts.

As the Lucchesi Skatepark Project has advanced closer to construction-ready design, the project's cost estimates have increased due to rising construction costs and an expanded scope to replace the existing nearby park restrooms, which are in dire need of upgrades, as part of the project. Originally, it was anticipated that these restrooms would be replaced through a separate capital improvement project. Reallocating the Prop 68 grant funds to the Lucchesi Skatepark Project will supplement other funding sources and help cover the project's anticipated cost increases.

Designated as a "severely disadvantaged community" by the California Department of Fish and Wildlife's Per Capita Income Tool, this reallocation directly supports Proposition 68 objectives by creating new recreational opportunities, promoting active lifestyles, strengthening community ties, and fostering youth engagement. In doing so, it advances the City's goals of promoting health, wellness, and social cohesion, providing young residents with a safe, stimulating environment for physical activity and meaningful interaction. Ultimately, this approach underscores the City's commitment to equitable community development and sustainable resource allocation, ensuring that the grant funding delivers maximum long-term benefits.

The Lucchesi Skatepark Project has received strong public support and is nearly shovel-ready, making it an ideal candidate for maximizing the immediate impact of the available grant dollars. Community engagement has been integral to the project's development. Since December 2022, the City has conducted several workshops and surveys to gather input from residents, skaters, and park users. This feedback has been pivotal in shaping the design and ensuring the park reflects the community's desires.

PUBLIC OUTREACH

This agenda item appeared on the City's tentative agenda document on December 16, 2024 which was a publicly noticed meeting.

Additionally, a robust community engagement schedule was used in the development of the Lucchesi Skatepark Project (C14402215) and resulted in a significant amount of input that

ultimately helped to determine the proposed skatepark location and design. Community engagement activities for this project included:

- Five in-person community workshops seeking feedback on specific topics, such as site analysis and conceptual plans (01/17/2023, 02/21/2023, 05/23/2023, 07/12/2023, 05/22/2024)
- Two presentations to the Recreation, Music, and Parks Commission at their regularly scheduled meetings (03/15/2023, 09/20/2023)
- Two presentations to the City Council at its regular meetings (04/03/2023, 10/26/2023)
- One presentation to the Tree Committee at its regular meeting (10/16/2024)

COUNCIL GOAL ALIGNMENT

The Capital Improvement Program serves as comprehensive catalog of community needs. Each year, the Council adopts a budget for the current fiscal year that allocates funds and resources to priority projects. Lucchesi Skatepark Project (C14402215) is included in the FY2024-2025 Adopted Budget under CIP-57. The full FY2024-2025 Adopted Operating and Capital Improvement Program Budget can be found here: <https://cityofpetaluma.org/documents/fiscal-year-2025-adopted-budget/>

The Lucchesi Skatepark Project was identified as a priority for public investment after receiving community input during several public workshops and meetings, including the City Council Goals and Priorities Workshop, Sonoma County Measure M – Parks for All discussions at the Recreation, Music, and Parks Commission, and during conversations on appropriations for the American Rescue Plan Act investments.

CLIMATE ACTION/SUSTAINABILITY EFFORTS

The Lucchesi Skatepark project will have significant positive climate impacts, particularly by promoting active transportation. By providing a local recreational facility, it encourages residents, especially youth, to walk, bike, and roll to the skatepark, reducing reliance on motor vehicles and lowering greenhouse gas emissions associated with transportation.

ENVIRONMENTAL REVIEW

The proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with CEQA Guidelines Section 15378, in that reallocating grant funds to a different project does not meet CEQA's definition of a “project,” because this is an administrative fiscal action regarding use of funds and the action in and of itself does not have the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment.

Further CEQA analysis will be performed prior to beginning construction on the Skatepark project as part of the construction contract process and separate from this action.

FINANCIAL IMPACTS

The Lucchesi Skatepark Project (C14402215) budget of \$3.35 million will likely increase with the FY 2025-26 budget adoption to account for some additional needs, creating a funding shortfall. Reallocating this grant funding will help offset the anticipated shortfall, enabling the Skatepark project to proceed without delay. This strategic reallocation addresses an immediate need in a severely disadvantaged neighborhood, ensures compliance with grant deadlines, and eliminates the risk of returning unspent funds, maximizing the grant's impact and delivering a valuable community asset on schedule.

ALTERNATIVES

The primary alternative to reallocating the Proposition 68 grant funds to the Lucchesi Skatepark project is to leave the grant allocation with Kenilworth Park. However, by retaining the grant allocation for Kenilworth Park, the City risks being unable to complete the project within the timeline required by Proposition 68, which could result in the forfeiture of the grant funds. This would also place additional financial pressure on the Lucchesi Skatepark project.

ATTACHMENTS

1. Resolution
2. Proposition 68 Per Capita Grant Program Description