

Agenda Report

June 2, 2025

TO: Honorable Mayor and City Council

THROUGH: Finance Committee (May 12, 2025)

FROM: Parks, Recreation and Community Services Department

SUBJECT: **APPROVE THE ALLOWABLE USES AND CHARACTERISTICS OF ENTITIES ALLOWED TO SUBMIT PROPOSALS FOR THE BUILDINGS WITHIN HAHAMONGNA WATERSHED PARK ANNEX AREA**

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 potential demolition of the six buildings in the Hahamongna Annex area;
3. Approve, in concept, the allowable uses of the Hahamongna Annex buildings in accordance with the Hahamongna Watershed Park Master Plans and other existing legal restrictions on the property;
4. Authorize the issuance of a request for proposals to utilize the Hahamongna Annex area per the allowable and legal uses; and
5. Approve characteristics outlined in the body of the report, of entities allowed to submit proposals to demolish, rebuild and operate the area of the six vacant Hahamongna Annex buildings and the Oak Woodlands Natural Open Space.

EXECUTIVE SUMMARY:

The City of Pasadena is considering the future use of six vacant and severely deteriorated former U.S. Forest Service buildings within the Hahamongna Watershed Park (HWP) Annex area. These structures, vacant since 2004, pose significant safety hazards due to mold, asbestos, rodent infestations, and structural damage.

Extensive community and city planning from 2006–2010 resulted in the adoption of the HWP Master Plan Addendum, outlining the vision and uses for the Annex area. These uses include educational, environmental, conservation, and equestrian-related programs. Staff recommends issuing a Request for Proposals (RFP) to select qualified non-profit organizations to redevelop and operate the site in alignment with a future vision that better serves public, environmental, and educational goals. This initiative represents a rare opportunity to revitalize a unique public space and invites qualified partners to help shape the next chapter of HWP through sustainable, educational, and community-focused use.

BACKGROUND:

On September 12, 2022, staff presented a report to the Finance Committee outlining the framework and guidelines, as defined in the Master Plans, for utilizing the Annex buildings within HWP. The Finance Committee directed staff to take the report to the HWP Advisory Committee for their review and affirmation of the allowable uses. On September 27, 2022, staff presented the same report to the HWP Advisory Committee. The Committee unanimously confirmed the allowable uses listed in the report were appropriate and consistent with the HWP Master Plans.

On May 12, 2025, staff returned to the Finance Committee. As part of the discussion, members of the Committee directed staff to confirm consistency of the allowable uses under the terms of the 2005 purchase agreement and voted to send this matter to the full City Council with a recommendation include potential demolition of the buildings, and to expedite the release of the RFP.

In 1993, HWP was established when the park's ownership, maintenance, and operations reverted back to the City of Pasadena from Los Angeles County. The City, in turn, agreed to sell 30 acres of the land to the 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. In March 2005, the City Council approved the purchase and adopted a resolution to use the land for public recreation, enjoyment of scenic beauty, or conservation or use of natural resources in accordance with the Hahamongna Park Master Plan and the Surplus Land Act. Please see the City Council Report and Resolution 8454 dated March 21, 2005 attached as Exhibit A.

Exhibit B shows the general Hahamongna Annex area and the occupying tenants, with areas A and B being the subject of this report. Today, this area includes five tenants, a vacant area, and the Oak Woodlands natural open space.

- A. Vacant (Former U.S. Forest Service Buildings)
- B. Oak Woodlands – natural open space
- C. Tom Sawyer Camp – equestrian operation
- D. Arroyo Seco Foundation – native plant nursery
- E. Ride On Therapeutic Horsemanship – equestrian operation
- F. Rose Bowl Riders – equestrian operation
- G. Los Angeles Fire Camp 2

The vacant area was previously used by the U.S. Forest Service and contains six buildings. Exhibit C shows the building locations and their square footage.

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 Program.

The following timeline outlines the various milestones of the HWP 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.
- 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 HWP 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.
- These outreach meetings and discussions led to the adoption by the City Council of the HWP Master Plan Addendum on February 1, 2010.

The six former U.S. Forest Service buildings have been vacant since 2004 and have fallen into disrepair. On Tuesday, April 1, 2025, the City's Safety Officer conducted a visual inspection of the interior and exterior of Buildings 1 through 6. The current conditions of the existing buildings include collapsed roofs, dismantled cabinetry, presence of black mold, rodent infestation as well as the absence of operable utilities including plumbing and electrical. All building materials showed signs of deterioration and were in poor condition. Please see Exhibit D for pictures of the buildings.

The following include, but are not limited to, major safety issues found to be present:

- Majority of the roofs are in poor condition to non-existent in some structures.
- There is major water intrusion damage throughout the site with visible mold on the building materials.
- Exterior paint is in poor condition throughout with peeling paint on multiple surfaces.
- Friable building materials, for example insulation and acoustic ceilings, are damaged throughout the site.
- Rat infestation evident throughout the site.

Further, the Safety Officer recommended the following:

- Due to the poor condition of building materials, the current rat infestation, and the presence of mold, an N-95 mask must be worn by anyone entering the interior of the buildings.
- All thermal system insulation and surfacing material must be presumed asbestos-containing material.
- Materials such as, but not limited to roofing, ceiling tiles, joint compound, and flooring components should be treated as suspect asbestos-containing material until proven otherwise.
- Based on the age of the buildings, existence of lead-based paint should be presumed on components until proven otherwise.

The 2010 HWP Master Plan Addendum recommends the adaptive reuse of the existing vacant buildings and to minimize demolition where possible. The estimated cost to rehabilitate the six buildings for occupancy (totaling 14,389 square feet) is \$9.73 million, an average of \$676 per square foot with an annual cost escalation of 7%, excluding soft costs.

The process of rehabilitating the dilapidated mid-century block building would include:

- Asbestos and hazardous material abatement
- Restoring mechanical, electrical and plumbing systems
- Finished drywall
- Watertight roof and windows
- New interior and exterior doors with security locks
- Exterior paint and façade repairs
- ADA and code compliance
- Tenant improvements
- Exterior utility service work

However, given the current condition of the buildings and the recent assessment by the City's Safety Officer, staff recommends potential demolition of the six buildings.

Demolishing all buildings can create an opportunity for a new design that would better serve the proposed uses for this area, as outlined in the HWP Master Plan Addendum. It would further eliminate programming constraints by the current layout of the buildings. The cost estimate to demolish the six buildings is \$442,000, excluding soft costs, and would include site clearance, preparation and disposal, hazardous materials removal, general condition/requirements, contingency, as well as storm water protection measures.

The cost to construct new building(s) will depend on a number of variables, including site conditions, building size, building uses, materials and finishes, and utility requirements. Staff estimates a per square foot cost range of \$600-\$800 for commercial construction, for a total replacement cost estimated between \$8.63 million - \$11.51 million, excluding soft costs, if the same number of square feet are constructed. If fewer square feet are constructed, the replacement cost will be less. New buildings would almost certainly suit future needs better than the functional, dimensional, and structural restrictions of the existing buildings.

The table below summarizes the costs for rehabilitation, demolition and new construction.

<u>Building</u>	<u>Square Footage</u>	<u>Rehab Cost (\$676/sq. ft.)</u>	<u>Demo Cost</u>	<u>Replacement Cost (\$600-\$800/sq. ft.)</u>
1	1,388	\$938,288	\$15,268	\$832,800 - \$1.1M
2	1,686	\$1,139,736	\$102,730	\$1.01M - \$1.35M
3	1,687	\$1,140,412	\$18,557	\$1.01M - \$1.35M
4	1,687	\$1,140,412	\$102,785	\$1.01M - \$1.35M
5	2,369	\$1,601,444	\$140,295	\$1.58M - \$1.90M
6	5,572	\$3,766,672	\$62,292	\$3.34M - \$4.46M
Totals	14,389	\$9,726,964	\$441,927	\$8.63M - \$11.51M

Allowable Uses

Staff recommends the City allow uses of the Annex area based on the terms in the City Council-approved resolution in 2005, which mandates the area be used as a park or recreation space. Further, allowable uses must fall within the scope of those defined in the 2010 HWP Master Plan Addendum regarding the 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

At their September 27, 2022 meeting, the HWP Advisory Committee confirmed the above listed uses are appropriate and consistent with the HWP Master Plan and Addendum.

Request For Proposals and Characteristics of Potential Proposers

Due to other higher priorities, staff has not identified funding to rehabilitate or demolish and rebuild these buildings. Given the lack of available City funds, Council may wish to direct staff to issue a Request for Proposal (RFP) to an outside entity to rehabilitate or to rebuild and operate the buildings. This is a rare opportunity to shape the use of public land, thus, Council may want to limit the types of entities eligible to submit proposals. This unique public land should not be used for commercial purposes; for-profit entities should be excluded. The potential uses would best be performed by a non-profit organization or a group of organizations whose mission and purpose aligns with the uses described above.

Staff recommends that prospective proposers possess, not limited to, the following characteristics:

- Non-profit organization or group of organizations;
- Proven track record of providing intended services in the public sector;
- Fiscally sound with adequate financial resources to perform the terms of the contract;
- Ability to operate and maintain the public land and buildings to City standards at no cost to the City;
- Demonstrate ability to perform desired improvements without cost to the City;
- Willing to commit to a long-term lease and operating agreement of 15-20 years;
- The entity's mission statement/business plan falls within one or more of the allowable uses listed above;
- Have an understanding and appreciation of the Hahamongna area and be good stewards of the land;
- Provide a quantifiable public benefit 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 have 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.

A tentative timeline for the RFP process is estimated to be one year including: drafting of RFP with all exhibits, sample contract development, inter-departmental review, and release of RFP (6 months); and advertisement, proposal review/interviews, contract award and execution (6 months).

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 the 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. The actions proposed herein are limited to establishing the procedures for selecting potential future operators of the Hahamongna Annex. These actions do not commit the City to approving any future use of the Hahamongna Annex, nor do they commit the City to approving or carrying out any improvements to the existing facilities in the Annex or any other physical changes to the environment. Such specific users and potential improvements would be subject to CEQA review at the time the City considers entering into an arrangement(s) with such users.

FISCAL IMPACT:

The estimated cost to rehabilitate the six buildings is \$9.73 million. Alternatively, existing buildings can be demolished for \$442,000 and a plan for rebuilding can be developed. Construction costs will depend on the new conceptual design, at an estimated cost of \$8.63 million - \$11.51 million. These estimates exclude soft costs. Selected entities would be responsible to fund all improvements necessary for occupancy, as well as the ongoing maintenance and operations.

Anticipated City costs to develop and complete the RFP process for the aforementioned services are estimated to be approximately \$20,000. This projected expense includes staff time required to develop the specifications through the execution of the operator agreement.

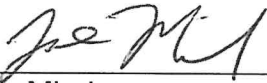
Respectfully submitted,



KOKO PANOSSIAN


Director of Parks, Recreation and Community
Services

Prepared by:



Jose Mireles
Park Superintendent

Approved by:



MIGUEL MÁRQUEZ
City Manager

Attachments:

- Exhibit A - Council Resolution 8454
- Exhibit B - Hahamongna Annex Area
- Exhibit C - Annex Buildings
- Exhibit D - Hahamongna Annex Building Photos