



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council **Item No.** _____

FROM: City Manager

SUBJECT: Budget Appropriation for the Temporary Recreation Volleyball Structure

MEETING DATE: August 26, 2025

RECOMMENDATION:

Approve a budget amendment recognizing \$520,000 in revenue from the developer contribution pursuant to an existing agreement and appropriating \$520,000 in the General Fund's Parks & Recreation Veteran's Park budget to support costs associated with the relocation of Parks and Recreation programs and related temporary facility needs, including the carryover of remaining funds into FY 2026-27 for the installation of a temporary structure.

DISCUSSION:

As part of the agreement between the City and Comstock for the Modelo Project, the City anticipates receiving a contribution totaling \$520,000. These funds are intended to offset City costs associated with relocating Parks and Recreation programs from Veteran's Park and support the construction of a temporary structure to continue service delivery.

This staff report requests City Council action to recognize the contribution as revenue and appropriate the funds to cover relocation-related expenditures already incurred, including the rental of the Boys and Girls club for use of the gym (\$38,000 February 2026 – June 2026), salvaging gates at Veteran's Park (\$30,000) and for the rental of the Modular Trailer (\$12,000 February 2026 – June 2026). In addition, any remaining balance will be carried over into FY 2026-27 to fund costs associated with the temporary structure and continued service delivery.

Approval of the recommended action will allow the City to formally recognize the \$520,000 as revenue and establish expenditure authority for the Parks & Recreation Department.

FISCAL IMPACT:

Approval of the recommended action will result in the following fiscal impacts:

- Revenue increase: \$520,000 in account 10-7100-39010 (Contributions Non-Governmental)

- Expenditure Increase: \$520,000 in account 10-8724-52001 (contractual services)

The contribution is a one-time revenue source and will be used exclusively for eligible relocation and temporary facility expenses.

ALTERNATIVES:

1. Approve the staff's recommendations.
2. Reject the staff's recommendations.
3. Provide staff with alternate or further direction.

Recommended by: Alvaro Castellon, Director of Finance

Approved as to form: Noel Tapia, City Attorney

Respectfully submitted: Ernie Hernandez, City Manager