



CITY *of* CALABASAS

KINDON MEIK
City Manager

January 20, 2022

Mr. Nathan Hamburger
City Manager
City of Agoura Hills
30001 Ladyface Court
Agoura Hills, CA 91301

Mr. Hamburger,

For over twenty years, the residents of Calabasas and Agoura Hills have benefited from the programs, events, and amenities available at the Agoura Hills Calabasas Community Center. The temporary closure of the building due to the COVID-19 pandemic has been difficult for both communities. At the same time, the pause in operations has created an opportunity for constructive dialogue about the future of the Community Center. The overall tone of those discussions has been positive and stakeholders have demonstrated a commitment to re-open the facility.

On November 22, 2021 you and I met with Councilmember Klein Lopez, Councilmember Buckley Weber, Councilmember Bozajian, Councilmember Kraut, and staff from both cities to discuss necessary steps to re-open the facility in 2022. It was determined that the City of Calabasas would develop a business plan showing expected revenues and expenses thereby outlining the fiscal viability of the Community Center. Furthermore, it was proposed that the City of Calabasas and the City of Agoura Hills restructure the existing partnership between the two cities in a way that would best ensure the continued operation of the facility in the years to come.

With the direction provided at the November meeting, the City of Calabasas recently completed the business pro forma. Based on past revenues and expenses, staff is projecting that the two cities would need to contribute just over \$200,000 during fiscal year 2022-2023 to sustain operations at the facility. The complete business plan is included for your review and provides details on anticipated operating costs for the next three fiscal years.

In regards to ongoing partnership, it is proposed that the City of Calabasas assume 80% ownership of the facility with the City of Agoura Hills controlling the remaining 20%. As such, the financial contributions to operate and maintain the facility, board membership, facility usage days, and other aspects of the partnership would be based on an 80/20 split. Please note, however, existing debt such as the CalPERS unfunded liability, retiree medical costs, and unemployment expenses would continue to be shared between the two cities with each contributing an equal amount to cover those costs. If acceptable, these changes would be outlined and further delineated in a new JPA agreement to be presented to our respective governing boards for their approval.

To further advance the discussion, we recommend that we once again convene a meeting between elected representatives and staff from the two cities by mid-February. The City of Calabasas is optimistic about the future of the Community Center and is ready to work in collaboration with the City of Agoura Hills to ensure a timely and successful reopening.

Best regards,



Kindon Meik
City Manager