

The Community Center Choice

Steve Schoeny, Upper Arlington City Manager



City of Upper Arlington®



Community Center Feasibility Task Force

Front Row (from left): Chuck Manofsky, Matt Rule (Finance Chair), Bill Westbrook, Greg Comfort (Facilities Chair), Nick Lashutka (Co-Chair)

Back Row: Todd Walter, Kelly Boggs-Lape, Supen Bowe (Community Engagement Chair), Margie Pizzuti (Co-Chair), Linda Mauger, Merry Hamilton, Linda Moulakis, Wendy Gomez, Brian Perera

Not Pictured: Dianne Albrecht, Yanitza Brongers-Marrero



Community Engagement

- 12 pop-up events
- 11 focus groups
- 41 individual stakeholders interviewed, representing 15 organizations
- 3 surveys – 2 professionally fielded, statistically valid, 1 Internet survey – with a total of 2,541 responses
- 3 community meetings



***3,242 points of input from residents BEYOND public comments
at 20 public meetings of the Task Force and its subcommittees***



What Did We Learn?

“UA Community Center” means:

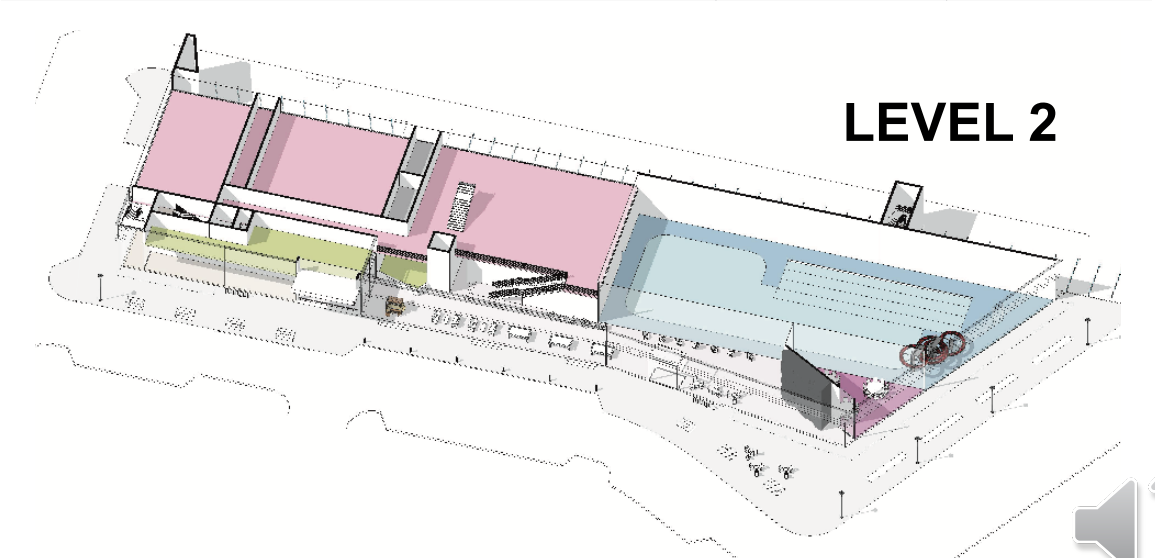
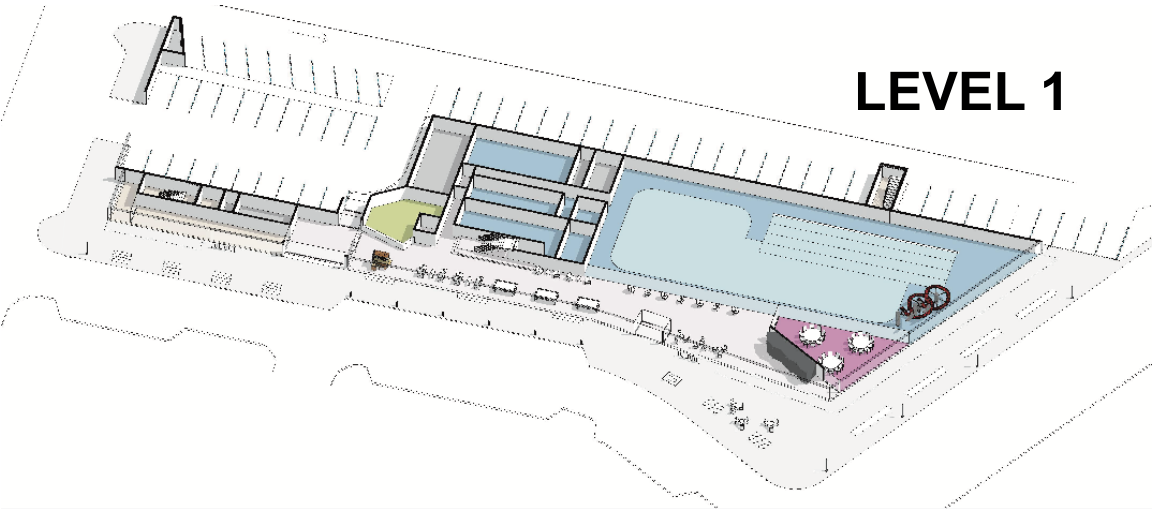
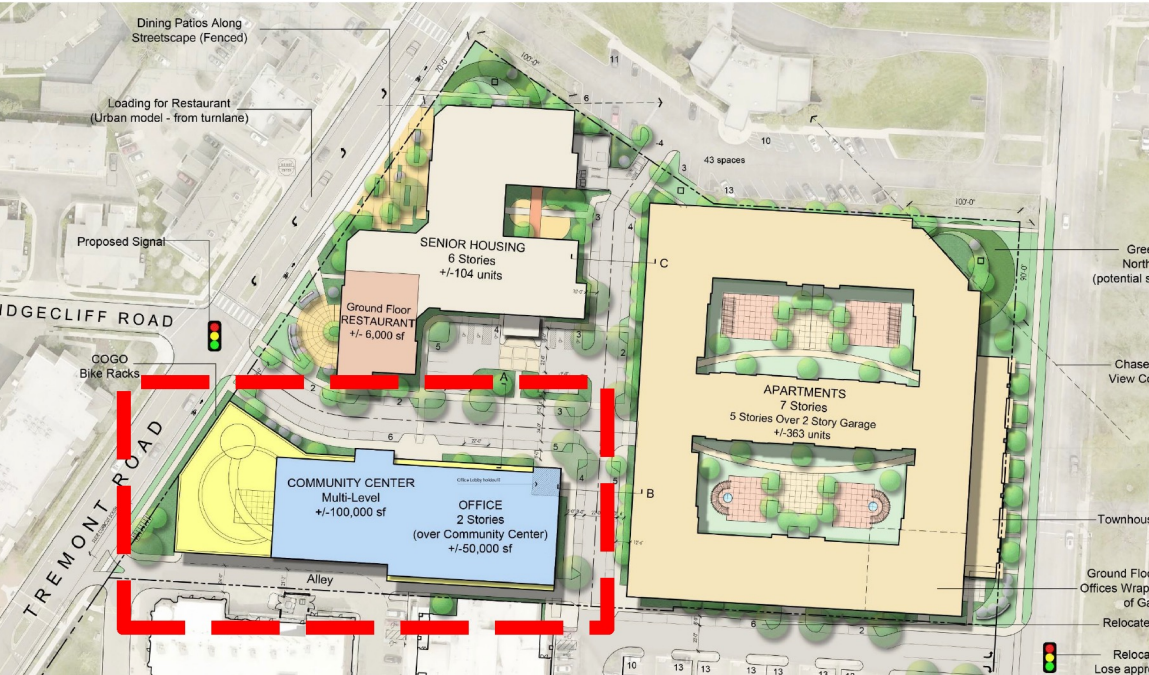
- a) **Gathering Space** - both function-specific space & unprogrammed space
- b) **All Ages** - child watch, teens & older adults
- c) **Fitness** – walking, strength & cardio, aquatics, gymnasiums, fitness classes
- d) **Arts & Learning** – appropriate classroom space, demonstration kitchen, art display spaces

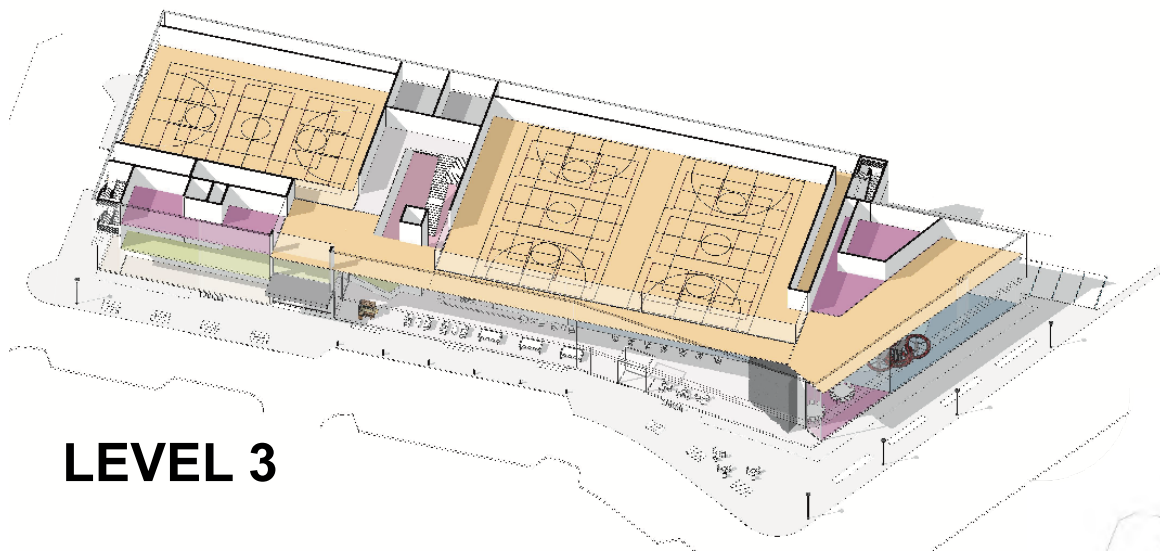
Location - central and accessible, but protect park space

Financially Sustainable – consistently, 70%-80% of residents support moving forward with a community center if taxes don't have to be raised

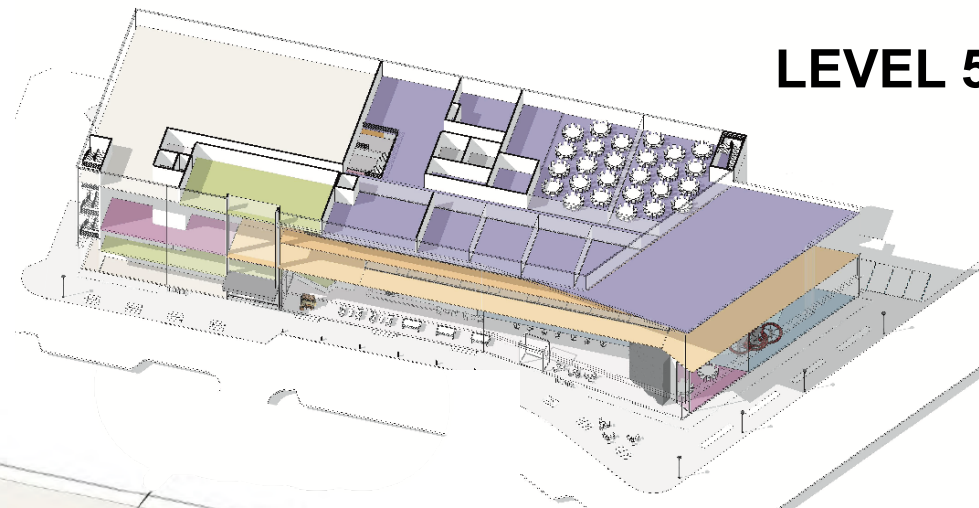


Location & Program

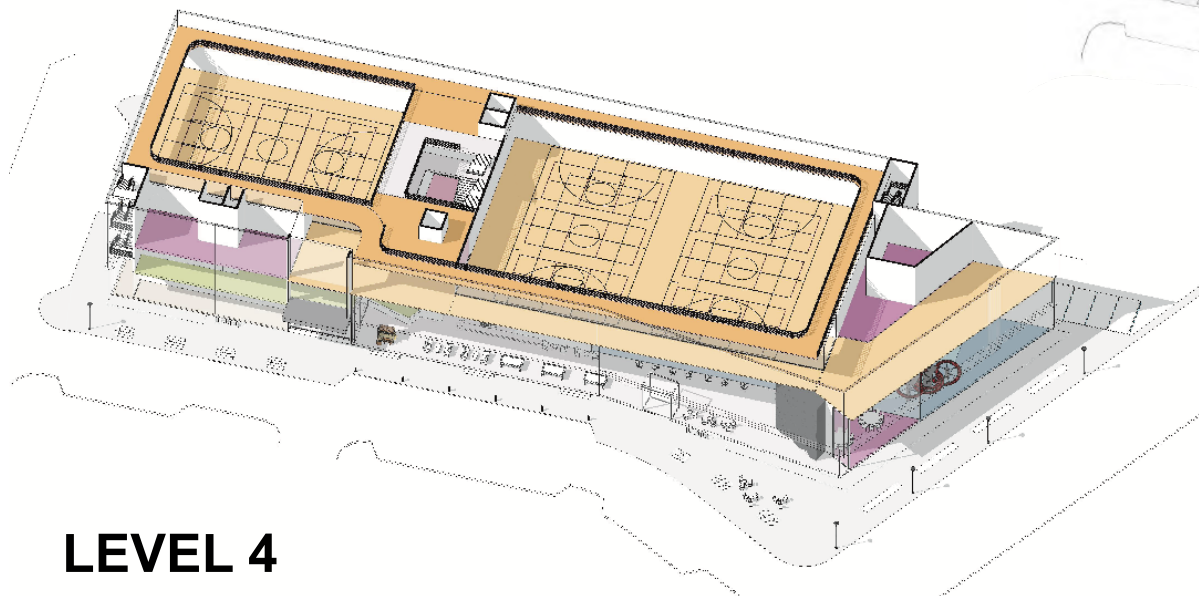




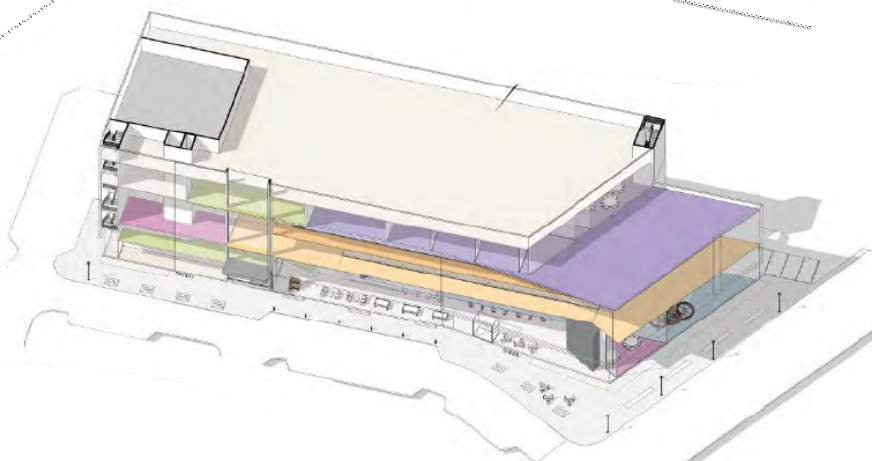
LEVEL 3



LEVEL 5

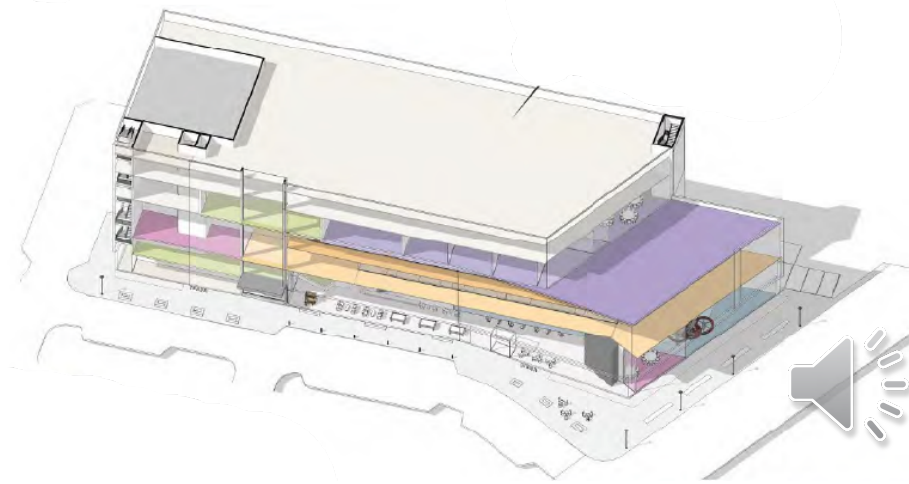


LEVEL 4



LEVEL 6

LEVEL 7



Financial Build Plan

\$54 million construction budget - includes 23% for contingencies & inflation, covered by:

- \$40 million long-term debt
- \$5.4 million private donations, with help from UA Community Foundation
- \$8.8-\$9 million City cash

Debt service of \$2.3 million per year - to be repaid using:

- \$1.59 million in TIF revenues
- \$500,000 annual hotel/motel tax revenues from hotels on Lane Avenue
- \$210,000 balance to be covered by rent & income taxes generated by the medical/office space on floors 6 & 7



Financial Operations Plan

Key Assumptions

3,902 resident memberships, including 5,840 individual residents

- 2019 UA Resident pool members = 7,285
- 3,498 households already participate in our recreation programming today
- Assumption is 16% of residents (Dublin rec ctr – 14%; Westerville – 13%; Worthington – 29%)

Membership Rates

	Monthly Rate			
	Individual	Couple	Family	Senior
UA Projection	\$27	\$46	\$70	\$20
Westerville	\$26	\$52	\$70	\$24
Worthington	\$22	\$35	\$48	\$15
Dublin	\$21	\$36	\$53	\$11

Subsidy: Current City net cost recovery for recreation programming is - \$530,000



NOTE: Non-residents will pay a 30% premium



Base-case Pro-forma

Assumptions

- Based on current size, design, partnerships & participation level
- 3% market capture for memberships
- 70% program capacity

Conclusions

- Net subsidy for indoor recreation is eliminated



Revenues	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year
Passes	\$2,282,644.20	\$2,396,776.41	\$2,492,647.47	\$2,592,353.37	\$2,670,123.97	\$2,750,227.68
Youth Programs	\$388,449.00	\$407,871.45	\$424,186.31	\$441,153.76	\$454,388.37	\$468,020.02
Adult Programs	\$124,665.00	\$130,898.25	\$136,134.18	\$141,579.55	\$145,826.93	\$150,201.74
Seniors	\$296,228.00	\$311,039.40	\$323,480.98	\$336,420.22	\$346,512.82	\$356,908.21
Aquatics	\$85,855.00	\$90,147.75	\$93,753.66	\$97,503.81	\$100,428.92	\$103,441.79
Health & Wellness	\$126,845.00	\$133,187.25	\$138,514.74	\$144,055.33	\$148,376.99	\$152,828.30
Therapeutic Recreation	\$8,070.00	\$8,473.50	\$8,812.44	\$9,164.94	\$9,439.89	\$9,723.08
Rental / Other	\$87,885.00	\$92,279.25	\$95,970.42	\$99,809.24	\$102,803.51	\$105,887.62
Total	\$3,400,641.20	\$3,570,673.26	\$3,713,500.19	\$3,862,040.20	\$3,977,901.40	\$4,097,238.45

Expenditures	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year
Personnel Services	\$1,846,572.23	\$1,920,435.12	\$1,997,252.53	\$2,077,142.63	\$2,160,228.34	\$2,246,637.47
Supplies	\$173,500.00	\$178,705.00	\$184,066.15	\$189,588.13	\$195,275.78	\$201,134.05
Other Services & Charges	\$1,118,476.62	\$1,163,215.69	\$1,209,744.32	\$1,258,134.09	\$1,308,459.45	\$1,360,797.83
Total	\$3,138,548.86	\$3,262,355.81	\$3,391,063.00	\$3,524,864.85	\$3,663,963.57	\$3,808,569.35

Capital Outlay	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year
Maintenance Endowment Fund (5% of revenue)	\$170,032.06	\$178,533.66	\$185,675.01	\$193,102.01	\$198,895.07	\$204,861.92
Total	\$170,032.06	\$178,533.66	\$185,675.01	\$193,102.01	\$198,895.07	\$204,861.92

Scholarship Fund	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year
Scholarships (2% of membership revenue)	\$44,522.54	\$46,748.67	\$48,618.62	\$50,563.36	\$52,080.26	\$53,642.67
Total	\$44,522.54	\$46,748.67	\$48,618.62	\$50,563.36	\$52,080.26	\$53,642.67

Total Gain / Loss (less Maint. Endowment Fund)	\$47,537.74	\$83,035.11	\$88,143.57	\$93,509.97	\$62,962.50	\$30,164.50
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Total Cost Recovery	101%	102%	102%	102%	102%	101%
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Stress Test Pro-forma

Assumptions

Reductions from full potential pro-forma

- 33% in memberships
- 50% daily admission
- 20% program capacity
- 33%-50% in rentals

Conclusions

- Net subsidy for indoor recreation increases by \$250,000 per year



Revenues	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year
Passes	\$1,514,569.60	\$1,590,298.08	\$1,653,910.00	\$1,720,066.40	\$1,771,668.40	\$1,824,818.45
Youth Programs	\$276,358.00	\$290,175.90	\$301,782.94	\$313,854.25	\$323,269.88	\$332,967.98
Adult Programs	\$88,383.00	\$92,802.15	\$96,514.24	\$100,374.81	\$103,386.05	\$106,487.63
Seniors	\$209,639.00	\$220,120.95	\$228,925.79	\$238,082.82	\$245,225.30	\$252,582.06
Aquatics	\$70,615.00	\$74,145.75	\$77,111.58	\$80,196.04	\$82,601.92	\$85,079.98
Health & Wellness	\$126,845.00	\$133,187.25	\$138,514.74	\$144,055.33	\$148,376.99	\$152,828.30
Therapeutic Recreation	\$5,610.00	\$5,890.50	\$6,126.12	\$6,371.16	\$6,562.30	\$6,759.17
Rental / Other	\$46,012.50	\$48,313.13	\$50,245.65	\$52,255.48	\$53,823.14	\$55,437.83
Total	\$2,338,032.10	\$2,454,933.71	\$2,553,131.05	\$2,655,256.30	\$2,734,913.98	\$2,816,961.40

Expenditures	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year
Personnel Services	\$1,846,431.83	\$1,920,289.11	\$1,997,100.67	\$2,076,984.70	\$2,160,064.09	\$2,246,466.65
Supplies	\$156,500.00	\$161,195.00	\$166,030.85	\$171,011.78	\$176,142.13	\$181,426.39
Other Services & Charges	\$961,660.14	\$1,000,126.55	\$1,040,131.61	\$1,081,736.87	\$1,125,006.35	\$1,170,006.60
Total	\$2,964,591.98	\$3,081,610.66	\$3,203,263.13	\$3,329,733.35	\$3,461,212.56	\$3,597,899.65

Capital Outlay	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year
Maintenance Endowment Fund (5% of revenue)	\$116,901.61	\$122,746.69	\$127,656.55	\$132,762.81	\$136,745.70	\$140,848.07
Total	\$116,901.61	\$122,746.69	\$127,656.55	\$132,762.81	\$136,745.70	\$140,848.07

Scholarship Fund	1st Year	2nd Year	3rd Year	4th Year	5th Year	6th Year
Scholarships (2% of membership revenue)	\$29,724.63	\$31,210.86	\$32,459.30	\$33,757.67	\$34,770.40	\$35,813.51
Total	\$29,724.63	\$31,210.86	\$32,459.30	\$33,757.67	\$34,770.40	\$35,813.51

Total Gain / Loss (less Maint. Endowment Fund)	(\$773,186.11)	(\$780,634.50)	(\$810,247.93)	(\$840,997.54)	(\$897,814.68)	(\$957,599.82)
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Total Cost Recovery	75%	76%	76%	76%	75%	75%
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What Will Be on the Ballot on May 4?

Should the City of Upper Arlington build a new community center on the site of the old Lazarus/Macy's store at Kingsdale Shopping Center, using various City revenue streams but in no case from an increase in City income or property tax, as authorized by legislation of City Council, including Ordinance No. 1-2021, Ordinance No. 2-2021, and Ordinance No. 3-2021?

YES, the City should build the community center
NO, the City should not build the community center



YES or NO?

YES – The City will build a community center at Kingsdale funded with existing revenue streams and revenue generated by Continental's project. UA Schools receive the current Senior Center site, are guaranteed their current \$123,000 annual revenue from the Macy's site, plus \$50,000 per year and the value of any additional millage added in subsequent school levies.

NO - The Macy's site will be fully redeveloped by Continental. The community center will likely be replaced by a 9-story building that includes 7 stories of multi-family residential. The UA schools would receive additional funding, equal to \$30-40 per year per household.

