



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: General Services
Department No.: 063
For Agenda Of: May 6, 2014
Placement: Departmental
Estimated Tme: 1 Hour
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: General Services Matthew P. Pontes, Director (805) 560-1011
Contact Info: Greg Chanis, Assistant Director (805) 568-3096

SUBJECT: Veterans Memorial Buildings and Santa Barbara County Courthouse Proposed Consolidated Management Plan, Second District

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

1. Receive and file the Proposed Consolidated Management Plan to combine management responsibility of the Santa Barbara Veterans Memorial Building with the management of the Lompoc Veterans Memorial Building and the interior rental venues in the Santa Barbara County Courthouse, commencing on July 1, 2014; and **either:**
 - a. Decide not to renew the current Management Agreement with the Veterans Coordinating Council and adopt the proposed Management Plan, which would be implemented through an additional annual appropriation of \$114,694 of requested funding beginning in the Fiscal Year 2014-2015 Budget, **or:**
 - b. Return to the Board for consideration of a revised Management Agreement between the County and the Veterans Coordinating Council for management of the Santa Barbara Veterans Memorial Building, per the written request received on March 26, 2013; and
2. Determine that the proposed administrative action is not the approval of a project that is subject to environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA guidelines Section 15378, and direct staff to file a Notice of Exemption.

Summary Text:

On December 3, 2013, the Board voted unanimously in directing the General Services Department to develop and present to your Board a plan to consolidate management responsibility of the Santa Barbara Veterans Memorial Building (SBVMB), located at 112 West Cabrillo Blvd. in Santa Barbara, with the Lompoc Veterans Memorial Building (LVMB) and the rental venues inside the Santa Barbara County Courthouse (SBCC), commencing on July 1, 2014, upon expiration of the current Management Agreement (Attachment 3) with the Veterans Coordinating Council (VCC). Today's recommended actions request the Board to receive and file the Proposed Consolidated Management Plan (Attachment 1), and asks the Board to either adopt the plan, or direct staff to return to your Board for consideration of a revised management agreement per the written request received with the VCC for continued management of the SBVMB (Attachment 2). Adoption of the proposed plan by your Board will provide:

- A higher level of service provided to the public
- The potential for developing increased revenue from the facilities
- Improved oversight and management of historic resources owned by the County

Background:

The Military & Veterans Code Section 1262 enables the County *"To provide, maintain or provide and maintain buildings, memorial halls, meeting places, memorial parks or recreation centers for the use or benefit of one or more veterans' associations"*. Pursuant to this code section, the County established the SBVMB at its present location in 1935. In January 1998, The County entered into a Management Agreement (Agreement) with the VCC for management of the SBVMB. The Agreement was then revised and extended for a five year period commencing July 1, 2004 and extended again in 2009 for an additional five year period. The current Agreement is set to expire on June 30, 2014, but includes a provision whereby the VCC may request renewal of the Agreement for an additional five year period, if the parties agree the VCC has met its responsibilities under the Agreement. The request for renewal must be in writing and be received by the County at least ninety days prior to the expiration date of the current lease term. These provisions do not preclude the County from otherwise agreeing to modify or renew the Agreement. On March 26, 2014, the County received a written request from the VCC, asking the Board of Supervisors to extend the current agreement for one year (Attachment 2).

On December 3, 2013, the Board received a presentation by General Services related to the SBVMB. The presentation included background information related to the current management agreement with the VCC, information regarding the historic designations of the SBVMB and preliminary information on a plan for the County to assume management responsibility for the building. The presentation highlighted the potential efficiencies to be realized by consolidating management of the three facilities. The Board also heard public comments from numerous individuals on the matter. Based on the staff presentation and testimony from the public, the Board voted unanimously in directing staff to return to the Board with a plan to assume management responsibility of the SBVMB and combine that management with the existing management responsibilities of the LVMB and the SBCC.

Today we are asking the Board to receive and file the proposed plan, and direct staff to either adopt the proposed plan for County management of the SBVMB, or return to your Board at a future date for consideration of a revised Management Agreement with the VCC, per their request. Adoption of the

plan will require an additional General Fund contribution of \$115,000 and create two new Full Time Equivalent positions in General Services.

Adopting Proposed Plan for County Management

The proposed management plan includes background information on the SBVMB, and details the operational, fiscal, and staffing components required to consolidate the management of the three facilities in an efficient and consistent manner. The addition of management responsibility at the SBVMB presents unique staffing challenges which significantly increase the resources necessary to effectively manage the facilities. Under current VCC management, the building is utilized, and therefore must be staffed, seven (7) days a week. In addition, the building is currently open to the public during the day and, given the SBVMB’s beachfront location, attracts a diverse group of visitors throughout the day.

The proposed plan includes a staffing plan focused on the management of these three facilities. It calls for two full time positions as well as additional funding for part time workers. All of the positions would work out of the SBVMB, providing staff presence at the facility, but also be available to work at the LVMB and SBCC as needed. Staff would be responsible for the administrative and fiscal oversight of the facilities and would work to increase facility rental revenue while implementing strategies to maximize operational efficiency. The SBVMB and the LVMB would continue to be places for veterans to meet and receive information on veteran services. The County would work to partner with current and future Veterans groups, County Veterans’ Services Programs, the community and other organizations in exploring opportunities to provide additional Veterans services.

Revised Management Agreement with VCC

If the Board supports the VCC request for an extension of the Management Agreement, staff would work with the VCC in developing an agreement for consideration by the Board at a future meeting.

Fiscal and Facilities Impacts:

Budgeted: No

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund		\$ 114,694.00	
State			
Federal			
Fees			
Other: Rental Income			
Total	\$ -	\$ 114,694.00	

Narrative:

General Services estimates the current combined income from SBCCH and the LVMB at \$40,000, with combined expenses of \$75,455; leaving an operating deficit of \$35,455. If the proposed Plan were implemented, estimated first year combined income from all three facilities would rise to \$182,500 and estimated combined first year expenses would rise to \$332,649, leaving an operating deficit of \$150,149; an increase of \$114,694. It is important to note these numbers only address the annual operating costs of the facilities. There are a number of deferred maintenance projects, particularly at the SBVMB and SBCC, which will require significant additional funding to address.

If the Board directs staff to return with a revised Management Agreement with the VCC, General Services will continue to manage the LVMB and SBCC with existing staff, resulting in no fiscal impact, but also with none of the benefits associated with consolidated management of the facilities.

Staffing Impacts:

<u>Legal Positions:</u>	<u>FTEs:</u>
Event Manager	1
Administrative Assistant	1

Special Instructions:

Please send a copy of the Minute Order to Greg Chanis, Assistant Director, General Services, Support Services Division

Attachments:

1. Proposed Management Plan
2. VCC Request For Extension
3. Current Management Agreement with VCC
4. LVMB Operational Rules
5. Historic Landmark Commission, Staff Report on SBVMB
6. 2012 VCC Management Agreement Audit Report
7. PowerPoint Presentation
8. Notice of Exemption (CEQA)

Authored by:

Greg Chanis, Assistant Director General Services, Support Services Division