



To: Scarborough Town Council
From: Thomas J. Hall, Town Manager
Subject: Draft Charge for Ad Hoc Community Center Advisory Committee
Date: August 28, 2019

By action Order No. 19-008, the Town Council expressed its intent to form two Ad-Hoc Committees, one for study of a Community Center and the other to consider the attributes of the Downtown portion of the Crossroads development and I was directed to prepare proposed committee charges for consideration in September.

Since this time it has become apparent that the Community Center discussion is advancing much sooner than was expected. To this end, the Town Council has scheduled a workshop to discuss the appropriate process and timeline to discuss the Community Center. As I expect the workshop will include discussion regarding an Ad-Hoc Committee, I have prepared a draft charge designed to consider the matter immediately before the Town related to the potential public/private partnership. I view this proposal as a starting point for discussion and offer it at this time as it may assist with the focusing or directing the discussion at the workshop. I will not provide justification for my proposal here, but look forward to the opportunity to introduce the proposal at the workshop and explain my rationale for this approach.

Should the Town Council choose to follow a path of exploring the potential of a public/private partnership first, I would recommend a separate agreement with the entity proposing to construct a commercial recreation facility that the Town would be a tenant of. This agreement would provide general terms, expectations and responsibilities of the Parties and a timeframe for decision-making. I am pleased to prepare a draft for review should that be helpful.

Attachment: Draft Ad-Hoc Community Center Advisory Committee Charge

Ad-Hoc Community Center Advisory Committee

BE IT RESOLVED, by the Council of the Town of Scarborough, Maine, in Town Council assembled, that,

WHEREAS, interest in a community center to meet the recreational and cultural needs of all demographics of the Town was previously explored and most recently was a consistent theme of the community conversations related to the update to the Comprehensive Plan; and,

WHEREAS, local developers have begun to develop the Scarborough Downs property into a mixed-use development, the center of which intends to be a "Downtown"; and,

WHEREAS, the Town and the developers have entered into a financial partnership through a Credit Enhancement Agreement to advance this development in a mutually beneficial manner and such agreement contemplates the potential siting of a community center in the downtown portion of the development; and,

WHEREAS, the developers have expressed interest in advancing the community center concept and have partnered with the Edge Sports Group for the construction of a commercial sports complex and they have approached the Town as a potential lease tenant in the facility; and,

WHEREAS, the developers have requested that the Town indicate interest in a public/private partnership as soon as possible following a public process and the Town is willing to enter into a Memorandum of Understanding to describe mutual expectations and responsibilities required to fully explore this option. Therefore, in an effort to be responsive to this request, the Town Council wishes to fully explore this opportunity using the resources of the community to fully explore and critically analyze this opportunity for a public/private partnership.

NOW, THEREFORE, BE IT RESOLVED, by the Scarborough Town Council in Town Council assembled, that there is hereby an Ad Hoc Community Center Advisory Committee created, and the membership, terms, offices and duties shall be as follows:

1. **Purpose.** The purpose of the Advisory Committee is to draw upon the collective skills and expertise of committee members and to work with staff in an effort to advise the Town Council on the financial and practical viability of a public/private partnership for a community center. The following is a general overview of the discussion points, expectations and deliverables the Advisory Committee should consider in arriving at its recommendations:
 - **Review of Prior Efforts-**The Advisory Committee shall familiarize itself with the prior efforts regarding a community center. Although prior efforts considered a different ownership and operational arrangement it will be important to learn from this experience.
 - **Schematic Design and Layout-** Review the proposed schematic design prepared by staff to determine the appropriateness of amenities to be included in the premises to be leased by the Town. Final design and layout should maximize recreational opportunities,

while as the same time recognizing the importance of limiting expense and maximizing revenue potential. A complete understanding of the space and what recreational amenities it includes must be accomplished before an accurate financial analysis can be performed.

- **Financial Analysis-** The Town's involvement in a public/private partnership must make financial sense to the Town; therefore the Committee's work and final recommendation(s) should specific financial analyzes.
 1. **Analysis of Expected Lease Costs-** The Committee shall work with the developer to determine the design of the space in sufficient detail to obtain a lease cost from the developer;
 2. **Analysis of Estimated Operational Costs-** It is expected that the lease terms will be based on a triple-net lease arrangement. A complete evaluation of expected operational costs is essential for this analysis;
 3. **Projected Revenue Forecast-** Prepare an analysis of the likely projected revenue that can be expected through membership, rentals and contractual relationships. This analysis should consider a reasonable rate structure that is consistent with similar facilities in the region;
 4. **Combined Analysis** – The lease and operational expenses should be considered against the expected revenue so as to identify any gap that may need to be covered by other sources of revenue. The Committee shall offer recommendations regarding potential other revenue sources (ie. fundraising, sponsorships or general tax support).

These analyzes shall be shared with the Town Finance Committee for review and input.

- **Recommendations and Optional Analysis** – If the recommendation is to pursue this public/private relationship, it is anticipated that the Committee will offer specific recommendation(s) regarding the preferred lease terms and conditions. The Committee is not limited to a financial analysis on a conventional lease relationship with triple-net terms, and the Committee is encouraged to consider other variations such as "lease-to-own" and make recommendations as may be advantageous to the Town.

- **Energy Efficiency-Life-Cycle Costs Considered** – To the extent possible the Advisory Committee shall consider and evaluate the expected life-cycle costs of proposed systems and consider energy efficiency so the analysis of operational costs is as accurate as possible.
- **Public Involvement** - The Committee shall incorporate public input into the process, which will culminate in a public presentation of its findings and recommendations to the Town Council.
- **Best Practices** – Review of the Community Center/Recreation Center Study prepared in May 2019 by Intern Marguerite Fleming. Research and review other similar projects to determine best practices that may be incorporated into the project. Tours of similar facilities is encouraged.

The Committee's powers and duties shall not exceed those prescribed, herein or otherwise restricted by Town Council Rules, Policies and Charter.

2. **Membership.** The membership intends to provide fair representation of key stakeholders and unique expertise in the construction or development field. Given the limited and specific charge to the Committee, membership should include individuals whom possess specific expertise to the task at hand, in particular representing professions in recreation/community services, business/financial analysis and design/construction. The Committee shall be appointed by the Town Council and shall be comprised of seven (7) members as follows:

Five (5) Residents At-Large
Two (2) Member of the Town Council

Although official membership is limited to seven (7) members, the Committee is encouraged to draw upon other resources and invite other key stakeholders to participate in their proceeding as they feel appropriate.

3. **Timeframe.** The Committee shall focus their review and recommendation to the public/private partnership and shall advise the Town Council as soon as possible with their recommendation(s), but in no event later than _____, at which time the Committee shall cease to exist unless otherwise extended by the Town Council. The Committee shall provide an interim report to the Town Council within forty-five (45) days from the date of their first meeting. In the event that it is recommended not to pursue this partnership the Town Council will consider expanding the charge to the Committee to consider other alternatives for a community center.

4. **Staff Resources Available.** The Director of Community Services will serve as support to this Committee and other Town and School resources will be made available as may be necessary for the Committee to complete its task. In particular, it is anticipated that the Committee will involve the Town Manager, Town Engineer, Planning Director, Sustainability Coordinator, School Facilities Director and Athletic Director to supplement their efforts.
5. **Vacancies and Removal.** Any vacancies shall be filled by the Town Council. The Town Council may remove any member of the Committee by vote of a majority of its members for misconduct or nonperformance.
6. **Officers.** The Committee shall elect a Chair and Recording Secretary from among its members. The Chair shall be counted to determine a quorum and shall have the same rights as other members of the Committee, including the right to vote.
7. **Quorum and Voting.** A quorum shall consist of four (4) members. The concurrence of a majority of the members present and voting shall be necessary to decide any question before the Committee.
8. **Meeting and Records.** The Committee shall meet often enough to complete its responsibilities within the deadline set and shall strive to meet at least bi-weekly on a date and time specified by a vote of the majority of the Committee at its first organization meeting. Other meetings may be called by the Chair, provided that the Chair shall call a meeting of the Committee upon the request of at least three (3) members. The Committee shall keep minutes of its meetings and submit them to the Town Clerk's Office.