

REPORT OF GENERAL MANAGER

NO. 12-064

DATE March 14, 2012

C.D. 15

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: DRUM BARRACKS CIVIL WAR MUSEUM – REQUEST FOR FINAL AUTHORIZATION TO ACQUIRE PROPERTY AT 1061 CARY AVENUE AS AN EXTENSION TO MUSEUM – APPROVAL OF PURCHASE AND SALE AGREEMENT, AND ALLOCATION OF PROPOSITION K FUNDS

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

  
 \_\_\_\_\_  
 General Manager  
 MAR 14 2012

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board:

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 (GSD) and other City entities, per Charter Section 594(a) and (b), in obtaining fee title to a privately owned parcel of 0.09 acre or approximately 4,099 square feet, with an existing dwelling of 852 square feet built in the year 1921 located at 1061 Cary Avenue, Wilmington, California, 90744, further identified with the Los Angeles County Tax Assessors' Assessor Parcel Number (APN) 7423-021-032 for the agreed upon price of \$175,000;
2. Approve a proposed Purchase and Sale Agreement (PSA), substantially in the form on file in the Board Office, subject to the review and 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 and approval as to form;
4. Authorize the Department's Chief Accounting Employee, GSD's and the Department of Public Works' employees to make technical corrections as necessary and to establish the necessary accounts to acquire the project site, and to accept, and 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 parcel

## REPORT OF GENERAL MANAGER

PG. 2                      NO. 12-064

1061 Cary Avenue site from the Proposition K (Prop K) accounts Fiscal Year 2011-12: Fund 43K/Dept. No. 10/Account No. 10H247; with an available balance of \$270,000 to be used to pay for the Phase I assessment, the appraisal, the acquisition, relocation costs and related costs, and if that action is successful, the initial site development and site security;

5. Authorize the Board President and Secretary to execute the PSA upon receipt of the necessary approvals;
6. Authorize the Board Secretary to execute the escrow instructions and grant deed for the subject property;
7. Direct the Board Secretary, to accept the grant deed to the property parcel, which is to be set apart and dedicated as park property in perpetuity, and,
8. Authorize the Board President and Secretary to execute any required ancillary document.

### SUMMARY:

On March 20, 2003, the Board of Recreation and Park Commissioners (Board) approved Board Report No. 03-87 which provided the Department of Recreation and Parks (RAP) with preliminary authorization for the acquisition of one parcel measuring 0.09 acre, or approximately 4,900 square feet for the expansion of the Drum Barracks Civil War Museum (Museum). The site has an existing residential dwelling structure of 708 square feet, and the street address of 1061 Cary Avenue, Wilmington, California 97044

RAP with the assistance of the Department of General Services (GSD) Assets Management Division has pursued obtaining the property from the owner. A Class "A" Estimate of Value was obtained by GSD which recommended a fair market value of \$160,000. GSD reviewed the appraisal and negotiated with the owner of the property to reach a final sale price of \$175,000. The settlement price was a result of a negotiated conclusion. The owner of the property felt strongly that \$175,000 was more representative of the market value of the property. Although this amount exceeds the appraised value, GSD has determined that this value is supported, based on other similar market transactions within the area. Currently there is \$270,000 available in Prop K land acquisition funds; the monies are sufficient to entirely complete this property acquisition including the costs of the Phase I and II Environmental Site Assessments, appraisals, escrow costs, relocation costs if any, initial site development and security of the site. This is a Prop K - L.A. for Kids Program Specified project, funded for acquisition in the 2011-12 Fiscal Year. In order to fully obligate program funds prior to the end of the current Fiscal Year, a Purchase and Sales agreement must be executed prior to March 30, 2012 or the project will have to be considered for reprogramming to a future fiscal year.

## REPORT OF GENERAL MANAGER

PG. 3

NO. 12-064

### History:

Drum Barracks Civil War Museum is the site of the last remaining wooden building of Camp Drum, a Civil War era military encampment between 1862 and 1873. The building served as the U.S. Army Headquarters for Southern California and the Arizona Territory during that era. In the early 1960s the building was scheduled for demolition but through the efforts of local citizens it was saved. In 1987, the Drum Barracks Civil War Museum was opened to the public.

In Board Report No. 03-87, approved March 20, 2003, staff reported the usable space within the Museum was at maximum occupancy. Civil War-era exhibits and the small gift store encompassed approximately half of the building's usable space and the remaining space accommodated administrative functions such as the management offices, artifact storage areas and the caretaker's residence. Acquisition of this property would provide additional space to the facility for relocation of some of the administrative functions thereby increasing the space available within the Museum for exhibits and lectures. Acquisition of this property would also provide additional parking space for the Museum facility.

### Funding Source:

Funding for the acquisition will come from the \$270,000 available in the Prop K land acquisition monies Fiscal Year 2011-12: Fund No. 43K/Dept. No. 10/Account No. 10H247.

### Environmental:

A Phase I Environmental Site Assessment (ESA) was completed in January 2003 when the Board gave preliminary authorization for the acquisition. At that time potential contamination from an adjacent property with an abandoned oil well was identified as a Recognized Environmental Condition that required further investigation. Subsequently, a new Phase I ESA/Phase II Subsurface Investigation was completed on March 9, 2011 in conformance with the scope and limitations of ASTM Standard Practice E1527-05 and the U. S. Environmental Protection Agency Standards and Practices for All Appropriate Inquiries (40 CFR Part 312) for the subject property. The 2011 ESA report indicated that there are no recognized environmental conditions in connection with the property. An ESA is good for one year, but must be updated after six months from the date of completion in order to qualify the land purchaser for liability protection. Therefore, a Phase I update was prepared for the 2011 ESA in February 2012, and no additional Recognized Environmental Conditions were identified, except for potential asbestos and lead-based paint in the house on the property that the Department will abate as required when park development plans are completed.

REPORT OF GENERAL MANAGER

PG. 4            NO. 12-064

Staff determined that the subject project consists of the acquisition of land for future park development, and therefore, is categorically exempt from the provisions of California Environmental Quality Act (CEQA), pursuant to Article III, Section 1(y), Class 25 (5) of the City CEQA Guidelines. Additional CEQA evaluation will be conducted once park development plans for the property are completed.

In addition to the Office of Council District Fifteen, the Assistant General Manager of Operation concurs with staff's recommendations.

FISCAL IMPACT STATEMENT:

The Department's Maintenance Division advised that \$3,500 will be required for fencing and upkeep until the project is completed, at which time ongoing operation and maintenance costs will be determined. Such costs will be submitted in future annual budget requests.

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