


# Memorandum



CITY OF DALLAS

DATE November 21, 2008

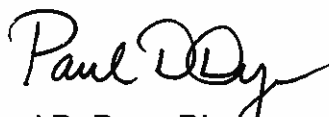
TO Honorable Mayor and Members of the City Council

Thru:   
Forest Turner  
Interim Assistant City Manager

SUBJECT December 3, 2008 City Council Agenda  
Agreement for the Development, Operation and Maintenance of the  
"Health & Wellness Institute at the Juanita J. Craft Recreation Center"

Attached is a copy of the Agreement for the Development, Operation and Maintenance of the "Health & Wellness Institute at the Juanita J. Craft Recreation Center" briefing which will be presented to the City Council on December 3, 2008.

Please contact me at 214-670-4071 if you have any questions.

A handwritten signature in cursive script that reads "Paul Dyer".

Paul D. Dyer, Director  
Park and Recreation Department

c: Mary K. Suhm, City Manager  
Deborah Watkins, City Secretary  
Thomas P. Perkins, City Attorney  
Craig Kinton, City Auditor  
Judge Ray Robinson, Judiciary  
Ryan S. Evans, First Assistant City Manager  
A. C. Gonzalez, Assistant City Manager  
Jill A. Jordan, P. E., Assistant City Manager  
Ramon F. Miguez, P. E., Assistant City Manager  
Dave Cook, Chief Financial Officer  
Helena Stevens-Thompson, Assistant to the City Manager



## Health and Wellness Institute at the Juanita J. Craft Recreation Center

### **Briefing** **Agreement for the Development and Operation of** **the “Health and Wellness Institute at the** **Juanita J. Craft Recreation Center”**

Dallas City Council

December 3, 2008



## Health and Wellness Institute at the Juanita J. Craft Recreation Center Goals of the Briefing

- **Not-for-profit overview**
- **Overview of the Health and Wellness Institute at the Juanita J. Craft Recreation Center project**
- **Brief the Plan**
- **Deal points**
- **Next steps**



## Health and Wellness Institute at the Juanita J. Craft Recreation Center Not-For-Profit Overview

- **Baylor Health Care System is a not-for-profit health care provider based in North Texas, operating a network of hospitals and other health care centers and clinics**
- **Last year Baylor Health Care System's community benefit was \$429 million**
- **Baylor Health Care System Board of Directors created the Southern Sector Health Initiative, a not-for-profit Texas corporation, to give focus and community oversight to this important effort**
- **Southern Sector Health Initiative will operate as an affiliate of Baylor Health Care System**
- **Baylor Health Care System has budgeted \$15 million for the renovation and operation of this initiative over 3 years**



## Health and Wellness Institute at the Juanita J. Craft Recreation Center Mission Statement

**To improve the care and save lives of people with diabetes by creating a new care model focused on health care, prevention, education, and research in South Dallas**

- **Diabetes is the most rapidly growing disease in health care**
  - 21 million Americans or 7% of the population are affected
  - 33% of patients are not aware they have the disease
  - Linked to obesity, diet, exercise and behavior
- **Diabetes leads to heart disease, vascular, retinal and kidney diseases**
  - 66% of diabetics die of heart attack or stroke
- **Up to 30% of inpatients have diabetes**
  - 17% higher hospitalization rate for Southern Sector residents
  - Diabetes contributes to length of hospital stay and other co-morbidities



## Health and Wellness Institute at the Juanita J. Craft Recreation Center Building A Stronger Community

### Why Juanita J. Craft?

- **Existing facility that people know and trust**
- **New DART line**
- **Spring Street revitalization (2006 Bond Program)**
- **Existing, suitable structure with necessary renovations**
- **Wellness is an integral component of Dallas recreation center programming**



## Health and Wellness Institute at the Juanita J. Craft Recreation Center Aerial of Park







## Health and Wellness Institute at the Juanita J. Craft Recreation Center Proposed Renovations

### **Architect - Perkins + Wills**

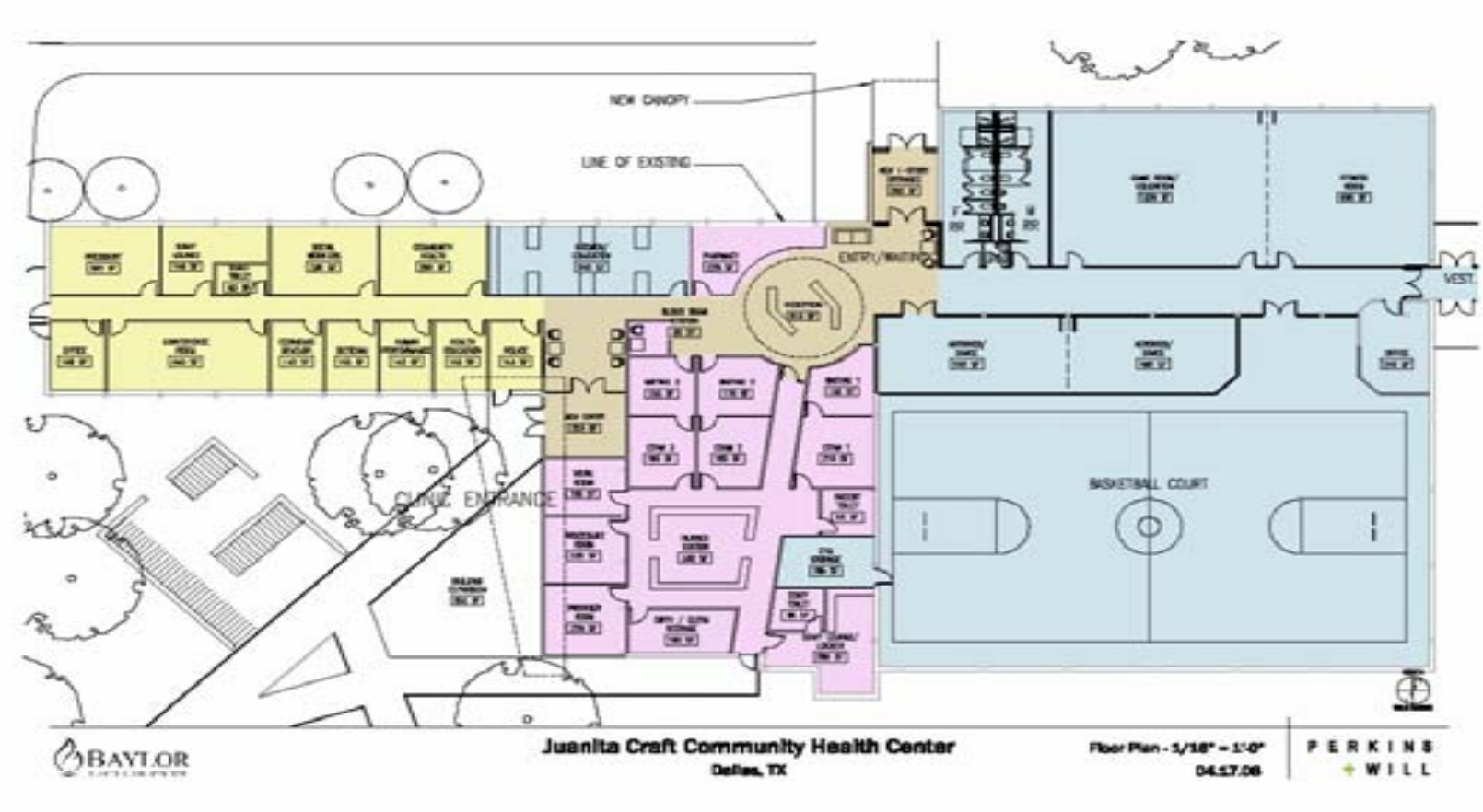
- Work includes both civic and healthcare projects
- Has prepared conceptual plan for the facility
- Firm was previously selected for inclusion by the Park and Recreation Department for the 2006 Bond Program consultant pool for Architecture



## Health and Wellness Institute at the Juanita J. Craft Recreation Center Strategic Imperatives

- **Develop a physical plant “Center of Excellence”**
  - Exercise, nutrition, cooking, health education, medical care
- **Collaborate with Public Health, Education, Economic Development, and Faith Community initiatives**
  - Integration of social, cultural, medical and economic initiatives
- **Extend work outside the walls of the physical plant**
  - Block captains and community health workers
  - Develop “Family-centric” care model

# Health and Wellness Institute at the Juanita J. Craft Recreation Center Proposed Renovations







## Health and Wellness Institute at the Juanita J. Craft Recreation Center Outcomes

### **Produce outcomes and impact health care equity by**

- Changing family history and patterns of disease
  - Quality of life and personal economics
- Establishing new health and wellness model
  - Development and replication best practices
- Continues quality of life recreation activities
  - Youth after school and summer/camp programs
  - Lifetime activities for Seniors
  - Adult athletic leagues
  - Family programs that promote a sense of community



## Health and Wellness Institute at the Juanita J. Craft Recreation Center Tertiary Care: Implementation Needs

- **Approximately 5,000 sq. ft. health clinic**
  - Full-time family physician and nurse practitioner
  - Visiting specialists
  - Referral coordinator for specialty and ancillary care
- **Pharmaceutical Access**
  - Generic drug repackaging and mail order
- **Chronic Disease Management Educator**
  - Diabetes





## Health and Wellness Institute at the Juanita J. Craft Recreation Center Care Suite



## **Preventing disease and building a stronger/healthier community**

- Education
- Aerobic activity
- Wellness programs
- Outreach
- Physical activity





## Health and Wellness Institute at the Juanita J. Craft Recreation Center Program Offerings – Youth/Adult/Senior

- **Physical Activity**
  - Sports – soccer, basketball, and baseball programs and camps
  - Dance classes
  - Running/Walking Clinics
  - Tumbling
  - Weight Training
- **Stress Management**
  - Healthy coping skills
  - Effective communication
- **General Health and Safety**
  - Nutrition
  - Weight management





## Health and Wellness Institute at the Juanita J. Craft Recreation Center Board of Directors

### Board of Directors

Ron Steinhart, Chair

Brenda Jackson, Vice Chair

Dr. Charles Mitchell, Secretary

Lee Jackson

John Ware

Joel Allison, Ex-officio

Albert Black, Ex-officio

Donna Rice, MBA, RN, CDE, President



## Health and Wellness Institute at the Juanita J. Craft Recreation Center General Deal Points

- **Parties:** City of Dallas (“City”), Southern Sector Health Initiative (“SSHI”), and Baylor Health Care System (“BHCS”)
- **Lease Term:** 20 year term, with two 5-year renewal terms, exercisable by SSHI
- **Facility:** 20,000 square foot Juanita J. Craft Recreation Center and approximately 20 acre park
- **Use:** Clinic and pharmacy areas will be leased exclusively to SSHI; City to have exclusive use of the swimming pool; remainder of building (gym, conference rooms) and park to be shared by SSHI and City for recreational and wellness programs, as well as public use and community events



## Health and Wellness Institute at the Juanita J. Craft Recreation Center General Deal Points cont.

- **Termination:** Termination by either party only after material default and expiration of 90 day cure period; no termination for convenience
- **Major Casualty Loss:** Both City and SSHI have right to terminate
- **Assignment/Sublease:** Assignment only to Baylor University Medical Center or any other BHCS affiliate with City consent; SSHI may sublease portions of building to other health care providers



## SSHI Health and Wellness Institute at the Juanita J. Craft Recreation Center Construction

### Initial Construction

- Approximately \$7 million project to refurbish recreation center and create clinic and pharmacy areas; City of Dallas cost limited to \$2 million
- \$2 million of City of Dallas bond funding related to recreational components to be carved out and publicly bid by City and assigned to SSHI for management
- SSHI/BHCS responsible for all cost overruns
- Park Board to have approval of final construction specifications

### Expansion

- SSHI may expand building by an additional 5,000 sq. ft. and parking areas by 15,000 sq. ft. to accommodate growth of program; Park Board will have approval of final expansion specifications



## SSHI Health and Wellness Institute at the Juanita J. Craft Recreation Center Operations

- **Programming:**
  - All existing recreational programming (or equal or better programming) shall continue to be available to the citizens of Dallas and the public at the Center.
  - Recreational programming may evolve over time based on community interests/needs assessment



## SSHI Health and Wellness Institute at the Juanita J. Craft Recreation Center Operations

- Minimum programming shall include the following:
  - Recreation programming will be available 6 days per week
  - Allow an average of 12 hours per week for community open gym play
  - Allow an average of 30 hours per week for community access to fitness center
  - Offer an after school program between the hours of 3-6 p.m., Monday – Friday with a capacity to serve a minimum of 45 youth
  - Offer special youth programs during school holidays
  - Offer summer camps at least 8 weeks with the capacity to serve a minimum of 50 youth
  - Offer organized youth and adult sport tournaments quarterly



- **Steering Committee:** Comprised of two representatives of SSHI and two representatives of City, to meet quarterly to discuss and resolve program plans, scheduling conflicts, operation and maintenance, operating hours, recreational fees charged, needed repairs.
- The Director, after consultation with the President of SSHI, shall finally resolve any matter in the event a consensus cannot be reached by the Steering Committee.



## Health and Wellness Institute at the Juanita J. Craft Recreation Center City Responsibilities

- \$2 million of construction costs for recreational areas from bond funds
- Major structural repairs/replacements after construction completed (e.g. roof, exterior walls, parking lot, HVAC) subject to appropriation
- Basic maintenance of park (i.e. mowing and ball fields)
- Pro rata share of utilities based on programming usage of Center
- After SSHI has assumed recreational programming:
  - Contribute \$250,000 annually to staffing costs and recreational supplies, subject to annual appropriation
  - \$250,000 subject to adjustment for:
    - Any increase or decrease to City funding of comparable recreational facilities



## Health and Wellness Institute at the Juanita J. Craft Recreation Center

- If the Director determines that the recreational programming is inadequate or does not meet the needs of the community, the recreational programming will be transferred back to the City, and City shall retain its annual \$250,000 contribution.
- City shall bear liability for acts/omissions involved in City-sponsored programs managed by the city.



## Health and Wellness Institute at the Juanita J. Craft Recreation Center SSHI Responsibilities

- Manage all construction and provide all ongoing maintenance of the building and routine repairs for all clinic and pharmacy operations
- Community involvement and employment opportunities
- Recreational and wellness programming
- All construction costs in excess of City contribution
- All operating costs in excess of City contribution
- Reimburse City for pro rata share of utilities based on usage
- Maintain insurance as specified in agreement
- Incremental costs of maintenance for any enhancement made to the park by SSHI
- Provide security for entire premises (BHCS police force)
- All health services provided without regard to ability to pay
- Allow City to audit financial records
- Pay rent to City of \$10 per year
- Liability for acts/omissions involved in SSHI programs



## Health and Wellness Institute at the Juanita J. Craft Recreation Center BHCS Responsibilities

- **Initial \$15 million commitment to project**



## Health and Wellness Institute at the Juanita J. Craft Center Process Schedule

- **November 6, 2008 – Preliminary briefing and approval for a Public Hearing by the Park and Recreation Board**
- **November 10, 2008 – City Council considers a call for a Public Hearing**
- **December 3, 2008 – City Council Briefing**
- **December 4, 2008 – Park and Recreation Board Briefing**
- **December 10, 2008 – Public Hearing**



## Health and Wellness Institute at the Juanita J. Craft Recreation Center Process Schedule

- **January 8, 2009 – Consideration of Agreement by the Park and Recreation Board, subject to Public Hearing**
- **January 14, 2009 – Consideration of Agreement by the City Council, subject to Public Hearing**



## Health and Wellness Institute at the Juanita J. Craft Recreation Center Estimate

• Professional Services Fees	\$ 342,188
• Construction Total	\$ 4,562,500
• Medical Equipment (to be provided by end user)	\$ 0
• FF&E Total	\$ 210,500
• IT, Phones, Data & Security	\$ 635,900
• Contingency / Allocations	<u>\$ 1,150,218</u>
<b>• Total Capital &amp; Minor FF&amp;E Estimate Cost</b>	<b>\$ 6,901,305</b>





## Health and Wellness Institute at the Juanita J. Craft Recreation Center Project Timeline

### **Planning and Design:**

- December 2008                      Finalize scope of work with stakeholders
- January 2009                        Schematic Design approved by stakeholders
- February - May 2009                Complete design and construction documents
- May 2009                              Plans submitted for pricing
- June 2009                              Final pricing / final planning approvals



## Health and Wellness Institute at the Juanita J. Craft Recreation Center Project Timeline

### **Approvals:**

- June - August 2009      Financial approvals in place

### **Construction:**

- August 2009      Permitting, staging/mobilization and procurement
- September 2009      Phase 1 construction begins
- March 2010      Construction complete / End user moves in



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