City of Tacoma **City Council Action Memorandum**

TO: **Elizabeth Pauli**
FROM: **Adam Cook, Director, Tacoma Venues & Events**
COPY: **City Council and City Clerk**
SUBJECT: **Resolution – Department of Commerce Public Facility Improvement Fund Grant Acceptance**
DATE: **April 15, 2024**

SUMMARY AND PURPOSE:

A resolution authorizing the execution of an agreement with the Department of Commerce in the amount of $3,000,000, budgeted from Fund 4170, for reimbursement of expenses associated with capital repairs and improvements to Cheney Stadium from July 1, 2023 to June 30, 2027.

BACKGROUND:

This Department's Recommendation is Based On: A $3,000,000 grant was awarded by the Department of Commerce through its Public Facility Improvement Fund to the Baseball Club of Tacoma, LLC d/b/a Tacoma Rainiers with the City of Tacoma serving as Fiscal Agent. This grant will support required critical repairs to Cheney Stadium bowl seating area to meet safety standards and improvements to locker room spaces to comply with MLB Requirements to maintain affiliate status.

COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

The Baseball Club of Tacoma, LLC d/b/a Tacoma Rainiers, undertook emergency repairs to the Cheney Stadium seating bowl in 2023-2024 to ensure public safety and continued operating ability for the facility. Simultaneously, Major League Baseball updated certain infrastructure requirements to maintain the Tacoma Rainiers MLBi Designation. These requirements necessitated updates to the visiting team locker rooms, also undertaken in 2023-2024.

The City is contractually obligated to pay for all such capital improvements as part of the lease agreement with the Baseball Club of Tacoma, dated December 31, 2009. The Tacoma Rainiers and the City's Government Affairs team collaborated to successfully obtain $3,000,000 in funding to cover approximately 2/3 of the cost of these capital improvements.

2025 STRATEGIC PRIORITIES:

Equity and Accessibility: ***(Mandatory)***

Maintaining safe guest access to Cheney Stadium and retaining the Tacoma Rainiers MLBi affiliation is critical to continuing to ensure ongoing access to reasonably priced entertainment and sporting events for all members of our community.

Economy/Workforce: *Equity Index Score*: Low Opportunity
Increase the percentage of people relocating to the city and affordability of housing compared to neighboring jurisdictions.

Livability: *Equity Index Score*: Moderate Opportunity
Increase positive public perception of safety and overall quality of life.

Explain how your legislation will affect the selected indicator(s).
A thriving entertainment and cultural sector is critical to enhancing livability of the City of Tacoma and is a strong tool to encouraging families to relocate to the city. Conversely, a major venue that has become non-functional and derelict due to lack of capital investment creates an area of blight within the community that is not welcoming to new residents or out of town visitors. This project will help ensure the ongoing sustainability of Cheney Stadium and its impact on the City of Tacoma livability.

ALTERNATIVES:
Presumably, your recommendation is not the only potential course of action; please discuss other alternatives or actions that City Council or staff could take. Please use table below.

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1.Do not accept the Grant	None	City would be responsible for additional $3,000,000 in costs

EVALUATION AND FOLLOW UP:
Success will be determined by the completed construction of the required projects and the reduced investment of City funds by the $3,000,000 grant. Ongoing quarterly operational review meetings will be conducted between TVE Operations staff and the Tacoma Rainiers to ensure continued maintenance and repairs to protect this investment in the City's asset.

STAFF/SPONSOR RECOMMENDATION:
Staff recommends that Council adopts a resolution authorizing the acceptance of the grant funds from the Department of Commerce. Staff anticipates that funds will be available upon Council's authorization.

FISCAL IMPACT:

Fund Number & Name	COST OBJECT (CC/WBS/ORDER)	Cost Element	Total Amount
1. Fund 4170 - Cheney Stadium	820600	Various	$3,000,000
TOTAL			

What Funding is being used to support the expense?
General Fund 0010 will be used to supplement the remaining approximately $1,500,000 in capital repairs expense associated with the two projects.

Are the expenditures and revenues planned and budgeted in this biennium's current budget?
NO, PLEASE EXPLAIN BELOW
The Grant funding and corresponding expense is included within the 2023-2024 biennial budget as a mid-biennium budget modification. We anticipate the General Fund contribution will be included in the 2025-2026 biennial budget request, pending Council approval.

Are there financial costs or other impacts of not implementing the legislation?
YES
We would not be able to receive the grant funding and would be responsible for the full $4,500,000 cost of the project.

Will the legislation have an ongoing/recurring fiscal impact?
NO
This project is a one-time cost and the grant is a one-time allocation.

Will the legislation change the City's FTE/personnel counts?
NO
No adjustments to FTE/Personnel. The Tacoma Rainiers are serving as project manager for the work.

ATTACHMENTS:
Department of Commerce Grant Agreement