



Legislation Text

File #: 20-0322, **Version:** 1

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Bruce Moe, City Manager

FROM:

Stephanie Katsouleas, Public Works Director
Steve S. Charelian, Finance Director

SUBJECT:

Update on Design and Construction Activities for the Senior & Scout Community Center (Public Works Director Katsouleas).

RECEIVE REPORT

RECOMMENDATION:

Staff recommends that City Council receive this update on design and construction activities for the Senior & Scout Community Center (center).

FISCAL IMPLICATIONS:

City Council previously allocated \$1 million in the 5-Year Capital Improvement Plan (CIP) to partially cover construction of the Center. Those funds are currently programmed under Prior Appropriations in the Capital Improvement Projects Fund.

BACKGROUND:

The Scout House, located adjacent to the Joslyn Center, was constructed in the 1950s by the Boy Scouts and later donated to the City of Manhattan Beach. It has effectively served as a gathering spot for generations of Boy and Girl Scout members and their families. The facility also provides space for senior recreational activities and is occasionally utilized as a meeting room by the community at large.

The Friends of the Senior and Scout Community Center (Friends), formed in 2013, have for several years desired to construct a new community center. In 2014, Friends, the City and the Manhattan Beach Property Owners Association entered into an MOU committing to work together to replace the Scout House. Shortly thereafter, the Friends began fundraising for the new center with moderate success. However, in 2018, Friends representatives conveyed to City Council that members of the community were raising concerns about the City's willingness to contribute funding for the new center, and that the City's lack of commitment may be impacting their own fundraising efforts. The Friends also sought assurances that if they fully or partially funded a new center on City property, that they would have long-term rights to its use for scout activities.

To address these concerns, on August 7, 2018, City Council directed staff to begin negotiations for

the construction and occupancy of a new Senior & Scouts Community Center with Friends, and to return to City Council with a summary of various financing opportunities that could support the City's desire to contribute funds toward the expected cost of construction of the new building. City Council also requested an updated budget projection and schematics of the building design.

On October 2, 2018, staff returned to City Council with a summary of financing opportunities, and the Friends presented the updated budget projection and schematics of the building that were requested. After reviewing various funding opportunities, the City's infrastructure budget, and the other projects already identified in the 5-Year CIP, City Council allocated \$1 million toward construction of a new Center. Of that, \$550,000 was programmed as a cash contribution in the CIP for construction, and another \$450,000 was to be provided as either in-kind services or as additional direct funding, although it was not specifically programmed in the CIP. City Council also stated that the project needed to be ready to commence by June 2020, or the Friends would risk losing the City's \$1 million contribution. In Spring 2019, City Council approved programming the \$450,000 in-kind service portion of the contribution as available cash for construction in the 5-Year CIP budget. With the full \$1 million available as cash, all other City support and expenses would be paid directly from the project's funds, including plan check fees, school fees, staff time for project management, etc., unless otherwise directed by City Council.

In 2019, staff and the City Attorney's office started working with Friends on the framework of a Development and Disposition Agreement (DDA) that would identify each party's responsibilities before, during and after construction, as well as document expectations on their shared use of the new building. The specific terms of the DDA have not been finalized, and instead was deferred until a sufficient amount of funding was raised to proceed with the project.

The anticipated cost of construction, including both interior and exterior design elements, is estimated to range from \$3.1 to \$3.7 million for the approximately 7,000 square feet facility. As envisioned under this partnership, the City would construct the shell of the building as a public project (Phase 1), and the Friends would complete interior tenant improvements (Phase 2) and cover other miscellaneous expenses. Funding for Phase 1 construction is expected to be shared, with the City allocating \$1 million (as discussed above), and Friends covering the balance. Phase 2 is expected to be fully covered by Friends. The Friends had hoped to be ready to commence construction by the end of 2019 pending successful completion of their fundraising efforts, but that goal was not met and COVID-19 further impacted their efforts in 2020.

The estimated cost for Phase 1 construction of the building's core and shell has yet to be fully determined, but is expected to be in the vicinity of \$2.3 million. It includes demolition of the existing building, pouring a new foundation, framing, rough electrical, mechanical and plumbing, HVAC ducts, insulation and drywall, doors and windows, exterior waterproofing and cladding, and the elevator. Phase 2 tenant improvements are anticipated to include cabinets, furniture, appliances, finish lighting, plumbing fixtures, AC units, flooring, painting, partitions and interior doors, window treatments and casings. Other miscellaneous expenses include A/V operational equipment, etc.

DISCUSSION:

To date, the Friends have raised \$2,577,750 (including the City's \$1 million) and have another \$114,250 pledged, for a total of \$2,692,000 toward their overall \$3.5 million goal. The Center's design and schematic plans are near completion, and ready for City Council approval. However, the project will need to obtain environmental clearances through the entitlement process, which includes public

input, before City Council can approve any final design. Friends is expected to submit an application to the City for environmental review in the near future.

Once environmental clearance is obtained and City Council approves the final proposed design at a future meeting, Friends will commence with the development of construction drawings, obtain plan check approval and provide an Engineer's Estimate for the entire project, inclusive of both phases. After the Engineer's Estimate is provided, staff will finalize the language of the Development and Disposition Agreement so that bidding may proceed (estimated in early 2022). Commencement of construction will be contingent on Friends having raised sufficient funds, with contingency, to achieve a Certificate of Occupancy following demolition the Scout House and construction of the new building. It is also contingent on the City's engineering staff completing several large, complex projects, including Sepulveda Bridge widening and Peck Reservoir replacement.

PUBLIC OUTREACH:

Construction of a new Senior and Scout House has been discussed in a variety of public forums, including at least three previous City Council meetings and with senior groups, scout groups and City staff. Further outreach regarding the project will be conducted at the appropriate design and construction stages as the project progresses.

ENVIRONMENTAL REVIEW

The City has reviewed the proposed recommendations for compliance with the California Environmental Quality Act (CEQA) and has determined that receiving this design update is not a "Project" as defined under Section 15378 of the State CEQA Guidelines; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines the activity is not subject to CEQA. Thus, no environmental review is necessary. The City will comply with all environmental requirements needed through the entitlement process.

LEGAL REVIEW

The City Attorney has reviewed this report and determined that no additional legal analysis is necessary.

ATTACHMENTS:

1. Site Plan
2. Building Renderings
3. Video Flyover (Web-Link Provided)
4. Memorandum of Understanding - Friends of Senior & Scout Community Center (2014)
5. PowerPoint Presentation