

**MINUTES OF THE STUDY SESSION MEETING  
CHAMPAIGN PARK DISTRICT BOARD OF COMMISSIONERS**

**June 23, 2010**

The Champaign Park District Board of Commissioners held a Study Session on Wednesday, June 23, 2010 at 5:30 p.m. at the Bresnan Meeting Center, 706 Kenwood Road, Champaign, Illinois, pursuant to notice duly given. President Solon presided over the meeting.

Present: President Jane Solon, Vice President Alvin Griggs, Commissioners Joseph Petry and Barbara Kuhl, and Treasurer Gary Wackerlin

Absent: Commissioner Newton Dodds

Staff: Bobbie Herakovich, Executive Director/Secretary, Joe DeLuce, Director of Recreation, Jan Plotner, Director of Finance, Jim Spencer, Director of Operations, Laura Auteberry, Marketing and Development Director, Terri Gibble, Park Planner, and Cindy Harvey, Administrative Assistant

Other staff were present as well as members of the public.

**Call to Order**

President Solon called the meeting to order at 5:30 p.m.

**Presentations**

Ms. Herakovich reported that the purpose of the meeting was for the Board to listen to recommendations that Neil Strack and staff are making; ask questions and discuss the facilities components study; understand financing options; and determine if there is consensus about a manner to move forward.

Ms. Herakovich reported that Commissioner Kuhl inquired about the Virginia Theatre cost, which is one of the components staff hopes to put into a plan. She stated that the study being presented concerns plans for recreation facilities and not particularly the Virginia Theatre. Ms. Herakovich reported that in the past the Board has said that donations were being used for the Virginia Theatre and it did not want to use tax dollars. She reported that tax dollars have been used out of capital improvements for the past two years for smaller projects at the Theatre. Ms. Herakovich stated that since the Park District has a great donation it can take advantage of, it has a \$1 million grant request applied for; and a new program, IPARC, where the Park District could apply for up to \$1 million for any facility or multiple facilities. Other opportunities are available through Build America Bonds.

President Solon stated that the Board would like to see what projects remain to be completed at the Virginia Theatre. Ms. Herakovich stated that staff is working on providing that information which could be used for the Foundation, marketing, grants, and other uses. She informed the Board that Ms. Gibble provided her with information that shows that building costs are down 13.6%. Ms. Herakovich reported that she will provide the Board with a copy of the information if interested.

In response to a question by Commissioner Petry, Mr. Spencer responded that he has asked the architect for the Theatre to put together current costs to renovate the Virginia Theatre. Ms. Herakovich stated that the architects visited the Theatre to update themselves on the project as their staff has changed since the original estimate of costs was submitted in 2000.

In response to questions by Commissioner Kuhl about the upstairs lobby, Mr. Spencer stated that cost per project would be provided for Virginia Theatre renovations. He reported that the bathroom project on the second floor of the Theatre will be let for bid as was the consensus of the Board at the June 9, 2010 Board meeting. Mr. Spencer reported that the design cost for the marquee came in at \$42,000 and that he was unaware that the cost was that great a component in the overall marquee replacement. He stated that it was thought that the overall cost from finished design through installation was \$197,000. Mr. Spencer reported that the marquee will be bid out as it was originally intended and there will be more information available later which will hopefully reduce the total cost.

Ms. Herakovich reported that staff will come back to the Board with a request to use Museum Funds over the 90 day amount for the Virginia Theatre, if the Board determines that it wants to use a combination of tax funds, grants and donations. Staff knows that financing is a factor which still needs to be accomplished. The Park District also has construction of one perimeter path at Porter Family Park that remains to be accomplished and added to the matrix. The Porter Family Park master plan contemplates a nature center or an interpretive center. However, the Executive Director's recommendation is for the Park District to work collaboratively with the Children's Museum for this purpose. Staff has already had discussion about a possible future donation. There are costs that staff still needs to identify.

Discussion ensued about the total cost to complete the Porter Family Park. It was determined that the estimated cost to complete Porter Family Park would be \$1.5 million, which does not include a nature center.

Ms. Herakovich stated that the Virginia Theatre and Porter Family Park nature center are not included in the facilities recreation report.

#### Phase II of Indoor Recreation Space Conditions and Improvement Study

Neil Strack, Architectural Expressions, apologized for being late to the meeting.

Mr. Strack reported Phase I of the study included an assessment of five facilities which was expanded to include some work relative to Bresnan Center, Operations as well as discussions about Sholem Aquatic Center. He stated that each building was reviewed regarding the following: upgrade and expansion potential, programming, and staffing information, with a report developed as to each. Mr. Strack stated that, in general, it was determined that the buildings had been maintained well, but that in many areas there was a need for more programming space or that space needed to be upgraded. He reported that after reviewing the facilities, it was determined that approximately 160,000 sq. ft. of additional space could be added to the existing facilities. Mr. Strack indicated that Leonhard Recreation and Douglass Community Centers were two of the most used facilities and could very easily be expanded. Options for the Douglass Annex were to maintain it as is or turn it into rental space and move the current operations to the Douglass Community Center. It was determined that due to the age of the Spalding Recreation Center, it should be demolished or replaced. It was determined that Springer Cultural Center was limited for any future expansion based upon its location; however, certain improvements were suggested for the interior of building and the need for additional programming space at another location for additional programs. Options for Bresnan Center include expansion of space for future needs by relocating Operations to a different location. It was discussed that an additional 4,000 sq. ft. of space would be needed for Operations over the next five to ten years.

Mr. Strack reported that there was a major question to be answered in Phase II. The question relates to the PROs study which showed that a new recreation center of approximately 85,000 sq. ft. should be added to support current needs. Currently the Park District has approximately 80,000 to 90,000 sq. ft. of existing facility space. PROs looked at the additional 85,000 sq. ft. as being one

recreation center, and that the one recreation center would possibly replace parts of other existing facilities or be in addition to existing facilities. Mr. Strack stated that in Phase II, three options were developed for review. They are as follows: minimum modifications, a recreation center, and a master plan. He reported that the options incorporated planning principles that were developed in Phase 1. Each facility was addressed to determine what minimum modifications should be done to meet the Park District needs. Within the minimum modifications section, it was determined that 18,040 sq. ft. of additional space was needed. A new recreation center was included based upon 98,555 sq. ft., which would still require modification to existing buildings, either through demolishing several facilities and/or making improvements to remaining facilities. The initiation of the master plan was to take the components of the proposed recreation center and create a plan for effectively developing the same approximate amount of square footage of programming into the seven existing indoor facilities. Approximately 33,000 sq. ft. of additional space was developed which includes exterior water features and two new facilities which account for another 69,000 sq. ft. The costs for the proposed options are included in the study.

Mr. Strack stated that Park District staff should review the options presented in Phase II to verify they meet the Districts program and staff needs. He reported that constructability, convenience, clients served, usage and possible revenue from the facilities should be considered when addressing the options.

Mr. Strack addressed questions about costs estimates for minimum modifications for the seven facilities, a new recreation center, and initiation of the master plan. He noted that the cost of site work was not included in the costs provided in the Phase II Study.

Discussion ensued and Mr. Strack addressed questions from the Board about the Phase II Study.

Ms. Herakovich reported that Mr. DeLuce was the project lead on the facilities reports. Mr. DeLuce stated that Mr. Strack and his staff were great to work with. The Board thanked Mr. Strack.

#### Centennial Projects Financing Proposal

Ms. Plotner presented options for funding \$6,200,000 of projects to be completed by 2012. She reported that approximately \$2,225,000 would be from available Corporate, Recreation and Special Recreation reserve balances; \$675,000 of Capital Funds available and already designated for Sholem Pool improvements from the Recreation Fund, the Capital Improvement Fund and Foundation; and issuance of Build America Bonds (taxable bonds with a 35% interest rebate) to fund the remaining \$2,300,000. She stated that the estimated average yearly payment on Build America Bonds for 20 years would be \$236,000 (after interest rebate) and would be paid from funds available from the yearly receipts of the General Obligation Bond. In comparison, tax exempt bonds of this same amount would be \$249,000 average estimated payment.

Staff addressed questions from the Board about Build America Bonds, referenda, and the Park District's debt limit. Ms. Plotner will provide the Board with information on the Park Districts maximum debt limit.

Commissioner Petry commented about the alternative of a field house versus a recreation center. He stated that he is not in favor of remodeling the Leonhard Recreation Center. He thinks that the matter requires more thought and that the Park District should see what will happen with the proposed development of two new field houses and the YMCA facility. He commented that all of these are unknowns. Commissioner Petry suggested that the Park District focus on Porter Family Park, proposed additions to Sholem, demolition of Spalding Pool, master plan for Spalding Park, and renovation of the Virginia Theatre. He stated that to complete these projects would cost approximately \$5.2 million which the Park District possibly could access now. Commissioner Petry

suggested that the Park District figure out within the next year or two whether it needs a new recreation center and, if so, the location for the center.

In response to a question by Vice President Griggs, Commissioner Petry responded that the Park District needs to determine if it wants a new recreation center, field house, or piece meal approach to enhancing existing facilities. He stated that he would rather hold off and decide which of the facilities the Park District really wants to complete.

President Solon stated that she agrees that the Park District should spend the money to complete Porter Family Park. However, she does not agree with spending \$2.5 million to complete the renovations at the Virginia Theatre. President Solon stated that the Virginia Theatre was not a high priority for residents. She stated that the money should be spent on other recreation facilities by making improvements to Leonhard Recreation or Douglass Community Centers. President Solon stated that the Virginia Theatre as a whole is great, but she does see that the community as a whole would benefit from spending \$2.5 million on it. She enjoys the Virginia and thinks that it is great, but does not believe it is the best way to spend tax payers' dollars.

Ms. Plotner stated that she believes that the General Obligation Bonds are the non referendum bonds and the Alternate Revenue Bonds are the bonds where the Park District could incur debt up to \$44 million.

Commissioner Kuhl commented on statements made by Commissioner Petry and President Solon about the Virginia Theatre being in the top three of the citizen survey about renovations. Ms. Herakovich commented that the three top include trails, natural areas, and the Virginia Theatre. President Solon expressed her concerns about the information from the survey being outdated.

Commissioner Kuhl noted that the Park District has been planning for the future based on the survey. She stated that if we believe that the survey is no longer valid, a new survey should be conducted before spending a considerable amount of money. President Solon commented that if residents were asked today, she believes that the majority would prefer to spend money on indoor recreation space and taking care of existing facilities.

Ms. Herakovich noted that from one of the questions in the survey of the top five priorities, the Virginia Theatre was in the top five and from another question of taking care of what the Park District has, the Virginia Theatre was in the top three. She also noted that residents had indicated in the survey they would be willing to support a referendum to pay for a new recreation center, which she does not believe would be accurate today.

Discussion ensued. Ms. Herakovich stated that she would recommend conducting a new survey if the Park District plans to build a new recreation center. Funds for a new survey are included in the budget.

Discussion ensued about the cost to build a new recreation center, and the possibility of rebuilding a new recreation to replace the Leonhard Recreation Center.

President Solon commented that she would like to see a better cost-benefit analysis for a new recreation center than the one provided for Sholem Aquatic Center. Commissioner Kuhl commented that she believes that proposed projects in town could change the dynamics of proposed Park District projects. Ms. Herakovich stated that she believes that the Park District will need to proceed with some of the proposed projects whether it is making improvements to Leonhard Recreation, Douglass Community Centers or building a new recreation center. She suggested touring other

facilities. Further discussion ensued. President Solon commented on the need to look at the overall financial impact prior to making proposed changes.

Vice President Griggs agreed with Commissioner Petry's comments about the Leonhard Recreation Center. He stated that he supports completing Porter Family Park and adding amenities to Sholem Aquatic Center. Vice President Griggs stated that he is not opposed to demolishing Spalding Pool. However, it is critical to discuss that with the community. He stated that a recreation center or a field house would take some collaboration. Vice President Griggs stated that he is not opposed to what Commissioner Petry proposed. He is in favor of getting the Virginia Theatre renovations completed and believes that it will be a crown jewel.

Discussion ensued about the Virginia Theatre including size of the building and the seating capacity. The need to attract more users was discussed as well as the need for a better marketing plan.

Commissioner Kuhl stated that she was not ready to commit to priorities at this time. She stated that she believes that Champaign-Urbana is feeling the effects of the economy which it is not used to. Commissioner Kuhl stated that she does believe that it would be a huge boost to the community for the Park District to be able to take some of its dollars to spend on the community. She stated that she is not sure that she has enough information yet to decide upon a direction. Commissioner Kuhl posed to staff whether it is trying to have all facilities be all things to all people. She stated that she did not think that would work.

Discussion ensued about Special Recreation and where it should be located. President Solon suggested an option could be to relocate Special Recreation to Leonhard Recreation Center if funds are spent on it. Mr. Strack noted that the proposed master plan shows the Special Recreation program as being located at Leonhard Recreation Center.

Commissioner Kuhl agreed with Commissioner Petry in concept. Commissioner Kuhl noted that the needs of children today are different from the needs when she was growing up. She stated that she believes the Park District is on the right track, and just needs to figure out a suitable direction.

Ms. Herakovich stated that she was pleased with the input from Commissioners. Ms. Herakovich commented that President Solon wants an operating budget with every proposal and she agrees that it is needed. She stated that the Build America Bonds are available through December, 2010 and that if the Park District has plans to take advantage of them, it needs to be decided quickly.

### **Adjourn**

There being no further business to come before the Board, Vice President Griggs made a motion to adjourn the meeting. The motion was seconded by Commissioner Petry. The motion passed 4-0 and the meeting adjourned at 8:12 p.m.

Approved:

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Jane L. Solon, President

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Bobbie Herakovich, Secretary