



Midpeninsula Regional
Open Space District

R-13-65
Meeting 13-17
July 24, 2013

AGENDA ITEM 6

AGENDA ITEM

Appropriation of Funds from the Hawthorn (Woods Trust) Endowment Fund to Implement Relevant Board-Approved Fiscal Year 2013-14 Action Plan Projects *SLD*

GENERAL MANAGER'S RECOMMENDATION

Approve the appropriation of funds from the Hawthorn (Woods Trust) Endowment Fund to implement relevant Board-approved Fiscal Year 2013-14 (FY2013-14) Action Plan projects.

SUMMARY

As part of the FY2013-14 Action Plan, the Board approved the continuation of two Hawthorn projects relating to the Alpine House and historic structures. These two projects, as well as ongoing property management activities, were originally approved as part of a Preliminary Use and Management Plan Amendment for the Hawthorn property addition to Windy Hill Open Space Preserve. This report recommends Board approval for the release of funds from the Hawthorn Endowment Fund to cover the cost of these expenses, which total \$448,800 during FY2013-14, as opposed to using the District's General Fund to pay for these expenses.

DISCUSSION

Background

On November 10, 2011, the Hawthorn property was gifted to the District and incorporated into the Windy Hill Open Space Preserve (Preserve). The property, valued at approximately \$11 million, is 78.71 acres and includes numerous historical structures. Included in the gift was a \$2 million endowment to be used toward the property's stewardship.

In May 2013, staff met with the Action Plan and Budget Committee to review the Board-approved FY2013-14 Action Plan, which includes two Hawthorn projects that were first approved as part of a Preliminary Use and Management Plan Amendment (Preliminary U&M Plan Amendment) (refer to Report R-12-46). This Preliminary U&M Plan Amendment also identifies ongoing management activities for the property. The FY2013-14 budget to fund this work totals \$448,800 and is broken down as follows:

4411 Alpine House - habitability improvements for its use as an employee residence to increase onsite presence/security (\$100,000)

Mansion and Carriage house - stabilization of the historic structures to halt further deterioration and allow time for potential partnership proposals (\$305,000)

Ongoing property management - environmental site assessment and clean up, security (until site presence is established) and utility expenses (\$43,800)

Although the Board has already approved the Hawthorn projects as part of the FY2013-14 Action Plan, the Board has yet to appropriate use of the Hawthorn Endowment Fund to pay for the expenditures. Staff recommends all approved expenditures be paid out of the Hawthorn Endowment Fund rather than out of the District's General Fund. If approved, the endowment fund balance at the end of FY2013-14 is projected to be \$1,407,747. See Table 1, below.

Table 1: Hawthorn Endowment Fund Balance	
Hawthorn Fund Original Endowment:	\$ 2,018,445
FY2011-12 Interest Income	\$ 3,267
FY2011-12 Expenditures	(50,672)
FY2012-13 Interest Income	\$ 7,854
FY2012-13 Expenditures	(122,347)
FY2013-14 Expenditures - Approved Work	(448,800)
Ending Balance - Projected	\$ 1,407,747

COMMITTEE REVIEW

This item was reviewed by the Action Plan and Budget Committee on May 31, 2013.

FISCAL IMPACT

The Board would authorize the appropriation of \$448,800 from the Hawthorn Fund for FY2013-14 to accomplish the District's FY2013-14 work plan.

PUBLIC NOTICE

Public notice was provided as required by the Brown Act. No additional notice is required.

CEQA COMPLIANCE

This proposed action is not a project under the California Environmental Quality Act and no environmental review is required.

NEXT STEPS

If approved by the Board, staff will continue implementing the Hawthorn projects as described in the Board-approved FY2013-14 Action Plan.

Attachments:

1. Board-approved FY2013-14 Action Plan excerpt listing the Hawthorn projects

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PROPOSED FY 2013-14 ACTION PLAN KEY PROJECTS

Key Project	Purpose	Project Description			Board Committee Review	Project Manager Other Depts Involved/Impacted
		Scope	Schedule (Quarterly Milestones & Completion Date)	Budget		

REAL PROPERTY DEPARTMENT: PROGRAM - REVENUE GENERATION

Priority 2						
New Land Rental Property Transition - Alpine Road House - Hawthorns (Core Funtion)	Transition new residence to employee residence	1. Make repairs and clean residence. 2. If residence does not have current tenant - list the residence for rent. 3. Enter into lease with current tenant or new tenant.	Q1 FY13-14	\$100,000	Board approval: May 23, 2012	Elaina Cuzick Planning Operations

PLANNING DEPARTMENT: PROGRAM - CULTURAL RESOURCE STEWARDSHIP

Priority 1						
Hawthorns Site Management Phase I (stabilization and partner development)	Complete additional building stabilization and partnership development for long-term care and maintenance of historic structures.	Assess need for and implement additional stabilization measures to protect buildings from inclement weather and vandalism. Respond to interested partners and funders to help with long-term maintenance and preservation.	Q1 FY13-14: Complete building assessments/ stabilization measures Q2-Q3 FY13-14: Prepare interim and long-term site recommendations Q4 FY13-14: Board review of recommendations	Expenses to be paid out of Hawthorns endowment fund. Estimated costs at \$305,000 for FY13-14.		Gina Coony Real Property Operations Planning & Nat Res Committee

*In addition, \$48,800 is set aside for ongoing property management activities. This amount is not tied to a specific Key Project and therefore not listed above.