

# Agenda Report

**DATE:** JANUARY 12, 2009

**TO:** CITY COUNCIL

**FROM:** MICHAEL J. BECK, CITY MANAGER

**SUBJECT:** REAL PROPERTY AMENDED AND RESTATED LEASE FROM CITY OF PASADENA TO JET PROPULSION LABORATORY, HAHAMONGA WATERSHED PARK

## **RECOMMENDATION:**

It is recommended that the City Council approve the lease terms and conditions as generally described below, and authorize the City Manager to execute an Amended and Restated Real Property Lease extending Jet Propulsion Laboratory's (JPL) use of 11.21 acres of City-owned land in the Hahamonga Watershed Park area adjacent to their property.

## **BACKGROUND:**

For over 25 years, JPL has leased several acres of city owned land to accommodate approximately half of the parking for their 5,200+ employees. The current leased land is comprised of three parcels including a 9.5 acre parking lot, a 1.23 acre parking lot, and a 0.40 acre site for communications equipment. The current \$540,000 lease payment for these three sites was set in 2004 and is now scheduled for another market rate adjustment.

The proposed new lease will extend JPL's occupancy through December 31, 2010 at a rental rate of \$696,000 per year, with a projected two-year income of \$1,392,000. This is an increase of \$156,000 per year or \$312,000 over the term of the lease. The new rental rate was established based on an appraisal of the fair market rent.

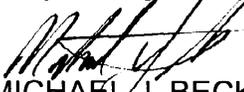
The Hahamonga Watershed Master Plan designates future uses for the east parking area. These uses include water conservation via spreading basins over the majority of the area with the northerly portion to be used for Gabrielino Trail Area parking anticipated to begin in summer 2013. Thus, one 2 ½ year option to extension of the lease to June 30, 2013 has been negotiated. Other minor adjustments to the updated lease include language to allow shared use (JPL employees/park users) during weekends (west parking lot), and language to improve emergency access to and from the lot. All other substantial terms remain unchanged.

Revenues received from this lease have historically been used to support the maintenance, security and planning of water system activities in the Hahamonga Watershed Park by the Public Works Department. A recommendation on the use of the additional \$156,000 annual revenue will be presented to the City Council as part of the fiscal year 2010 budget.

**FISCAL IMPACT**

Based on City Charter requirements, funds received for use of Water Fund property are deposited in the Water Fund. During the proposed two-year term, revenue will increase \$156,000 per year over the existing lease amount of \$540,000 per year. Revenue received from this lease in the amount of \$696,000 per year will be deposited into Fund 402, Water Fund revenue account.

Respectfully Submitted,

  
MICHAEL J. BECK  
City Manager

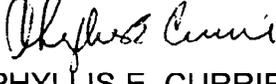
Prepared by:

  
KELLY KITASATO  
Real Property Manager

Approved by:

  
RICHARD J. BRUCKNER  
Director of Planning and Development

Concurred by:

  
PHYLLIS E. CURRIE  
General Manager  
Pasadena Water and Power



**LEGEND**

- Annex Boundary (29.58 ac)
- JPL Use Areas
- ← JPL Emergency Exit Route



**Disclosure Pursuant to the  
City of Pasadena Taxpayer Protection Act  
Pasadena City Charter, Article XVII**

- I. Does the value of this application/project *have the potential* to exceed \$25,000? Yes:  No  (**Applicant must mark one**)
- II. Is the application being made on behalf of a government entity? Yes  No
- III. Is the application being made on behalf of a non-profit 501(c) organization? Yes  No   
 If yes, please indicate the type of 501(c) organization: 501(c)(3)  501(c)(4)  501(c)(6)

Applicant's name: California Institute of Technology, Jet Propulsion Laboratory Date of Application: 10/6/08

Owner's name: Non Profit Private Educational Institution Contact phone number: 818-354-2889 (Margaret Cooper)  
*(for questions regarding this form)*

Project Address: \_\_\_\_\_

Project Description: Lease of 11.21 Acres in the Arroyo Seco of Pasadena, California

- IV. Applicant and Property Owner must disclose all joint owners, trustees, directors, partners, officers and those with more than a 10% equity, participation or revenue interest in owner and/or project. If any of these are an organization/entity, include the name of the organization/entity **and** the first and last names of all parties of interest of that organization/entity. *(List all parties below and use additional sheets as necessary, or provide all parties on an attachment)* **Please print legibly.**  
 Have any additional sheets or an attachment been provided? Yes:  No

Names of Owner(s), Trustees, Directors, Partners, Officers of Owner/Project	Names of Owner(s), Trustees, Directors, Partners, Officers of Owner/Project (continued)	Those with more than a 10% equity, participation or revenue interest in Owner and/or project
SEE ATTACHED		

I hereby certify that I am the owner or designated agent and that the statements and answers contained herein, and the information attached, are in all respects true, accurate and complete to the best of my knowledge and belief.

Signature of Owner or Designated Agent: Margaret Cooper Date: 10/6/08

*For Office Use Only*

Type of Application: Variance (all types)  Adjustment Permit  Sign Exception  Temporary Use Permit  Expressive Use Permit   
 Conditional Use Permit (excluding Master Plan)  Master Plan Amendment  Planned Development  Other

Assigned Planner: \_\_\_\_\_ PLN#: \_\_\_\_\_

Attached Address: \_\_\_\_\_ No Attached Address

Appealed: Yes  No  Appeal PLN# \_\_\_\_\_ Application Withdrawn

Final Decision: Approved  Denied  Decision Date: \_\_\_\_\_ Decision Maker: \_\_\_\_\_  
 (Name and Title, or Name of Commission/Committee)

Votes in favor (please print):  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**CALTECH/JPL TRUSTEE LIST**  
**10/6/08**

**The Honorable George L. Argyros**  
Chairman & CEO  
Arnel & Affiliates

**Mr. John E. Bryson**  
Chairman and Chief Executive Officer  
Edison International

**Dr. Jean-Lou Chameau**  
President  
California Institute of Technology

**Dr. Milton M. Chang**  
Managing Director  
Incubic Venture Capital

**Mr. Robert B. Chess**  
Chairman  
Nektar Therapeutics

**Dr. John D. Diekman**  
Founder & Managing Partner  
5AM Ventures

**Lounette M. Dyer, Ph.D.**  
Entrepreneur

**Mr. William T. Gross**  
Chairman and Founder  
Idealab

**Mr. Frederick J. Hameetman**  
Chairman  
American Group

**Mr. Robert T. Jenkins**

**Dr. Jon Faiz Kayyem**  
Managing Partner  
Efficacy Capital Ltd.

**Ms. Louise Kirkbride**  
Board Member  
State of California  
Contractors State License Board

**Mr. Kent Kresa**  
Chairman Emeritus  
Northrop Grumman Corporation

**Mr. Jon B. Kutler**  
Chairman and Chief Executive Officer  
Admiralty Partners, Inc.

**Dr. David Li Lee**  
Managing General Partner  
Clarity Partners, L.P.

**Dr. York Liao**  
Managing Director  
Winbridge Company Ltd.

**Dr. Alexander Lidow**

**Dr. Ronald K. Linde**  
Independent Investor and Chairman of  
the Board  
The Ronald and Maxine Linde  
Foundation

**Mr. John W. Mack**  
President  
Los Angeles Police Commission

**Dr. Shirley M. Malcom**  
Director, Education and Human  
Resources Programs  
American Association for the  
Advancement of Science

**Ms. Deborah D. McWhinney**  
President, Schwab Institutional (Retired)  
Charles Schwab Corporation

**Richard Merkin, M.D.**  
Founder and Chief Executive Officer  
Heritage Provider Network

**Ms. Clara Spalter Miller**  
Principal  
Regulus International Capital  
Corporation

**Dr. Philip M. Neches**  
Chairman  
Foundation Ventures LLC

**Dr. Patrick H. Nettles, Jr.**  
Executive Chairman  
Ciena Corporation

**Mr. Peter Norton**  
President  
Norton Family Office

**Mr. Ronald L. Olson**  
Senior Partner  
Munger, Tolles & Olson

**Mr. Stephen R. Onderdonk**  
President & CEO (Retired)  
Econolite Control Products, Inc

**Mr. Stewart A. Resnick**  
Chairman  
Roll International Corporation

**Dr. Sally Kristen Ride**  
President, Imaginary Lines, Inc., and  
Ingrid and Joseph Hibben Professor of  
Physics  
University of California, San Diego

**Mr. Nelson C. Rising**  
Chairman and Chief Executive Officer  
Rising Realty Partners

**Dr. Stephen A. Ross**  
Franco Modigliani Professor of Finance  
and Economics  
Massachusetts Institute of Technology  
Chairman  
Compensation Valuation, Inc.

**Mr. James F. Rothenberg**  
Chairman and Principal Executive Officer  
Capital Research and Management  
Company

**Mr. Marc I. Stern**  
Vice Chairman  
The TCW Group, Inc.

**Mr. Donald W. Tang**  
Vice Chairman  
Bear Stearns and Company, Inc.

**Mr. Charles R. Trimble**  
Arbor Vita Corporation

**Mr. Lewis W. van Amerongen**  
LvA Enterprises Incorporated

**Mrs. Gayle E. Wilson**  
Non-profit Consultant

**Mr. Jay S. Wintrob**  
President and Chief Executive Officer  
AIG Retirement Services, Inc.

**Dr. Suzanne H. Woolsey**  
Corporate Governance Consultant