

REPORT TO CITY COUNCIL

DATE: AUGUST 26, 2020

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: NATHAN HAMBURGER, CITY MANAGER

BY: AMY BRINK, DIRECTOR OF COMMUNITY SERVICES
CHRISTY PINUELAS, DIRECTOR OF FINANCE

SUBJECT: AGOURA HILLS/CALABASAS COMMUNITY CENTER UPDATE

At the May 21, 2020, Board Meeting, the Agoura Hills/Calabasas Community Center Joint Powers Authority (JPA) made the difficult decision to close the Agoura Hills/Calabasas Community Center (Community Center) until at least January 2021. In order to manage the potential financial issues, they also authorized the Executive Director to initiate furloughs and/or layoffs in order to deal with the budget deficit that they were facing, as a result of the COVID-19 crisis, and to look to reduce expenditures to the bare minimum.

The JPA also instructed the Executive Director to prepare a work plan that would include a new business model for the Community Center. The business model would be a comprehensive approach that addressed the day-to-day operations and included the long-term sustainability of the Community Center, which may involve looking at new uses.

Since the closure of the Community Center, the Executive Director has been monitoring the Los Angeles County Department of Public Health Orders. There are many strict guidelines and protocols that shape, dictate, and may even prevent certain programs and activities from being reinstated, once the Health Department announces that cities can fully reopen. The guidelines and protocols have created many obstacles for the Community Center making it challenging to develop a new business model that is going to make financial sense. With the October 2020 point of evaluation (agreed to by both cities involved) quickly approaching and Los Angeles County still in Stage 3 of the closure, there is concern that presenting a business model at this time is unrealistic and thus further decisions will need to be made in regards to the short and long-term viability of the Community Center. As the budgets of the two cities involved continues to be negatively impacted, due to large revenue reductions, there is a stark reality in which the Community Center may cease to be able to exist and thus there will need to be further discussion regarding any outstanding liabilities that the two cities will be responsible for in this scenario. It is recommended that staff gather all of the necessary information and present this to the Community Services Subcommittee for recommendations that will be presented to the full City Council for consideration, concurrently, with any recommendations for budget adjustments in the next 60 days.

Staff and Councilmember Lopez, along with staff and a councilmember from the City of Calabasas had a discussion with Los Angeles County officials and staff to discuss potential scenarios. Follow up discussions will be necessary after reviewing the Community Center incorporation documents.

Therefore, the City Council is encouraged to review and discuss the current status of the Community Center, and the impact it may have on the City's budget under the current situation, and how to address the situation should the JPA request an increase in future funding.

RECOMMENDATION

Staff respectfully recommends the City Council review this report and provide any feedback and direction to staff in regards to the Agoura Hills/Calabasas Community Center.