

# Agenda Report

**DATE:** APRIL 24, 2000  
**TO:** COMMUNITY DEVELOPMENT COMMISSION  
**FROM:** CYNTHIA J. KURTZ, CHIEF EXECUTIVE OFFICER  
**SUBJECT:** AUTHORIZATION TO EXECUTE AN AGREEMENT TO NEGOTIATE EXCLUSIVELY WITH FOOTHILL VOCATIONAL OPPORTUNITIES

## RECOMMENDATION

It is recommended that Community Development Commission authorize the Chief Executive Officer to execute an Agreement to Negotiate Exclusively with Foothill Vocational Opportunities for expansion of existing industrial and training facilities located at 789 North Fair Oaks Avenue

## EXECUTIVE SUMMARY

The project involves the expansion of existing industrial and training facilities operated by Foothill Vocational Opportunities. The proposed project consists of:

- Rehabilitation of Foothill's existing 12,000 square foot manufacturing facility;
- Construction of a 7,000 square foot light manufacturing building to the south of the existing structure;
- Construction of a new 8,000 square foot classroom and office building along Fair Oaks Avenue.

The proposed ENA will allow the exploration of project financing and a determination of public assistance that may be available and necessary to assist with development. If negotiations are successfully concluded a draft Owner Participation Agreement (OPA) would be prepared for consideration by the Commission.

## **BACKGROUND**

Foothill Vocational Opportunities (formerly Foothill Workshop) is a community nonprofit corporation committed to maximizing the personal and economic potential of developmentally disabled individuals in the Pasadena community by creating meaningful employment opportunities. Founded in 1965, Foothill has been at its current location on Fair Oaks Avenue in the Fair Oaks Avenue Redevelopment Project area since 1973.

Foothill is one of only two programs of its kind serving Pasadena and surrounding communities. They are the largest employer of developmentally disabled people in Pasadena, and the single largest private employer in Northwest Pasadena, contributing to the area's economic revitalization. Foothill provides high quality employment, job training, and support services to 225 disabled clients annually. Because of this employment, these individuals need less public assistance and they contribute to the City's economic life through paying taxes and making purchases.

Foothill serves an ethically and culturally diverse population reflective of the Northwest Pasadena community in which it operates. Currently, 19% of Foothill's clients are Latino, 21% are African American, and 11% are members of other ethnic minority groups. Most of Foothill's clients are Pasadena residents, and almost equal number of men and women are served.

Foothill has taken a leadership role among Northwest Pasadena organizations since putting down roots in the neighborhood over two decades ago. They have been an active participant in the Pasadena Chamber of Commerce for the past 20 years. Jim Hall, Foothill's Executive Director, has just concluded a decade of service on the Fair Oaks Avenue Project Area Committee.

Foothill has experienced rapid growth in the last decade that has brought it to a critical juncture in its history. While its number of clients served, volume of work produced, and number of staff have grown significantly, the space in which to deliver their services has not increased. To ensure continued ability to serve local developmentally disabled adults and the Pasadena community in general, Foothill is undertaking a \$2.3 million capital redevelopment project including renovation and expansion of its existing production facility on Fair Oaks Avenue and construction of an adjacent building housing classrooms and offices.

### **Project Description**

The project site includes the parcel and existing building known as 789 North Fair Oaks Avenue, the vacant parcel immediately to the south of the existing building, and the parcel immediately to the north of the existing building. The site is on the

west side of Fair Oaks Avenue, mid-block, between Orange Grove Boulevard and Yale Street.

The project consists of:

- Rehabilitation of Foothill's existing 12,000 square foot manufacturing facility;
- Construction of a 7,000 square foot light manufacturing building to the south of the existing structure;
- Construction of a new 8,000 square foot classroom and office building along Fair Oaks Avenue.

Foothill's redevelopment project provides the City of Pasadena with a unique opportunity to significantly assist local disabled men and women, a population which usually does not benefit directly from redevelopment activities. This project will have a direct and reverberating impact in the lives of local disabled and non-disabled workers, Pasadena businesses and local residents. In addition, it complements other economic revitalization projects in the Fair Oaks Project area.

The construction phase of the project will provide contracting opportunities for local and minority-owned businesses. Foothill intends to provide on-site assistance to subcontractors who hire additional workers for the project, with the goal of hiring Northwest Pasadena residents. Jaylene Moseley, who is acting as their developer without compensation, has previously developed a number of projects in the Northwest Pasadena neighborhood

### **Purpose of Agreement**

To proceed with development, Foothill has conducted fundraising activities. To date Foothill has been successful in raising significant funds. However, additional funding will be necessary to complete development. The proposed Agreement to Negotiate Exclusively will allow the exploration of project financing and a determination of public assistance that may be available and necessary to assist with development. If negotiations are successfully concluded a draft Owner Participation Agreement (OPA) would be prepared for consideration by the Commission. This draft OPA would specify what assistance the City would make available to the project, as well as Foothill's obligations.

### **Advisory Reviews**

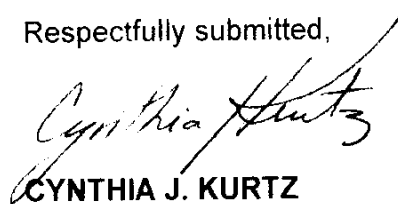
The proposed Agreement to Negotiate Exclusively has been considered by the Fair Oaks Project Area Committee, on March 22, 2000; by the Northwest Commission, on April 5, 2000; and by the Community Development Committee,

on April 13, 2000. Each has recommended that the PCDC approve this agreement and authorize its execution.

**FISCAL IMPACT**

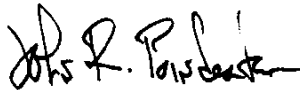
It is anticipated that this project will require funding from unallocated Section 108 CDBG funds. \$375,000 has been appropriated in the FY 00 Housing and Development Department budget under Project #802-682230 in anticipation of this project. The actual amount necessary will be determined during negotiations. Housing and Development Department staff will work with Foothill to ascertain specific funding requirements, and expects this analysis to be completed within 120 days. If this analysis reveals that additional funding is required, staff would return with a request for additional appropriations or Foothill, which is currently conducting fundraising, would be required to seek this additional funding from other private sources

Respectfully submitted,



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