

APPROVED

JUL 08 2009

REPORT OF GENERAL MANAGER

NO. 09-194

DATE July 8, 2009

BOARD OF RECREATION and PARK COMMISSIONERS

C.D. 10

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: RANCHO CIENEGA SPORTS COMPLEX - TRACK & FIELD IMPROVEMENTS (#1205S) (W.O. #E1907220) - FLOAT LOAN AGREEMENT BETWEEN THE COMMUNITY DEVELOPMENT DEPARTMENT AND THE DEPARTMENT OF RECREATION AND PARKS AND AMENDMENT TO MEMORANDUM OF UNDERSTANDING BETWEEN THE DEPARTMENT OF RECREATION AND PARKS, THE BUREAU OF ENGINEERING, AND THE DEPARTMENT OF GENERAL SERVICES

R. Adams _____ J. Kolb _____
H. Fujita _____ F. Mok _____
*S. Huntley _____ K. Regan _____
V. Israel _____ M. Shull _____

[Signature]
General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATION:

That the Board:

- 1. Approve a proposed Float Loan Agreement, substantially in the form on file in the Board Office, between the Community Development Department (CDD) and the Department of Recreation and Parks (RAP), to use as a cash flow source for the Rancho Cienega Sports Complex-Track & Field Improvements project;
2. Approve a proposed Amendment to the Memorandum of Understanding (MOU), substantially in the form on file in the Board Office, between the RAP, the Bureau of Engineering (BOE), and General Services Department (GSD), for the construction of the Rancho Cienega Track & Field Improvements Project (#1205S) (W.O. #E1907220) to amend the funding language, subject to the approval of the City Attorney as to form,

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From:

<u>FUNDING SOURCE</u>	FUND NO. / DEPARTMENT NO. / <u>ACCOUNT NO.</u>	ENCUMBRANCE <u>AMOUNT</u>
CDBG 33 rd Year	424/22/C500	\$590,000
Proposition 40 RZH ⁽¹⁾	205/88/TBD	\$1,079,887
Proposition 40 RZH ⁽²⁾	298/88/TBD	<u>\$281,522</u>
	TOTAL	\$1,951,409

NOTE: ⁽¹⁾ Public Works Trust Fund will be used to cash flow \$1,079,887 of the Proposition 40 RZH funds and will be reimbursed upon receipt of the funds from the State.

⁽²⁾ MICLA loan will be used to cash flow \$281,522 of the Proposition 40 RZH funds and will be reimbursed upon receipt of the funds from the State.

To:

<u>FUNDING SOURCE</u>	FUND NO. / DEPARTMENT NO. / <u>ACCOUNT NO.</u>	ENCUMBRANCE <u>AMOUNT</u>
CDBG 33 rd Year	424/22/C500	\$543,799
Proposition 40 RZH ⁽¹⁾	424/22/E140	<u>\$1,407,610</u>
	TOTAL	\$1,951,409

NOTE: ⁽¹⁾ Community Development Block Grant (CDBG) Float Loan will be used to cash flow \$1,407,610 of the Proposition 40 RZH funds and reimbursed upon receipt of the funds from the State.

3. Direct the Board Secretary to transmit forthwith the Float Loan Agreement and the MOU Amendment to the City Attorney for review and approval as to form; and,
4. Authorize the General Manager to execute the proposed Float Loan Agreement and the MOU Amendment, subject to approval as to form by the City Attorney.

SUMMARY:

On February 13, 2009, City Council approved a Float Loan to be administered by CDD using CDBG funds for the Rancho Cienega Sports Complex - Track & Field Improvements project located at 5001 Rodeo Road, Los Angeles, CA 90016, and repayment using Proposition 40 RZH funds (C.F. No 09-0184). In compliance with the City's Float Loan Policy, a Float Loan Agreement between the CDD and the RAP has been developed to ratify the terms of the loan.

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The loan is expected to be repaid in October 2009, which is the time the State's Proposition 40 funds are anticipated. However, in accordance with the Float Loan Agreement, Article 3.8, REPAYMENT OF FLOAT LOAN, Section (c) "In the event that the State does not release the State Proposition 40 Funds for the Project prior to the Float Loan Maturity Date, the above-described CDBG funds allocated to the PICO/Washington Streetscape project shall be de-obligated to repay this Float Loan."

This report is to authorize the General Manager, RAP, to enter into an agreement with CDD to utilize the CDBG Float Loan funds for the Rancho Cienega Sports Complex - Track & Field Improvements project and to correct the funding amounts, the repayment account, and the cash flow source, which were incorrectly identified in Board Report No. 09-017.

FISCAL IMPACT STATEMENT:

There is no fiscal impact to the Department's General Fund.

This report was prepared by Charlene Coney, Management Analyst II, Grants Administration, Department of Recreation and Parks.