



## Legislation Text

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**File #:** 15-00324, **Version:** 2

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Ordinance No. 15-51 amending Ordinance No. 14-101 (2015 Appropriations Ordinance) to adopt the budget and appropriate monies for the Senior Programs Fund

**From:**

Kara Skinner, Chief Financial Officer

**Summary:**

The attached appropriations ordinance is to adopt the 2015 budget and appropriate monies for the Senior Programs Fund.

**Previous Council Action:**

On November 9, 2010 City Council approved Resolution No. 208-10, authorizing the transfer of the HSC to the Housing Authority.

On January 25, 2011, City Council approved Ordinance No. 11-1, an ordinance amending the 2010 annual appropriations ordinance for the Human Services Complex Fund in the amount of \$1,200,000 and the Senior Center Fund in the amount of \$800,000 to allow payment of funds associated with the transfer of the Golf Acres Complex (a.k.a. the Human Services Complex or "HSC") and the Colorado Springs Senior Center to the Colorado Springs Housing Authority ("Housing Authority"). Actual cash transfers together were approximately \$1.6 million.

**Background:**

Due to significant budget reductions in 2010, the Parks, Recreation and Cultural Services Department explored alternative means to provide services to the community. In some instances, partnerships were formed. In other instances, operations were turned over to a non-profit or for-profit entity. In 2010, it was determined that the best long-term solution was to transfer ownership of the Golf Acres Complex to the Housing Authority with the understanding that senior services would continue and potentially be enhanced or expanded over time. The agreement with the Housing Authority provided that the Housing Authority would continue to operate the Golf Acres Complex conveyed for senior services consistent with the usage at the time of the agreement. In addition, the agreement provided that if the Housing Authority proposed to cease senior services operations on the Golf Acres Complex, the City had the first right to reacquire the Golf Acres Complex under the same general terms and conditions.

In 2014, the Housing Authority notified the City that it could no longer operate the Golf Acres Complex including the Senior Center under the existing model. In October 2014, the City issued a Request for Qualifications ("RFQ") to identify qualified firms capable of operating the Senior Center. The YMCA of the Pikes Peak Region ("YMCA") was the only respondent to the RFQ and was determined to be highly qualified by the RFQ review team. After determining that the City could take

over operations, with the assistance of the YMCA, the City agreed to exercise its first right to reacquire the property.

City staff, in coordination with the Senior Center staff, Housing Authority and YMCA, held multiple meetings with stakeholders to gather public input about the Senior Center transition. In addition, City staff accepted comments on comment cards provided at the Senior Center, by email, and through many phone calls.

In response to the input received, the City, Housing Authority and YMCA agreed to a transfer of the ownership and management of the complex on or about August 31 and a transition period between June 1 and August 31 to better ensure a seamless transition from Housing Authority ownership and management to City ownership and YMCA management. In order to accomplish that goal, the parties entered into three agreements that were described to City Council in a memo dated June 24, 2015 from Aimee Cox, Housing and Community Initiatives Manager.

The three agreements are:

1. Conveyance agreement - conveying from the Housing Authority to the City all real property at the Golf Acres Complex, all personal property related to the Senior Center and the remaining balances of the funds that were transferred to the Housing Authority in 2011.
2. Professional services agreement - between the City and the YMCA under which the YMCA will serve as the City's agent during the transition period. The YMCA will be responsible for evaluating the Senior Center operations working with City to create a transition plan, and implementing the transition plan.
3. Management agreement - under which the YMCA will operate and manage the Senior Center starting August 31, 2015.

Therefore, as of August 31, 2015, the City will be responsible for the Golf Acres Complex and the Senior Center (with the YMCA contracted to operate and manage the Senior Center) and will be in receipt of the transferred funds.

The transferred funds will be credited to a new City special revenue fund designated the "Senior Programs Fund".

- Initial balance: the City is anticipating approximately \$720,000 cash will be transferred to the City on August 31, 2015.
- Revenue sources for this fund will be: Interest checks from three trust funds (CD Smith Trust, Gwendolyn Koch Trust, and Elliott Trust ); rental revenues from tenants of the Golf Acres Complex; and interest on fund balances.
- Expenditures for this fund are expected to be: Commercial real estate company management fees, maintenance expenses associated with the complex, and support for the operations of the Senior Center - YMCA operations contract costs.

A budget for September 1 through December 31, 2015 is attached as Exhibit A. The ordinance

presented will provide authorization to expend \$115,667 from the Senior Programs Fund to support the operations of the Senior Center and Golf Acres Complex through the end of 2015 per the attached budget.

For 2016, these funds will be included in the annual budget process and included in the annual appropriations ordinance.

Revenues generated by Senior Center operations (program fees, room rental fees, etc.) will be used by the YMCA to offset operating costs.

**Financial Implications:**

The City is proposing to use the Senior Programs Fund to support all 2015 expenses for the YMCA contract and the operations of the Golf Acres Complex incurred from September 1 through December 31, 2015, which requires a Senior Programs Fund appropriation of \$115,667. The budget is attached as Exhibit A.

For 2016, the budget for the Senior Programs Fund will be included in the annual budget process. The City and the YMCA are optimistic that the partnership with the YMCA will provide not only an opportunity to better serve the seniors across the City more effectively, but also to realize operational efficiencies.

**Board/Commission Recommendation:**

Enter board or commission recommendation. Enter N/A if not applicable.

**Stakeholder Process:**

City staff, in coordination with the Senior Center staff, Housing Authority and YMCA, held multiple meetings with stakeholders to gather public input about the Senior Center transition. In addition, City staff accepted comments on comment cards provided at the Senior Center, by email, and through many phone calls.

**Alternatives:**

If the City Council does not approve an ordinance that is substantially similar to the attached ordinance, the City could receive the funds from the Housing Authority, but would not have the authority to spend the funds to support the Golf Acres Complex and the Senior Center.

**Proposed Motion:**

Move approval of the ordinance amending Ordinance No. 14-101 (2015 Appropriations Ordinance) to adopt the budget and appropriate monies for the Senior Programs Fund.

An ordinance amending Ordinance No. 14-101 (2015 Appropriations Ordinance) to adopt the budget and appropriate monies for the Senior Programs Fund