



City Council Special Meeting Agenda

Date: 05-15-14
Time: 4:15 p.m.
Location: City Hall Council Chambers

- Mayor Nancy Tia Brown
- Donny Anderson
- Bryan Edwards
- Jerry Fritz
- Landon Greer
- Steve Miller
- Stan Wolz
- City Administrator, Jenni Rosencranse
- Administrative Services Officer, Cindy Baker
- City Attorney, Scott Kolpitcke

- Discuss the lease proposals regarding the City Property at 836 Sheridan as follows:
 - Cody Art League 4:15pm
 - Cody Cupboard 4:30 pm
 - Cody Country Chamber of Commerce at 4:45 pm
- May 20, 2014 agenda questions.
- Staff Updates
- Council Updates
- Meeting Reminders:
 - Tuesday, May 20, 2014 –Regular Council Meeting 7:00 p.m. City Council Chambers

Time Adjourned: _____

Cody Country Art League

836 Sheridan Avenue Cody, Wyoming 82414

(307) 587-3597 office@codyartleague.com

April 21, 2014



Nancy Tia Brown, Mayor
City of Cody Wyoming
1338 Runsey Avenue
Cody, WY 82414

Dear Mayor Brown:

Thank you for giving the Cody Country Art League the opportunity to meet with you today regarding the rent increase being proposed by the City of Cody. As you know, we are a 501 (c)(3) non-profit organization dedicated to promoting the arts and artists in our community. We take our commitment seriously, and have done so since our founding in 1964.

We are a self-sustaining organization, having never sought financial support from the City of Cody. All of our funds are derived from member dues, merchandise sales and donations. These funds are used to pay our ongoing operating expenses, including approximately \$500 a month for utilities.

The rent increases proposed by the City would be financially devastating. We currently pay \$400 rent annually, while the proposed rent would increase to over \$8,400 annually in the first year. By 2018, the proposed rent would skyrocket to over \$26,000 annually. While we appreciate the need to adequately fund city operations, we are hopeful that we can reach an agreement that will also allow the Cody Country Art League to remain financially viable.

Attached you will find the Cody Country Art League counter proposal. We believe the terms sought are reasonable, and will afford us the opportunity to implement new fundraising projects to enable us to meet these new and ongoing financial demands.

Please contact me should you require any additional information or wish to discuss further.

Sincerely,

Shirley Barhaug
President, Cody Country Art League
587-3597

CC: Rick Manchester, Acting City Administrator

Attachment

lam 4/21/14

CCAL Counter Proposal 4/21/2014

Rate	Year	Office	Storage	Monthly	Annual	Escalator	Monthly Rent	Total Annual
					Escalator	Amount		

Each rate in effect for 3 years.

Subsequent years lease rates may be adjusted with an optional annual escalator, not to exceed 3% annually.

\$.50	11/1/2014	---	\$ 813	\$ 68			
							\$ 339	\$ 4,068
\$	1.25	11/1/2014	\$ 3,250	---	\$ 271			

Proposal places a lesser value on storage (classroom) space due to condition of building.

Lease agreement effective for 10 years.

CCAL may withdraw from the lease agreement at any time after 3 years, with 6 months written notice, should it become financially unable to fulfill the terms of the lease.

lam 4/21/2014

May 15



April 30, 2014

Rick Manchester, Acting City Administrator
1338 Rumsey Avenue
P.O. Box 2200
Cody, Wyoming 82414

Cody Cupboard

PO Box 3006
Cody, WY 82414

Phone:
307-586-3732
Email:
info@codycupboard.com
Web:
www.codycupboard.com

Board of Directors

- Michele Henry
- Jim Terry
- Connie Moody
- Joan Freeman
- Gail Terry
- Ellie Wisner

Dear Rick,

The Cody Cupboard approaches with great anxiety the loss of our rent-free status with the City of Cody. It has been the sense of the organization that it provides a service of significant value to a relatively small, but extremely needy segment of Cody's citizens, a population largely without a consistent and reliable source of food security. The Cupboard feels it has been acting in partnership with the city to partially fill this need. Our donors certainly appreciate the efforts of the Cupboard and the support of the city in this cause.

As the city moves to maximize income from various properties, the Cupboard asks that you give consideration to the following circumstances which differentiate the Cupboard from other retail or nonprofit users of city property.

The Cody Cupboard has no income source other than donations. There are no membership or user fees that can be raised, nor is there any charge to citizens for services given. Donors contribute whatever they feel is appropriate, and the organization is grateful for the contribution. Our volunteers are not paid for their work. We cannot cut expenses by reducing staff.

The Cupboard operates out of a space which is not comparable in quality to space occupied by other renters, whether retail or nonprofit. It is without running water or a toilet, has inoperable windows, and in large part, unfinished cement floors. Most of the area would be considered basic storage space.

The citizens served by the Cody Cupboard have no real voice in the politics of the community. They will not show up at council meetings to support their concerns. If the Cupboard should cease to exist, they will be forced to seek help elsewhere.

In light of these considerations, the Cody Cupboard thinks it appropriate to be considered separately in rent considerations. Under current circumstances, the long term viability of the Cupboard and its services will be reduced proportionally to rental costs.

The Cody Cupboard is greatly appreciative of the city's long-term support of our mission in the community. We look forward to continuing this association.

Sincerely,

A handwritten signature in black ink that reads "Michele Henry". The signature is written in a cursive style with a large, sweeping initial "M".

Michele Henry, Chair
Board of Directors
The Cody Cupboard

CC: Jenni Rosencranse, City Administrator
Nancy Tia Brown, Mayor
Donny Anderson, Council Member
Bryan Edwards, Council Member
Jerry Fritz, Council Member
Landon Greer, Council Member
Steve Miller, Council Member
Stan Wolz, Council Member

**THE CODY CUPBOARD
APRIL 25, 2014**

PROPOSAL TO THE CITY OF CODY

Having carefully considered the increased rent proposal from the City of Cody, the Cody Cupboard respectfully submits the following proposal.

In pursuit of a mission to reduce hunger among the citizens of Cody, The Cody Cupboard collects food and financial support from hundreds of generous donors in the community, and has, with the help of a rent-free space from the City of Cody and previously from Park County, followed its mission since 1987. The Cupboard channels donations from the community, along with the work of 45+ volunteers, into the distribution of food to citizens in need. As food prices have risen, and recipient numbers have increased, it has been necessary to supplement current donations with savings from past years.

As can be seen from the attached budget, the Cupboard is frugal with non-food expenses. With the exception of utilities, insurance, replacement of refrigeration units, some limited advertising, and thank-you letters, the bulk of Cupboard resources goes for food. Given current projections, costs will eventually overwhelm resources, and other measures will need to be taken to continue services.

When setting a rental amount for the space occupied by the Cupboard, we, the donors and volunteers, can only ask that the City of Cody consider the value of the services provided to a relatively small and select group of citizens of limited means. The Cody Cupboard has no negotiating position. It will pay the least amount the city is willing to accept for use of the space.

The Cupboard will, however, gratefully accept as an in-kind donation, the difference between whatever rent is set for the Cupboard and the established square foot rate applied to comparable space. It will be a greatly appreciated measure of the city's support for services provided to the community.

**THE CODY CUPBOARD
P.O.BOX 3008
CODY, WYOMING 82414**

It is the mission of the Cody Cupboard to create a body of committed citizens working to alleviate hunger in the Cody area by providing temporary food assistance to those in need.

The Cupboard serves people in the Cody area, including Meeteetse and Clark, Wyoming. During 2013, the Cupboard assisted 1,454 households comprised of 2,579 adults, 1,260 children, totaling 3,839 individuals. These numbers include households and individuals who have returned for assistance. In addition, the Cupboard provided Christmas food boxes to 287 households comprised of 492 adults, 303 children, totaling 795 individuals. Food assistance is provided five days a week, Monday through Friday, except on holidays and days set aside for special events and operates entirely with a volunteer staff.

The Cody Cupboard may receive referrals for food assistance from the Department of Family Services, local churches, public health, mental health, Crisis Intervention, Hope House, Heart Mountain Free Medical, law enforcement and private citizens. In the past two years, there has been nearly a 20% increase in the number of individuals referred to the Cupboard for food assistance, which may reflect cutbacks in federal food and employment programs. There also has been a significant increase in the cost of food the Cupboard provides to those referred.

The Cupboard generally stocks cereal, soups, ramen noodles, crackers, canned vegetables and fruits, pork and beans, chili, canned Spaghettios and ravioli, canned chicken and tuna, Chicken, Tuna and Hamburger Helpers, macaroni and cheese, spaghetti sauce and pasta, peanut butter and jelly, rice and Rice-a-Roni, hamburger, hot dogs and margarine. In addition, vouchers for bread, milk and eggs are provided once a month, and milk vouchers are provided for families with children in the interim two weeks, if needed.

The Cupboard buys in bulk from local grocers, as well as from the Wyoming Food Bank of the Rockies. Occasionally fresh produce and variety packs of frozen meats other than hamburger are available from the WFBR. Cody Cupboard volunteers in charge of buying food shop for bargains and stock in large quantities when the price warrants. As often as possible, the Cupboard offers fresh fruit and potatoes. In the summer, the Cupboard receives donations of fresh produce from vendors at the Farmers' Market.

Based on household size, those referred choose a seven-day supply of food stocked at the Cupboard. Throughout the year, donated food items are offered as extras or as part of the regular seven-day supply. When available, donated toiletries are given as extras. Toilet paper is the only nonfood item purchased by the Cupboard.

THE CODY CUPBOARD
PROPOSED BUDGET FISCAL YEAR JULY 1, 2013--JUNE 30, 2014

FOOD	\$37,020
VOUCHERS	\$11,480 (1600 x \$7.00, based on 1500 households @ one voucher and 100 additional vouchers extended to larger families throughout the course of a year, plus 80 milk only vouchers at \$3.50 @)
CHRISTMAS FOOD BOXES	\$ 8,500 (estimated \$6,400 for food purchases and \$2,100 for Christmas vouchers \$7.00 x 300)
TOTAL FOOD	\$57,000
OTHER EXPENSES	\$ 8,000
TOTAL	\$65,000

This allows \$9,255 quarterly for food purchase + \$2,870 voucher expense (\$3,085 per month for food and \$957 per month for vouchers).

Estimating an increase to 4000 in fiscal year 2013-2014 and \$48,500 allocated for food and vouchers, cost per person is \$12.13 for a seven day allotment. This is separate from the Christmas cost per person which averages about \$10.00.

With a budget of \$65,000, as outlined, and with an estimate of \$52,000 in donations (based on an average of the past three years), we will use \$13,000 from our savings in fiscal year 2013. In accordance with the Financial Management Policy, with a budget of \$65,000, \$32,500 will be kept in reserve.

2014 Budget
With Current Month and Year to Date Comparisons
For the Period Ending March 31, 2014

	Budget	March 31, 2014	Fiscal Year to Date	FYTD % OF Budget
INCOME				
Donations	\$ 52,000.00	877.00	43,085.11	83%
Dues			5.00	
Grants				
Misc. Income				
Gift Cards				
Interest/Divends		636.10	2,054.96	
Increase in Long Term Investments		31.30	907.45	
TOTAL INCOME	\$ 52,000.00	\$ 1,544.40	\$ 46,052.52	89%
EXPENSES				
Food - General Distribution	37,020.00	2,215.72	23,404.69	
Vouchers - Albertson's	11,480.00	1,005.33	9,767.23	85%
Food - Christmas Boxes	8,500.00		5,048.57	
Total Food Expense	\$ 57,000.00	\$ 3,221.05	38,220.49	67%
Operating Expense	8,000.00	391.05	5,621.92	70%
Gift Card			380.00	
Decrease in Long Term Investments			1,016.40	
TOTAL EXPENSES	\$ 65,000.00	\$ 6,833.15	\$ 45,238.81	70%
NET INCOME	-13,000.00	-5,288.75	813.71	
Balance Sheet				
Assets:				
		Fiscal Year as of March 31, 2014		
Cash (Wells Fargo, checking, <i>reconciled balance</i>)	23,808.65			
Cash (Sunlight Federal, savings)	28,114.74			
CD (Sunlight Federal)	25,025.08			
Gift Cards (Albertson's)				
Edward Jones Bonds and Cash	41,956.70			
Total Assets	\$ 118,905.17			
Liability and Equity:				
Liabilities:	0			
Equity:				
Retained Earnings	118,091.46			
Current Profit	\$ 813.71			
Total Equity	\$ 118,905.17			
TOTAL LIABILITIES AND EQUITY	\$ 118,905.17			



CODY COUNTRY CHAMBER OF COMMERCE

May 7, 2014

Mrs. Jennifer Rosencranse, City Administrator
City of Cody
1338 Rumsey Ave
PO Box 2200
Cody, WY 82414

Dear Mrs. Rosencranse,

Thank you for the opportunity to review and respond to the City of Cody's request for a new lease. We understand the City's position, and certainly appreciate the open communication between our two entities.

We have enjoyed a great working relationship with the City for many years and we fully expect that partnership to continue.

We have reviewed our needs and budget and are proposing a staggered rent increase based on a number of important factors.

1. We believe our rent should cover the City's maintenance costs for the building.
2. We believe our rent reflects the fact that the City of Cody makes no additional investment into the Cody Country Chamber of Commerce.
3. We directly generate significant amounts of both sales and lodging taxes from which the City of Cody benefits.
4. We have invested \$175,000 into improving the building through additions and renovations.
5. We believe the approximate rental amount to maintain the building properly is \$2.40 per square foot.

With those considerations in mind, we propose a 10-year lease starting at \$1.75 per square foot (for the 3,200 square feet we occupy) for the first five years. In years six through eight our rent would increase to \$2.00 per square foot and in years nine and 10 it would be \$2.50 per square foot. When the lease expires we would renegotiate our rate.

Thank you for your consideration. We believe we are a good tenant and fully intend to continue our partnership with the City of Cody for many years to come.

We look forward to speaking with you at your May 15 work session.

Sincerely,

Greg Pendley, President
Cody Country Chamber of Commerce

CC: Nancy Tia Brown- Mayor