

APPROVED
FEB 19 2014

REPORT OF GENERAL MANAGER

NO. 14-044

DATE February 19, 2014

C.D. 1

BOARD OF RECREATION
& PARK COMMISSIONERS

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: SOLANO CANYON URBAN FARM – TERMINATION OF AGREEMENT WITH FARMWORKS LOS ANGELES

R. Adams _____
R. Barajas _____
H. Fujita _____

*V. Israel [Signature]
K. Regan _____
N. Williams _____

[Signature]
General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board terminate community garden operations maintenance Contract No. 3392 between the City of Los Angeles and Farmworks Los Angeles (Farmworks), a California non-profit corporation, due to insolvency of the organization.

SUMMARY:

On December 14, 2011, the Board approved a three (3) year contract (Report No. 11-337) with Farmworks, setting forth the terms and conditions for the operation and maintenance of an urban farm on park property. On August 8, 2012, Contract No. 3392 was executed between the City of Los Angeles (City) and Farmworks for the operation and maintenance of an urban farm within Elysian Park at 545 Solano Avenue, Los Angeles, CA 90012. The urban farm is situated within a large, fenced area of the park that is shared by Farmworks and the Los Angeles Community Garden Council (LACGC), who operates the Solano Canyon Community Garden under a separate contract with the City. Due to only one (1) utility meter being on site, each organization is responsible for its estimated, pro-rata share of operating expenses. Pursuant to the LACGC and Farmworks contracts with the City, LACGC is responsible for making cost recovery reimbursement fee payments to the Department of Recreation and Parks (RAP) on behalf of both organizations.

In August 2013, the Partnership Division received information from LACGC that Farmworks had not paid its share of utility costs for water used at the urban farm during the period January 1, 2013, to June 30, 2013, in accordance with Farmworks' arrangements with the LACGC for shared payment of water expenses. Farmworks had agreed to pay for water used at the property

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pursuant to Section 10.b. (Utilities) of Contract No. 3392. At the same time, the Partnership Division was informed that Farmworks was no longer maintaining and operating the urban farm at Solano Canyon and was no longer in business due to insolvency. Their 2012 income tax filing shows a net deficit of \$1,953.00.

To confirm and/or correct the information received from the LACGC regarding Farmworks, staff attempted to contact Farmworks by phone but no direct contact was made. Voice messages were left for Farmworks to return phone calls. After receiving no response from Farmworks, a letter dated October 21, 2013, attached here to as Exhibit-A, was mailed to Farmworks, requesting that they contact the Partnership Division within twenty-one (21) days of receipt of the letter to verify and/or confirm if Farmworks intended to continue operating the urban farm at Solano Canyon. The letter stated that should there be no timely response from Farmworks, after twenty-one (21) days, action would be taken by the City to terminate Contract No. 3392. Staff made a site visit to the urban farm on November 19, 2013, and observed that Farmworks was no longer present nor maintaining the property, which confirmed the information received from LACGC indicating that Farmworks no longer in business.

On December 9, 2013, pursuant to Section 2(b) (Termination) of Contract No. 3392, notification was sent to Farmworks by United States Postal Service certified mail, attached here to as Exhibit-B, informing Farmworks that in no less than sixty (60) calendar days action would be taken through the Board to terminate Contract No. 3392. On December 31, 2013, a letter was received from Mr. Charles Lee, President of Farmworks, attached here to as Exhibit-C, stating their desire to terminate the agreement as the organization has been dissolved.

Staff recommends Contract No. 3392 be terminated as Farmworks is no longer operating and maintaining the Solano Canyon Urban Farm. Staff will work with the LACGC to determine if they have an interest in expanding plots to use the former Farmworks section of the property, or will determine whether there are other organizations interested in using the urban farm portion for community garden or similar purposes.

FISCAL IMPACT STATEMENT:

Terminating the contract with Farmworks will have no adverse impact on the RAP's General Fund.

This report was prepared by Joel Alvarez, Senior Management Analyst, and Raymond Chang, Management Analyst II, Partnership Division.

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CITY OF LOS ANGELES
CALIFORNIA



ERIC GARCETTI
MAYOR

**DEPARTMENT OF
RECREATION AND PARKS**

221 NORTH FIGUEROA STREET
15TH FLOOR, SUITE 1550
LOS ANGELES, CA 90012

(213) 202-2633
FAX (213) 202-2613

JON KIRK MUKRI
GENERAL MANAGER

October 21, 2013

Mr. Charles Lee
Farmworks Los Angeles
1843 W. Silver Lake Drive
Los Angeles, CA 90026

Dear Mr. Lee:

On August 8, 2012, Agreement No. 3392 was executed between the City of Los Angeles (City) and Farmworks Los Angeles (Farmworks), for the operation and maintenance of an urban farm on City property within Elysian Park at 545 Solano Avenue, Los Angeles, CA 90012.

We were informed by the Los Angeles Community Garden Council (LACGC), who operates the Solano Canyon Community Garden and shares the property with Farmworks, that Farmworks has not paid its share of utility costs for water used during the period January 1, 2013, to June 30, 2013, at the urban farm in accordance with Farmworks' agreement with LACGC for shared payment of water expenses. Farmworks agreed to pay for water used at the property pursuant to Section 10b (Utilities) of Agreement No. 3392. We were also informed that Farmworks is no longer maintaining and operating the urban farm at Solano Canyon and is no longer in business.

Department of Recreation and Parks Partnership Division staff attempted to contact you by phone at Farmworks' contact number (323) 920-5958 from October 16 through 18, 2013, to confirm or correct the above. Failing to reach you, phone messages were left requesting you contact the Partnership Division at (213) 243-6488. We have not received any response. If we do not hear from you or Farmworks within twenty-one (21) days of the date of this letter, informing the Partnership Division that Farmworks intends to continue operating the urban farm at Solano Canyon, action will be taken to terminate Agreement No. 3392.

In July 2013, an invoice dated July 3, 2013, in the amount of \$500.00 for the annual Community Garden Use Fee for the period July 2013 to June 2014 was mailed to Farmworks. The invoice required payment due within 15 calendar days of your receipt of the invoice. As of this date, we have not received payment. The requirement to pay an annual Community Garden Use Fee to the City is stated in Section 10a (Community Garden Fee) of Agreement No. 3392 and non-payment is considered a breach of contract and cause for termination. Please either notify the Partnership Division that Farmworks is no longer operating the urban farm or immediately remit your payment by check, money order, or cashier's check, made payable to "City of Los Angeles Department of Recreation and Parks", and delivered or mailed to the address listed below.



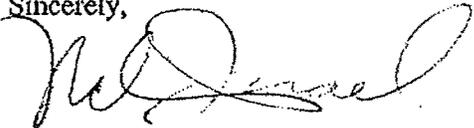
Mr. Charles Lee
Farmworks Los Angeles
October 21, 2013
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Please contact Joel Alvarez, Senior Management Analyst, of the Partnership Division at (818) 243-6488 at your earliest convenience, or you may mail a written response to "City of Los Angeles Department of Recreation and Parks," addressed to:

City of Los Angeles Department of Recreation and Parks
Attention: Partnership Division
3900 Chevy Chase Drive, Mail stop 628-9
Los Angeles, CA 90039

Thank you for your cooperation in this matter.

Sincerely,



VICKI ISRAEL
Assistant General Manager

VI/sa

cc: Jon Kirk Mukri, General Manager
Regina Adams, Executive Officer
Sophia Pina-Cortez, Superintendent, Metro Region
Los Angeles Community Garden Council

**BOARD OF RECREATION AND
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ERIC GARCETTI
MAYOR

**DEPARTMENT OF
RECREATION AND PARKS**

221 NORTH FIGUEROA STREET
15TH FLOOR, SUITE 1650
LOS ANGELES, CA 90012

(213) 202-2833

FAX (213) 202-2814

MICHAEL A. SHULL
GENERAL MANAGER

December 9, 2013

Mr. Charles Lee
Farmworks Los Angeles
1843 W. Silver Lake Drive
Los Angeles, CA 90026

Dear Mr. Lee:

On August 8, 2012, Agreement No. 3392 was executed between the City of Los Angeles and Farmworks Los Angeles (Farmworks), for the operation and maintenance of an urban farm on City property within Elysian Park at 545 Solano Avenue, Los Angeles, CA 90012.

In August 2013, the Department of Recreation and Parks (RAP) was informed that Farmworks was no longer maintaining and operating the urban farm at Solano Canyon, and was essentially no longer in business. The RAP Partnership Division then made several attempts to contact you by phone to verify the information that the Partnership Division had received but received no response to messages left by RAP.

A letter dated October 21, 2013 (copy attached) was then mailed to Farmworks, requesting that a Farmworks representative contact the Partnership Division to discuss Farmworks' status and whether Farmworks intend to continue operating the urban farm at Solano Canyon. The letter further stated that if Farmworks did not respond within twenty-one (21) days of the date of the letter, action would be taken to terminate Agreement No. 3392. To date, no response from Farmworks has been received.

Please be advised that pursuant to Section 2.b. (Termination) of Agreement No. 3392, this correspondence shall serve as official notice that in no less than sixty (60) calendar days from the date of this letter, the matter to terminate Agreement No. 3392 will be submitted for consideration by the Board of Recreation and Park Commissioners (Board) at one of its regularly scheduled meetings. The related report will be available in advance for public viewing prior to the Board meeting.



Mr. Charles Lee
December 9, 2013
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Should you have any questions or wish to discuss Farmworks' status at the Solano Canyon property, please contact Mr. Joel Alvarez, Senior Management Analyst, of the RAP Partnership Division at (818) 243-6488.

Sincerely,

A handwritten signature in black ink, appearing to read "Vicki Israel". The signature is fluid and cursive, with a large initial "V" and "I".

VICKI ISRAEL
Assistant General Manager

Attachment

VI:rc/ja

cc: Councilmember Gilbert Cedillo, CD 1
Michael A. Shull, General Manager
Regina Adams, Executive Officer
Sophia Pina-Cortez, Superintendent, Metro Region
Los Angeles Community Garden Council

29 December 2013

Mr Joel Alvarez
City of Los Angeles Department of Recreation and Parks
Partnership Division
3900 Chevy Chase Drive, Mail Stop 628-9
Los Angeles, CA 90039

Re: Farmworks Los Angeles Agreement 3392

Dear Mr Alvarez,

This letter is in response to one from Ms Vicki Israel, dated 10/21/2013, regarding the above-referenced agreement. I regret the late reply but I have been overseas for work since mid-August and arrangements for mail forwarding unfortunately did not come through. I did not read your letter until returning to the US for the year-end holidays.

Farmworks has not had any activity at the urban farm portion of Solano Canyon Community Garden since December 2012. The board of directors voted in July 2013 to dissolve the organization.

Presumably at this point your department has already terminated our agreement, but if not, this letter serves as notice of our desire to do so.

I regret the inconvenience caused by the lack of communication.

Kind regards

A handwritten signature in black ink, appearing to read 'Charles Lee', with a long, sweeping flourish extending to the right.

Charles Lee
President

Farmworks Los Angeles
c/o Charles Lee
1710 Redcliff St
Los Angeles, CA 90026