



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council

FROM: City Administrator

SUBJECT: **COMMERCE COMMUNITY BENEFITS FUNDING FOR SENIOR PROGRAMS**

MEETING DATE: SEPTEMBER 18, 2018

RECOMMENDATION:

Staff recommends that the City Council approve the outlined expenditures related to the Senior Rent Subsidy Program, an increased green fees discount for seniors in the Commerce Golf Association, additional Chi Kung and Yoga Classes, and the purchase of two new computers and printers through City revenues in the “Commerce Community Benefits Fund” (City pilot program) for the benefit of our senior residents.

ANALYSIS/BACKGROUND:

On March 20, 2018 the City Administrator and City Attorney (with 5-0 authorization from the City Council) entered into a “Stay of Enforcement” agreement with Synergy Business Management. Synergy voluntarily disclosed to the City that it was conducting cannabis-related business activities (specifically, manufacturing and distribution) in the City of Commerce for the last three (3) years. A methodical analysis was undertaken before entering into said agreement, including factoring in the extraordinary City costs of litigation in seeking any cessation of activities, confirmation that Synergy had been operating without any incident, the City’s ongoing study of land uses and impacts, confirmation that the location of operations was consistent with the state’s minimum requirements, and an agreement by Synergy to make the City whole in unpaid past fees that would have been due by any business operating in the City.

On April 3, 2018 the City Council approved the re-activation of the Senior Rent Subsidy Program for up to thirty-five (35) participants using a new revenue source, which were the revenues from the Synergy agreement (hereinafter, “Commerce Community Benefits Fund”).

To date, the Commerce Community Benefits Fund has brought in over \$160,000 of new revenue to the City. \$17,750 has already been expended and allocated to the City’s Senior Rent Subsidy Program, helping deserving seniors on a fixed modest or low income pay their monthly rent.

Staff is providing the following status update on the Commerce Community Benefits Fund program and recommending that this program be continued and, in the future, possibly expanded. Staff is also recommending that the Commerce Community Benefits Fund be

used to fund additional senior classes for Chi Kung and Yoga, that there be an increase in the green fees discount to seniors in the Commerce Golf Association, specifically a 50% Senior Discount, from the current 20%. The latter is consistent with a request from the Senior Citizens Commission. Finally, staff is also recommending the purchase of two new computers and a printer for the Senior Center for general use by the seniors in our City. Notwithstanding, while the below are City staff's recommendations, City staff is requesting feedback and/or a directive from City Council as to whether there are other worthy programs serving the City's senior citizens that may be funded by the Commerce Community Benefits Fund.

1. Senior Rent Subsidy Program:

The Commerce Community Benefits Fund now provides for up to thirty-five (35) participants. This figure includes ten (10) participants from the previously discontinued temporary program. The program has been successful in serving twenty (20) of our most deserving seniors who underwent an application process, and the budget approved by the City Council provides to serve an additional fifteen (15) seniors. Each qualifying Commerce senior receives a stipend of \$250.00 per month to assist them with their rental living expenses.

2. Commerce Golf Association Senior Discount:

The Commerce Community Benefits Fund is recommended as an appropriate funding source for the Commerce Golf Association Senior Discount. The Commerce Golf Association has approximately twenty (20) Commerce senior citizen resident members listed on their current roster.

The discount for green fees - which range from \$40-\$80 per senior golfer per monthly round of golf - is currently 20% for Commerce seniors. It was previously a 50% discount in the fiscal year 2009-10. However, it was reduced to 25%, and eventually it was phased out before it was re-authorized at the current 20% discount. The Senior Citizens Commission has requested that the City Council consider increasing the Green Fees discount to 50% for resident senior members of the Commerce Golf Association. Below are the available options:

Option 1: Approve a 50% discount on Green Fees for Commerce resident seniors age 50 and over who are members of the Commerce Golf Association, and fund the additional 30% through the Commerce Community Benefits Fund. (The current 20% discount is funded by the City's general fund.)

Option 2: Approve a 50% discount on Green Fees for Commerce resident seniors age 50 and over who are members of the Commerce Golf Association, and fund the entire 50% discount through the Commerce Community Benefits Fund, thus relieving the general fund of this burden. **RECOMMENDED OPTION.**

Option 3: Make no changes to the Commerce Golf Association and keep the discount at 20%.

3. Chi Kung & Yoga Classes:

The Commerce Community Benefits Fund is also recommended as an appropriate funding source for addressing requests from seniors for an additional Chi Kung class and an additional Yoga class at the Senior Center. The Chi Kung and Yoga classes have been very popular with our senior community. The art and science of using gentle movement, breathing and meditation techniques have improved the quality of life for our seniors and it is believed that these exercises are valuable in increasing their longevity.

4. Computers and Printer at Senior Center:

The Commerce Community Benefits Fund is also an appropriate funding source to replace the 2 computers and printer available to seniors at the Senior Center, which are heavily used on a daily basis. The existing computers and printer are nearing the end of their useful life as the computers are almost 10 years old and now in need of replacement.

FISCAL IMPACT:

Upon City Council approval of the recommendations presented, the following appropriations will be transferred accordingly from the Commerce Community Benefits Fund to the General Fund which will be reflected in the adopted budget as follows:

1. Commerce Golf Association Option 1: An appropriation of **\$1,440** will be added to the annual budget of \$4,800 for a total \$6,240 will need to be made to the Commerce Golf trust account (70-7700-38510). Golf Association Option 2 (Recommended): The total budget amount of \$6,240 for this item will be funded in the Commerce Golf trust account from the Commerce Community Benefits Fund. Option 3: No fiscal impact.
2. An additional appropriation of **\$4,160** will be needed to fund the additional Chi Kung class, resulting in a total of \$8,320 allocated for both classes. Option 2 which would be the recommended option for the first component of item 2 as well would be to shift the responsibility for the entire **\$8,320** required for the existing and additional Chi Kung classes to the Commerce Community Benefits Fund.

An additional **\$1,560** will be needed to add one additional class per week, resulting in a total of \$4,680 allocated for all Yoga classes at the Senior Center. Option 2 which would be the recommended option for the second component of item 2 as well would be to shift the responsibility for the entire **\$4,680** required for the existing and additional Yoga classes to the Commerce Community Benefits Fund.

3. An appropriation of **\$3,800** for 2 new computers, monitors, printers and ink supply for the fiscal year would be required to be approved in funding from the Commerce Community Benefits Fund.

Respectfully submitted: Edgar P. Cisneros, City Administrator

Fiscal Impact reviewed by: Vilko Domic, Finance Director

Recommended by: Robert Lipton, Parks and Recreation Director

Approved as to form by: Norma Copado, City Attorney

Attachment:

- 1) Senior Rent Subsidy Agenda Report