

APPROVED
DEC 10 2012

REPORT OF GENERAL MANAGER

NO. 12-322

DATE December 10, 2012

C.D. 3,4,9,15

**BOARD OF RECREATION
& PARK COMMISSIONERS**

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: CAPITAL PROJECT – ALLOCATION PLAN FOR QUIMBY FEE AND ZONE CHANGE FEE INTEREST

R. Adams	_____	K. Regan	_____
H. Fujita	_____	*M. Shull	<u><i>[Signature]</i></u>
V. Israel	_____	N. Williams	_____

[Signature]
General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATIONS:

That the Board:

1. Take the following actions regarding Woodland Hills Recreation Center – Park Renovations (PRJ20090) project:
 - A. Authorize the Department’s Chief Accounting Employee to transfer \$2,300,000 in Quimby Fee Interest from Quimby Interest Income Account No. 89460K-01 to the Woodland Hills Recreation Center Account No. 89460K-WH; and,
 - B. Approve the allocation of \$2,300,000 in Quimby Fee Interest from the Woodland Hills Recreation Center Account No. 89460K-WH for the Park Renovations project at Woodland Hills Recreation Center, as described in the Summary of this Report.

2. Take the following actions regarding Griffith Park – Pool Rehabilitation (PRJ20271) project:
 - A. Authorize the Department’s Chief Accounting Employee to transfer \$3,000,000 in Quimby Fee Interest from Quimby Interest Income Account No. 89460K-01 to the Griffith Park Account No. 89460K-GB; and,
 - B. Approve the allocation of \$3,000,000 in Quimby Fee Interest from the Griffith Park Account No. 89460K-GB for the Pool Rehabilitation project at Griffith Park, as described in the Summary of this Report.

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3. Take the following actions regarding South Los Angeles Wetlands Park – South Park Shops Building Renovation (PRJ20477) project:
 - A. Authorize the Department’s Chief Accounting Employee to establish new Quimby Fees Account No. 89460K-ZA with South Los Angeles Wetlands Park as the Account Name;
 - B. Authorize the Department’s Chief Accounting Employee to transfer \$1,000,000 in Quimby Fee Interest from Quimby Interest Income Account No. 89460K-01 to the South Los Angeles Wetlands Park Account No. 89460K-ZA; and,
 - C. Approve the allocation of \$1,000,000 in Quimby Fee Interest from the South Los Angeles Wetlands Park Account No. 89460K-ZA for the South Park Shops Building Renovation project at South Los Angeles Wetlands Park, as described in the Summary of this Report.

4. Take the following actions regarding Ken Malloy Harbor Regional Park – Harbor Sports Complex Renovation (PRJ20670) project:
 - A. Authorize the Department’s Chief Accounting Employee to transfer \$1,000,000 in Quimby Fee Interest from Quimby Interest Income Account No. 89460K-01 to the Ken Malloy Harbor Regional Park Account No. 89460K-HP; and,
 - B. Approve the allocation of \$1,000,000 in Quimby Fee Interest from the Ken Malloy Harbor Regional Park Account No. 89460K-HP for the Harbor Sports Complex Renovation project at Ken Malloy Harbor Regional Park, as described in the Summary of this Report.

5. Take the following actions regarding Camp Radford – Camp Radford Development Plan (PRJ20712):
 - A. Authorize the Department’s Chief Accounting Employee to establish new Zone Change Fees Account No. 89440K-ZF with Camp Radford as the Account Name;
 - B. Authorize the Department’s Chief Accounting Employee to transfer \$3,000,000 in Zone Change Fee Interest from Zone Change Park Fee Interest Income Account No. 89440K-01 to the Camp Radford Account No. 89440K-ZF; and,
 - C. Approve the allocation of \$3,000,000 in Zone Change Fee Interest from the Camp Radford Account No. 89440K-ZF for the Camp Radford Development Plan project at Camp Radford, as described in the Summary of this Report.

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SUMMARY:

Pursuant to various City of Los Angeles (City) ordinances, some, but not all, residential development projects in the City are required, as a condition of approval, to either dedicate land for recreation and park purposes or pay a fee in-lieu. The in-lieu fees collected through these ordinances are variously referred to "Quimby Fees", "Zone Change Fees", "Finn Fees", or "Park Fees." These in-lieu fees are paid to the Department of Recreation and Parks (Department) and may be expended by the Board of Recreation and Park Commissioners (Board) for the acquisition of land for recreational and park purposes or for the development of park and recreation facilities.

Los Angeles Municipal Code Regulations

Los Angeles Municipal Code Section 17.12 (Park and Recreation Site Acquisition and Development Provisions), which was established in 1971, requires the dedication of land or the payment of a fee in-lieu for park and recreational facilities as a condition of approval of final subdivision maps. This ordinance is authorized under the guidelines of the State Quimby Act (California Government Code §66477).

Los Angeles Municipal Code Section 17.58 (Park and Recreation Site Acquisition and Development), which was established in 1975, requires the dedication of land or payment of a fee in-lieu for park and recreational facilities as a condition of approval of final parcel maps.

Los Angeles Municipal Code Section 12.33 (Dedication of Land or Payment for Park and Recreational Facilities as a Requirement for a Zone Change for a Multiple Residential Use in Any Multiple Residential or Commercial Zone), which was established by the City in 1985, requires the dedication of land or payment of a fee in-lieu for park and recreational facilities in connection with a zone change request for a multiple residential use in any multiple residential or commercial zone.

The provisions governing the amount of land required to be dedicated, or the fee to be paid in-lieu, as well as the collection, use, and administration of land or fees provided pursuant to Los Angeles Municipal Code Sections 17.12, 17.58, and 12.33 are identical.

The Department of City Planning is responsible for determining if a residential development project is subject to Los Angeles Municipal Code Sections 17.12, 17.58, and 12.33, and for the calculation of any required land dedication or in-lieu fee payment. The in-lieu fee calculation is based on the zoning of the property and the number of residential units or lots being requested by the project. In-lieu fees paid pursuant to Los Angeles Municipal Code Section 17.12 or 17.58 are commonly referred to as "Quimby Fees". In-lieu fees paid pursuant to Los Angeles Municipal Code Section 12.33 are commonly referred to as "Zone Change Fees".

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Quimby Fees and Zone Change Fees required to be paid pursuant to City ordinances may only be used to acquire new public park land or to fund capital improvements at existing recreational and park facilities that will serve residents of the residential development project that paid those in-lieu fees.

Quimby Fees and Zone Change Fees are typically allocated to projects located within a service radius of one to two miles from the development that paid those fees. This geographic restriction is based on a requirement in Los Angeles Municipal Code Section 17.12 that indicates that required land dedications and in-lieu fee payments must be used in a manner that complies with the principles and standards of the City's Public Recreation Plan (a portion of the Service System Element of the City's General Plan). According to the Public Recreation Plan, which was adopted by the City in 1980, the service radius is the geographic area the park or facility serves. Neighborhood parks and facilities have a service radius of up to one mile from the park or facility. Community parks and facilities have a service radius of two miles. Regional parks and facilities have no defined service radius, as those facilities are to serve the needs of residents throughout the Los Angeles basin. Definitions of Neighborhood, Community, and Regional parks and facilities can be found in the Public Recreation Plan.

Quimby Fee and Zone Change Fee Interest

Quimby Fees paid to the Department are deposited into the Quimby Fee trust account; Quimby Fees Account No. 89460K-00. Zone Change Fees paid to the Department are deposited into the Zone Change Fee trust account; Zone Change Fee Account No. 89440K-00.

Both the Quimby Fee trust account and the Zone Change Fee trust account are interest-bearing accounts. The interest income generated by the Quimby Fee trust account is placed in Quimby Interest Income Account No. 89460K-01. The interest income generated by the Zone Change Fee trust account is placed in Zone Change Park Fee Interest Income Account No. 89440K-01. Currently, there is approximately \$24,000,000 in the Quimby Interest Income Account No. 89460K-01 and \$3,100,000 in the Zone Change Park Fee Interest Income Account No. 89440K-01.

The provisions and restrictions governing the use of Quimby and Zone Change Fee interest are the same as those governing the use of Quimby and Zone Change Fees. The Quimby and Zone Change Fee interest income may only be used to acquire new public park land or to fund capital improvements at existing recreational and park facilities.

Capital Project Allocation Plan for Quimby Fee and Zone Change Fee Interest

Staff is recommending that the Board allocate Quimby and Zone Change Fee interest income to fund capital improvement projects at various Department operated parks and facilities.

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The Capital Project Allocation Plan for Quimby Fee and Zone Change Fee Interest (Plan) reflects capital improvement projects identified by staff, through a review of infrastructure needs and with input from the community that will enable the Department to continue to meet and satisfy resident's needs for parks and recreational facilities. The following projects have been identified in the Plan:

- Woodland Hills Recreation Center – Park Renovations (PRJ20090) Project
- Griffith Park – Pool Rehabilitation (PRJ20271) Project
- South Los Angeles Wetlands Park – South Park Shops Building Renovation (PRJ20477) Project
- Ken Malloy Harbor Regional Park – Harbor Sports Complex Renovation (PRJ20670) Project
- Camp Radford – Camp Radford Development Plan (PRJ20712)

The identified projects will help the Department renovate and modernize existing Department parks and facilities, and enable those facilities to increase and improve the types and levels of services and programs they can provide to the public.

Woodland Hills Recreation Center – Park Renovations (PRJ20090) Project

Woodland Hills Recreation Center is located at 5858 Shoup Avenue in the Woodland Hills community of the City. This 18.76 acre facility includes a recreation center, childcare center, multipurpose fields, and a swimming pool. Due to the size of the park, and the facilities, features, programs, and services it provides, Woodland Hills Recreation Center meets the standard for a Community Park; as defined in the City's Public Recreation Plan.

The Board has approved the allocation of a total of \$7,428,597.15 in Quimby Fees for the Park Renovations project at Woodland Hills Recreation Center (Board Report Nos. 10-295, 11-156, 12-195, and 12-238). The scope of the approved Park Renovations project included the development of a new recreation center, improvements to the existing staff and childcare buildings, parking lot, children's play area, park landscape and turf, irrigation infrastructure, walking path, and the installation of outdoor fitness equipment.

After reviewing the proposed design of the new recreation center, and receiving input from the community, Department staff is recommending that the scope of the Park Renovations project be modified to include the replacement of the existing swimming pool and bathhouse. Due to these design changes staff has determined that additional supplemental funding will be necessary to complete this project.

Upon approval of this report, \$2,300,000 in Quimby Fee Interest can be transferred from Quimby Interest Income Account No. 89460K-01 to the Woodland Hills Recreation Center

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Account No. 89460K-WH, and allocated to the Park Renovations project at Woodland Hills Recreation Center.

The total Quimby Fees allocation for the Park Renovations project, including previously allocated funding, would be \$9,728,597.15. It is anticipated that the funds needed for this project exceed the available funding, however, the proposed allocation of Quimby Fees will be placed in the Woodland Hills Park account until the complete project scope has been determined and sufficient funds have been identified to begin project implementation.

Staff has determined that the subject project will consist of modifications to existing park facilities involving negligible or no expansion of use, minor alterations to land including new landscaping, and placement of new accessory structures. Therefore, the project is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1, Class 1(1, 13) and Class 3(17) of the City CEQA Guidelines. A Notice of Exemption was approved by the Bureau of Engineering for this project on August 9, 2012.

Griffith Park – Pool Rehabilitation (PRJ20271) Project

Griffith Park is located at 4730 Crystal Springs Drive in the Hollywood area of the City. This 4,281.73 acre park provides a variety of recreational programs and activities for the local community. Due to the size of the park, and the facilities, features, programs, and services it provides, Griffith Park meets the standards for a Community park, as defined in the City's Public Recreation Plan.

The Board has approved the allocation of a total of \$1,103,395.78 in Quimby Fees for the Pool Rehabilitation project (PRJ20271) at Griffith Park (Board Report Nos. 10-080, 10-296, 11-098, 12-008, and 12-202). The scope of the approved Pool Rehabilitation project included improvements to the swimming pool and bathhouse and to the pool recirculation systems and equipment.

Department staff has determined that supplemental funding will be necessary for the completion of the project.

Upon approval of this report, \$3,000,000 in Quimby Fee Interest can be transferred from Quimby Interest Income Account No. 89460K-01 to the Griffith Park Account No. 89460K-GB, and allocated to the Pool Rehabilitation project at Griffith Park.

The total Quimby Fees allocation for the Pool Rehabilitation project at Griffith Park, including previously approved allocations, would be \$4,103,395.78. It is anticipated that the funds needed for this project exceed the available funding, however, the identified improvements will be developed and prioritized in order to match funding being allocated.

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Staff has determined that the subject project is a continuation of an existing project approved on April 7, 2010 (Board Report No. 10-080) that is exempted from CEQA [Class 1(1), Class 2(1), and Class 31]. The work funded by the current Board action will not result in any additional environmental impacts, and therefore, is covered by the existing CEQA exemption. No additional CEQA documentation is required.

South Los Angeles Wetlands Park -- South Park Shops Building Renovation (PRJ20477) Project

South Los Angeles Wetlands Park is located at 5413 South Avalon Boulevard in the South Los Angeles community of the City. This 9.0 acre property provides landscaped open space, walkways, and a constructed wetlands for the use and enjoyment of the surrounding community. The site also features a large building, formally known as the "South Park Shops", which is currently not available for public use. Due to the facilities, features, programs, and services it provides, South Los Angeles Wetlands Park meets the standard for a Neighborhood Park, as defined in the City's Public Recreation Plan.

On January 21, 2009, the Board approved the acquisition and development of the 9.0 acre parcel located at 5413 South Avalon Boulevard (Board Report No. 09-003). The purpose for acquiring the parcel was to develop the site, in three phases, into a park with various recreational improvements including a pocket park, wetlands, and a community center building. The first and second phases of the project, which consisted of the construction of the pocket park and the wetlands respectively, are complete.

Department staff has determined that it is now necessary to move forward with the planning and implementation of the third phase of the project, which is the renovation of the existing 84,000 square foot building on site, formally known as the "South Park Shops", into a community center. At this time the ultimate configuration and use of the proposed community center has not been determined, however it is anticipated that the facility will provide facilities for community programming and recreational activities, including, potentially, space for the Los Angeles Police Department's Police Activities League (PAL) program.

Upon approval of this report, \$1,000,000 in Quimby Fee Interest can be transferred from Quimby Interest Income Account No. 89460K-01 to the South Los Angeles Wetlands Park Account No. 89460K-ZA, and allocated to the South Park Shops Building Renovation project at South Los Angeles Wetlands Park.

The total Quimby Fees allocation for the South Park Shops Building Renovation project at South Los Angeles Wetlands Park would be \$1,000,000. It is anticipated that the funds needed for this project exceed the available funding, however, the identified improvements will be developed and prioritized in order to match funding being allocated.

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Staff has determined that the proposed project will not have a significant effect on the environment, and is in compliance the California Environmental Quality Act (CEQA) based on previous evaluation of the acquisition and recreational development of the subject property. The development of this property was evaluated in an Environmental Impact Report (EIR) that was certified on April 8, 2008, and a Notice of Determination (NOD) was filed with the Los Angeles County Clerk on April 11, 2008. The proposed project will not require any new mitigation measures. Therefore, no additional environmental impacts are anticipated as a result of the approval of this project, and the Findings of Effect will not change; no further CEQA documentation is required for Board Approval.

Ken Malloy Harbor Regional Park – Harbor Sports Complex Renovation (PRJ20670) Project

Ken Malloy Harbor Regional Park is located at 25820 Vermont Avenue in the Harbor City community of the City. This 290.87 acre property includes picnic areas, sports fields, hiking trails, and a recreational lake. Due to the facilities, features, programs, and services it provides, Ken Malloy Harbor Regional Park meets the standard for a Community Park, as defined in the City's Public Recreation Plan.

Department staff has determined that renovation of the existing Harbor Sports Complex, including renovation and reconfiguration of the existing multipurpose fields and parking lot, installation of new turf, landscape, and irrigation infrastructure, pathways, fencing, restroom and concession building, amphitheatre, children's play area, and synthetic turf fields, are necessary and will benefit the surrounding community.

Upon approval of this report, \$1,000,000 in Quimby Fee Interest can be transferred from Quimby Interest Income Account No. 89460K-01 to the Ken Malloy Harbor Regional Park Account No. 89460K-HP, and allocated to the Harbor Sports Complex Renovation project at Ken Malloy Harbor Regional Park.

The total Quimby Fees allocation for the Harbor Sports Complex Renovation project at Ken Malloy Harbor Regional Park would be \$1,000,000. It is anticipated that the funds needed for this project exceeds the available funding, however, the identified improvements will be developed and prioritized in order to match funding being allocated.

Staff has determined that the subject project will consist of modifications to existing park facilities involving negligible or no expansion of use, minor alterations to land including new landscaping , and placement of new accessory structures. Therefore, the project is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1, Class 1(1,3), Class 4(3), and Class 11(3) of the City CEQA Guidelines.

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Camp Radford – Camp Radford Development Plan (PRJ20712)

Camp Radford is located at 3250 Radford River Road, in Angelus Oaks, California. This 83.69 acre campground facility is located in the San Bernardino National Forest, on land administered by the United States Department of Agriculture Forest Service and leased to the City. The camp consists of 24 cabins, a dining hall, a caretaker's residence, a lodge, a swimming pool, and restroom and shower facilities.

The camp suffered damage during the 1992 Landers Earthquake, including extensive damage to the lodge, cabins, and other facilities. Camp Radford was closed to the public shortly thereafter. In the intervening years, several attempts were made to secure sufficient funding for the necessary repairs and improvements at Camp Radford.

On June 1, 2005, the Board approved the "Camp Radford Development Plan", a multi-phased plan to complete the necessary repairs, renovations, and upgrades needed in order to permit Camp Radford to reopen to the public (Board Report No. 05-150). On April 19, 2007, the Board approved a Memorandum of Understanding between the Department, the Bureau of Engineering, and the Department of General Services to provide construction services for a portion of the renovation work at Camp Radford; specifically including the repair and renovation of the dining hall facility, as well as other associated site work (Board Report No. 07-91).

However, at this time, a significant amount of additional work is still necessary to be completed at Camp Radford before the facility can be made available for public use. Department staff is recommending that funding be allocated to facilitate the planning and implementation of the reminding work identified in the "Camp Radford Development Plan". This work may include, but not be limited to site improvements and upgrades; rehabilitation of the lodge; and, upgrades, renovation, and/or replacement of cabins and restroom facilities.

Upon approval of this report, \$3,000,000 in Zone Change Fee Interest can be transferred from Zone Change Park Fee Interest Income Account No. 89440K-01 to the Camp Radford Account No. 89440K-ZF, and allocated to the Camp Radford Development Plan project at Camp Radford.

The total Quimby Fees allocation for the Camp Radford Development Plan project at Camp Radford would be \$3,000,000. It is anticipated that the funds needed for this project exceeds the available funding, however, the identified improvements will be developed and prioritized in order to match funding being allocated.

Staff has determined that the subject project is a continuation of an existing project approved on June 1, 2005 (Board Report No. 05-150) that is exempted from CEQA [Class 1(1,4,11d,32) and Class 2]. The work funded by the current Board action will not result in any additional

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environmental impacts, and therefore, is covered by the existing CEQA exemption. No additional CEQA documentation is required.

FISCAL IMPACT STATEMENT:

The approval of this allocation of Quimby Fees will have no fiscal impact on the Department's General Fund as it is anticipated that the implementation of the proposed park capital improvement projects will not increase the level of daily maintenance required at these facilities.

The estimated costs for the design, development, and construction of the proposed park capital improvement projects are anticipated to be funded by Quimby Fees or funding sources other than the Department's General fund.

This report was prepared by Darryl Ford, Management Analyst II, Planning, Construction, and Maintenance Branch.