

APPROVED
SEP 23 2010

REPORT OF GENERAL MANAGER

NO. 10-245

DATE September 23, 2010

BOARD OF RECREATION
and PARK COMMISSIONERS

C.D. 1

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: 327 PATTON STREET – ECHO PARK CLUB EXPANSION – ACQUISITION
AND APPROVAL OF PURCHASE AND SALE AGREEMENT

R. Adams	_____	F. Mok	_____
H. Fujita	_____	K. Regan	_____
S. Huntley	_____	*M. Shull	<i>M. Shull</i>
V. Israel	_____		

[Signature]

 General Manager

Approved _____
[Signature]

Disapproved _____

Withdrawn _____

RECOMMENDATIONS:

1. Adopt the Resolution, substantially in the form on file in the Board Office, authorizing staff to request the assistance of the Department of General Services and other entities, per Charter Section 594 (a) and (b), in obtaining fee simple title to a privately owned, 0.40 acre or 17,433 square feet vacant parcel near the Old Echo Park Boys and Girls Club Park in the Echo Park area of the City of Los Angeles, Assessor Parcel Number (APN) 5160-003-023;
2. Approve the Purchase and Sale Agreement (PSA), substantially in the form on file in the Board Office, subject to the approval of the City Attorney as to form;
3. Direct the Board Secretary to transmit forthwith the proposed PSA to the City Attorney for review as to form;
4. Authorize the Department's Chief Accounting Employee to transfer the necessary monies to fund the acquisition to the appropriate City Department accounts or escrow company account in order to expeditiously effectuate the acquisition of the 327 Patton Street - Echo Park Club Expansion (Echo Park Expansion) site;
5. Authorize the Board President and Secretary to execute the PSA upon receipt of the necessary approvals, which on August 17, 2010 Council authorized the Board President and Secretary to execute the PSA, Council File No. 09-2839;

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6. Direct the Board Secretary, to accept the grant deed to the parcel, which shall be set apart and dedicated as park property in perpetuity;
7. Authorize the reallocation of \$275,000 previously allocated for the Site Refurbishment Project (PRJ20216) at Old Echo Park Boys and Girls Club Park, approved on March 18, 2009, per Board Report No. 09-070, to the Echo Park Expansion project at 327 Patton Street (PRJ20371); and,
8. Approve the allocation of \$275,000 in Quimby Fees from the Echo Park Club Account 460K-EI for the Echo Park Expansion project, as described in the Summary of this report.

SUMMARY:

On March 18, 2009 the Board of Recreation and Park Commissioners (Board), approved the transfer of jurisdiction and site refurbishment of 303 Patton Street, the site of the former Old Boys and Girls Club of Echo Park facility (Echo Park Club). The site has since been renovated to host traditional indoor recreation, sports league programs and after-school tutoring; including computer classes. And although the site has a small parking lot, it lacks an adequate outdoor play area. Recognizing the site's space limitation and potential as part of a much larger facility that could offer more recreational activities, Department of Recreation and Parks (RAP) staff had also recommended that a site located at 327 Patton Street also known as the Echo Park Expansion be acquired to provide a larger Echo Park Club that could provide greater recreational services to the community.

On March 3, 2010, in Board Report No. 10-055, the Board preliminary approved the acquisition of approximately 0.40 acre or 17,433 square feet of a privately owned vacant parcel property, located at 327 Patton Street and with an Assessor Parcel Number (APN) of 5160-003-023 for the purpose of expanding the Echo Park Club. The proposed use of the expansion site, which was developed through a collaborative community process, would include a small community garden, picnic areas, outdoor fitness equipment, and a children's play area. These improvements will enhance and expand the recreational activities available at the Echo Park Club.

As part of the preliminary acquisition approval, the Board also authorized staff to work with the Department of General Services (GSD) to acquire the privately owned parcel, known as the Echo Park Expansion site. The Board also authorized RAP's Chief Accounting Employee to transfer \$650,000 in Quimby Fees, which were collected in Fiscal Year 2005-2006, from the Quimby Fees Account No. 460K-00 to the Echo Park Club Account No. 460K-EI. The Board thus approved the allocation of \$650,000 in Quimby Fees from Echo Park Club Account No. 460K-EI for the Echo Park Expansion project site, as described in the Summary of this report; and directed staff to return to the Board for final authorization to acquire said property upon the conclusion of negotiations with the property owner and completion of due diligence

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requirements. The Trust for Public Land (TPL) and GSD have completed negotiations. An appraisal was prepared by David Gribin of Gribin, Kapadia & Associates on August 3, 2009, with an estimated Fair Market Value of \$875,000 as of July 27, 2009.

Funding sources have been identified to purchase the Echo Park Expansion site and now RAP, GSD and TPL are ready to proceed with the acquisition of the Echo Park Expansion site.

1 - ACQUISITION COST AND FUNDING:

The cost of the proposed Echo Park Expansion site project acquisition is \$875,000 plus additional costs related to site acquisition and preliminary site security and development, which would bring the total cost of the acquisition to \$925,000. Funding for the acquisition of the Echo Park Expansion project will come from Quimby funds.

On March 3, 2010, in Board Report No. 10-055, the Board approved the allocation of \$650,000 in Quimby Fees for Echo Park Expansion project at 327 Patton Street (PRJ20371) at the Echo Park Club.

Upon approval of this report, Quimby Fees in the amount of \$275,000, from a previous allocation of \$650,000 for the Site Refurbishment Project (PRJ20371) at Echo Park Club, approved on March 18, 2009, per Board Report No. 09-070, can be reallocated to the Echo Park Expansion project.

The total Quimby Fees allocation for the Echo Park Expansion project at Echo Park Club, including previously allocated Quimby funds, is \$925,000. These Fees were collected within one mile of Echo Park Club, which is the standard distance for the allocation of Quimby Fees for neighborhood recreational facilities.

2 - ACQUISITION:

RAP staff is requesting that the Board authorize the acquisition and acceptance of approximately 0.40 acre or 17,433 square feet of vacant land that would add to the size of the Echo Park Club. The proposed acquisition project consists of three contiguous parcels identified by APN 5160-003-023. The proposed acquisition will add a significant amount of area to the adjacent site, making the Echo Park Club a more usable and functional recreational park. This acquisition will enhance the existing recreational activities within Echo Park Club without major staffing changes. This acquisition is a rare opportunity to continue the progress in acquiring urban parkland in the metropolitan area of Los Angeles which TPL and the City of Los Angeles (City) continue to work on together. This acquisition will provide urban parkland in the heavily congested area of Echo Park that runs through the City's core. The acquisition will add to the

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open space in the area and bring more recreational and educational opportunities to the entire city through expanded availability of recreational activities.

On August 17, 2010, City Council adopted the actions under Council File No. 09-2839 Item No. 28 approving and authorizing the Board President and Secretary to execute the Donation Agreement between the City and Trust for Public Land as detailed in the July 23, 2010 City Administrative Officer (CAO) Report in connection with the acquisition of four prospective parks, subject to approval of the City Attorney. The goal is for TPL to acquire 4 prospective parks and to transfer them to RAP for park purposes as part of the Statewide Proposition 84 program.

The TPL will act as the buying agent for this acquisition and will enter into a sale and gift agreement with the City in order to acquire the Echo Park Expansion project site. TPL will use City funds to acquire the property which it will then convey to the City via grant deed. GSD will ensure that City receives the property for the City and conveys jurisdiction to RAP. Upon acceptance, RAP will set apart and dedicate the property as park property in perpetuity.

The owners of the above mentioned property and TPL have agreed to a final purchase price of \$875,000, and GSD agrees with the stated purchase price. An additional amount is required for escrow fees and for title report fees, and other closing costs. The final overall cost of said acquisition will be determined at a later time. RAP, GSD, and TPL will review the final cost as part of their due diligence prior to closing escrow.

ENVIRONMENTAL:

A Phase I Environmental Site Assessment (ESA) was completed on January 14, 2010 in conformance with the scope and limitations of ASTM Standard Practice E1527-05 and the Environmental Protection Agency Standards and Practices for All Appropriate Inquiries (40 CFR Part 312) for the subject property. The ESA report indicated that there are no recognized environmental conditions in connection with the property, and therefore, no impediment to the City's acquiring the property for public use.

Staff determined that the subject project consists of the acquisition of property with the intent to preserve open space for park purposes including a small community garden, picnic areas, outdoor fitness equipment, and a children's play area. Therefore, the project is categorically exempt from the provisions of California Environmental Quality Act (CEQA), pursuant to Article III, Section 1(k), Class 11 (3) and Section 1(y), Class 25 (5) of the City CEQA Guidelines.

In addition to the Office of Council District One, the Assistant General Manager of Operations East concurs with staff's recommendations.

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FISCAL IMPACT STATEMENT:

Maintenance funds for the new parkland will be requested as part of the RAP's annual budget process. Maintenance will be very minimal as the property is contiguous to an adjacent park and major staffing changes would not be required. As RAP plans the new development scope, staffing needs will need to be assessed.

This report was prepared by John Barraza, Management Analyst II in Real Estate and Asset Management, Planning and Construction Division.