

**CITY OF ALBANY
CITY COUNCIL AGENDA
STAFF REPORT**

Agenda Date: April 6, 2009

Reviewed by: BP

SUBJECT: Resolution #09-13 Authorizing Purchase of Property at 842 Masonic Avenue for Purposes of Future Expansion of the Albany Senior Center

REPORT BY: Beth Pollard, City Administrator
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STAFF RECOMMENDATION

Approve Resolution #09-13 authorizing purchase of property at 842 Masonic Avenue for purposes of future expansion of the Albany Senior Center.

PARK & RECREATION COMMISSION RECOMMENDATION

At its March 12, 2009 meeting, the Park & Recreation Commission on a 3-1 vote, approved a motion supporting the expansion of the Senior Center, but expressed serious concerns about the financial implications and impacts on other Park and Recreation Master Plan priorities.

PLANNING & ZONING COMMISSION RECOMMENDATION

At its March 10, 2009 meeting, the Planning and Zoning Commission unanimously expressed support for the expansion. The Commission noted that the senior center has historically been a good neighbor and the proposed project is a good way to address a property in poor condition. The Commission also noted that creation of usable outdoor space should be considered in the expansion plans, and that in order to encourage walking and transit, expansion should not be designed around parking considerations.

BACKGROUND

In January 2009, the single family home located at 842 Masonic, adjacent to the Senior Center, was listed for sale. The home is a 3-bedroom one-bath home built in 1930 with 1,365 square feet, including a one-car garage. The property is owned by a family trust, and has been vacant for a number of months.

The City Council has met in executive session and provided negotiating parameters to the City Administrator regarding the exploration of acquisition of the home as a site for expansion of the senior center. The discussions led to the seller accepting a contingent offer from the City to purchase the home for \$425,000.

In addition, the City Council took public comments at its March 2, 2009 meeting and directed staff to present the proposed acquisition to the Planning and Zoning Commission and the Park and Recreation Commission. The March 2, 2009 City Council staff report is attached.

DISCUSSION

The senior center is the City's primary facility for serving the growing senior population. It was built in 1962 funded by local donations and a State grant, and was subsequently remodeled in 1979. It is located adjacent to another City-owned building at 850 Masonic, which is leased to the Albany Pre-School Cooperative.

The existing senior center consists of a classroom, a multi-purpose room with a kitchen, a library in the lobby area, and workstations for staff, volunteers. Total building area is approximately 4,000 square feet. The existing Senior Center is ideally located in the center of the City and close to transit and services on Solano Avenue. In addition, there is relatively ample street parking on Masonic Avenue next to the BART tracks.

Approximately 2,500 people attend the Senior Center on a monthly basis. Although the Senior Center is used by a large number of Albany residents, residents from neighboring cities such as Berkeley, Kensington, Emeryville, El Cerrito, Richmond, San Pablo, Pinole and Hercules also come to participate in the activities offered.

ANALYSIS

Demographic Demand

Expanding the current Senior Center is important to continue to meet the needs of the growing senior population. Between 1950 and 2000, older adults in this state increased from 1.6 million to 4.7 million, an increase of 194 percent. This trend will continue as the number of people greater than 60 years old grows to 12.8 million by 2050. The first wave of Baby Boomers has turned 60 and by 2010, nearly 16 percent of Californians will be age 60 or older.

In 2000, the city of Albany had 1,819 residents 65 years or older. The Association of Bay Area Governments (ABAG) prepares forecasts of population growth by age group for Alameda County. Applying countywide growth rates to the Albany population, results in an estimated increase in senior population to 4,804 citizens by the year 2030.

Programmatic Activities

The existing facility is heavily used, and additional programs and services could be provided if additional space was available. The size of the multipurpose room, the largest room at the Senior Center, cannot safely accommodate classes such as low-impact or cardiovascular exercises. The South Room is the only other classroom at the Center and is limited to 35 students. To meet current need for classes, some senior classes, such as Tai Chi, Effortless Power, and The Modern Age are currently scheduled at the Albany Community Center, which has high demands for other space needs.

The acquisition of the adjacent 3,750 square foot property would allow for expansion of the facility with a modest disruption of the existing facility. Detailed facility planning will be needed in order to fully evaluate the best alternatives. Currently, staff believes the following elements should have priority consideration.

- New activity room/class room;
- Parking for the new van
- New restrooms
- Upgrade mechanical equipment spaces/storage
- New volunteer and staff work stations

If more classroom space was available, other lifelong learning classes such as art (sculpture, drawing, painting), language, photography, Computers, Line Dancing, Movie critique, theater could be offered. Additional senior programs generate revenues, which are detailed below.

Office Space

Volunteers and City staff currently use office space and the workroom in the senior center for confidential appointments with the HICAP counselor and for memory screenings, as well. In addition, the lobby is used for podiatry appointments and the Mercy Brown bag program, which distributes grocery bags full of food to low-income seniors. If a dedicated service office was available, accommodations could be made to expand services such as Legal Assistance for Seniors, the Social Security office, and East Bay Para transit counseling. Other services that could be offered include Notary, eyeglass adjustment/repairs and massage.

CALIFORNIA ENVIRONMENTAL QUALITY ACT

The proposed acquisition and future expansion would be considered Categorical Exempt from the requirements of the California Environmental Act (CEQA) pursuant to CEQA Guidelines Section 15303 “New Construction or Conversion of Small Structures” and CEQA Guidelines Section 15332 “In-Fill Development Projects.”

SUSTAINABILITY IMPACT

The expansion of the senior center will enhance the quality of life of seniors in a building that will be energy efficient. The expansion will be built with energy efficient windows, lighting, heating and the current facility will benefit from having a more efficient HVAC system and new roof, which will make the entire facility more green.

FINANCIAL IMPACT

Acquisition of the Property

To fund the purchase at \$425,000 and the estimated inspection and closing costs of \$10,000, staff has identified the following sources:

| | |
|---|--------------|
| AB 1600 Parkland-in-lieu fees: | \$ 170,000 |
| Roberti Z'berg State Bond funds: | 112,179 |
| Friends of the Albany Seniors donation: | 7,425 |
| Community Development Block Grant Stimulus funds: | 52,514 |
| Community Development Block Grant 2009-10 funds: | 85,302 |
| Measure F 2002 | <u>7,580</u> |
| | \$ 435,000 |

The Roberti Z'berg State Bond Funds were previously allocated for Ocean View Field improvements, but were replaced by Measure R ballfield funds when the State bond funds were frozen. If the State eliminates the state bond program, or if there are additional miscellaneous costs related to securing the acquisition, Measure F 2002 funds would be the source of funds.

Future Expansion of the Senior Center

There are a variety of potential funding sources for the project construction, including grants, donations, fundraising, Community Development Block Grant program, Lighting & Landscaping District 1988-1, Parkland in-lieu fees, and a Mello Roos Community Facilities District. The estimated cost of construction will depend on the scope of the project; staff is currently using \$1 million as a place holder estimate pending development of the project plan.

Near-Term Implications on City Revenue

The City will receive approximately \$800 less in General Fund property tax revenue than if a private party was purchasing the property for \$425,000. City special assessments and pension tax on the property would have generated \$1,264 from private property ownership, for a total City annual fiscal impact of \$2,064. The current assessed valuation on the property is \$52,638, which generates approximately \$100 in annual General Fund property tax.

Operating Budget for Expanded Senior Center

As shown below, the cost to operate the current facility, which includes part-time staff salaries, custodial services, and utilities, but not the supervisor and coordinator positions and other fixed overhead, is approximately \$70,000. With an expansion, no additional staff cost is anticipated since the new facility could operate with the same number of staff. Custodial services would increase approximately by 50%. Modern energy-efficient HVAC systems would be installed to serve both the existing facility and the expanded area.

With additional classroom space, larger classes can be accommodated, freeing up space at the Community Center for additional fee-based classes to be held. With the expansion, we could increase Senior Center revenue by approximately 40 percent, which will offset the cost of running the new building.

With the expansion, new fee-based classes would be implemented at the Senior Center with contract instructors and through the Albany Adult School (AAS). For each class that the AAS provides at the Senior Center, the city collects a fee from each student per quarter per class enrolled. There would also be more space available for fee-based evening classes offered through the Recreation Department at the Senior Center.

Daily donations collected from senior center participants are projected to increase due to increased attendance. Trip revenue is estimated to increase regardless of the expansion because more trips will be provided with the new Senior Center Community Shuttle.

Albany Senior Center Revenue

| Items | Current | With Expansion (in current \$) |
|--------------|-----------------|---|
| Classes | \$26,000 | \$36,000 |
| Rentals | \$5,000 | \$10,000 |
| Donations | \$11,740 | \$15,000 |
| Senior Trips | \$8,000 | \$12,000 |
| Total | \$50,740 | \$73,000 |

Operational Cost

| Items | Current | With Expansion (in current \$) |
|---------------|-----------------|---|
| Temp Salaries | \$50,000 | \$50,000 |
| Custodial | \$15,372 | \$23,058 |
| Utilities | \$3,000 | \$2,645 |
| Total | \$68,372 | \$75,358 |

Attachments

Draft Resolution #09-13