



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Albert Balagso

**SUBJECT:** FAMILY CAMP PERMIT  
AND STATUS REPORT

**DATE:** 02-12-10

Approved

Date

2-19-10

**COUNCIL DISTRICT:** Citywide  
**SNI AREA:** N/A

## RECOMMENDATION

- (a) Adopt a Resolution authorizing the City Manager to execute Special Use Authorization Amendment Number 4 with the United States Forest Service (USFS) to extend the current permit for operation of San Jose Family Camp to December 31, 2010 and to extend the amendment up to two additional years, through December 31, 2012, if additional time is deemed necessary to complete negotiations for a 20-year permit renewal with the USFS.
- (b) Accept this report which recommends the closure of Family Camp for the 2010 season as a result of significant structural weakness identified in the Camp's sixty (60) year old dining hall building and direct staff to investigate options to re-open Family Camp for the 2011 season.

## OUTCOME

Approval of the USFS permit action will authorize the City Manager to execute a Fourth Amendment to the 1988 twenty-year special use permit with the USFS to extend the permit until December 31, 2010. Approval of this action will also authorize the City Manager to execute an additional amendment extension to the current permit for the period of January 1, 2011 through December 31, 2012.

This report also provides information regarding the department's recommendation to close the camp for the 2010 season in order to address the safety hazards in the dining hall and directs staff to investigate options to re-open Family Camp for the 2011 season.

## **BACKGROUND**

San José Family Camp is located on 36.3 acres in the Stanislaus National Forest, along the Middle Fork of the Tuolumne River, approximately 150 miles from San José. The camp is operated under a special use permit from the USFS.

The City's first special use permit with the USFS extended for 20 years - from 1968 through 1987 - and was followed by a second 20-year special use permit that ran from 1988 through 2007. On November 20, 2007, the City Council adopted Resolution No. 74112, authorizing the Parks, Recreation and Neighborhood Services Department (PRNS) to apply to the USFS for a third 20-year permit for the operation of San José Family Camp, and directed PRNS to return to the City Council for permit approval.

Following the Council's approval to apply for the third 20 year permit, City staff engaged the USFS in the process for renewing the City's special use permit. At that time, the USFS indicated they would be requiring the City to incorporate an updated Master Plan component as part of the renewal, as they typically do with 20 year permits.

## **ANALYSIS**

City staff have initiated the required USFS Master Plan process. The process requires that the City conduct a comprehensive evaluation of Family Camp facilities, identify opportunities to upgrade those facilities and ensure regulatory compliance. This process is scheduled for completion by December 2010.

In discussion with City staff, USFS staff agreed to recommend a temporary permit extension for operation of Family Camp in order to complete the Master Plan process. Once the Master Plan is completed (anticipated to be December 2010), the USFS will enter into a new 20 year agreement with the City. The first recommendation of this memorandum authorizes the City Manager to execute Amendment Number 4 which will cover the period from the last expiration date through December 2010. In the event that additional time is required beyond December 31, 2010 to finalize the 20-year permit, PRNS is also requesting that the City Manager be granted the authority to execute an amendment to the current permit through December 31, 2012.

As part of the master plan preparation, staff conducted a topographic survey and facility assessment for the camp. While conducting a preliminary assessment during visits to Family Camp in July and August 2009, Public Works engineers observed significant structural weaknesses in the camp's 60 year old dining hall building. Noting that existing roof framing is overstressed, the concrete foundation is settling and crumbling at a rapid pace, and wall framing in the dining portion of the building is seriously racked and out-of-plumb, Public Works subsequently reported to PRNS that these issues contributed to a building that is unsuitable for public use beyond the 2009 season.

Following the initial assessment, Public Works staff prepared a more detailed report in December 2009, proposing possible repair solutions and costs. The most favorable of these alternatives would cost approximately \$400,000 and require approximately nine months to complete. In addition, it is anticipated that this temporary solution would only provide an additional two to three years to the life of the building.

The only eligible capital funding source to provide repairs at Family Camp is the Citywide Construction and Conveyance Tax Fund. Because of the number of other citywide parks and recreation priority needs, any significant funding for repairs at Family Camp would need to be analyzed and discussed with the Mayor and City Council as part of the Fiscal Year 2010-2011 Capital Budget process.

On a typical day, Family Camp houses and serves food to approximately 250 people from May through September. A functional kitchen and dining hall is absolutely critical to the operation of the facility as the Camp is not currently set up to allow for self cooking of food. In order to attempt to keep Family Camp open for the 2010 season, staff has evaluated a number of other alternatives over the past few months. One of the more promising alternatives was a possible partial demolition of the building. A partial demolition of the building would allow the kitchen to remain in service. In this alternative, the function of the dining hall area would be replaced by a dining tent structure. Another option is to completely demolish the existing dining hall and kitchen. In the complete demolition alternative, the kitchen function would temporarily be replaced by the use of a mobile kitchen. These alternatives could likely provide temporary food service to Family Camp for a number of years until the master plan can be completed and a building replacement strategy developed. Staff has recently confirmed that, unfortunately, each of these alternatives would take six to eight months, cost approximately \$200,000 to \$300,000 and could not be completed in time to allow for the opening of Family Camp for the 2010 season.

PRNS has consulted with the USFS on the need to close Family Camp for the 2010 season in order to address this issue. Preliminarily, USFS staff supports and concurs with the plan to close Family Camp for 2010 as the City evaluates options which may allow for Family Camp to re-open in 2011.

Although staff is recommending not opening family camp for the 2010 season, PRNS will continue to identify alternatives which could allow for the re-opening of Family Camp for the 2011 season and will present these alternatives to the Mayor and City Council as soon as they are developed.

The one year closure will also provide an opportunity to address additional infrastructure projects, including potential upgrades to the potable water system, pruning or removal of trees and selected upgrades to roadways and tent platforms. The USFS also supports the City's focus on these activities in lieu of a normal operating season.

### **EVALUATION AND FOLLOW-UP**

Upon approval, PRNS staff will coordinate with the Office of the City Manager to execute the amendment to the USFS special use permit to extend the operation of San José Family Camp in the

Stanislaus National Forest until December 31, 2010. In the event that additional time is required beyond December 31, 2010 to finalize the 20-year permit, PRNS will coordinate with the City Manager to execute an amendment to the current permit for the period of January 1, 2011 through December 31, 2012.

PRNS and the Public Works Department will complete the analysis of the repair alternatives. Upon refinement of a project scope, PRNS will return to the Council with a project update and any recommended appropriation actions.

Over the past two months, staff has been meeting with the Friends of Family Camp to review the dining hall challenges and address possible solutions and program implications. If the Mayor and City Council accept this report, staff will formalize the closure plan with the Friends and immediately notify all Family Camp customers and seasonal staff so that individuals can begin to make alternative plans for the 2010 summer season.

Work on the Family Camp Master Plan will continue and is expected to address future program and revenue opportunities that can be realized with strategic renovation and upgrade of facilities at the camp.

### **POLICY ALTERNATIVES**

***Alternative #1: Do not authorize the City Manager to extend the current permit San José Family Camp permit with U.S. Forest Service.***

**Pros:** This alternative would end the City of San José's operation of San José Family Camp, and eliminate the ongoing impacts to the General Fund to operate this program.

**Cons:** This alternative would require the City of San José to return the U.S. Forest Service property to its original natural condition at an undetermined cost.

**Reason for not recommending:** This program provides San José residents with an affordable camping experience in the Stanislaus National Forest. The program receives high customer satisfaction levels has a relatively high cost recovery rate of 73%. Additionally, the cost to the Capital Improvement Program Fund to restore the property to its natural state is expected to be significant.

### **PUBLIC OUTREACH/INTEREST**

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**

- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This item does not meet any of the above criteria but will be posted on the City's website for the March 2, 2010 Council agenda.

### **COORDINATION**

This memorandum has been coordinated with the City Attorney's Office, City Manager's Budget Office and the Department of Public Works.

### **FISCAL/POLICY ALIGNMENT**

This Council item is consistent with Council-approved Budget Strategy Memo General Principle #2, "We must focus on protecting our vital core City services."

### **COST SUMMARY/IMPLICATIONS**

No negative impact to the General Fund is anticipated for Fiscal Year 2009-2010 as a result of this closure. The current projected General Fund impact in Fiscal Year 2010-2011 if Camp were to remain open is -\$57,000. If Family Camp is approved for closure for the 2010 season as part of this memorandum, PRNS staff will work through the Budget Process to submit a revised proposal which keeps the impact close to -\$57,000. This funding would be used for things such as developing alternatives to re-open Camp for 2011, keeping the site secure and staffing and supplies to assist with volunteer work projects at the site. By closing Family Camp for the 2010 season, no revenue will be collected. However, PRNS would minimize costs to operate the facility by reducing staffing and absorbing operating costs of minimal Camp upkeep in other areas of the department for a zero net impact on the general fund.

1. AMOUNT OF RECOMMENDATION/COST OF PROJECT: Not applicable
2. COST ELEMENTS OF AGREEMENT/CONTRACT:

Amendment 4 changes the permit expiration date from Dec. 31, 2008 to Dec 31, 2010, with all other terms and conditions of the original permit and amendment numbers 1 and 2 remain unchanged.

Fees for the lease are based on a USDA formula:

Fee = Land Use Fee + Other Revenues Fee + Facility Use Fee

Fees are fairly stable and billed on an annual basis by U.S. Forest Service using the above formula. Fees for the past three years have been as follows:

- ◆ Lease Fee paid in 07/08 – (for the years 07/08, 06/07, and 05/06) - \$84,908
- ◆ Lease Fee paid in 08/09 - \$36,470
- ◆ Lease Fee Paid in 09/10 - \$41,020

3. SOURCE OF FUNDING: Annual funding for this lease is from Citywide Capital Fund 391.
4. FISCAL IMPACT: Not applicable

**BUDGET REFERENCE**

Not applicable

**CEQA**

CEQA: Not a Project

  
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For questions please contact Mark Marney, Deputy Director, at 408-535-3582.