

REPORT OF GENERAL MANAGER

DATE December 10, 2012

BOARD OF RECREATION AND PARK COMMISSIONERS

APPROVED
DEC 10 2012
**BOARD OF RECREATION
& PARK COMMISSIONERS**

NO. 12-325

C.D. 4

SUBJECT: 98TH STREET PARK – THIRTY YEAR LEASE AGREEMENT WITH THE DEPARTMENT OF WATER AND POWER FOR THE DEVELOPMENT, USE, OPERATION, AND MAINTENANCE OF PROPERTY LOCATED ALONG 98TH STREET BETWEEN AVALON BOULEVARD AND WADSWORTH AVENUE FOR THE CREATION OF A NEW NEIGHBORHOOD PARK

R. Adams	_____	K. Regan	_____
H. Fujita	_____	*M. Shull	<u>msf</u>
V. Israel	_____	N. Williams	_____

[Signature]
General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATIONS:

That the Board:

1. Approve a proposed Lease, substantially in the form on file in the Board Office, between the Department of Recreation and Parks (RAP) and the Department of Water and Power (DWP) for the development, use, operation and maintenance of approximately 5.35 acre DWP property located along 98th Street between Avalon Boulevard and Wadsworth Avenue, Los Angeles, CA 90002, for a period of thirty (30) years, as described further in the Summary of this Report, subject to the completion of the necessary due diligence work and the approval of the Mayor and City Attorney as to form;
2. Direct the Board Secretary to transmit the proposed Lease to the Mayor in accordance with Executive Directive No. 3 for approval, and concurrently to the City Attorney for review and approval as to form;
3. Authorize the Board President and Secretary to execute the Lease upon receipt of the necessary approvals; and,
4. Direct the Chief Accounting Employee to make a rental payment of \$5 for first 5-year period with subsequent five-year period rental payments to be determined by DWP, from Fund 302,

REPORT OF GENERAL MANAGER

PG 2

NO. 12-325

Department 88, Account No. 006030, Leasing Account, as consideration for the Lease to use the subject property.

SUMMARY:

On July 19, 2012, the Board of Recreation and Parks Commissioners (Board), through Board Report No. 12-222, approved a Donation Agreement between RAP and Los Angeles Neighborhood Land Trust (LANLT) for the acquisition, development, and construction of two park projects, including one to be located along 98th Street between Avalon Boulevard and Wadsworth Avenue in Los Angeles on land owned by the Department of Water and Power of the City of Los Angeles (DWP). The Board's action also authorized staff to initiate the process for the lease of the subject DWP land. After several months of discussions with staff from DWP, staff is recommending approval of the proposed long-term (30 years), intra-departmental lease which is on file in the Board Office. Consideration expected by DWP for the lease of their property include a rental payment of \$5 for first 5-year period with subsequent five-year period rental payments to be determined by DWP, and all development, operational, and maintenance costs for the proposed park be borne by RAP.

The DWP land to be leased for the proposed park measures approximately 5.35 acres. It is currently improved with electric power transmission lines and is surrounded by residential housing.

The project proposes that RAP enter into a lease of real property from DWP and develop the property with outdoor park and recreational improvements. RAP will provide LANLT with a Right-of-Entry permit to construct the proposed improvements.

The conceptual plan for the 98th Street Park project includes the construction of open space areas, children's playground, picnic areas, family game table area, basketball half-courts, multi-use open spaces and turf areas, walking/jogging trails with outdoor fitness stations, perimeter fencing and gates, and landscaping. LANLT will bid and award the project as funds for the development of the site were awarded to LANLT. The completed improvements will then be donated to RAP, subject to Board approval and acceptance.

LANLT had applied for and was awarded a Proposition 84 Statewide Park Program grant in the amount of \$4,997,584. It is anticipated that his funding is sufficient to meet the project scope.

As indicated in Board Report No. 12-222 approved by the Board on July 19, 2012, staff has determined that the subject project will consist of the lease of approximately 5.35 acres of property and the development of a new park. The proposed park will include open space areas, children's playgrounds, picnic areas, family game table area, basketball half-courts, multi-use open spaces and turf areas, walking/jogging trails with outdoor fitness stations, perimeter fencing and gates, and landscaping. Therefore, the project is exempt from the provisions of the California Environmental

REPORT OF GENERAL MANAGER

PG 3

NO. 12-325

Quality Act (CEQA) pursuant to Article III, Section 1, Class 3(6), Class 4(1,3), Class 11(3) of the City CEQA Guidelines, and Article 19, Section 15325, Class 25(f) of the State CEQA Guidelines.

FISCAL IMPACT STATEMENT:

As currently conceptualized, there is no fiscal impact to RAP's General Fund associated with this project, except for the rental payment of \$5 for the first 5-year period, with subsequent five-year period rental payments to be determined by DWP, as consideration in exchange for RAP's use of DWP property and the cost of maintenance and operation of the site. The payment to DWP will be paid from Fund 302, Department 88, Account No. 006030, Leasing Account. All costs for the development of the site will be paid for by LANLT from the Proposition 84 Statewide Park Program grant. Future operations and maintenance costs for the proposed park, after project completion are currently unknown.

This report was prepared by Cid Macaraeg, Sr. Management Analyst II, Planning, Construction, and Maintenance Branch.