Jon Maginot

Subject:

FW: Oppose Children's Corner at Hillview

From: Cheryl Weiden

Sent: Wednesday, April 04, 2018 11:12 PM **To:** City Council < council@losaltosca.gov >

Subject: Fwd: Oppose Children's Corner at Hillview

Dear Councilmembers,

I want to thank Jean Mordo for his very prompt response to my email opposing Children's Corner. He brings up a few issues that I would like to address. I am copying all of you to present my thoughts on these issues. His email is below in *black italics*, and my responses are in *blue*.

Thank you,

Cheryl Weiden

The following is Jean's email and my response:

Cheryl,

There are a lot of untruths being circulated. Here are a few facts:

- 1. The land where Children's Corner (CC) would be placed is land designated for future expansion of the Community Center, not open/park space. I do not dispute this, but feel the land should be reserved for "future expansion" for the community, not dedicated to a private entity that serves a small portion of the community. Leaving the space open (meaning not used or built upon) is preferable to tying it up for such a purpose.
- 2. Because we already dedicated \$35 million to the Hillview project, we do not have the extra \$2.5 million to build an additional 3,000 sf. building. I understand this, but it is not relevant to my objection. Nothing should be built on the reserved for "future expansion" space until the City has the funds to provide the proper facility for the community.
- 3. CC would hand over \$1 million to the City up front. The City would borrow approximately \$1.5 million and build the building. Once again, I understand this. The City should not use \$1.5 million of its borrowing capacity to finance a facility for a private entity serving a small portion of the community. Solar panels were eliminated due to budget constraints, but council is now considering borrowing an extra \$1.5 million for a private entity? Seriously, I would much rather borrow extra money for solar panels.
- 4. CC would pay rent over the 10-year lease which would cover the debt service on the \$1 million debt, so the cash flow impact for the next 10 years would be

- **zero**. This is debatable. The cost to CC is set, but the cost to the City is subject to cost overruns. This project is taking so long it is highly unlikely that construction will come in on budget. Additionally, will the City be responsible for maintenance and operation costs?
- 5. At the end of the 10 years, the City has a building that it can use for any purpose it chooses. At the end of the lease the facility would be a 10 year old daycare. To use it for another purpose the City would need to make a considerable investment to reconfigure and update it. Additionally, if an argument for keeping CC is that it has been in Los Altos 40 years (see #6), then in ten years the argument to stay will be that it has been there 50 years. This space will be a daycare forever.
- 6. CC is a non-profit school which has served the City for over 40 years. The service that they are performing is in high demand by Los Altos families with young children. 40 years ago Los Altos and the Bay Area were much different. Given the changes we should be planning for what exists now and what we see in the future, not basing decisions on 40 years in the past. We are struggling to address lack of housing and space. LASD sold school sites and now seeks to add a tenth school. We need to preserve our city space for the use of the community, not building for a private entity.
- 7. The play area built by CC at their expense will be available to the public outside school hours.
 - Los Altos families could use the play area evenings and weekends. While this nice, Los Altos has parks for this use.

On Wed, Apr 4, 2018 at 5:01 PM, Jean Mordo < imordo@losaltosca.gov> wrote:

Cheryl,

There are a lot of untruths being circulated. Here are a few facts:

- 1. The land where Children's Corner (CC) would be placed is land designated for future expansion of the Community Center, not open/park space.
- 2. Because we already dedicated \$35 million to the Hillview project, we do not have the extra \$2.5 million to build an additional 3,000 sf. building.
- 3. CC would hand over \$1 million to the City up front. The City would borrow approximately \$1.5 million and build the building.
- 4. CC would pay rent over the 10-year lease which would cover the debt service on the \$1 million debt, so the cash flow impact for the next 10 years would be zero.
- 5. At the end of the 10 years, the City has a building that it can use for any purpose it chooses.
- 6. CC is a non-profit school which has served the City for over 40 years. The service that they are performing is in high demand by Los Altos families with young children.
- 7. The play area built by CC at their expense will be available to the public outside school hours.

Best regards,
Jean (John) Mordo
Councilmember-City of Los Altos
jmordo@losaltosca.gov
(650) 279-8461
From: Cheryl Weiden Sent: Wednesday, April 4, 2018 4:15 PM To: council@losaltosca.gov Cc: Don Weiden < Subject: Oppose Children's Corner at Hillview
Dear City Council members:
We oppose the proposal from Children's Corner to continue the lease at Hillview Community Center, and we encourage you to vote "no" on this item.
We oppose the proposal based on the following key points:
1. The cost of Hillview will already necessitate the City to take out a loan, and adding the cost of the Children's Corner facility would increase the amount of the loan. If we were open to add more cost to Hillview, we could add solar panels and reap the benefit of reduced energy cost.
2. The financial cost of the proposal outweighs the revenues. Furthermore, the analysis does not take into account potential cost overruns. There is no obligation for Children's Corner to reimburse the City for cost overruns. On a purely financial basis, the City is subsidizing the facility for a small proportion of the population.
3. Dedication of property to benefit small population. Similar to #2, this is subsidizing a benefit for a small proportion of the population. Land is extremely costly and precious in Los Altos. Using this piece of land for Children's Corner ties up land that could be used for a larger proportion of the population, either as a facility or open space, for at least ten

years, and probably longer.

