

CITY OF OAKLAND
AGENDA REPORT

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2007 NOV -1 PM 6:32

TO: Office of the City Administrator
ATTN: Deborah Edgerly
FROM: Office of Parks and Recreation
DATE: November 13, 2007

RE: Resolution Authorizing the City Administrator to:

- 1) **Authorize an Improvement Project for City Stables, located at 13560 Skyline Boulevard, Oakland at an Estimated Cost of \$515,000 to Clear the Existing Paddock Area, Install New Paddock Structures, Construct a new Pre-fabricated Hay Storage Shed, and Provide Minor Landscaping and Other Necessary Improvements Consistent with the City Stables Master Plan for which there is available Capital Improvements funding in Projects C213720 and G230120; and**
- 2) **Authorize the Office of Parks and Recreation to Issue a Request For Proposals to Manage and Operate an Equestrian Facility and Programs.**

SUMMARY

Staff has prepared a resolution authorizing the City Administrator to complete an improvement project at City Stables, located at 13560 Skyline Boulevard, Oakland at an estimated cost of \$515,000. The proposed work would include clearing the existing paddock area, installing new paddock structures, constructing a new pre-fabricated hay storage shed, provide general clean up of the site, and complete minor and other necessary repairs and restorations consistent with the City Stables Master Plan, for which there is available Capital Improvements funding in Projects C213720 and G230120. The proposed resolution also authorizes the Office of Parks and Recreation to issue a Request for Proposals to identify a concessionaire to manage and operate an equestrian facility and related programs.

FISCAL IMPACTS

Approval of this resolution will authorize capital improvements totaling \$515,000 at the City Stables, and will authorize the City Administrator to issue an RFP to manage and operate the equestrian facility and programs. The funding sources for the capital improvements are as follows:

\$130,000	Multipurpose Reserve Fund (1720), City Stables Improvements Project (C213720)
\$385,000	California Parks & Rec Grants Fund (2134), RZH 2000 City Stables Project (G230120)
\$515,000	Total

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These funds are already appropriated through prior Council action.

BACKGROUND

The City of Oakland acquired the 7.4-acre property at City Stables in 1994 with Measure K (Park and Open Space) funding. Language in the Measure K literature and legislation specifically named City Stables (then Vista Madera Stables) and the property was included in the Measure to preserve it as a horse boarding and riding stable.

The management and operation of City Stables was governed by a License and Master Concession Agreement with a local nonprofit group from October 1, 1995 through April 30, 2004. That Agreement was terminated as a result of the group's inability to maintain the necessary insurance coverage required for the safe and legal operation of City Stables. All youth programs were halted by the close of that Agreement and from May 1 to September 1, 2004; the Office of Parks and Recreation managed horse boarding operations at the Stables until boarding operations were closed.

Since the City's purchase of the property and through its subsequent concessionaire agreements, numerous issues have arisen. Complaints were received from neighbors and boarders regarding pest (fly) abatement, manure removal, inadequate care for boarded horses, dust problems, parking problems, noise issues, insufficient fire safety measures, unsafe conditions of the barns, inappropriate use of fire access roads, and problems related to staffing and accounting procedures. While these problems may have been specific to the concessionaire that was then in place, all of the issues point to the challenges of running a full boarding operation and youth program at the site.

The City has issued Requests for Proposals twice over the past three years and has not been able to identify an appropriate concessionaire to operate horse boarding and equestrian programs at the site without first making improvements and repairs to the facility. Currently there are no horses and no caretaker at the City Stables site. OPR has operated summer day programs at the site for the past three summers.

Considerations for Use

In its current state, the City Stables site is not safe or adequate for equestrian programs and boarding. The barns are badly deteriorated and in disrepair, there is no storage facility for horse feed or manure, and many of the paddocks have collapsed. Prior to the closure of boarding operations, there had been a number of issues that had surfaced with the previous concessionaire regarding pest abatement, manure removal, and facility maintenance. Reinstatement of horse boarding operations would require improvements to the facility.

Capital Improvement Funding

In 2000, the California voters passed the Neighborhood Parks, Clean Water, Clean Air, Coastal Protection Bond Act (Proposition 12), which has been implemented by the State in the form of various funding programs. The Roberti-Z' Berg-Harris Grant Program (RZH) provided a population based block grant of \$1.8 million to the City for open space projects, with a requirement that the City match 30% of the project cost. On September 25, 2001, under Council Resolution No. 76721 C.M.S., the City Council authorized designation of \$400,000 of the State funds for capital improvements at the City Stables and that the City would provide the match of \$172,000.

Some improvements to the site have already been made and there is a total balance of approximately \$515,000 in Project C213720 and Project G230120. The Proposition 12 grant expires on June 30, 2009. The State requires that the project be completed, and the submittal of all payment requests with full documentation of project expenditures no later than March 1, 2009.

KEY ISSUES AND IMPACTS

Youth Programs

It has been the City's goal to find a concessionaire who could use the site to provide equestrian programming for underserved Oakland youth before capital improvement monies were spent on facility improvements. Putting program implementation before facility improvements has not been fruitful as a strategy for garnering interest from equestrian facility and program operators. The site itself has posed challenges for achievement of this goal in that the facilities are in severe disrepair. The Office of Parks and Recreation recommends that facility improvements be undertaken to make the site habitable for horses and ready for a concessionaire to begin operations before youth equestrian programs are implemented.

Proposed Capital Improvements

In order for a concessionaire to be successful at City Stables, improvements will have to be made to the site to make it habitable for horses and safe for both the program participants and the horses. Staff estimates that the needed improvements include clearing the existing paddock area, installing new paddock structures, constructing a new pre-fabricated hay storage shed, general clean up of the site, and minor and other necessary repairs and restorations.

A Master Plan for renovation of the site was approved in 1996 and then reauthorized in 2006; a design survey was conducted in 2001. Staff recommendations for improvements are in keeping with the overall goals of the Master Plan in that the proposed improvements retain much of the existing structure, provide for maintaining the site's use as an equestrian facility, and enhance the site's assets for better community use. In the Master Plan, 24 horses were to be housed in the barns and up to 32 in 22 re-built and three existing paddocks. Under the staff's recommended plan, the existing dilapidated

paddocks would be cleared, new paddocks would be installed at the most level areas, and a new hay storage shed would be constructed. The improvements and paddock installations would provide boarding for as many as 30 horses.

Expiration of Capital Improvements Funding

If the City does not appropriate funds for improvements at City Stables at this time, it will be necessary to allocate some or all of the Proposition 12 grant funds to another open space project. Because the project has to be implemented, completed, and invoices submitted for reimbursement by March 2009, waiting to begin improvements after a concessionaire is identified would push the timelines of the City Stables capital improvements project past the due date for reimbursement and would result in the City losing those funds unless they were allocated to a project that could be completed within the State's timeline.

Although the City authorized the use of the Proposition 12 Roberti-Z'Berg-Harris Grant Program funds for improvements to City Stables, it is possible to designate those funds to another project and then apply for the State funding of that project. The City could also opt to change the nature of the capital improvement projects at the City Stables site without losing the grant funding. Any project application would need to be submitted for State consideration immediately so as to be well in advance of the Proposition 12 grant program expiration in March 2009.

Viability of Stable Operations at City Stables

In its current condition, City Stables is not operational for horse boarding. If the recommended improvements are made, a concessionaire could begin operations once an agreement is in place.

Staff did extensive research by consulting with local stable operators, conducting a number of site visits to stables in the area, and compiling information for cost and revenue projections for City Stables. None of the smaller stable operators (fewer than 50-horse boarding capacity) in the area depend exclusively on boarding revenues for their income. Operators whom staff consulted offer a variety of services and programs to augment boarding fees. These services and programs include horse training clinics, trail rides, and individual and group riding lessons.

For open horse stalls (paddocks) with a shelter, that are approximately 12 feet by 12 feet, local operators charge an average of \$325 per month. For barn stalls of the same size, the average fee is \$400 per month. Riding lesson fees average \$50 per hour and summer youth camp fees are anywhere from \$400 to \$850 per child per week. Other local operators said that roughly half of their income comes from boarding operations, the rest comes from other services they provide, especially riding lessons and camps. Depending on the location of the stable and the proximity of other providers, stable operators offer as many as 150 riding lesson hours per week with four or five trainers.

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Most stable operators are in the business because they love horses, not because they intend or expect to make a generous living. All of the operators we spoke to are able to generate enough income to support their operations and their families. These operators charge fees for almost all of their equestrian programs. A number of them said that they partner with others, usually nonprofit groups, to offer free and low-fee programs for children and teens that are interested in horses but cannot afford the standard fees. Every operator keeps their own program horses; usually 25% of the horses boarded at local stables belong to the operator and are used for riding lessons and camps.

Hypothetically, if an operator at City Stables could board 30 horses, 10 of which are their own program horses, and provide 60 paid riding lessons per week and have 80 full-fee children enroll in a summer camp, their Balance Sheet would look something like this:

CITY STABLES ESTIMATED OPERATIONS BALANCE SHEET

REVENUE

Boarding Fees	20 horses x \$325 x 12 months	\$78,000
Riding Lessons	60 lessons x \$50 x 40 weeks 15 free/subsidized lessons/wk/40 wks	\$120,000
Youth Riding Camps	15 children per week for 8 weeks = 120 80 full fee x \$400 40 free/subsidized	\$32,000
Special Events	Shows, Family Days, etc.	\$15,000
Other Fee-for- Service	Horse training, trail rides, etc.	\$65,000
	Revenue Total	\$310,000

EXPENSES

Horse Boarding	Feed, shavings, etc. - 30 horses x 12 mos.	\$45,000
Riding Instructors	25% of fees charged	\$30,000
Youth Camp	Instructors and supplies	\$10,000
Other Programs	Instructors and supplies	\$10,000
Fee Subsidies	For low-income participants	\$36,000
Utilities and other expenses	PG&E, water, telephone, facility supplies	\$75,000
Personnel	Caretaker, office staff, manager	\$88,500
City Concession Fee	5% of gross revenue	\$14,650
	Expenses Total	\$310,000

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Proposed Request for Proposals

Staff recommends issuing a Request for Proposals (RFP) to identify a concessionaire to manage and operate an equestrian facility and programs once facility improvements and repairs have been made. The new RFP requirements would include:

1. To professionally manage and operate a City-owned horse stable property consisting of individual paddocks, stalls, riding arena, restrooms and accessory buildings.
2. To provide educational equestrian experiences for the youth and residents of Oakland.
3. To make summer riding camps available, accessible, and affordable for youth throughout the community.
4. To provide free and low cost programs for inner-city Oakland youth to experience horseback riding and equestrian programming and services.
5. To provide equestrian boarding services to private horse owners.
6. To provide private equestrian riding lessons.
7. To provide instruction on horse grooming, care, and equestrian etiquette.
8. To provide interpretive history of City Stables and surrounding area to program participants and visitors.
9. To offer agriculture or horticulture programs at the site.
10. To fully utilize the 7.2-acre property zoned as Open Space for equestrian programming.
11. To implement practices consistent with responsible stewardship of the property.
12. To make facility and service improvements and provide supplemental funding for capital improvement projects.

Staff research has shown that operation of a horse boarding facility is particularly challenging and the profit margins are usually slim, therefore, it is imperative that the concessionaire be able to demonstrate success and experience operating a horse boarding facility for at least three years. The operator would also need to demonstrate experience with offering equestrian programs for youth and have the capacity to either subsidize their own programs or partner with another organization in order to offer low cost and free programs to underserved Oakland youth.

The prospective concessionaire will have to demonstrate the capacity for responsible stewardship of the property. This includes but is not limited to maintaining good relationships with adjacent residential neighbors as well as caring for the facilities to ensure that the premises are clean, safe, and well-maintained. The concessionaire will be required to have a caretaker onsite at all times.

The funding available for improvements to the site is not enough to address all of the issues that exist at the site. Prospective concessionaires will have to demonstrate their

financial capacity to make and fund additional improvements. The concessionaire could make some of those improvements at a reduced cost if there is a licensed contractor working with them to complete the improvements and the City approves the plans for the proposed improvements.

A number of stable operators have expressed interest in operating the facility at City Stables, but the City's previous requirement that the concessionaire be responsible for all of the needed repairs proved daunting. Staff research suggests that if the facility were even marginally operational, there would be a number of operators interested in applying for the contract to operate at the site.

PROJECT DESCRIPTION

In preparing a proposal for the improvement of City Stables, staff took into consideration the availability of existing funding, the viability of stable operations, community needs and desires, and the opportunities for youth programs that an operational stable would provide.

On the following pages there are detailed descriptions of three options for improvement projects for City Stables. Staff recommends that the City implement Option A to ensure that project costs remain within the range of identified funding and to provide practical and pragmatic improvements to restore stable operations.

It is important to note that while contingency amounts were calculated into the totals for all three options, the quotes were based on external examinations of the site. Given the existing condition of the facility, other issues may arise in the course of construction that would require additional funding.

Option A

Option A provides for facility improvements that will increase horse boarding capacity to 30 horses, provide water and electricity to the barn and paddock areas, and add a pasture area where none exists. Improvements to the main building and Agricultural Building #1 (Upper Barn) would be left to the concessionaire to address. These improvements are estimated at a total cost of \$515,000.

Option B

Option B includes some of the improvement projects outlined in Option A, but rather than converting the western slope to a turnout pasture, Option B adds a grading project that includes grading the slope, and adding a retaining wall and drainage swale. Adding these elements increases the capacity for horse boarding by as many as 24 more horses. Option B also provides for rebuilding the access road that runs north to south through the property between the main buildings and the western slope. Improvements to the main building and Agricultural Building #1 (Upper Barn) would be left to the concessionaire to address. The additional improvements would add approximately \$780,000 to the overall cost of the project for a total project cost of \$1,300,000.

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Option C

With enough funding, Option C would address all of the outstanding issues at the City Stables facility. In addition to the improvements outlined in Options A and B, new roofs would be installed on all the buildings, the decrepit Agricultural Building #1 would be replaced by a prefabricated "Mare Motel", the main building would be brought up to code and ADA compliance (reconfiguring both entrances with ramps and wheelchair accessible doorways, making the bathroom accessible, widening interior doorways), the overabundance of eucalyptus trees would be removed, and the entire site would be newly landscaped. This option would require a total of approximately \$2,800,000 in funding.

Below are details for the respective improvement project options:

OPTION A CITY STABLES IMPROVEMENT PROJECT Estimated Cost: \$515,000

A. EXISTING PADDOCK AREA / WESTERN SLOPE

- Grading: None
- Clear and grub (digging up weeds, brambles) existing paddock area
- Add irrigated pasture
- Add/improve pasture fence

B. BARNS

Agricultural Building #1 – No improvements

Upgrade Agricultural Building #2 (Lower Barn)

- Improve electrical and plumbing service

C. MAIN BUILDING – No improvements

D. OTHER FACILITIES

- Install prefabricated hay shed
- Add 12 – 16 paddocks on relatively flat areas
- Minor landscaping improvements

OPTION B
CITY STABLES IMPROVEMENT PROJECT
Estimated Cost: \$1,300,000

A. EXISTING PADDOCK AREA / WESTERN SLOPE

Install Retaining Wall and Drainage Swale

- Clear and grub existing paddock area
- Build retaining wall
- Install drainage bio-swale and detention pond

Grading: Raise existing 26% grade to 5%

- Import engineered fill
- Engineer slope (fill placement & compaction)

Build access road alongside paddock area

- 12" wide Asphalt Fire Access (w/ base)
- 12' wide Asphalt Barn Access (w/ base)

Install 20 - 24 new Paddocks

- Install new paddock stalls with two enclosed tack rooms
- Extend water line to new automatic watering

B. BARN

Agricultural Building #1 – No improvements

Upgrade Agricultural Building #2 (Lower Barn)

- Improve electrical and plumbing service

C. MAIN BUILDING – No improvements

D. OTHER FACILITIES

- Install prefabricated hay shed
- Add 10– 12 paddocks on relatively flat areas
- Remove eucalyptus trees
- Minor landscaping improvements

OPTION C
CITY STABLES IMPROVEMENT PROJECT
Estimated Cost: \$2,800,000

A. EXISTING PADDOCK AREA / WESTERN SLOPE

Install Retaining Wall and Drainage Swale

- Clear and grub existing paddock area
- Build retaining wall
- Install drainage bio-swale and detention pond

Grading: Raise existing 26% grade to 5%

- Import engineered fill
- Engineer slope (fill placement & compaction)

Build access road alongside paddock area

- 12" wide Asphalt Fire Access (w/ base)
- 12' wide Asphalt Barn Access (w/ base)

Install 20 - 24 new Paddocks

- Install new paddock stalls with two enclosed tack rooms
- Extend water line to new automatic watering

B. BARNS

Upgrade Agricultural Building #1 (Upper Barn)

- Demolish existing structures
- Replace with an 8-stall "Mare Motel"

Upgrade Agricultural Building #2 (Lower Barn)

- Address structural issues (support beams, dry rot)
- Improve electrical and plumbing service
- Replace roof

C. MAIN BUILDING (HOUSE, CARETAKER UNIT, CLASSROOM)

ADA Upgrades at House and Caretaker Unit Entry

- Replace front door
- Replace side door
- Install ADA access ramp to house/porch

Infrastructure Issues

- Add new alarm system
- Repair/replace plumbing as needed

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- Upgrade electricity

Other

- Paint, cosmetic carpentry repairs, refinished flooring
- Replace roof(s)
- Improved landscaping and irrigation

D. OTHER FACILITIES

- Install prefabricated hay shed
- Add 10 – 12 paddocks on relatively flat areas
- Remove eucalyptus trees
- Comprehensive landscaping improvements

SUSTAINABLE OPPORTUNITIES

Economic: Adoption of this resolution will provide for economic opportunities for local equestrian trainers and teachers who will offer riding lessons and other horse-related instruction at City Stables.

Environmental: Making improvements and having a concessionaire at City Stables will ensure that the site is maintained and kept free of excessive weeds. Some programs at the site could have an emphasis on land stewardship and sustainable agriculture.

Social Equity: The Stables concessionaire will be required to provide free and low cost youth equestrian programs. Horse care and horse riding programs would be made accessible to young people who might not otherwise be exposed to programs of this type.

DISABILITY AND SENIOR CITIZEN ACCESS

The restrooms at City Stables are wheelchair accessible. Option C would make the main building of City Stables ADA compliant.

RECOMMENDATION(S) AND RATIONALE

The Office of Parks and Recreation recommends that City Stables be preserved as a horse boarding and equestrian program facility; that facility repairs, restorations and improvements be undertaken to make the site habitable for horses, safe for program participants and ready for a concessionaire to begin operations; and that the City issue a new Request For Proposals to recruit a concessionaire whose responsibilities would include operating a horse boarding facility, providing equestrian programs and implementing youth programs targeting underserved Oakland children and teens.

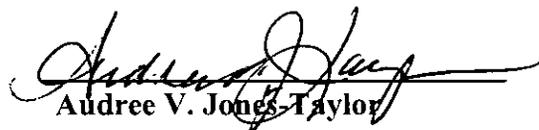
Staff recommends that Council approve a Resolution authorizing the City Administrator to:

- 1) Authorize an improvement project for City Stables, located at 13560 Skyline Boulevard, Oakland at an estimated cost of \$515,000 to clear the existing paddock area, install new paddock structures, construct a new pre-fabricated hay storage shed, and provide minor landscaping and other necessary improvements consistent with the City Stables Master Plan for which there is available capital improvements funding in projects C213720 and G230120 as described as Option A in this report; and
- 2) Authorize the Office of Parks and Recreation to issue a Request for Proposals to manage and operate an equestrian facility and related programs.

ACTION REQUESTED OF THE CITY COUNCIL

Staff requests that Council approve the Resolution.

Respectfully submitted,



Audree V. Jones-Taylor

Director, Office of Parks and Recreation

Prepared by:
Kip Walsh, Assistant to the Director
Office of Parks and Recreation

APPROVED AND FORWARDED TO THE
LIFE ENRICHMENT COMMITTEE



Cheryl A. Shroy
OFFICE OF THE CITY ADMINISTRATOR

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OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO:

- 1) **AUTHORIZE AN IMPROVEMENT PROJECT AT CITY STABLES LOCATED AT 13560 SKYLINE BOULEVARD, OAKLAND AT AN ESTIMATED COST OF \$515,000 TO CLEAR THE EXISTING PADDOCK AREA, INSTALL NEW PADDOCK STRUCTURES, CONSTRUCT A NEW PRE-FABRICATED HAY STORAGE SHED, AND PROVIDE MINOR LANDSCAPING AND OTHER NECESSARY IMPROVEMENTS CONSISTENT WITH THE CITY STABLES MASTER PLAN FOR WHICH THERE IS AVAILABLE CAPITAL IMPROVEMENTS FUNDING IN PROJECTS C213720 AND G230120; AND**
- 2) **AUTHORIZE THE OFFICE OF PARKS AND RECREATION TO ISSUE A REQUEST FOR PROPOSALS TO MANAGE AND OPERATE AN EQUESTRIAN FACILITY AND PROGRAMS.**

WHEREAS, the City is the fee simple owner and the Office of Parks and Recreation is the custodial agency of the real property located at 13560 Skyline Boulevard, Oakland, California, known as "City Stables"; and

WHEREAS, City Stables offers a unique opportunity to provide specialized programs to underserved youth in Oakland; and

WHEREAS, the City wishes to perform repairs, renovations, and construction at City Stables to sufficiently restore the capacity for horse boarding and equestrian programs; and

WHEREAS, restoring horse boarding operations at City Stables would be in keeping with the 1994 Oakland Parks & Open Space Bond Measure (Measure K) which provided funding for the purchase of the property; and

WHEREAS, funds in the amount of \$515,000 are available from the following funding sources:

\$130,000 Multipurpose Reserve Fund (1720), City Stables Improvements Project (C213720)

\$385,000 California Parks & Rec Grants Fund (2134), RZH 2000 City Stables Project (G230120); and

WHEREAS, the available funding would allow for remedial repairs to the facilities at City Stables; and

WHEREAS, the City seeks to make equestrian programs available at the City Stables site; and

WHEREAS, in order to offer programs and boarding at City Stables, a concessionaire would have to be recruited and identified; therefore be it

RESOLVED: that the City Council hereby authorizes the City Administrator to authorize a project at City Stables at an estimated cost of \$515,000 to clear the existing paddock area, installing new paddock structures, constructing a new pre-fabricated hay storage shed, general clean up of the site, and minor and other necessary repairs and restorations consistent with the City Stables Master Plan for which there is available funding; and be it

FURTHER RESOLVED: that the City Council hereby authorizes the City Administrator to authorize the Office of Parks and Recreation to issue a Request For Proposals to manage and operate an equestrian facility and programs, and be it

FURTHER RESOLVED: That the Office of the City Attorney has approved this resolution as to form and legality and a copy will be on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, NOVEMBER 20, 2007.

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID and PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____

LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California