



CITY OF KIRKLAND
Department of Parks & Community Services
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MEMORANDUM

To: Marilynne Beard, Interim City Manager

From: Jennifer Schroder, Director of Parks and Community Services
Carrie Hite, Deputy Director of Parks and Community Services

Date: May 4, 2010

Subject: Kirkland Teen Union Building (KTUB) Operations

RECOMMENDATION:

The City Council directs the City Manager to negotiate an agreement with the Bellevue YMCA for operation of the Kirkland Teen Union Building.

BACKGROUND:

The Parks and Community Center Youth Services section and the Youth Council adopted a work plan item in 1995 to develop a teen center for Kirkland. After extensive work with the Park Board, City Council, and public, the decision was made to build the teen center in Peter Kirk Park. Additionally, staff researched options for the operations of the teen center, and it was decided to publish a request for proposals to determine the interest and feasibility for third party operations. In June of 2001, the City of Kirkland opened the Kirkland Teen Union Building, and signed a ten year Use and Occupancy Agreement with Friends of Youth. At full term, this lease would expire on May 31, 2011. However, the termination clause allows either party to initiate an early termination of the lease. Friends of Youth opted to terminate early and have given the required notice.

Friends of Youth has been an excellent partner, continuing to satisfy the scope of work and often providing additional services to Kirkland youth. Their decision to terminate the agreement was based on redefining their mission and concentrating on their core services. Friends of Youth intends to operate the KTUB until July 1, 2010. After this date, they would like to continue providing youth outreach services at the KTUB. These services provide case management for some of the most vulnerable, at-risk for homeless youth in Kirkland.

The current scope of service includes:

- Staffing the Teen Center a minimum of 36 hours a week, 5 days a week
- Maintaining an Advisory Board of youth and adults
- Developing, promoting, and implementing a diverse array of programs that anticipate and meet the needs and interests of Kirkland teens.
- Developing and implementing a comprehensive evaluation plan to assess the effectiveness of programs and operations.

Current City Resources for KTUB

Currently, the City allocates a total of \$220,120 to the operations of KTUB. The funds are divided among operations, facility, and services. The City funds Friends of Youth for the operations of the KTUB for \$160,000. In addition, the City spends \$32,689 for facility maintenance and for the facility sinking fund charges. The City also funds \$27,431 to Youth Eastside Services to provide half time counseling services on-site at the KTUB through human services contract funding.

Options for Operation

In February staff presented options for operating the KTUB to the City Council. At that Council meeting, staff explained the operational model for the city to operate the KTUB (see attached PowerPoint from the previous Council presentation.) Based on staff's presentation, the City Council recommended researching three options further; 1. Request for Qualifications (RFQ) to seek a third-party operator, 2. Explore Friends of Youth ability to complete the contract term, and 3. City operation of KTUB.

Staff had discussions with Friends of Youth to explore their willingness and ability to continue the current contract. Friends of Youth communicated that they could not continue to operate the KTUB without a significant increase in City funding.

Per Council's direction, staff issued an RFQ to further explore possible partners to operate the KTUB. There were two respondents: Kirkland Boys and Girls Club and the Bellevue YMCA. Upon review of the proposals, staff invited both parties for interviews. There were two panels evaluating the merits of each during an interview process; a youth panel, comprised of 8 members of the Youth Council, and KTUB youth, and an adult panel, comprised of staff and community stakeholders. After completing the interviews, it was unanimous to proceed with the Bellevue YMCA for evaluation against the City operating option. The Bellevue YMCA focused on a youth empowerment model, had the commitment and passion to operate the KTUB as it is currently operated, and wanted the opportunity to learn from this successful model. They focused on keeping the same core program components and adding regional resources to enhance the operations of the KTUB.

Attachment A outlines the merits and challenges of the Bellevue YMCA and the City operating option. Both of these options were discussed with the Youth Council/KTUB youth, and with the Park Board. Both citizen boards felt that the Bellevue YMCA could operate the KTUB with more resources and flexibility and could satisfy, if not exceed, the current scope of work within existing funding.

The Youth Council and Park Board unanimously recommend that the City contract the KTUB operations to the Bellevue YMCA. The contract would be negotiated as a 10 year agreement, similar in terms and scope as the existing contract with Friends of Youth, and mirror the existing relationship the City has with Friends of Youth.

Kirkland Teen Union Building Operations

Options	Comments	Merits	Challenges	Budget
<p>1. Third Party Operates KTUB</p>	<p>The City received two applications for operations. These were from the Kirkland Boys and Girls Club and the Bellevue YMCA. Both the evaluation of the RFP, and the interviews with youth and adult panel, Bellevue YMCA was selected unanimously to go forward in the process of evaluation.</p>	<p>Recognize KTUB as a regional model, and want to operate it with a youth empowerment focus. Recognize scope of work, local identity, Youth Council connection, and want to enhance these. Will keep local focus, while having resources to enhance program. Will not incorporate a membership model. Want to collaborate with the city in operations. Will look at current staff to help with smooth transition. Can operate the KTUB independent of national modeling. Longevity with staff, promotional opportunities. Experience and interest to further partnership models to "strengthen the foundation of the community". Would like to program more at KTUB during daytime hours, enhance revenue model for operations during peak teen time. Fund Development strength to balance the funding gap. Do not want to change the name, or recreate the identity to be a YMCA club. They would publicize the YMCA as the operator similarly as FOY does today. They would continue to work with YES to provide counseling, and FOY to provide youth outreach.</p>	<p>Could be a great fit, if what they said can be captured contractually. There may be some issues from youth of the perception of the YMCA, and will it be the same KTUB. This could be addressed in the communications and marketing plan.</p>	<p>Fixes cost at current level: \$220,120. This includes \$160,000 for operations, \$32,689 for facility operations and maintenance and facility sinking fund charges, and \$27,431 to Youth Eastside Services for counseling.</p>
<p>2. Discuss possibility with Friends of Youth to operate to full term, giving economy time to recover, consider possibilities with 2011-12 biennial budget.</p>	<p>Friends of Youth does not have an interest in operating KTUB long term. They will, however, continue to operate the KTUB beyond July 1, 2010, to help with a seamless transition to a new operator.</p>	<p>N/A</p>	<p>N/A</p>	<p>N/A</p>
<p>3. City operates KTUB.</p>	<p>City option falls short of \$27,000, which could impact the counseling program, or cut service level from other areas. We would need to raise revenues, or look at the general fund to support this.</p>	<p>More quality control, youth voice, empowerment model. Connection to KYC, possibly having them take more of a leadership role. Less time overseeing and forming partnership model. Lower staff turnover rate (there have been three directors in 9 years of operation). Infrastructure, facilities, higher level of service, nicer facility, better community relations. Gives the City the opportunity to maximize the use of the facility, programming more services during the daytime hours when teens are in school. With Annexation, and space being scarce, this would add space to the city's inventory to increase services. Current recreation staff could program in KTUB for the morning, early afternoon hours.</p>	<p>Limited on what we can do as a government operating the program; maybe not as many controversial issues? More expensive. Increased costs each year (i.e. salary, benefits, IT, etc). In order to continue to offer same level of service, we would need to raise funding/revenues by \$27,000.</p>	<p>Cost of operations is higher than current allocation. Increased staff costs each year.</p>

Kirkland City Council Meeting February, 2010



Kirkland Teen Union Building 2010
Operational Options

Kirkland Teen Union Building

- ◆ Youth inspired, 1995-2000
- ◆ Opened in June 2001
- ◆ 5,000 square feet, custom designed to meet the needs of Kirkland youth.
- ◆ Strive for opportunities for economies by appropriately linking the building to the Peter Kirk Community Center.

Kirkland Teen Union Building

Entered into a 10 year operating lease with Friends of Youth. Scope of work included:

- ◆ Staff Teen Center
a minimum
36 hrs/wk.



Scope of Work



Maintain an advisory board of youth and adults

Scope of Work

Develop, promote, and implement a diverse array of programs that anticipate and meet the needs and interests of Kirkland teens.



Scope of Work



Develop and implement a comprehensive evaluation plan to assess the effectiveness of programs and operations.

So, who goes to the KTUB?

Statistics for time period: 7/08-7/09

- ◆ Number of total served: 10,181
- ◆ Number of visits/service: 26,955
- ◆ Age Range: 13-19
- ◆ Average age: 17
- ◆ Average grade: 10th
- ◆ Percentage not in school: 17%
- ◆ Percentage with an IEP: 25%

City Current Financial Support

Operations: \$160,000

Facilities: \$ 32,689

Services: \$ 27,431

Total: \$220,120

Operational Options

1. Close KTUB.
2. RFP to a third party.
3. City assist with Operations for 1-3 years, help KTUB establish a 501c3.
4. Discuss further operations with FOY.
5. City operate KTUB



1. Close KTUB

Pros

- ◆ Budget savings
- ◆ Facility available for other use.

Cons

- ◆ Limited youth opportunities
- ◆ Possible increase in loitering, crime, youth mischief.

Budget Impact

Budget savings to the city of \$220,120 less the cost of facility mothball/maintenance



2. RFP to third party

Pros

- ◆ Already established organizations.
- ◆ Nationally, recognized models, infrastructure solid.

Cons

- ◆ Mission based programming
- ◆ Loss of local identity?
- ◆ Is financial support enough?

Budget Impact

Fixes cost at current level.

If financial support isn't enough, need to anticipate increase.



3. Assist KTUB to 501c3

Pros

- ◆ Keeps local identity
- ◆ Community owns it
- ◆ Back up plan

Cons

- ◆ Takes time to establish.
- ◆ Some risk inherent in model.

Budget Impact

Similar costs to city operational model for 1-2 years, with the goal of reducing costs to a fixed amount after 1-3 years.



4. Negotiate with FOY

Pros

- ◆ Builds in time to weather recession, increase options
- ◆ Provides continuity of services

Cons

- ◆ Delay the inevitable?
- ◆ Increased cost?

Budget Impact

Cost to the city would be \$60,000 additional per year, prorated based on amount of months of service.(i.e. \$30,000 through Dec.31, 2010).

5. City Operates

Pros

- ◆ Ease of transition, continuity of service
- ◆ Lower staff turnover
- ◆ Kirkland identity
- ◆ Potential revenue increases
- ◆ Maximize use of facility, increase capacity for annexation
- ◆ Connect KYC/KTUB

Cons

- ◆ Limited role as government?
- ◆ Increased cost each year.
- ◆ Loss of clinical counseling services on site
- ◆ More expensive model

5. City Operates: Budget Impacts

Balanced budget
assumes:

- ◆ Use of current funds budgeted.
- ◆ Current program staffing allocated at 4.5 FTE, City model allocates 3.5, and redirects some current city staff time to KTUB, increases efficiencies.



5. City Operates: Budget Impacts

- ◆ Reallocates Human services funds for clinical counseling to KTUB youth development program.
- ◆ Increased current revenue by \$5000 during the first year.



5. City Operates: Budget Impacts

- ◆ Reallocated some overhead charges.
 - ◆ Use of facility during the day for programs/facility rentals.
 - ◆ Potential for increased revenue each year as we apply city policy and business practices to facility.
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City Council Direction

1. Other options?
 2. Omit any of these options?
 3. Motion to review any/all options with Park Board, Youth Council, KTUB advisory board, and return to Council on March 16th with final recommendation.
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