

# Agenda Report

March 19, 2007

TO: City Council  
FROM: City Manager  
SUBJECT: Clarification of Land Use Concept for Reuse of the Desiderio Army Reserve Center

## **RECOMMENDATION:**

It is recommended that the City Council provide clarification of the February 5, 2007, action approving a concept land use plan for reuse of the Desiderio Army Reserve Center. Specifically, staff is seeking further direction regarding:

1. Retention of the existing buildings;
2. Relocation of the housing units;
3. Impacts on the Draft Hahamongna Master Plan.

## **PLANNING COMMISSION RECOMMENDATION:**

On January 24, 2007, the Commission voted unanimously to recommend the Habitat for Humanity "Scheme A" that includes nine single-family units, 75% open space, inclusion of the Arroyo Center for Art and the Environment in a new building, and a parking grove similar to the grove at the Huntington Library and Gardens.

## **EXECUTIVE SUMMARY:**

On February 5, 2007, City Council approved a concept plan for reuse of the Desiderio Army Reserve site. The concept, Scheme A, included a nine-unit bungalow court to be built by Habitat for Humanity, a large bungalow to house the Arroyo Center for Art and the Environment (comprised of the Arroyo Seco Foundation and the California Art Club), and open space to be developed by the City. While Habitat for Humanity is supporting a modified version of the Scheme A, the Arroyo Center is seeking consideration of a new alternative plan that retains the existing buildings on site for their use. This is a deviation from City Council direction and staff is seeking clarification from Council as to whether or not the existing buildings may be considered for retention and if the bungalows may be rearranged from a court format into a linear plan. If these changes are not to be considered in the final plan, the Arroyo Center has stated that they will withdraw from the process. If these changes are to be considered and an environmental education center is developed on the site as part of the Arroyo Center,

staff is seeking direction regarding the inclusion of another environmental education center in the Hahamongna Annex.

**BACKGROUND:**

On February 5, 2007, after reviewing eleven proposals and recommendations from four advisory bodies, City Council approved a concept plan for reuse of the Desiderio Army Reserve site. The approved concept, referred to as Habitat Scheme A (also recommended by the Planning Commission), requires a partnership between Habitat for Humanity, the Arroyo Center for Art and the Environment, and the City.

Although this partnership had been contemplated by all three parties, the feasibility of an integrated concept had not been fully explored. After receiving Council direction, the three parties met to discuss a plan to work together. These discussions raised the possibility of an alternate site plan that retains the existing buildings on site and relocates the bungalows. Habitat for Humanity and the Arroyo Center are advocating for a different plan, each supporting the plan that best meets the priorities of their organizational mission.

Both plans comply with the land use vision in the West Gateway Specific Plan for low density residential or a charitable, cultural or government institution. They also comply with the additional plan goals that new development be in character with the surrounding residential areas, respect the peaceful quality of the area, and minimize traffic and impacts on the Arroyo Seco.

*Scheme A.1- Habitat Preferred Plan*

City Council approved and the Planning Commission recommended Scheme A (attached) that includes nine single-family bungalows in a court formation facing Westminster Drive and California Terrace. The housing would occupy approximately 25% of the site with the remainder of the site to be City parkland and open space. The open space area included a heavily planted parking grove on the east and new construction of a large bungalow to house the Arroyo Center for the Arts and Environment at the apex of the bungalow court. As proposed, the Arroyo Center bungalow would be 6,000 to 8,000 square feet and all existing buildings would be demolished.

Scheme A.1 was developed in response to concerns that the new building would be too close to the bridge and might block scenic views. In this scheme, the new building and associated parking lot were shifted to the east corner of the site allowing unobstructed vistas.

Habitat for Humanity supports Scheme A.1 for several reasons. They have stated that the courtyard format creates a stronger sense of community and links better to the existing single family neighborhood along California Terrace. Staff concurs that this plan is based on proven urban design principles for creating neighborhood cohesiveness and sense of community. In addition, Habitat believes that creating open vistas to the historic bridge and parkland should be a priority and is seeking the greatest

amount of open space on site. These goals are best achieved by the removal of the existing buildings. Habitat has concerns with the alternate scheme (Scheme D.1) because it would require the central courtyard of the bungalows to be smaller, would place a parking lot in front of several of the bungalows, and would reduce the overall amount of open space.

*Scheme D.1 – Arroyo Center Preferred Plan*

The Arroyo Center has stated that they cannot support Scheme A.1 because the cost to them for a new building would be prohibitive. In addition to cost issues, the Arroyo Center has determined that construction of a new building would be incongruent with their organizational mission and goals. They have stated that the existing buildings are solidly constructed and provide a good shell for adaptive reuse. The retention of the buildings is therefore more environmentally responsible than new construction and they are advocating for an alternate plan that retains the existing buildings for their use.

To accommodate retention of the main building, the alternate plan would demolish the garage and accessory structures and the nine bungalows would be relocated in a linear form along the east border of the site, facing the Arroyo. (Scheme D.1) In addition, a portion of the existing building (35 feet) would be removed to create more front yard space for the bungalows. The Arroyo Center believes that for the residents of the bungalows, the view from this configuration will be superior. As in Scheme A and A.1, the percentage of the site dedicated to housing would remain at 25% with the remainder of the site as open space including a parking grove and building for the Arroyo Center. However, the footprint of the Arroyo Center building would be larger than proposed in Scheme A and the open space would be reduced by 6% and reconfigured in a more linear plan.

The Arroyo Center proposes interior and exterior renovations to the remaining building (after 35 feet are removed on the east end) as well as landscaping with native plants and trees. Improvements would include removal of industrial elements such as exterior lighting fixtures and doors that would be replaced with architectural enhancements to entryways, the roof and other parts of the building. Windows and skylights would be added to enhance natural lighting, improve ventilation, and reduce energy consumption. Porticos, trellises and vines would also be added to enhance the design of the building. If this plan is selected the Arroyo Center would contract with an architect to draft plans to achieve Gold LEED criteria in keeping with the City's green building policies.

The Arroyo Center has budgeted \$3.86 million for improvements to the existing building and is requesting that the City fund the costs of removing the east end of the building and demolishing the existing parking lots. The remaining Arroyo Center work would be completed in phases as funding is identified.

A traffic study prepared by Linscott Law and Greenspan, at the request of the Arroyo Center, found that on a typical day the site would generate approximately 68 vehicle trips per day (34 trips inbound, 34 trips outbound). This calculation allows for eight full-time and one part-time staff, several daily volunteers, and approximately 45 visitors per

day. In addition, the study considered the impacts of group tours, school field trips, and special events. It is anticipated that no more than three group/school events would be held per month, generating an additional 60 trips on those days, if visitors arrive by car rather than bus. No more than five special receptions would be held per year, generating an additional 100 trips on those days. The study also found that 30 public parking spaces would be adequate with the addition of 12 spaces for staff.

#### Impacts on Hahamongna Watershed Park

In November, 2005, the City purchased 30 acres of land previously owned by the Metropolitan Water District adjacent to Hahamongna Watershed Park. Following acquisition the City initiated an extensive community participation process to identify priorities for use of the site. After multiple workshops, an environmental education center was identified as the preferred use for the former Forest Service site which includes approximately seven acres and several buildings suitable for this function. This use has been incorporated into the Draft Hahamongna Plan scheduled to come before Council in the next few months. If the Arroyo Center for Art and the Environment is to be located at the Desiderio site, staff is requesting further direction regarding the inclusion of a second environmental education center in the Draft Hahamongna Plan. It is unclear if there is adequate demand for two such centers within the City in addition to the Eaton Canyon Nature Center. Further, the two centers could end up competing for limited grant funds and volunteer resources.

#### **FISCAL IMPACT:**

##### Scheme A.1 – Habitat Preferred Plan

Under Scheme A.1, the City would bear the costs of demolishing the existing buildings and grading the site for park construction. Total costs for preparation of the site are estimated at between \$650,000 and \$773,000 including demolition, mitigation of hazardous materials, removal of asphalt and grading. The City would also bear the costs of park design and construction, estimated by City staff at \$1.7 million.

The Arroyo Center for Art and the Environment would be responsible for funding the design and construction of a new educational building. The cost for new construction of a building shell and tenant improvements meeting LEED standards is estimated at \$400 per square foot. Costs for an 8,000 s.f. building as proposed in Scheme A would be \$3.2 million; cost for an 18,000 s.f. building as required by the Arroyo Center would be \$12 million.

##### Scheme D.1 – Arroyo Center Preferred Plan

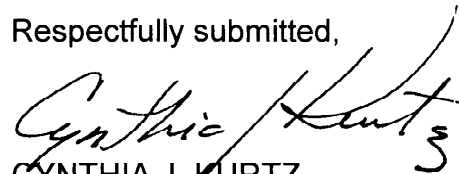
As proposed by the Arroyo Center, the City would bear the costs for demolition of 35 feet on the east end of the building, the accessory structures, and the existing asphalt parking lots. Total cost for the demolition cannot be calculated at this time as the details of removing a portion of the building have not been examined. The City typically has not funded building improvements for non-city agencies. However, if this plan is selected, staff recommends placing a cap on the dollar amount to be expended. In the prior approval of Scheme A, City Council supported the expenditure of \$600,000 for

work to prepare the site for a new building. This same amount could be applied to preparing the site for renovation of the existing building.

The Arroyo Center for Art and the Environment would be responsible for renovation of the remaining building. They are anticipating raising \$3.86 million for this work, which would result in expenditure of roughly \$200 per square foot. If this proposal is selected, staff will recommend an agreement between the City and the Arroyo Center including a capital improvement plan and a completion schedule. Non-performance conditions could then be included in the lease agreement protecting the City in case of default on the part of the Arroyo Center.

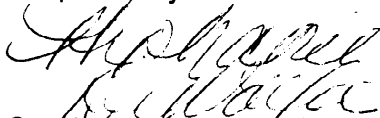
As in Scheme A, the City would also bear the costs of park design and construction. Because the open space would be 6% smaller, the City's costs would be reduced proportionately to \$1.6 million.

Respectfully submitted,



CYNTHIA J. KURTZ  
City Manager

Prepared by:



Stephanie DeWolfe, Deputy Director  
Planning & Development

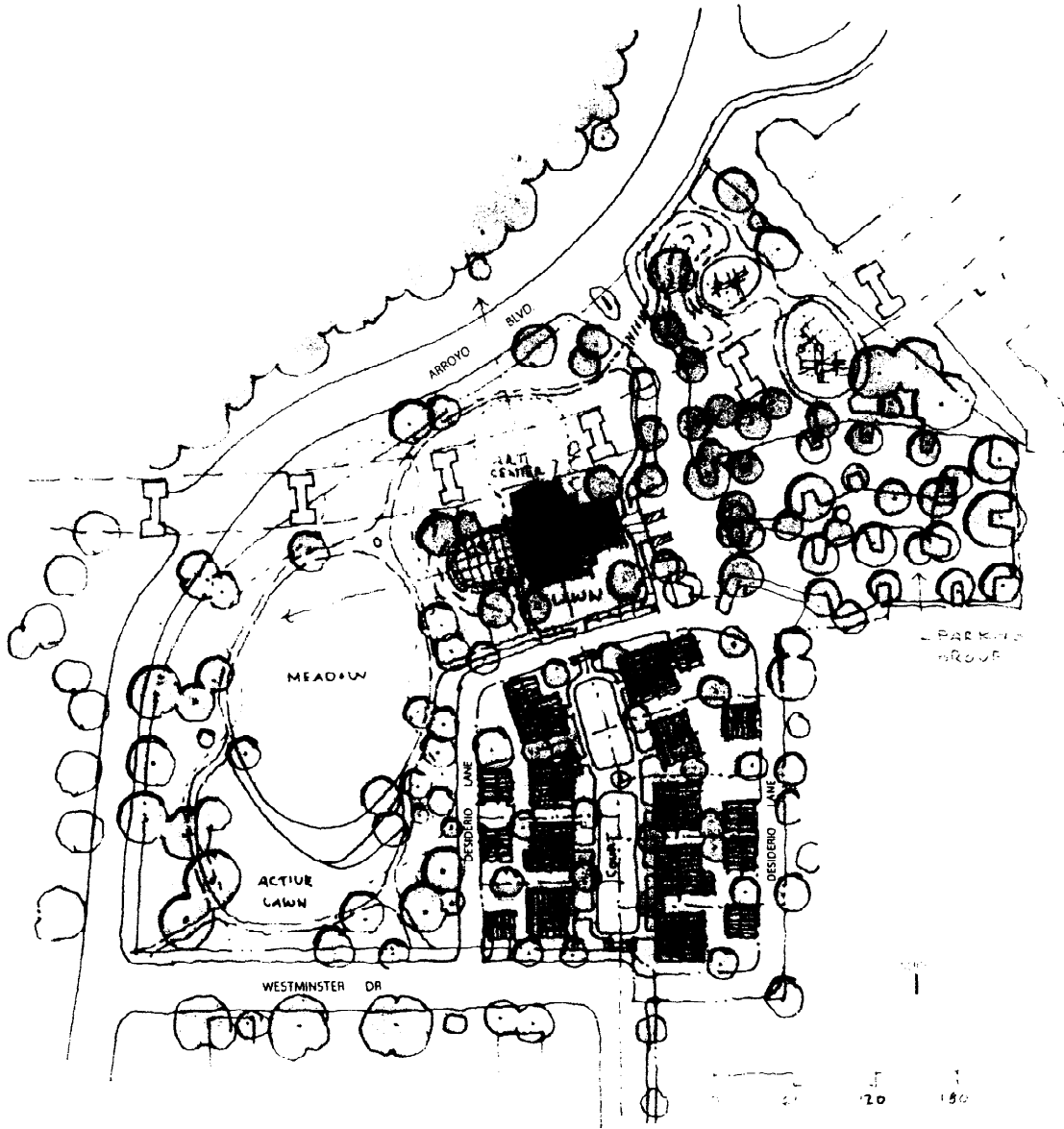
Approved by:



Richard Bruckner, Director  
Planning & Development

Attachments:

- A. Prior approval plan: Scheme A
- B. Habitat preferred plan: Scheme A.1
- C. Arroyo Center preferred plan: Scheme D.1
- D. Correspondence from the Arroyo Center



Scheme A

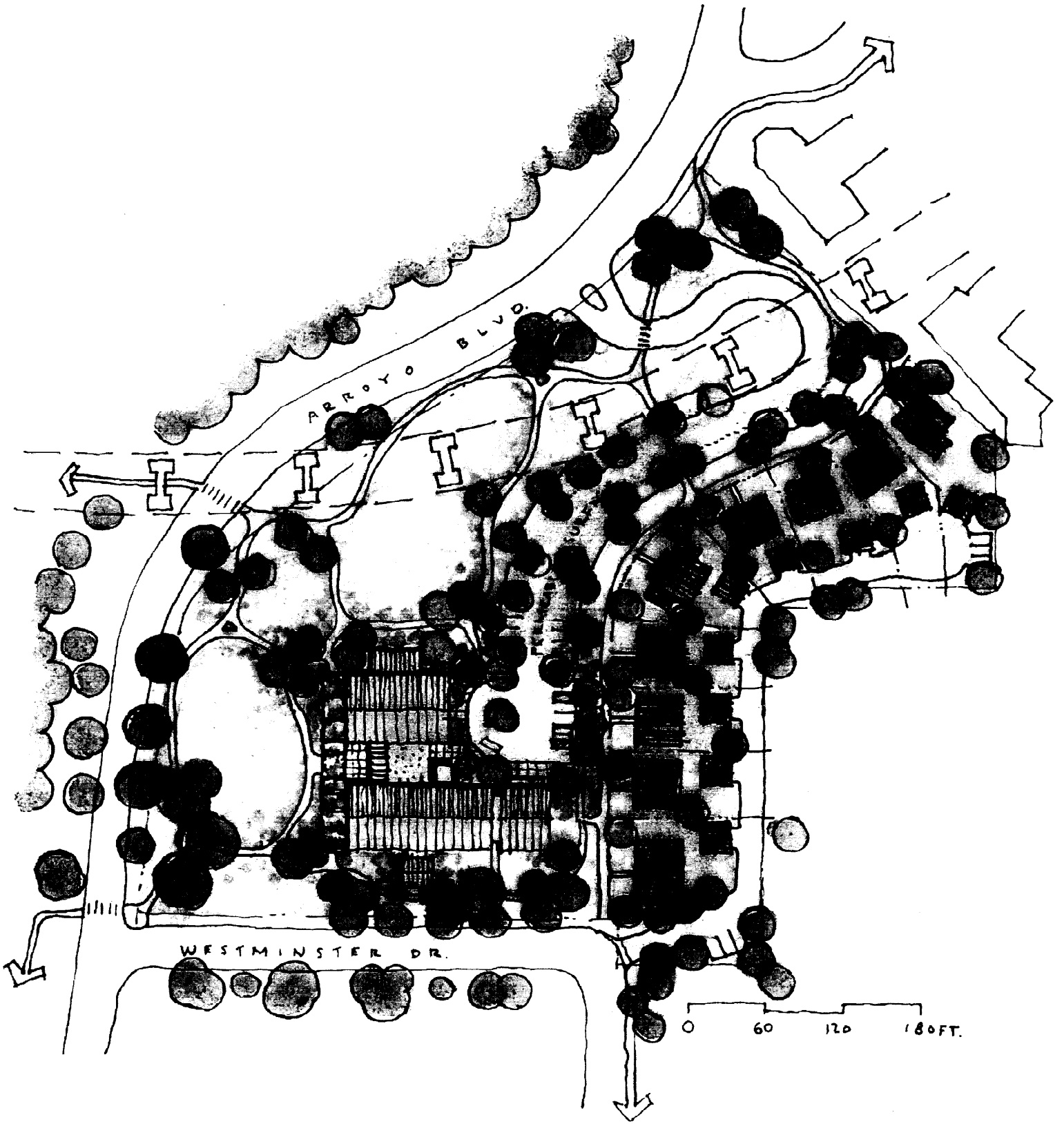
- Nine unit bungalow court
- Center for art or the environment
- Open space
- Parking Grove 50 spaces
- Visitor Parking for bungalows : 6 spaces

Original Plan



SCHEME A.1

Habitat Preferred Plan



SCHEME D.1

RTR. MARCH 12, 2007

Arroyo Center Preferred Plan



# **Arroyo Center for Art and the Environment**

To: Mayor Bogaard and Members of the Pasadena City Council

From: California Art Club and Arroyo Seco Foundation

Date: March 12, 2007

We carefully analyzed Scheme A, which required us to build a new building. Both the California Art Club (CAC) and Arroyo Seco Foundation (ASF) concluded that it would be prohibitively expensive to construct a new building. The adaptive reuse of the existing building, including modifications to improve the exterior appearance, would be financially feasible. In addition, it would relieve the city of the substantial expense of removing the buildings. Reusing the existing building would also allow the CAC and ASF, as well as Habitat for Humanity (HH), to begin utilizing the site without waiting for the city to arrange public funding to clear the site of the existing buildings.

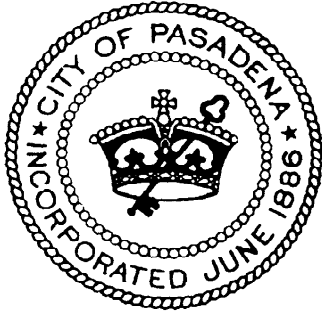
In response to the concerns of HH and the proponents of open space, we carefully looked at our program and the configuration of the existing building and agree that approximately 35 feet can be removed from the east side of the longest portion of the building, thereby, opening up the site to accommodate a revised plan for HH homes. Also a rearrangement of the access road and consolidation of the parking area would provide for the large, connected open space coming up from the Arroyo toward the building. Wherever possible, the driveway and parking area will be of a permeable surface area rather than hard asphalt or concrete.

We believe that the attached plan developed by Randy Shortridge, the architect assisting HH in the development of their plan, would meet our needs and provide for both the low income housing and open space uses on the site. Therefore, we urge your approval of this site plan (Scheme D.1) in place of Scheme A that was approved at the last council meeting.

We have consulted with both Randy Shortridge and Joel Tkatch who has been assisting the Arroyo Center in the development of the site and believe that the appearances of the building should not be of concern. We plan to make significant aesthetic alterations such as the inclusion of tile roofs to make the buildings fit with the style of early Pasadena.

We also have analyzed the building from an environmental perspective. In addition to the efficiency and environmental sensitivity of reusing this substantially constructed building, we have reviewed the manner in which they can be operated and believe that they can achieve many of the LEED criteria for "Green" building.

This building, after modification, will be of an appropriate size and nature to allow the operation of the art museum and Arroyo study center serving the people of Pasadena and surrounding area. This plan will allow visitors to enjoy the views of the historic Colorado Street Bridge and Vista del Arroyo/Courthouse, as well as to learn about the uniqueness of the lower Arroyo Seco.



# Agenda Report

February 5, 2007

TO: City Council  
FROM: City Manager  
SUBJECT: Selection of Land Use Concept for Reuse of the Desiderio Army Reserve Center

## **RECOMMENDATION:**

Staff is submitting only the recommendations of the advisory commissions; because City staff submitted a proposal for consideration, staff is not making a recommendation.

## **ADVISORY COMMISSION RECOMMENDATIONS:**

### **Planning Commission**

On November 1, 2006, the Planning Commission heard presentations from the development teams of each of the eleven proposals and took public comment. On December 6, 2006, the Planning Commission again heard public comment and selected four proposals as finalists for further consideration. Those finalists were:

- Habitat for Humanity
- Arroyo Center for Art and the Environment
- Moule & Polyzoides
- City of Pasadena

The finalists were asked to consider partnering with other proposal teams and were invited to submit updated proposals. On January 24, 2007, the Planning Commission heard updated proposals from each of the four finalists, took public comment for a third time, and deliberated on a final recommendation. The Commission ultimately considered the proposals in the context of two criteria: 1) broad community support as required by the Department of Defense and 2) compliance with the West Gateway Specific Plan. The Commission voted unanimously to recommend the Habitat for Humanity "Scheme A" that includes nine single-family units, 75% open space, inclusion of the Arroyo Center for the Arts and Environment in a new building, and a parking grove similar to the grove at the Huntington Library and Gardens.

### **Recreation and Parks Commission**

On November 29, 2006, the Recreation and Parks Commission heard presentations and reviewed the eleven proposals. The Commission voted to consider the merits of the proposals within the context of three principles: provision of the most park, open or recreational space; greatest benefit to the community as a whole; and compatibility with the adjacent neighborhood. Using these principles, the Commission recommended the following four proposals to the Planning Commission without priority:

- Habitat for Humanity
- Arroyo Center for Art and the Environment
- Moule & Polyzoides
- City of Pasadena

### **Community Development Committee**

On November 20, 2006 the Community Development Committee heard eleven presentations and evaluated the proposals within the spirit and intent of their mission to a) preserve and expand the diversity of housing and economic development for a broad mix of persons of different ethnicities and income levels; and b) to address the issue of homelessness in Greater Pasadena. The Committee stated a desire to recommend the proposals that provide the greatest amount of housing directed to the population(s) with the greatest need and voted to recommend to the Planning Commission the following projects in priority order:

1. Union Station Foundation
2. Century Housing – Housing Proposal
3. Lambert Development/IHC Housing Corporation
4. Habitat for Humanity
5. Moule & Polyzoides

In addition, the Committee recommended that consideration be given to incorporating the Arroyo Center for the Arts and the Environment into a joint development arrangement.

### **Transportation Advisory Commission**

On January 12, 2007, the Transportation Advisory Commission reviewed the eleven original proposals and the updated site plans submitted by two of the proposals selected as finalists by the Planning Commission. TAC voted to concur with the Planning Commission on the selection of the four finalists and further recommended the following:

1. Pedestrian and transit access should be considered;
2. Parking and mobility impacts should be addressed through neighborhood protections for the surrounding areas;
3. Access to public uses should be directed from Arroyo Drive;
4. Adequate ingress and egress should include consideration of the bridge, the incline of Arroyo Drive, and the road alignments.

### **BACKGROUND:**

The Desiderio Army Reserve Center, a 5.1-acre parcel beneath the Colorado Street Bridge, was recommended for closure by the 2005 Base Realignment and Closure

Commission in November 2005. The recommendation was subsequently approved by Congress and the property was made available to Federal agencies for a period of six months. No agencies filed interest in the property and it was declared surplus property. At that time the city was notified of its availability and advised of opportunities to participate in planning for reuse of the site.

### **Site Description**

The 5.1 acre site was formerly the grounds and recreation area of the Vista del Arroyo Hotel and Resort complex. It was acquired by the U.S. War Department in 1943 to serve as hospital facilities for servicemen during WWII. Since 1956, the site has been used by the Army as a training facility for various military reserve units, including intelligence units. Facilities at Desiderio consist of a two-story classroom building including a large drill hall and kitchen, a large garage, two small accessory structures, and paved parking. Few improvements have been made to the site since the 1950s.

Adjacent land uses include the Ninth Circuit Court of Appeals in the old Vista del Arroyo Hotel (listed on the National Register of Historic Places), single-family residential to the south and parkland/open space to the west. The Colorado Street Bridge traverses the north portion of the site and is also listed on the National Register of Historic Places. The property includes an easement under the bridge to allow access for repairs. North of the site is the 210 freeway and both single- and multi-family residential.

### **Review Authority**

In May 2006, the City was designated by the Department of Defense as the Local Redevelopment Authority (LRA) responsible for the drafting of a reuse plan for the site. The reuse plan is essentially a recommendation to the Department of Defense as to what the City would like to see the property used for and who could carry out the plan. Federal regulations define the responsibilities of the LRA and require that the reuse plan be developed through a community planning process. A summary of outreach activities is included in Attachment A.

Under these regulations the City as the LRA was required to publish a legal notice in local newspapers announcing a 90-day period during which interested parties could submit proposals. Notices were published in three local papers on June 8, 2006 and special outreach was made to homeless services providers as required by the regulations. The City was also required to conduct at least one workshop providing an opportunity for interested parties to learn about the process and tour the buildings. This workshop was held on site on June 30 and representatives of more than 75 organizations attended. On September 8, 2006, the submittal period closed and eleven proposals for redevelopment of the site were received. In October, City Council designated the Planning Commission to act as the official advisory review panel to evaluate the proposals and recommend a reuse plan.

Under Federal regulations, the City has nine months to review the proposals, develop a recommended reuse plan and submit the plan to the Department of Defense. The City is also required to prepare a Homeless Assistance Report for submittal to the

Department of Housing and Urban Development describing how the City proposes to meet the needs of the homeless with or without the use of the site.

### **Review Considerations**

Neither the Federal regulations nor the Department of Defense dictate criteria for the selection of land uses for the site. The only stated priority is for strong community support for the recommended project.

There has been some confusion over the application of the *McKinney Homeless Assistance Act* which states that serving the homeless must be the first priority for use of all surplus Federal properties. Current regulations are clear however that the McKinney Act does not apply to base closure sites.

The West Gateway Specific Plan is the current long-range planning document for the site. Adopted in 1998, the plan is the product of several years of community participation and includes specific recommendations for the Desiderio site. It states that the preferred community vision for the site is for a charitable, cultural or government institution, but that low density residential (6 DU/acre; 36' height limit) would also be acceptable. The plan further states that in either case the new development should be in character with the surrounding residential areas, respect the peaceful quality of the area, and minimize traffic and impacts on the Arroyo Seco. (Attachment B)

### **Description of Proposals**

The City received eleven proposals including six housing developments, two schools, and three multi-purpose proposals combining outdoor recreation uses with an art academy, a float building facility for the Tournament of Roses and a public safety training facility for the City of Pasadena. A summary of each is shown in the matrix in Attachment C; proposals are included in Attachment D. Of the eleven proposals, four were selected by the Planning Commission as finalists for further consideration. The Recreation and Parks Commission and the Transportation Advisory Commission recommended the same four proposals as finalists. Two of the four, Habitat for Humanity and Moule & Polyzoides, were also recommended by the Community Development Committee. A description of each of the four follows (site plans for each are attached as Attachment E):

#### *Habitat for Humanity*

The original proposal from Habitat for Humanity included 22 attached single-family homes leaving the remainder of the site for either public parkland or the development of market rate single family homes. In response to community concerns, Habitat submitted an updated proposal reducing the number of units to nine single-family bungalows in a court formation occupying approximately 25% of the site. The bungalows would be constructed through a sweat equity program and sold at affordable rates up to 80% of area median income.

Habitat proposed three alternatives for the remainder of the site. Scheme A, recommended by the Planning Commission, proposed that most of the site remain as

open space with a heavily planted parking grove similar to that at the Huntington Library. It also proposed a large bungalow, sited as an aesthetic focal point framed by an arch of the bridge, to house the Arroyo Center for the Arts and Environment (see below). Access to the parking would be from Arroyo Boulevard thus minimizing impacts on the adjacent neighborhood.

This proposal meets the development standards of the West Gateway Specific Plan and current zoning. It also complies with the statements in the Plan that development on the site "should be in character with the surrounding residential areas, respect the peaceful quality of the area, and minimize traffic and impacts on the Arroyo Seco." In addition, it furthers the goals of the Housing Element to provide affordable housing, the Draft Green Space Element for preservation and acquisition of open space in or adjacent to the Arroyo, and the Cultural Nexus Plan to provide space for the cultural and creative sector, to expand cultural and heritage tourism, and to communicate Pasadena's unique cultural identity to the region and world. It is also in alignment with the City's focus on protection of the environment.

If this proposal is successful, it is proposed that the land would be transferred to the City and Habitat for Humanity at reduced or no cost through Public Benefit Conveyances for parkland and self-help housing respectively. The Arroyo Center for Art and the Environment would occupy the site through an agreement with the City.

#### Arroyo Center for Art and the Environment

The Arroyo Center for Art and the Environment is a joint venture of the Arroyo Seco Foundation and the California Art Club. Both are local non-profits established in Pasadena more than 100 years ago. The Arroyo Seco Foundation works to preserve and promote the Arroyo Seco; the California Art Club provides education and support for traditional fine art, particularly painting in the "plein air" tradition for which the Arroyo Seco has served as inspiration since the turn of the century. Their proposal seeks to celebrate nature and art in the Arroyo through restoration of natural vegetation on most of the site and reuse of the existing buildings as an art museum and academy, a library of Arroyo history, and a center for environmental education. Improvements to the buildings would include state-of-the-art energy and environmental design and LEED certification. The proposal is in compliance with the West Gateway Specific Plan and is conditionally permitted under the current zoning for the site. It is proposed that the land would be transferred to the City through a Public Benefit Conveyance for parkland and occupied by the non-profits through an agreement with the City.

#### Moule & Polyzoides

Moule & Polyzoides, a local architecture firm noted for its focus on "new urbanism", originally proposed 22 single family homes to be sold at market rate as well as a one acre neighborhood park with a small community building at the center. In an updated proposal, intended to address the priorities set forth by the City's advisory bodies as well as community input, the number of units was reduced to 20, the size of the park increased to 1.75 acres, and two workforce units were added to the three affordable units required by the inclusionary housing ordinance. The proposed use would require

a zone change and Specific Plan Amendment for a Planned Unit Development (PD) that would allow flexibility from the current zoning and development standards for the site. The land would be purchased by Moule & Polyzoides at market rate, as assessed at the time of transfer, directly from the Department of Defense.

#### City of Pasadena

The City of Pasadena proposal was submitted by a four-department team including Fire, Police, Public Works and Human Services and Recreation. The proposal seeks to provide both a regional public safety training facility in the existing structures and new park/open space opportunities on the remainder of the site. This use is in compliance with the West Gateway Specific Plan and is conditionally permitted under the existing zoning. It is proposed that the land would be transferred to the City under a Public Benefit Conveyance for parkland and/or homeland security. It is believed that Homeland Security dollars could be secured for facility renovation.

#### **Review Schedule**

Following City Council selection of a land use concept, staff will develop more detailed plan documents for final review by the Planning Commission and City Council. Depending on the direction given by Council, development of the final documents may require several weeks. During this time staff must also prepare a report describing the relationship between the proposed plan for the Desiderio site and the City's homeless assistance programs. The final documents are due to the Department of Defense and the Department of Housing and Urban Development by June 8 2007; however City Council requested that the documents be brought to Council in April with the possibility of the Council discussion spanning more than one meeting. With direction from Council, staff will return on April 23 with the possibility of further discussion on April 30 if necessary.

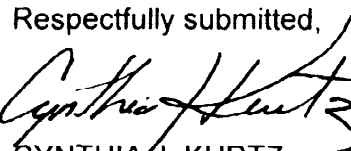
Once the documents are submitted, the process of Federal review and environmental documentation generally takes several years and by law is not required to be complete until 2011. During this time the Desiderio facilities will remain occupied while a new facility is under construction in the City of Bell.

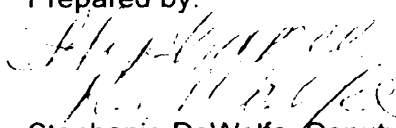
#### **FISCAL IMPACT:**


As proposed, two of the proposals would result in direct costs to the City. The Habitat for Humanity proposal recommended by the Planning Commission includes City responsibility for the demolition of the existing improvements on site, estimated at a one time cost of \$600,000 and development of park and recreation space, estimated at \$1.7 million. Annual cost of maintaining the park would be \$75,000. The demolition and maintenance costs would be General Fund. It is anticipated that there would be sufficient residential development fees available within this zone for park development costs.

The proposal submitted by the City departments includes costs for renovation of the existing structures, estimated at \$6.8 million, and development of park and recreation space, estimated at \$1.5 million. Annual operating costs for the buildings would be

\$275,000 for utilities, structural and preventative maintenance, and housekeeping. Annual cost of maintaining the park would be \$35,000. Should the City choose to expand to organize Saturday programming, annual costs for part-time recreation staff would require an additional \$75,000. It is anticipated that Federal homeland security grant funds could be secured for the cost of building improvements. Annual park and building maintenance costs would be from the General Fund. It is anticipated that there would be sufficient residential development fees within this zone for park development costs.

Respectfully submitted,  
  
CYNTHIA J. KURTZ  
City Manager

Prepared by:  
  
Stephanie DeWolfe, Deputy Director  
Planning & Development

Approved by:  
  
Richard Bruckner, Director  
Planning & Development

- Attachments:
- A. Summary of Outreach Activities
  - B. Excerpt from *West Gateway Specific Plan*
  - C. Summary Matrix of Proposals
  - D. Summaries from Original Proposals
  - E. Updated Site Plans and Materials from Finalists