



# CITY COUNCIL AGENDA REPORT

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MEETING DATE: DECEMBER 7, 2010

ITEM NUMBER: \_\_\_\_\_

**SUBJECT:** DOWNTOWN POOL AND RECREATION ON CAMPUS (ROCKS), PROGRAM BUDGETS

**DATE:** NOVEMBER 24, 2010

**FROM:** ADMINISTRATIVE SERVICES/RECREATION

**PRESENTATION BY:** ALLAN ROEDER, CITY MANAGER

**FOR FURTHER INFORMATION CONTACT:** Lisa McPherson, Recreation Supervisor 714-754-5322

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## **RECOMMENDATION:**

1. Provide direction to staff regarding the continued operation or closure of the Downtown Community Pool.
2. Approve the elimination of the Recreation on Campus for Kids at school sites where school matching funds have not been obtained.
3. Approve the 1<sup>st</sup> Amendment to the City of Costa Mesa's CDBG-R Substantial Amendment to fund a portion of the Whittier School site ROCKS program, and authorize staff to submit the 1<sup>st</sup> Amendment to the U.S. Department of Housing and Urban Development.

## **BACKGROUND:**

At the Council Meeting of August 17, 2010, City Council approved the delayed closure of the Downtown Community Pool for 3 months to allow additional time for staff to seek grants, sponsorships, and partnerships with the private sector for alternative program funding sources; and to extend for 3 months the offer of the City's 50 percent matching funds for the ROCKS program for school sites that have not yet raised the required 50 percent matching funds (Council minutes Attachment 1).

At the Council Meeting of November 16, 2010, City Council continued this report to the December 7 meeting and directed staff to provide updated ROCKS donation information and to bring back three options for the continued operation of the Downtown Pool (Council minutes Attachment 2).

## **ANALYSIS:**

### **Downtown Community Pool**

In an effort to achieve budget savings, staff has contacted several youth organizations, high schools, universities, and private corporations to obtain sponsorships or partnerships for the operation of the Downtown Community Pool. Due to operating and program restrictions, as well as economic factors, staff was unable to secure viable agreements or outside funding sources to help offset the costs of year around operation of the Downtown Pool.

At the November 16<sup>th</sup> meeting, Council requested three options for further review and consideration:

**1. Reduced hours of operation of the Downtown Pool, and a fee increase for the Adult Daily Swim Pass.**

If the Pool remains open from December 2010 to June 2011 with reduced operating hours of 6:30 am to 2 pm Monday through Friday and closed on Saturdays and Sundays, the cost savings in staff hours will be \$37,000. This option allows the existing full-time Recreation Specialist to remain on staff to supervise the reduced operations of the pool. There are no pool operation or maintenance cost savings with the reduced hours of operation option.

The Adult Single Swim Pass was raised in 2009 to \$5.00 per day which placed Costa Mesa in the high end of fees charged by surrounding cities. For the 2010 year, the City has sold approximately 400 Single Swim Passes. Should the fee be increased by a range of \$1 to \$5, the additional revenue to the City is approximately \$400 - \$2,000. However, raising the pass fee by \$5 (\$10 cost), it is likely that the number of single swim passes purchased would decrease.

**2. Use City match funds from the ROCKS program, for those schools not participating this year, and direct the funds to the Downtown Pool.**

Five schools may not be providing the after school ROCKS program on their campus this year. The City's matching funds amount for those five schools is \$52,900. Upon Council approval, the City may redirect the \$52,900 to the operation of the Downtown Pool without further impacting the City's overall budget deficit.

**3. Initiate a call-out to the community for donations to offset the operating costs of the Downtown Pool.**

Adult Lap Swim program participants have offered to contact local hotels to inform them that the City's Downtown Pool is available to their hotel guests who wish to participate in lap swim exercise. Hotel guests using the Downtown Pool will be required to pay the Daily Swim Pass fee (currently \$5 per day). The lap swim participants will also be notifying local medical centers of the availability of the Downtown Pool for their patients who wish to continue their physical therapy once released from doctor's care. Staff has previously contacted local medical centers regarding the use of the City's pool for injury rehabilitation while under Doctor's care and was informed by medical personnel that the City's pool is not kept at a high enough heat temperature for physical rehabilitation therapy.

**ROCKS After-School Program**

At the beginning of the school year, four (4) schools had raised sufficient matching funds to begin offering the ROCKS program on their campuses (Sonora, Paularino, Davis and Whittier). With the City's extension of the matching funds offer, two (2) additional schools, California and Victoria, have been working towards obtaining matching funds to offer the ROCKS program during the month of November. The remaining school sites (College Park, Killybrooke, Pomona, Kaiser and Adams) have communicated to staff that they are unable to raise matching funds and will not be offering the ROCKS program on their campuses. Based on the most recent donation information provided by the Costa Mesa Community Foundation and the Sonora PTA, staff has provided updated ROCKS Program donation information in Attachment 3. Staff is recommending that the ROCKS Program be offered only at the six (6) school sites that have currently met or are continuing to raise the funding match requirement.

In the meantime, staff continues to work with NMUSD Principals and PTA members on additional fundraising opportunities such as offering the use of the TeWinkle Athletic Complex Snack Bar for the PTA organizations to sell concession items during games and tournaments. In addition, the

CDBG-R Neighbors for Neighbors “Clean Up Campus” program is being offered at schools that currently have a ROCKS afterschool program on their campus. Beginning November 15, schools may submit a “Clean Up Campus” proposal. Qualified proposals that can demonstrate a benefit to both the local neighborhood and the schools as a whole, may receive a grant (or stipend) of \$1,500 which could then be used to help local schools meet their individual fundraising goals to support their local ROCKS program.

### **Community Development Block Grant Recovery Funds and 1<sup>st</sup> Amendment of CDBG Funding**

City Staff is proposing to use \$10,562 of CDBG-R monies to fund the City’s matching portion for the ROCKS program at Whittier School which serves the CDBG target area. Because the City did not include CDBG-R funded public services in its original Substantial Amendment for CDBG-R funding, the City is required to prepare the subject 1<sup>st</sup> Amendment (Attachment 4). In accordance with federal regulations, the City is required to post the proposed amendment on its website and also make a hard copy of the document available for public review for a seven-day period. A notice was published in the Newport-Mesa Daily Pilot on October 29, 2010, announcing the required public review period which began on October 30, 2010, and ended on November 5, 2010. All written public comments (and applicable staff responses to public comments) will be summarized and included in the final amendment that is submitted to HUD. Staff is currently exploring different contractual options due to the fact that the Rocks donations are currently processed through the Costa Mesa Community Foundation.

### **ALTERNATIVES CONSIDERED:**

City Council can choose to approve City funding to allow the Downtown Pool to remain open with reduced hours of operation. This alternative provides for a full-time Recreation Specialist position to supervise the pool programming and operation.

Council can approve the full closure of the pool for 5 months from December 2010 to April 2011. This alternative results in the elimination of the full-time Recreation Specialist who would need to be rehired in April to prepare for the re-opening of the Pool for the Spring and Summer seasons.

City Council can choose to approve City funding to continue the ROCKS program or Council can extend the City’s matching funds offer for a specified time period at all school sites where matching funds have not been raised,.

### **FISCAL REVIEW**

Closing of the Downtown Community Pool for the five month period of December 2010 to April 2011 will result in a budget reduction of \$66,000. If City Council directs staff to continue operating the Downtown Pool at reduced hours of operation, the budget savings is estimated to be \$37,000. During the City’s annual User Fee Study review, staff will survey surrounding cities for recommended Aquatic program fee increases where possible while still remaining within the surrounding marketplace. A suggestion was made to use the salary savings from the vacant Recreation Manager position to fund the continued operation of the Downtown Pool. The salary savings as of the end of November is \$41,700.

If Council approves to continue the ROCKS program at the six (6) participating school sites that have or will raise the 50 percent matching funds requirement, the City would need to allocate a matching contribution of \$61,018. These funds are currently budgeted.

If the City Council approves the CDBG-R 1<sup>st</sup> Amendment for the ROCKS Program at Whittier School, \$10,562 of CDBG-R funds will be utilized for program staff and supplies, and \$1,438 will be utilized for ROCKS program administration including qualifying program beneficiaries and preparing quarterly and annual accomplishment reports.

**LEGAL REVIEW:**

No legal review required.

**CONCLUSION:**

City Council has allowed additional time for staff to secure outside funding sources for the after school ROCKS Program and the continued operation of the Downtown Pool. Staff has worked with community groups and businesses to find alternate funding or alternate delivery of programs to enable the continuation of these programs. Staff is requesting Council approval or direction on the programs, positions and staff hours slated for reduction.

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LISA MCPHERSON  
Recreation Supervisor

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STEPHEN MANDOKI  
Director of Administrative Services

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COLLEEN O'DONOGHUE  
Assistant Finance Director

DISTRIBUTION: City Manager  
City Attorney  
Assistant Finance Director  
City Clerk  
Staff

ATTACHMENTS: 1 [Council Action Agenda - August 17, 2010](#)  
2 [Council Action Agenda – November 16, 2010](#)  
3 [Recreation on Campus for Kids Program Cost](#)  
4 [CDBG-R 1<sup>st</sup> Amendment to the Substantial Amendment](#)