

APPROVED
MAR 14 2012

REPORT OF GENERAL MANAGER

NO. 12-067

DATE March 14, 2012

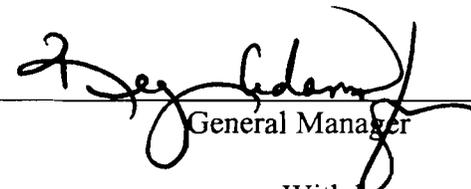
BOARD OF RECREATION
and PARK COMMISSIONERS

C.D. 14

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: ARTS DISTRICT PARK (PRJ20604) PROJECT – PRELIMINARY AUTHORIZATION TO PROCEED WITH THE LEASE OF PROPERTY OWNED BY DEPARTMENT OF WATER AND POWER FOR THE DEVELOPMENT OF A NEW PUBLIC PARK AND ALLOCATION OF QUIMBY FEES

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



 General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATIONS:

That the Board:

1. Authorize the Department of Recreation and Parks (RAP) staff to initiate the process for the possible lease of real property from the Department of Water and Power (DWP), totaling approximately 22,000 square feet (s.f.) and located at 501 South Hewitt Street, Los Angeles, California 90013, for park purposes;
2. Authorize staff to coordinate with the DWP, Department of General Services (GSD), and other departments as necessary, to expedite the lease of said property, complete due diligence requirements, and obtain the necessary environmental clearance;
3. Direct staff to return to the Board of Recreation and Park Commissioners (Board) for final authorization to lease said property upon the conclusion of negotiations with DWP and completion of due diligence requirements;
4. Authorize the Department's Chief Accounting Employee to establish new Quimby Fees Account No. 460K-ZC with Arts District Park as the Account Name;
5. Authorize the Department's Chief Accounting Employee to transfer \$584,034 in Quimby Fees from the Quimby Fees Account No. 460K-00 to the Arts District Park Account No. 460K-ZC; and,

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6. Approve the allocation of \$584,034 in Quimby Fees from Arts District Park Account No 460K-ZC for the Arts District Park (PRJ20604) project, as described in the Summary of this Report.

SUMMARY:

On February 15, 2012, Board approved the assumption, transfer, and submission of seven Proposition 84 Statewide Park Program grant applications, which were originally filed by the CRA/LA, to the State of California Department of Parks and Recreation; and, designated the RAP General Manager, or designee, as the agent to conduct all negotiations, sign and submit all documents, including but not limited to grant applications, agreements, amendments, and payment requests, which may be necessary for the completion of the proposed project (Board Report No. 12-054).

One of the seven grant applications that the RAP General Manager was authorized to submit was for the Arts District Park (PRJ20604) project.

The Arts District Park (PRJ20604) project is located at 501 South Hewitt Street, in Downtown Los Angeles. The project proposes to develop a small neighborhood park on a 0.5 acre parcel owned by DWP. The property, which once held a building, is currently paved and vacant. The scope of the Arts District Parks (PRJ20604) project, as described in the Proposition 84 Statewide Park Program grant application, would include new open space and landscaping, a small plaza, a water feature, picnic tables and benches, and a variety of decorative features and park amenities. Due to the size of the proposed project, and the facilities, features, programs, and services it could provide once complete, the Arts District Park (PRJ20604) project would meet the standard for a Neighborhood Park, as defined in the City's Public Recreation Plan.

In order to implement this proposed project, RAP would need to enter into a lease with DWP for the 0.5 acre parcel. Upon approval of this report, RAP staff, with the assistance of the City Attorney, will meet and coordinate with DWP, and other stakeholders as necessary and appropriate, to negotiate the terms the proposed lease agreement.

Additionally, staff is recommending that available Quimby fee collections be committed to the project in order to undertake any necessary and required due diligence and, if necessary, help supplement the development costs of the project. Upon approval of this report, \$584,034 in Quimby Fees can be transferred from the Quimby Fees Account No. 460K-00 to the Arts District Park Account No. 460K-ZC for the Arts District Park (PRJ20604) project. These Fees were collected within one mile of the Arts District Park project site, which is the standard distance for the allocation of the Quimby Fees for community recreational facilities.

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Upon completion of negotiations with DWP and completion of any due diligence requirements, staff will prepare a subsequent report to the Board for consideration. The park design and development project will be able to commence once the lease agreement has been finalized and approved by the Board, and sufficient funding to implement the project is identified and secured from the Proposition 84 Statewide Park Program, or other funding sources.

The appropriate California's Environmental Quality Act (CEQA) documentation for the project will be submitted for consideration and approval when sufficient funds have been identified and secured to begin the park project and the project is brought back before the Board for final approval.

FISCAL IMPACT STATEMENT:

As currently conceptualized, the approval and execution of the proposed lease would have no impact on the RAP's General Fund. Future operations and maintenance costs for Arts District Park, after project completion, which is estimated to be by 2019, are currently unknown.

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