Discussion of City-owned Hamilton Properties

City Council Meeting

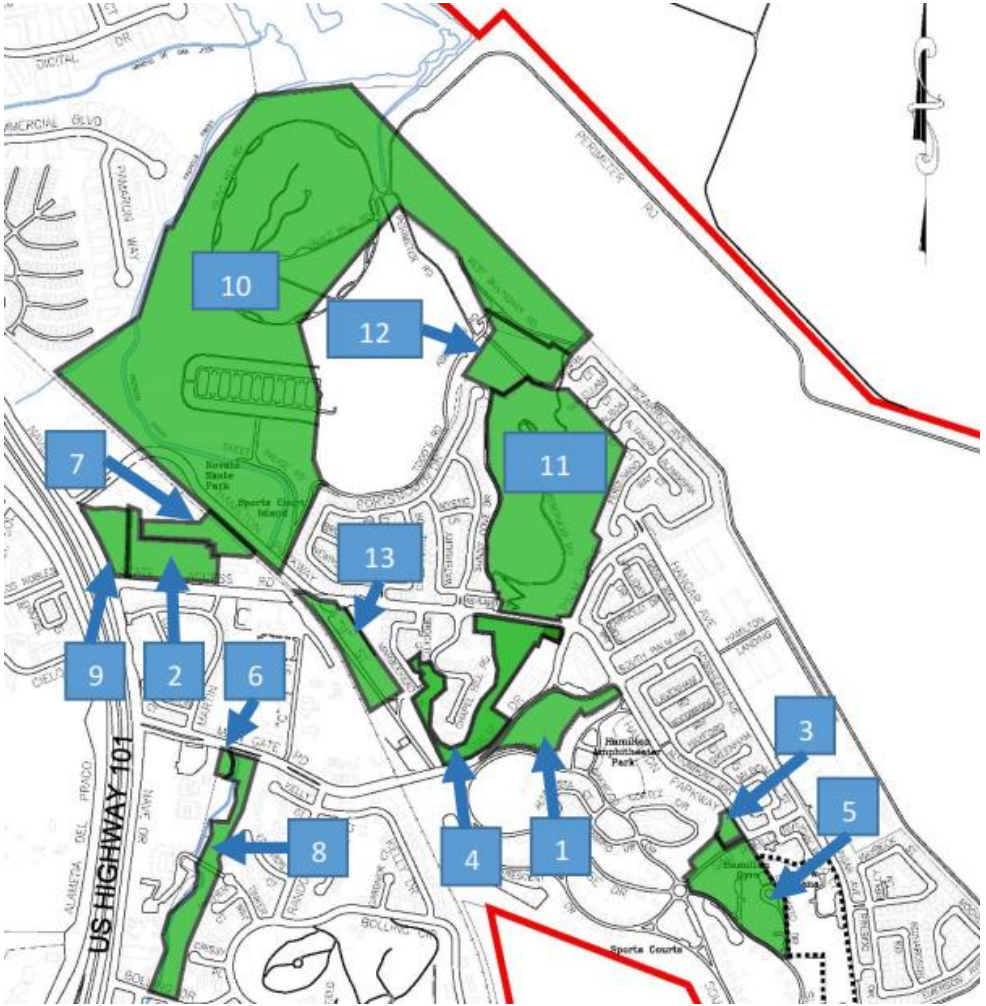
November 28, 2017

THE CITY OF
NOVATO
CALIFORNIA

Meeting Purpose

- Discuss and provide direction to staff on planning process/public engagement options for City-owned vacant or underutilized parcels
- Discuss and provide direction to staff on Council objectives and means of implementation for reuse of said parcels

Map of City-owned Vacant and Underutilized Parcels at Hamilton



Agenda

- Presentation on Public Planning Process Options (~10 mins)
- Presentation on Strategic Plan Options (~15mins)
- 1st Council Q & A
- Public Comment
- 2nd Council Q & A
- Council Deliberation and Direction

Public Planning Process Options

- Any reuse/redevelopment of City-owned Hamilton parcels will entail numerous opportunities for public involvement prior to any City Council decision.
- Development allowances (permitted uses, limits on building sizes, etc.) are established by existing Hamilton Master Plans and General Plan Land Use Map. Any modification requires a Master Plan (and possibly General Plan) amendment.

Public Planning Process Options

1. **Include Hamilton as a General Plan Focus Area**
   - Entails public planning process to determine appropriate land uses and potential development criteria for typically for a larger sub-area
   - Would require consultant assistance (process facilitation, mock-ups of development options, costing of infrastructure/historic rehab. costs and economic viability)
   - Would require City pay for up-front costs of environmental review
   - Would delay General Plan adoption
   - After completion, property(ies) could be offered for redevelopment

Public Planning Process Options

2. **Add an implementation program in General Plan 2035 calling for subsequent focus area process or City-prepared Master Plan/Precise Development Plan**
   - Public planning process would occur sometime after GP adoption
   - Would also require consultant assistance (process facilitation, mock-ups of development options, costing of infrastructure/historic rehab. costs and economic viability) and that City pay for up-front costs of environmental review
   - After completion, property(ies) could be offered for redevelopment

Public Planning Process Options

3. **City-initiated Master Plan/Precise Development Plan**
   - Public planning process would occur independent of GP adoption
   - Would also require consultant assistance (process facilitation, mock-ups of development options, costing of infrastructure/historic rehab. costs and economic viability) and that City pay for up-front costs of environmental review
   - After completion, property(ies) could be offered for redevelopment

Public Planning Process Options

4. **Continue Public Visioning Process to Inform Future Land Use Options**
   - Continued and more formal public visioning process to define desired land uses and assess financial viability
   - Would also require consultant assistance (process facilitation, mock-ups of development options, costing of infrastructure/historic rehab. costs and economic viability)
   - Since Council direction on desired land uses is only conceptual, no CEQA analysis needed at this point in the process
   - After completion, property(ies) could be offered for redevelopment

Public Planning Process Options

5. **Appoint a Working Group to Develop Recommendations on Land Use**
   - Appointment of stakeholder group to host public workshops, gather information and reach concensus recommendations to City Council on desired land uses
   - Would also require consultant assistance (process facilitation, mock-ups of development options, costing of infrastructure/historic rehab. costs and economic viability)
   - Since direction on desired land uses is only conceptual, no CEQA analysis needed at this point in the process
   - After completion, property(ies) could be offered for redevelopment

Public Planning Process Options

6. **At Time of Specific Project Proposal(s), Initiate Normal Development Review Review Process**
   - After Council determination of reuse/redevelopment process, private or public applicants would prepare site-specific Master Plan/Precise Development Plan to initiate formal planning application review process
   - Cost of application and review process (including CEQA document) borne by the applicant

Strategic Plan Economic Vitality Objective 3

“Remove blight, restore historic structures, generate revenue, and utilize City-owned properties in Hamilton”

a. Facilitate and expedite the development application for the historic Hamlilton Hospital into an assisted living and memory care facility.
b. Complete an application to the federal government to remove and exchange Lands to Parks restrictions on key properties and work to have the application expeditiously processed.
c. **Once restrictions are removed, evaluate and engage a process to more fully utilize City-owned properties while respecting the historical nature of these assets.**

Hamilton Hospital Assisted Living and Memory Care Facility

Approved and awaiting building permit

- 48 assisted-living units and 32 memory-care rooms
- Restores City-owned former base hospital
- $2 million in revenue to the City

Hamilton Cottages

Hamilton Parkway

Approved and awaiting building permit

- 16 single-family, senior-oriented homes in a cottage neighborhood
- $500,000 in revenue to the City

Strategic Plan Options

1. **City Retention and Reuse**
   - The City funds the redevelopment of the sites wholly out of the General Fund or other financial mechanism (ex: bond measure).
   - This process could be led by Staff or a consultant.
   - Expensive and high risk.
   - City gains full economic benefit from site.

Strategic Plan Options

2. **Sale via Request for Proposal (RFP)**
   - The City offers the sites for sale via a publicly competed process.
   - Considerably reduced costs & risks to City.
   - Reduced economic benefit to the City.
   - Leverages private sector creativity.

Strategic Plan Options

3. **Sole Source Sale**
   - Staff promotes the site for sale to experienced and qualified development partners and recommends a partner or partners to Council.
   - Minimal upfront cost to City.
   - Focuses Staff time and public process on high quality redevelopment partners with economically viable redevelopment proposals.
   - This is the process used to successfully implement the Hamilton Cottages and Hamilton Hospital redevelopments.

Strategic Plan Options

4. **Public-Private Partnership Options: Ground Lease**
   - The City offers the sites for lease to interested parties.
   - Could be offered either by RFP (Option 4a) or Sole Source (Option 4b) process.
   - Reduced economic benefit to City than land sale (fewer potential partners and less value to potential partners).

Strategic Plan Options

4. **Public-Public Partnership: Sale - Leaseback**
   - The City offers the sites for sale and leases back some or all of the property as a condition of the sale.
   - Could be offered either by RFP (Option 4c) or Sole Source (Option 4d) process.
   - Example: City sells the Old Hamilton Gym with the condition that the Buyer lease the renovated property back to the City.

Strategic Plan Options

4. **Public-Private Partnership: Sale - Buyback**
   - The City offers the sites for sale with the condition that some or all of the areas sold be transferred back to the City after redevelopment.
   - Could be offered either by RFP (Option 4e) or Sole Source (Option 4f) process.
   - Example: City sells the Town Center parcel with the condition that the Hamilton Theater be transferred back to the City after renovation.

Strategic Plan Options

5. **Public-Public Partnership**
   - The City identifies one or more public entities interested in partnering to redevelop the site(s) via a Use Agreement or similar arrangement.
   - Example: City partnership with Novato Unified School District to construct Hamilton Gym.

No.	Parcel Description	Size	General Plan Designation	Economic Dev. Potential	Planning Options					
					#1 General Plan Focus Area	#2 Program in General Plan for Future Amendment	#3 City-initiated Master Plan Amendment	#4 Public-Process to inform options	#5 Working Group/Public Process	#6 Dev Review/CIP Process with proposal
1	**Town Center site (incl. Theater)**	4.9 acres	Mixed Use	Yes						
2	**Commissary site**	4.6 acres	Community Facilities	Yes						
3	**Old Gym Parking Lot**	0.8 acres	Mixed Use	Yes						
4	**Hamilton Parkway and Palm Drive**	7.7 acres	Mixed Use and Open Space	Yes						
5	**Bachelor Officer's Quarters/Officer's Club/Old Gym site**	19 acres	Mixed Use	Yes						
6	**Main Gate Road adj. to Hamilton School**	0.5 acres	Community Facilities	Limited						
7	**HUD Parcel (north of Commissary site)**	2.8 acres	Community Facilities	Limited						
8	**Parcel along creek/drainageway, east of Hamilton School**	6.6 acres	Medium Density Residential	Limited						
9	**Christmas Tree Hill**	2.5 acres	General Commercial	Limited						
10	**Ammo Hill/Skate Park**	122 acres	Parkland and Open Space	Limited						
11	**Reservoir Hill**	32 acres	Open Space & Medium Density Residential	Limited						
12	**Parcel north of Reservoir Hill**	5.6 acres	Open Space & Medium Density Residential	Limited						
13	**B Street Parcel (north of SMART station)**	4 acres	Medium Density Multifamily Residential	Limited						

No.	Description	Dev. Potential	Utilization Options									
			#1 City Retention & Reuse	#2 Sale /RFP	#3 Sole Source Sale	#4a Lease /RFP	#4b Sole Source Lease	#4c Sale – Leaseback /RFP	#4d Sole Source Sale - Leaseback	#4e Sale – Buyback /RFP	#4f Sole Source Sale – Buyback	#5 Public Public Partners
1	**Town Center site (incl. former Theater)**	Yes										
2	**Commissary site**	Yes										
3	**Old Gym Parking Lot**	Yes										
4	**Hamilton Parkway and Palm Drive**	Yes										
5	**Bachelor Officer's Quarters/Officer's Club/Old Gym site**	Yes										
6	**Main Gate Road adj. to Hamilton School**	Limited										
7	**HUD Parcel (north of Commissary site)**	Limited										
8	**Parcel along the creek/drainageway, east of Hamilton School**	Limited										
9	**Christmas Tree Hill**	Limited										
10	**Ammo Hill/Skate Park**	Limited										
11	**Reservoir Hill**	Limited										
12	**Parcel north of Reservoir Hill**	Limited										
13	**B Street Parcel (north of SMART station)**	Limited										

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No.	Parcel Description	General Plan Designation	Master Plan Allowed Uses
1	**Town Center site (incl. Theater)**	Mixed Use	Neighborhood Commercial: Barber/beauty shops, dry cleaners, shoe repair, bank, second-run theater, small hardware store, pharmacy, professional offices.
2	**Commissary site**	Community Facilities	Community Facilities and Civic Uses: public buildings, park and open space, City offices, hospitals, utilities, schools, child care, educational uses, religious/community uses, senior housing, homeless shelter.
3	**Old Gym Parking Lot**	Mixed Use	Parkland: active and passive parks, ballfields, tennis courts, lawn bowling, swimming pools, court games, picnic shelters, restrooms.
4	**Hamilton Parkway and Palm Drive**	Mixed Use and Open Space	n/a
5	**Bachelor Officer's Quarters/Officer's Club/Old Gym site**	Mixed Use	Officer's Club: Community Facilities and Civic Uses: Community Facilities and Civic Uses: public buildings, park and open space, City offices, hospitals, utilities, schools, child care, educational uses, religious/community uses. BOQ: Visitor-Serving Commercial: small conference facilities, hotels, inns and support commercial activities. Gym: Parkland: active and passive parks, ballfields, tennis courts, lawn bowling, swimming pools, court games, picnic shelters, restrooms.
6	**Main Gate Road adj. to Hamilton School**	Community Facilities	n/a
7	**HUD Parcel (north of Commissary site)**	Community Facilities	Community Facilities and Civic Uses: public buildings, park and open space, City offices, hospitals, utilities, schools, child care, educational uses, religious/community uses, senior housing, homeless shelter.
8	**Parcel along creek/drainageway, east of Hamilton School**	Medium Density Residential	Open Space: passive recreation, natural resource preservation.
9	**Christmas Tree Hill**	General Commercial	n/a
10	**Ammo Hill/Skate Park**	Parkland and Open Space	Open Space: passive recreation, natural resource preservation.
11	**Reservoir Hill**	Open Space & Medium Density Residential	Open Space: passive recreation, natural resource preservation.
12	**Parcel north of Reservoir Hill**	Open Space & Medium Density Residential	Open Space: passive recreation, natural resource preservation.
13	**B Street Parcel (north of SMART station)**	Medium Density Multifamily Residential	Residential