

Agenda Report

September 12, 2022

TO: Honorable Mayor and City Council

THROUGH: Finance Committee

FROM: Parks, Recreation and Community Services Department

SUBJECT: DEFINE THE PROCESS AND PRINCIPLES FOR USE OF THE ANNEX BUILDINGS WITHIN HAHAMONGNA WATERSHED PARK

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action herein is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA guidelines Section 15061(b)(3) (Common Sense Exemption);
2. Approve, in concept, the allowable uses of the Hahamongna Annex buildings in accordance to the Hahamongna Watershed Park Master Plans;
3. Approve criteria for selecting tenant(s) allowed to submit proposals to use the vacant Hahamongna Annex buildings.

BACKGROUND:

In 1993, Hahamongna Watershed Park was established (HWP) when the park's ownership, maintenance, and operations reverted back to the City from Los Angeles County. The City, in turn, agreed to sell 30 acres of the land to the Metropolitan Water District (MWD) for the price of \$430,000 for the intended purpose of a water treatment plant installation. However, MWD decided not to build the water treatment plant.

In November 2005, the City re-acquired the 30 acre property from the MWD for a purchase price of \$1.2 million under the California Surplus Lands Act. As part of the purchase, City Council approved and adopted a resolution to use the property as a park or recreation space in accordance with the Surplus Land Statue. Today, this area referred to as the Hahamongna Annex, includes four tenants and one vacant area. The vacant area was previously used by the U.S Forestry Services and contains eight buildings.

The four existing tenants include:

- Arroyo Seco Foundation Nursery;
- Rose Bowl Riders;
- Tom Sawyer Camp; and
- Los Angeles County Fire Camp 2

In 2006 the Department of Public Works began a public planning process to determine the best uses for the Hahamongna Annex. This process included community outreach and the assistance of the National Park Service, Rivers, Trails, and Conservation Assistance (RTCA) Program.

The following timeline outlines the various milestones of the Annex planning process.

- In 2006 City staff hosted the HWP Annex Celebration and Open House, developed and disseminated a questionnaire for existing tenants, and hosted three community workshops that focused on developing a vision statement, hearing issues and concerns from the public, and developing goals and objectives. These outreach meetings and discussions led to the adoption by the City Council of the Hahamongna Watershed Park Master Plan Addendum on February 1, 2010.
- In 2007 the City began discussions with the tenants regarding future leases, and the City Council conceptually approved the Proposed Amendments to the Goals and Objectives of the Hahamongna Watershed Park Master Plan.
- In 2008 the City completed a Capacity Analysis to assist in the effort to find the optimum carrying capacity of specific use areas within the Annex property and held one additional community meeting. Also, a preliminary evaluation of existing structures was completed by Public Works to determine the extent of repairs needed to bring the buildings up to code.

The eight former US Forest buildings have been vacant since 2004 and have fallen into disrepair. In June 2022, a City consultant prepared a conceptual level cost estimate to bring all eight buildings to an operable shell. The cost estimate excluded all tenant improvements, site work and exterior utility service work that may be required prior to occupancy. Cost estimates ranged from \$450,000 to \$950,000 (\$325 to \$425 per square foot) to rehabilitate each of the six residential units and approximately \$30,000 to improve each of the two warehouse units for a total cost of approximately \$4 million for all of the buildings – not including interior tenant improvements and utility service that may be required. A realistic total for all of the buildings to be “move-in” ready could easily be \$6 million. For comparison, new construction is estimated in the range of \$700 to \$800 per square foot (not including site work or exterior utilities that might be needed) based on recent bids for other projects.

RFP Concept

Staff recommends the City select tenants and uses for the vacant Hahamongna Annex buildings by utilizing a request for proposal (RFP) process. The RFP would only allow proposals that abide by the terms in the City Council-approved resolution when the property was purchased from MWD, which mandates the area is used as a park or recreation space. Further, allowable uses must fall within the scope of those defined in the 2010 Hahamongna Watershed Park Master Plan Addendum regarding the acquired annex area.

The allowable uses include:

- Nature and natural resources
- Watershed management
- Native American history
- Outdoor experiential education
- Water resources and conservation
- Habitat restoration, enhancement, and/or preservation
- Ecosystems
- Sustainability
- Open space conservation
- Horsemanship
- Enjoyment of the Outdoors

Allowable Proposer(s)

Given this rare opportunity to shape the use of public land, Council may want to limit the types of entities eligible to submit proposals. This unique public land should not be used for commercial purposes, so for-profit entities should be precluded. The potential uses would best be performed by a non-profit organization(s) whose mission and purpose align with the uses described above. Some characteristics the proposers should possess include:

- Non-profit organization or group of organizations;
- Proven track record of providing intended services in the public sector;

- Fiscally sound;
- Ability to operate and maintain the public land and buildings to City standards at no cost to the City;
- Demonstrated ability to perform desired tenant improvements without cost to the City;
- Willing to commit to a long-term lease agreement of at least 15 years;
- The entity's mission statement/business plan falls within one or more of the allowable uses listed above;
- Understanding and appreciation of the Hahamongna area and will be good stewards of the land;
- Provide a quantifiable public benefit to that serves Pasadena residents, particularly youth; and
- Provide direct public services and won't utilize the area and buildings solely for office or administration purposes.

In addition, the successful proposer(s) would need to complete all requirements of the Planning and Community Development Department, including obtaining a Conditional Use Permit (CUP) and any environmental review that might be required by the California Environmental Quality Act.

Role of Hahamongna Watershed Park Advisory Committee (HWPAC)

As the body that advises the City Council on matters related to Hahamongna Watershed Park, the (HWPAC) should be involved in the recommendation of tenant(s) for the Annex buildings. The committee's specific roles could include reviewing the draft RFP before it is advertised, selecting a HWPAC Committee member to assist in evaluating proposals, hosting or designating a meeting to receive public input on the proposals received, and working within the community to bring qualified proposers to the table.

COUNCIL POLICY CONSIDERATION:

This action is consistent with the City Council's goals to improve, maintain, and enhance public facilities and infrastructure and to support and promote the quality of life and local economy.

ENVIRONMENTAL ANALYSIS:

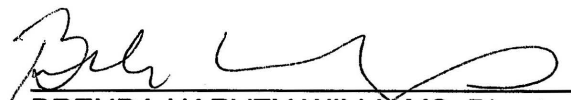
This action is exempt from the CEQA pursuant to State CEQA Guidelines Section 15061(b)(3), the Common Sense Exemption (formerly the general rule) that CEQA

applies only to projects which have the potential for causing a significant effect on the environment.

FISCAL IMPACT:

As indicated above, the buildings have been largely vacant for nearly 20 years and have fallen into disrepair. Since the rehabilitation of all of the buildings could cost in excess of \$6 million dollars, the City, in consultation with the selected organization(s), would need to identify which buildings to rehabilitate and then develop a refined cost estimate. Staff recommends a matching approach to the fund this project, requiring the selected user to pay for a portion of work and the City to pay for the balance. Identifying available grants and potential consideration of American Rescue Plan Act (ARPA) funds will all be evaluated as part of the future efforts.


Respectfully submitted,


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