

Agenda Item No. _____
Request for Town Council Action

TO: The Honorable Mayor and Town Council

FROM: Arosha Jayawickrema, Town Manager

DATE: June 2, 2022

SUBJECT: Community/Senior Center Update

Summary of Agenda Item:

The town held two forums on Thursday, June 2, 2022, at the Berlin Senior Center to inform the public on the report from the Community/Senior Center Advisory Committee. Chairman Luddy presented the attached power point presentation.

At this time, the Town Council should forward the report to the Board of Finance for their review of the Committee's findings.

Action Needed:

Update on the Community/Senior Center forums and forward the report to the Board of Finance for their review.

Attachments:

Forum Presentation

Prepared By: Kate Wall, Town Clerk

Berlin Community and Senior Center

Advisory Committee Report to Town Council
Public Forum
June 2, 2022

Committee Members

Brenden Luddy – Chair (Deputy Mayor, Town Council)

Donna Bovee – Vice-Chair (Chair, Parks and Recreation Commission)

Mike Urrunaga (Town Council)

Tim Grady (Board of Finance)

Barbara Gombotz (Chair, Commission for the Aging)

Dave Cyr (Chair, Economic Development Commission)

Town Staff Liaison – Jen Ochoa (Director Community, Recreation and Park Services)

Table of Contents

Page

- Advisory Committee Tasks (Q,A & M Conceptual Design Presented to Town in 2021)
- Toured Facilities
- Pros & Cons for Options Evaluated :
 - Town Funded Community and Senior Center
 - YMCA
- Town Funded Community and Senior Center Based on Conceptual Design
 - Berlin Debt Levels
 - Design and Construction Costs for Current Conceptual Design
 - Potential Incremental Revenue Based on Conceptual Design
 - Estimated Operating Expenditures Based on Conceptual Design
 - Potential Current Budget Savings
 - Mill Rate/Tax Impact
- YMCA
 - Background
 - Committee Discussions with YMCA Executive Staff
- Conclusion and Next Steps
- Detailed Report & Appendices Available at Senior Center, Community Center, Library and Town Hall
 - Statement of Needs
 - Sites visited; various notes, YMCA written answers to certain questions
 - CT Towns Debt per Capita
 - Current Variable Outdoor Pool Costs and Programming Ideas for a Combined Community and Senior Center

Advisory Committee Tasks – Town Council Meeting July 20, 2021

- Fact Gathering Committee; No Personal Opinions
- Visit with Other Towns with Community and Senior Centers
 - Lessons learned
 - Services offered
 - Any consultants used other than architect
 - Cost (Build Facility and Operations) and Funding
 - Grants or other funding sources other than property taxes
- Visit and Evaluate YMCA Option
- Understand Berlin Debt Position & Funding for Construction
 - State, Federal, Private and Non-profit Grants
- Impact to Mill Rate/Taxes for Town Funded Option
 - Potential Capital and Operational Savings
 - Future Plans for Current Community and Senior Centers
- Present two options (Town Funded and YMCA Options)
 - Pros and Cons
 - Potential Changes in Design

Advisory Committee Tasks – Areas Not Evaluated

- Economic Impact to Berlin Businesses
- Renovate existing Community and Senior Center as an Option to New Build
- What to do with and Resulting Costs of Current Senior Center and Current Community Center
 - Consider if libraries are expanding or contracting given internet and digital information age
- Traffic on Patterson Way (traffic study would have to be done)
- Lower Lane Access Road
- Neighbors and Abutting Property Owners' Input
- Closing of any Outdoor Pools – Refer to Appendix H for costs and requested capital investments

Toured Facilities

Alvin & Beatrice Wood Human Services Center (Bloomfield) – 56,000 sq ft.

Mansfield Community Center – 38,000 sq. ft

Glastonbury Riverfront Senior Center w/ Community Multi-Purpose Room – 21,500 sq. ft.

Newtown Community and Senior Center – 50,000 sq. ft. (39K CC/11K SC)

Joseph Trapazzo Community House & Canoe Brook Center (Branford Community & Senior Center) – 33,000 sq. ft.

Windham Community & Senior Center – 33,000 sq. ft.

Rocky Hill Community & Senior Center – 16,500 sq ft.

Meriden YMCA – 33,000 sq ft.

Putnam YMCA – 46,000 sq ft.

Refer to Appendix D for notes of visits & fees

Town Funded Community & Senior Center Pros

1. Berlin controls use and operation of facility
2. Pool would be close to BHS and residents need not leave town for pool usage
3. Berlin gets brand new/combined Community and Senior Center- one stop shopping
4. New and additional programming opportunities offered
5. Peck Memorial Library may expand its use in abandoned Community Center space
6. Possibility of more senior housing at current Senior Center
7. Mental health and wellness benefits for users and youth development
8. Near center of town and walking distance to 3 Berlin schools
9. Provides expanded and year-round activities for children/families/teens/seniors
10. Includes indoor competitive and diving pools, as well as a recreational pool and therapy pool
11. Meets Parks and Recreation Commission and Commission on Aging Statements of Need
12. Elimination of 2 separate facilities and duplicate space
13. Eliminates parking challenges/safety concerns at current Senior Center
14. Intergenerational, flexible facility to adapt and change programs/activities as community changes

Town Funded Community & Senior Center Cons

1. Any shortfall in design, construction and annual operating costs will be taxpayer funded
2. Berlin taxes will increase via 10-15-20 year bonds
3. Bonding levels for Berlin will remain high
4. Other bondable projects will have to wait or not get done
5. Increased town staff/employees to be hired (salaries and benefits) and annual operating and maintenance costs required which increases the town budget and taxes
6. "Opportunity Cost" of 10.84-acre land use
7. Over and above the costs to build a new facility, furniture, fixtures and equipment expenses are required
8. Membership costs (perhaps for pools, etc.) will exist where none exist now at the current Senior Center and Community Center
9. Town must decide what to do with current Community Center and at what cost
10. Possible traffic issues
11. Potential issues with neighbors and property owners
12. Town may need to spend additional money on Lower Lane access road (entrance/exit)
13. Fundraising and grants are applied for and handled by Town staff
14. Seniors who live at the current Percival Heights Senior Housing will have to travel for services and functions
15. Construction of this facility exposes Berlin to "Abnormal Conditions" (pandemic, current inflation, supply chain and related rising construction costs, etc.)
16. Current QA&M Conceptual Design is beyond the Statements of Needs

YMCA Pros (1 of 2)

1. Berlin does not bond any money or pay to build a facility
2. Berlin taxes do not increase
3. Not a taxpayer funded project
4. YMCA builds and runs the facility with their own people
5. Pool would be close to BHS and residents need not leave town for pool usage
6. Includes indoor competitive and diving pool
7. Berlin gets a new facility for seniors and residents to use
8. Other bondable and non-bondable projects do not have to wait or not get done
9. No need to hire additional town staff to run a facility (i.e. salaries and benefits)
10. High bond levels continue to drop
11. No need to spend for furniture, fixtures and equipment
12. Will not turn away anyone who cannot afford membership fees
13. State Rep Cathy Abercrombie and State Senator Rick Lopes are on the BOD of YMCA
14. "Abnormal Conditions" (pandemic, inflation, supply chain, rising construction costs, etc.) are not as much of a concern as if we built are own facility
15. Fundraising and grants are applied for and handled by YMCA staff

YMCA Pros, (2 of 2)

14. New and additional programming opportunities offered
15. Remaining \$750k grant may be repurposed within Berlin (State approval)
16. Berlin may not need to spend funds to re-purpose current Community Center
17. Town staff resources not required to prepare bonding package documents (will require significant resources to approve/negotiate with YMCA)
18. No need to consider a reduced size Berlin built and run facility to lower costs
19. Mental health and wellness benefits for users and youth development
20. Near center of town and walking distance for 3 Berlin schools (if Patterson Way site selected)
21. Provides expanded and year-round activities for children/families/teens/seniors

YMCA Cons

1. Berlin does not control use and operations of facility and pool
2. Possible traffic issues
3. "Opportunity Cost" of 10.84-acre land use and possible Town of Berlin additional financial contribution
4. Membership costs will exist, and Berlin would not control these fees
5. Potential issues with neighbors and property owners
6. Berlin does not get a brand-new combined Community and Senior Center
7. A feasibility study could take up to 1 year to complete with no guarantees
8. The earliest and most optimistic date to have a shovel in the ground for a new Berlin YMCA is 1 ½ years
9. A new Berlin YMCA is not a replacement to the existing Berlin Senior Center or Community Center, but will act as a supplement to it
10. Does not meet the Parks and Recreation Commission and Commission on Aging Statements of Need
11. Usage not limited to only Berlin residents
12. Specific and detailed plans were not available for the Advisory Committee to review
13. Seniors who live at the Percival Heights Housing will have to travel if they choose to use the YMCA
14. Construction of this facility exposes the YMCA and as a result Berlin to "Abnormal Conditions" (pandemic, inflation, supply chain, rising construction costs, etc.)
15. YMCA would not pay property taxes due to tax exempt status
16. Does not eliminate parking challenges/safety concerns at current Senior Center

Berlin Debt Levels

- Berlin is #3 in State of CT for debt per capita (\$3,835)
- Debt & interest payment is currently 8% of the town's annual operating budget; normal, standard levels should be 3-5%
- Debt as of 6/30/21 \$81.6 million
- Assuming no significant debt between 2022-2026, debt & interest payments in 2026 will be approx. 4% of budget , with debt and interest owed of approx. \$40 million
- Note - Approx. \$10 million of school HVAC projects maybe bonded in FY '24 and FY '25, along with other smaller projects
- See Page 20 of the Report for Future Bonding/Projects

Town Funded Design & Construction Costs

- 72,000 sq. ft. facility at Patterson Way Combined Community and Senior Center
- Inflationary Environment – tough to estimate without detail bids & no bids without town approval
- Current estimate of conceptual design is \$35.7M plus incremental \$0.5M for furniture, activity asset, etc. = \$36.2M (assumed '22 late summer build)
- Total guesstimate 10% or more one year later; perhaps \$40M (10%) - \$44M (20%)
- Grants maybe available once shovel ready, but cannot plan on them until known
- To reduce cost to construct, reduce facility size, prioritize needs with ability to expand later

Estimated Operating Expenditures

- Operating Hours: M-F 6 am – 10 pm; Weekends 7 am – 5 pm
- Town Staff estimates \$1.6 million in incremental expenses
 - \$1.1 million – staff and fringes; 11 full time, incl. 6 custodial staff
 - \$0.4 million – utilities and facility supplies
 - \$0.1 million – supplies and materials
 - Potential Net operating Costs of \$1 million.
- Union agreements; maybe able to reduce with outside maintenance

Refer to Detailed Report Page 13

Potential Budget Savings (not included in Net Operating Loss)

	<u>Operating</u>
• Community & Senior Center Utilities	\$50,000
• BHS Swim Team Transportation Costs	\$28,000

Other potential savings (custodial staff & time at senior center, outdoor pools' capital costs (Appendix H), etc.)

Mill Rate/Tax Impact

	<u>Potential Capital Costs Estimates \$(000's)</u>	
Design, construction & equipment *	<u>\$36M</u>	<u>\$44M</u>
	\$4,080	\$4,533
Net Operating Loss	<u>1,000</u>	<u>1,000</u>
Total (w/o any grants)	\$5,080	\$5,533
<u>Mill Rate Impact (15 yr., 5% debt assumed)</u>		
Tax Impact for Home w/ Mkt Value \$280,000	\$424	\$462
Tax Impact for Home w/ Mkt Value \$450,000	\$681	\$742
		\$500
		\$803

- Amounts represent debt service payments – highest level year 1 & 2; future years are lower

Refer to Detail Report pages 16-18 for Project's Capital Cost Debt Schedules

YMCA Background

- Berlin part of Meriden/New Britain/Berlin YMCA
- In Berlin, currently operates before and after school day care, summer camp at Willard School and is expanding to full day child care at McGee and Hubbard Schools
- Revenue and profit from childcare
- Process to Building YMCA facility in Berlin
 - Feasibility Study – critical to ensure no saturation of Y's in area
 - Design
 - Secure capital – fundraise and financing
 - Construction
 - At best 1 ½ yrs to start construction

YMCA – Committee Discussions with Exec. Staff

- YMCA believes approx. 33,000 sq ft. facility may be right size for Berlin
 - Important to note, they do not provide senior specific services Berlin currently provides
- Currently accepts Silver Sneakers for those on Medicare
- No specific conceptual design available (initial discussions only)
- YMCA does not meet Commission on Aging and Parks and Recreation Statement of Needs
 - Does not replace Senior Center or Parks and Recreation

Refer to Appendix D for Area YMCA Membership Fees and Appendix G for Answers to Written Questions Submitted to YMCA

Conclusion and Next Steps

Recommendations to Town Council and Consider Detailed Report and Appendices in your review and determination of path forward:

- Town Funded Facility – work toward April '23 referendum
 - Determine if there is a level of debt that the Council can support
 - Send back to Commissions (P&R, Aging and Building Commissions), work with architect to propose project cost reductions and alternatives (size, offerings, etc.)
 - Adjust estimated operating budget based on alternatives
 - Hire a Fundraising Professional Dedicated to This Project – knows private and public funding
- Start discussions with YMCA to determine if feasibility study can be done now & identify YMCA needs from town (land, ...)
 - Identify how town will address Statement of Needs of Commission on Aging given current outdated and unsafe parking
 - Limit risk of delay or not being able to build a YMCA in Berlin
 - Silver Sneakers – possibly tie the Y to accepting it for x years; understand how YMCA will and can take good custodial care of Berlin facility with older buildings in Meriden and New Britain
- Evaluate Cons of Town Funded and YMCA options and determine how to eliminate or minimize
- Perform Public Outreach to various business and community groups and consider feedback before determining final path