

APPROVED
APR 15 2015

REPORT OF GENERAL MANAGER

NO. 15-077

DATE April 15, 2015

BOARD OF RECREATION
& PARK COMMISSIONERS

C.D. 1

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: 50 PARKS INITIATIVE – ALPINE RECREATION CENTER EXPANSION PROJECT (ORD AND YALE STREET PARK) – RESCISSION OF APPROVAL OF AMENDMENT TO PURCHASE AND SALE AGREEMENT, FINAL AUTHORIZATION TO ACQUIRE A PORTION OF LOS ANGELES COUNTY ASSESSOR’S PARCEL NUMBER 5407-025-017; AUTHORITY TO GRANT A LIMITED ACCESS EASEMENT; PRELIMINARY AUTHORIZATION TO ACQUIRE AN ADDITIONAL PARCELS; EXEMPTION FROM CALIFORNIA ENVIRONMENTAL QUALITY ACT

R. Adams	<u> </u>	V. Israel	<u> </u>
*R. Barajas	<u>CSDF</u>	K. Regan	<u> </u>
H. Fujita	<u> </u>	N. Williams	<u> </u>


General Manager

Approved

Disapproved

Withdrawn

RECOMMENDATIONS:

That the Board:

1. Rescind Recommendation No. 2 of Report No. 14-234, approved by the Board on September 3, 2014 and authorize staff to proceed with acquisition as was approved by the Board on September 18, 2013, through Report No. 13-230;
2. Authorize staff to request the Department of General Services (GSD) to proceed with the acquisition of a portion of a parcel identified by Los Angeles County Assessor’s Parcel Number (APN): 5407-025-017 approved by the Board on September 18, 2013, through Report No. 13-230 and as described in the Legal Description and per the approved and executed Purchase and Sale Agreement (PSA) as recommended by GSD and approved by the City Attorney’s Office;
3. Authorize necessary spending from Proposition K funds for the acquisition of a portion of APN: 5407-025-017 to complete the Alpine Recreation Center Expansion Project (Ord and Yale Street Park), and related pre- acquisition or acquisition costs;

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4. Authorize Department of Recreation and Parks (Department) to use Capital B Funds (Fund 302, Department 89, Account No. 89270K-(G)) as needed to cash flow necessary due diligence and pre-acquisition costs and any other acquisition related costs for all related Alpine Recreation Center Expansion Project acquisitions;
5. Grant a limited access easement for maintenance purposes to the owner of the parcel identified as APN 5407-025-017. Said easement document is to be prepared by the City Attorney's Office; and,
6. Authorize staff and GSD to begin preliminary acquisition work, due diligence and negotiations on the southeasterly portion of the vacated Teed Street (VAC No. 82-1282467) as part of this acquisition and development project, as described in the Summary of this Report.

SUMMARY:

The Alpine Recreation Center Expansion Project (Project) also known as Ord and Yale Street Park is a Proposition K specified project. The Proposition K line item scope of work states "*property acquisition for park expansion*" for Alpine Recreation Center, which is located at 817 Yale Street in the Chinatown area of the City. Three (3) parcels have already been acquired by the City. The City is now ready to proceed with the acquisition of a portion of a 4th parcel identified as APN 5407-025-017. In addition to acquisition of a portion of APN 5407-025-017, and as discussed later in this Report, there are still other potential acquisitions that are necessary to complete the Project.

A complete Project summary, history and background information regarding the Project is contained in Report No. 13-230 and Report No. 14-234, both are attached hereto for reference purposes. On May 1, 2013, the Board granted final authority to acquire three (3) parcels through Report No. 13-106. Those parcels identified here as APN: 5407-025-009, APN: 5407-025-010 and APN: 5407-025-015. As noted earlier, those three (3) parcels have since been acquired. Parcel described above are now officially identified as: APN: 5407-025-900, APN: 5407-025-902, and APN: 5407-025-901 respectively.

Acquisition of APN: 5407-025-017:

With full support of the Council Office, on September 18, 2013, through Report No. 13-230, the Board approved the acquisition of a portion of a fourth (4th) parcel identified by APN: 5407-025-017. The City is proceeding with the acquisition of an irregular shaped portion of this parcel. Acquisition of a portion of APN: 5407-025-017 will also require a lot line adjustment. The owner of said parcel is currently processing the lot line adjustment and addressing outstanding title lien issues which will require more time to resolve. A portion of the required parcel is needed to meet

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the overall Project scope as was presented by the CRA/LA to the State. CRA/LA presented its scope to include the portion of the parcel identified by APN: 5407-025-017.

The Department of Public Works, Bureau of Engineering (BOE), Survey Division surveyed the portion of parcel APN: 5407-025-017 to be 5,140 square feet. The Department will acquire the BOE surveyed parcel portion after the lot line adjustment/certificate of compliance is completed by the owner. The Department acquired said parcel as approved by the Board on September 18, 2013 through Report No. 13-230. As indicated in the approved and executed PSA, the proposed purchase price for the portion of the fourth (4th) parcel as recommended by GSD is \$214,745.58.

As noted in Report No. 14-234, at that time, the City desired to purchase a smaller portion of APN: 5407-025-017 based on City Staff recommendations. However, because the acquisition price had already been negotiated and agreed upon by all parties and because the PSA was already executed for a higher purchase price for a larger portion of the land, the City was not able to purchase a smaller portion of land and the seller was not willing to sell a smaller portion of the parcel at a lower negotiated price. Therefore, the City will now proceed with the acquisition for the original purchase price and larger portion of the property as indicated in the executed PSA and as approved on September 18, 2013 by the Board via Report No. 13-230.

The City will also need to provide a limited access easement to the owner of said property in order for the owner to perform maintenance work on his property. Said easement document will be prepared by the City Attorney's Office. The owner of the parcel identified by APN: 5407-025-017 does not have direct access from Ord Street, to a wall area within APN: 5407-025-017. Therefore, the owner has requested access to this wall area to maintain the wall which will require access through RAP's property along Ord Street. Staff recommends granting the owner an easement for this limited purpose based on the recommendations of BOE as to the least intrusive and disruptive route based on the City's/BOE's design plan.

It is estimated that an additional \$10,000.00 is required for payment of closing fees. Therefore, the total property acquisition cost is estimated to be \$224,745.58. Escrow costs and related pre-acquisition costs will initially be funded by Capital B Funds: Fund 302, Department 89, Account No. 89270K-CG and will be reimbursed by Proposition K at a later time if Proposition K funds are not available at the time of acquisition.

Below is a breakdown of all acquisitions to date:

1. APN: 5407-025-009 final price \$432,000.00. Acquired November 7, 2013
2. APN: 5407-025-010 final price \$144,000.00. Acquired November 7, 2013
3. APN: 5407-025-015 final price \$288,000.00. Acquired November 7, 2013
4. Portion of APN: 5407-025-017 estimated price of \$45.71 per square feet for an estimated amount of \$214,745.58. Acquisition Pending.

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Total for three (3) parcels: \$864,000.00
Total for four (4) parcels: \$1,078,745.58

Purchase and Sale Agreement:

The PSA that was approved by the Board through Report No. 13-230 on September 18, 2013, reflects the current purchase value of the parcel identified by APN: 5407-07-5017. Department of Public Works, BOE, Survey Division has identified and surveyed the portion that is to be acquired. The PSA for the acquisition of a portion of APN: 5407-025-017 was executed on September 30, 2013.

Request for Granting of Easement:

Staff is recommending that an easement be granted to the property owner of the parcel identified by APN: 5407-025-017 in order for the owner to perform maintenance work on his wall as needed upon request and approval from the Department. Access will only be granted when requested by the owner and approved by Department staff for maintenance purposes at the discretion of Department staff. The owner of the parcel identified by APN: 5407-025-017 has no access to his property from Ord Street. to perform maintenance work on his wall and thus will require access through Department's property. As stated, City Attorney will draft document language for the easement that will be granted to said owner.

Teed Street Parcel:

As a result of unforeseen title issues due to erroneous recordation of title documents and the CRA's failure to determine site control of the Project site, City Staff discovered, upon extensive research and investigation that the City could potentially have to purchase a 5th parcel. This 5th parcel was erroneously initially believed to belong to the City's Library Department. City Staff has determined that said parcel which lies in the south easterly portion of the vacated Teed Street is currently owned by a private party and is not under City ownership. In order to complete site assemblage for the Project as was presented by the CRA, the Department will have to acquire/purchase this 5th parcel; which is comprised of the southern portion of the vacated street identified by Vacation No. 82.1282467. Please refer to the attached map for location purposes.

GSD staff is currently attempting to contact the current owners of the southern portion of the vacated Teed Street in the hope that an agreement can be reached to transfer said property to the Department/City since it appears that the erroneous recordation of title documents resulted in a failure of the City acquiring title to the vacated portions of Teed Street in addition to the Library property the City acquired at that time. The vacated southern portion of Teed Street identified by

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Vacation No. 82.1282467 and the City's Parcel Identification Numbers (PIN) PIN: 133-5A213-272 and PIN: 133-5A213-276 should have been transferred to the City when the City Acquired the Library property. Department staff is requesting that the Board grant preliminary authority to proceed with negotiations for these parcels.

Pending Title Issues:

With regard to the overall Project, there are pending title issues involving encumbrances, street vacations, lot splits/lot adjustments, ownership confirmation and acquisition of additional parcels. These issues could present additional costs and liability for the Department if these issues have a significant impact on the Project site and the development of a park. There is the possibility that additional vacations of parcels and acquiring additional parcels could result in additional costs to the Project. These issues are being analyzed and reviewed, and depending on the findings, additional costs could result. At this time, the Department cannot determine the potential costs related to these and other issues. Council District 1 (CD 1) is aware of these issues and has been informed. CD 1 strongly supports moving forward with the acquisitions and strongly stresses that this site meet all the requirements for a new park in the area, and is part of larger redevelopment plans for Chinatown and connections to the rest of the Downtown area.

As part of its due diligence, the Department has indicated to GSD that all title issues must be resolved prior to acquisition of the parcels and that it should only acquire the portion of APN: 5407-025-017 after all title and lot line adjustment issues have been resolved, approved and cleared. Although the site itself would make for a good park in the area, the environmental and/or title issues are a concern to the Department staff and therefore, staff recommends caution with this acquisition and that all title and acreage issues be resolved and clearly understood prior to the Department acquiring any further parcels. Should other conditions arise beyond those already covered in this Report, the Board's approval will be obtained prior to the close of escrow.

It should be noted that funding for the development of the Project will be provided from Proposition 84. At this time, further study is needed to determine the appropriate development plan for the Project site as the site presents several complex engineering difficulties that will need to be analyzed before the site is developed and that could increase the cost of the development. There is no additional information on development plans or costs. To summarize, this Report addresses the approval of necessary funding to complete the acquisition of the portion of the parcel identified by APN: 5407-025-017, the granting of an access easement and the request to begin preliminary negotiations for acquisition of additional parcels and approval of necessary funds as part of preliminary acquisition costs and due diligence and any other necessary costs associated with this Project.

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Funding Sources:

There is sufficient funding available for the acquisition of the portion of the parcel identified by APN: 5407-025-017. It should be noted that Proposition K funds are expected to be used to pay for all acquisition related costs such as appraisals, environmental site assessments costs, and escrow closing costs. Capital B Funds will be used to cash flow as needed, necessary due diligence and pre-acquisition costs and any other acquisition related costs for all related Project acquisitions.

It is estimated that there is currently \$313,500.00 in Proposition K for acquisition and \$4,999,705.00 in Proposition 84 for the development of the Project.

Environmental:

Staff has determined that the Project is a continuation of an existing project approved on September 18, 2013 (Report No. 13-230) that is exempted from CEQA [Class 3(6) of the City CEQA Guidelines, and Article 19, Section 15325, Class 25(f) of the State CEQA Guidelines]. 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.

In addition to the CD 1, the Assistant General Manager and Superintendent for the Metro Region have been consulted and concur with staff's recommendations.

FISCAL IMPACT STATEMENT:

At this time, the impact to the Department's General Fund is the cost for the acquisition of APN: 5407-025-017, estimated at \$224,745.58, which includes \$10,000.00 in closing costs. As indicated in the Summary of this Report, the final design of the proposed park has not been determined and will be presented to the Board for final approval at a later time. Once the Project is completed, operational maintenance costs will be determined. Upon the Project completion, a request for funding will be submitted in future Department annual budget requests.

This Report was prepared by John Barraza, Management Analyst II of the Real Estate and Asset Management Unit, Planning, Construction and Maintenance Branch.

Attachments: Site Map
Report No. 13-230
Report No. 14-234

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APN 5407-025-015 and APN 5407-025-017 (the option Parcel) respectively for the Alpine Recreation Center Expansion project (also known as Ord and Yale Street Park);

4. Authorize the Department's Chief Accounting Employee to process or to instruct/request the Department of Public Works, Accounting Office to expedite the processing of a demand to the City Controller for three (3) parcels (APN 5407-025-009, APN 5407-025-010, APN 5407-025-015) in the estimated amount of \$864,000.00, payable to Commonwelath Land Title Company from Proposition K Funds or Capital B Funds or an alternative funding source, and for a portion of a fourth parcel, identified by APN 5407-025-017, in the estimated amount of \$217,990.99 within a year;
5. Find that the project is exempt from the provisions of the California Environmental Quality Act;
6. Grant final approval to purchase the properties upon the completion of the preliminary acquisition activities, contingent on the following conditions:
 - A. Funding will be available for the acquisition of the properties either through: Proposition K Funds, Capital Park Development B Funds (Capital B Funds); or an alternative funding source yet to be determined;
 - B. Appropriate California Environmental Quality Act (CEQA) documentation will have been completed, which would also be needed for Proposition K reimbursement of Capital B Funds;
 - C. Any additional required environmental assessments if needed, will have been completed and satisfied prior to the close of escrow;
 - D. Clearance/resolution of all and any Title issues prior to closing of escrow and, with respect to the portion of the fourth parcel, APN 5407-025-017 (the option Parcel), all lot split or lot line adjustment clearances and approvals and a prepared legal description by the owner; and,
 - E. GSD will have negotiated a purchase price that is consistent with their professional opinion of market value and based on prepared appraisals approved by GSD and a recommend by GSD that City proceed with acquisition.

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7. In order to expedite the acquisition of the proposed project, authorize the Board President and Secretary to execute three (3) Purchase and Sale Agreements (PSAs) upon receipt of the necessary approvals, and request and grant authority to GSD and to the City Attorney's Office to review, negotiate, draft, finalize and execute forthwith the three (3) PSAs on behalf of the Board, if necessary, pending final review and approval by GSD Asset Management Division subject to the approval of the City Attorney as to form, and upon completion and approval of all conditions indicated in this Board Report;
8. Authorize GSD, the Department of Public Works, and the Department's Chief Accounting Employee to make technical corrections as necessary to establish the necessary accounts to acquire and or reimburse accounts for 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 complete the acquisitions of the Alpine Recreation Center Expansion project (Ord and Yale Street Park); as intended by the City of Los Angeles, City Council; and,
9. Authorize the Board Secretary to execute the escrow instructions and to accept the grant deeds for the subject properties, as approved by the City Attorney, which shall be set apart and dedicated as park properties in perpetuity; and,
10. Direct Staff to file a Notice of Exemption with the Los Angeles County clerk.

SUMMARY:

The Alpine Recreation Center Expansion project (Ord and Yale Street Park) is a Proposition K Specified project. The Proposition K line item scope of work states "property acquisition for park expansion" for Alpine Recreation Center, which is located at 817 Yale Street in the Chinatown Area of the City.

On November 7, 2006, California voters passed the "Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006" (Proposition 84), which authorizes \$5.4 billion in general obligation bonds for a number of State grant programs. One of the grant programs created was the Statewide Park Development and Community Revitalization Program. A total of \$368,000,000.00 has been dedicated to this program to make grant awards to projects that demonstrate the creation of new park and recreation facilities in proximity to the most critically underserved communities throughout California on a competitive basis in two (2) rounds (\$184,000,000.00 available each round).

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The 1st round request for proposals for the Statewide Park Program was released in September 2009. At its meeting of February 20, 2010, the City Council authorized the Community Redevelopment Agency of Los Angeles (CRA/LA) to submit grant applications for the development of the Ord and Yale Street Park project (Council File No. 09-2839-S2). In November 2010, the CRA/LA was awarded a \$4,999,705.00 Proposition 84 grant for Ord and Yale Street Park. In January 2012 however, the CRA/LA was dissolved. As a result of the dissolution of the CRA/LA, RAP was asked to assume the grants and complete the projects on behalf of the City of Los Angeles (City). On May 24, 2012, RAP received notification from the State that the Ord and Yale Street Park project would receive further consideration for the Proposition 84 Statewide Park Program grants. In order to complete the assumption of this grant, the State Office of Grants and Local Services requested that the City submit by August 31, 2012, a City Council approved Resolution authorizing the grant application. On August 14, 2012, the City Council adopted the actions under Council File No. 09-2839-S2, a resolution which approved the assumption, transfer and filing of an application for the Ord and Yale Street Park (project also known as Alpine Recreation Center Expansion project) to RAP on behalf of the City.

The Proposition K funding that is available for the Alpine Recreation Center Expansion project (Ord and Yale Street Park) can only be used for acquisition related costs; including, appraisals, environmental site assessments costs, escrow closing costs, and site preparation. The Proposition 84 grant funds that were awarded to the project can only be used for park development costs.

In order to expedite and not lose \$4,999,705.00 in State Proposition 84 funds for development or the opportunity to acquire these properties, the Board is being asked to grant all the necessary authorities required to complete this acquisition as intended by Council and previous Board actions taken on Proposition 84 concerning this project. To further expedite this acquisition an alternative funding source will need to be used that will enable RAP to cash flow this acquisition until Proposition K can reimburse RAP's/City's acquisition and related costs. Capital B Funds will be used.

On September 5, 2012, the Board authorized through Board Report No. 12-241 the use of Capital B Funds for the 50 Park Projects. RAP is now requesting approval to use the Capital B Funds for Account 89270K-CG to cash flow this acquisition and to be reimbursed by Proposition K grant funds or an alternative fund yet to be determined once they become available if Capital B Funds are used. Final amounts will be determined and verified upon receipt and approval of the final Closing Statement by GSD.

On May 1, 2013, the Board granted final authority to acquire three (3) parcels through Board Report No. 13-106. The Board authorized the acquisition of parcels identified by APN 5407-025-009, APN 5407-025-010 and APN 5407-025-015, as part of the Alpine Recreation Center Expansion Project (Ord and Yale Street Park).

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Since that action was approved by RAP Board on May 1, 2013, through Board Report No. 13-106, it has now been determined that the City wishes to also acquire an irregular shaped portion of an existing fourth parcel that will require a lot split or lot line adjustment to meet the overall project scope as was presented by the CRA/LA to the State. A portion of Parcel identified by APN 5407-025-017 has now been added to the list of properties to be acquired as part of this project.

In recognition of the need to develop a coordinated long-term strategy to meet the recreation needs of current and future residents of the City, RAP has launched an initiative to acquire and develop at least fifty (50) sites into new public parks - The 50 Parks Initiative. The primary goal of the initiative is to increase the number of parks and facilities across the City of Los Angeles (CITY) with a specific focus on densely populated neighborhoods and communities that lack sufficient open space and recreational services.

The development of fifty (50) new public parks will provide innumerable physical, social, health, and environmental benefits for local communities. These new parks will help stabilize neighborhoods and property values by providing needed public infrastructure improvements, removing blight caused by abandoned buildings and empty lots, and beautifying underutilized public property.

As part of the 50 Parks Initiative, RAP now is interested in acquiring three (3) parcels and a portion of a fourth parcel all located near 524 West Ord Street in Los Angeles, California 90012. The total lot area for the three (3) parcels is approximately 0.242 acre or 10,570 square feet. Parcel APN 5407-025-009 is approximately 5,193 square feet, parcel APN 5407-025-010 is approximately 1,793 square feet and parcel APN 5407-025-015 is approximately 3,584 square feet. Currently, the parcels identified by APN 5407-025-009, APN 5407-025-010, and APN 5407-025-015 are all vacant lots. The fourth parcel that the RAP is interested in acquiring is a parcel identified by APN 5407-025-017. RAP is interested in acquiring only the vacant portion of parcel APN: 5407-025-017. The parcel has an apartment building on it and the City is required to acquire the vacant portion of APN 5407-025-017 located to the south of the parcel identified by APN 5407-025-015 because this portion is included in the initial project scope that was prepared by the former CRA/LA. The Department of Public Works, Bureau of Engineering, Survey Division has estimated the portion to be approximately 4,769 square feet. RAP will acquire an as yet undetermined portion of APN: 5407-025-017 after a lot split is completed by the owner at no cost to RAP and a legal description is prepared by the owner identifying the exact boundary and area of the fourth parcel that is to be acquired. The proposed purchase price for the portion of the fourth parcel is \$45.71 per square feet for an estimate of \$ 217,990.99. The estimate is based on 4,769 square feet.

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Projected Acquisition Plan:

The plan is to acquire the three (3) parcels identified by APN 5407-025-009, APN 5407-025-010, and APN 5407-025-015 in fee title and to acquire an irregular shaped portion of a fourth parcel identified by APN 5407-025-017 (the Option Parcel) that will require a lot split or lot line adjustment to be completed and cleared/approved within a year after the owner of record obtains all approvals and meets all requirements for a lot split or lot line adjustment and provides City a legal description for the option parcel that the City will purchase for \$217,990.99. The 1st phase of this acquisition will consist of the acquisition of parcels identified by APN 5407-025-009, APN 5407-025-010, and APN 5407-025-015 at the estimated prices listed below and provided by GSD:

1. APN: 5407-025-009 estimated final price \$432,000.00 (Parcel Appraised at \$378,000.00). Agreed on August 16, 2013.
2. APN: 5407-025-010 estimated final price \$144,000.00 (Parcel Appraised at \$126,000.00)
3. APN: 5407-025-015 estimated final price \$288,000.00 (Parcel Appraised at \$252,000.00). Agreed on August 16, 2013.
4. Option parcel - portion of APN: 5407-025-017 within a year at the negotiated estimate price of \$45.71 per square feet for an estimated amount of \$217,990.99.

Total for 3 parcels: \$864,000.00

Total for 4 parcels: \$ \$1,081,990.99

According to GSD, offer letters were sent out on August 15, 2013 and offers were accepted on August 16, and 20, 2013. GSD has indicated that it has reviewed and concurs with all appraisals for all prospective acquisition parcels and has approved all appraisals and estimated negotiated prices.

The acquisition of these parcels is necessary due to its potential for enhancement and enrichment of the surrounding community. This area lacks parks and would tremendously benefit from a park in the area. The area features many apartment complexes and senior living housing that would benefit from additional parks that are within walking distance to many of the families and seniors in the area while helping the community grow. The area is also a very densely populated area which increases the need for parks in the area. These acquisition sites were presented to RAP by Council as part of several CRA/LA projects that had been awarded funds by the State. Upon the CRA's dissolution, the City approved the transfer of this and other projects to RAP for acquisition and/or development. As of the drafting of this Report a final development plan has not yet been finalized. Therefore, there is no information available on development costs or funding for the development of this site. There could be a need to acquire additional parcels including easements, street vacations in order to develop the park as first presented by the CRA/LA to the State. The goal now is not to lose the State Proposition 84 funding for this proposed park development project and to use the available Capital B Funds and/or Proposition K funds to acquire the necessary parcels needed to develop a park as proposed by the CRA/LA and Proposition 84 scope.

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Pending title issues involving, encumbrances, vacations, lot splits, and additional parcels could affect cost and liability for RAP if these issues have significant impact on the project site and the development of a park. As of the drafting of this Report, there is the possibility that vacations of existing parcels and acquiring additional parcels could result in additional costs to this project. Also, at this time the projected cost/estimate of a portion of the fourth parcel or option parcel could increase from \$217,990.99 to include unknown title costs. These issues are being analyzed and reviewed, and depending on the findings, additional costs could result. At this time, RAP cannot determine the potential costs related to this and other issues. Council District No. 1 is aware of these issues and has been informed. Nevertheless, Council District No. 1 strongly supports this acquisition and stresses that this site meets all requirements for a new park in the area. As part of its due diligence RAP has indicated to GSD that all title issues must be resolved prior to acquisition of the parcels and that it should only acquire the option parcel after all title and lot split or lot line adjustment issues have been resolved, approved and cleared. Although the site itself would make for a good park in the area, the environmental and/or title issues are a concern to RAP staff and, therefore, staff recommends caution with this acquisition and that all title and acreage issues be resolved and clearly understood prior to RAP acquiring the parcels. Should other conditions arise beyond those already covered in this report, the Board's approval will be obtained prior to the close of escrow.

To determine the fair market value for the above mentioned properties identified by APN 5407-025-009, APN 5407-025-010, APN 5407-025-015, and the option parcel APN 5407-025-017, GSD used Formal Appraisals prepared by an independent appraiser. Appraisals were prepared on July 23, 2012. According to GSD, the estimated values of the appraisals for APN 5407-025-009 and APN 5407-025-015 were determined to be \$325,000.00 and \$215,000.00 respectively as of July 23, 2012. An appraisal for APN 5407-025-010 and a portion of parcel APN 5407-025-017 was prepared on July 23, 2013 with a value of \$195,000.00. GSD had concurred with the appraiser's valuation methodology used to arrive at the value for the subject properties. As of the drafting of this Report, GSD was negotiating a purchase price that is consistent with their professional opinion of market value for the properties. GSD continues to negotiate and has made a new offer to the owners of APN 5407-025-009 and APN 5407-025-015 and to the owners of APN 5407-025-010 and a portion of parcel APN 5407-025-017. These new offers are based on new appraised value estimates that GSD had indicated it has prepared and will provide documentation at a later time. The new appraised values are as follows: \$378,000.00, \$126,000.00, \$252,000.00, for parcels APN 5407-025-009, APN 5407-025-010, APN 5407-025-015. GSD has made new offers to the owners of APN 5407-025-009, APN 5407-025-010, APN 5407-025-015, and APN 5407-025-017 in the amounts of \$432,000, \$144,000, \$288,000, and \$217,990.99. GSD will confirm final price once it is determined and approved by GSD. Expediency is necessary so that RAP will not lose Proposition 84 funding which requires that PSA be executed no later than September 30, 2013. Final acquisition costs will be provided and approved by GSD in the final closing statement.

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Offer letters in the amount of \$432,000.00 and \$288,000.00 were first presented on August 15, 2013 to the property owners of APN 5407-025-009 and APN 5407-025-015. An offer letter for the property owner of APN 5407-025-010 and APN 5407-025-017 (the Option Parcel) in the amount of \$144,000.00 and \$187,920.00 respectively were first presented to the owner on August 15, 2013. The owner of parcel identified by APN 5407-025-017 has made a counter offer to the City and the City and owner have unofficially reached an agreement on the amount of \$217,990.99. The property owner of APN 5407-025-009 and APN 5407-025-015 has agreed to the City's offers. The owner of parcels identified by APN 5407-025-010 and APN 5407-025-017 are negotiating a final purchase price for the option parcel, APN 5407-025-017 with GSD as of the drafting of this report. The projected total for the acquisition of the three (3) parcels identified by APN 5407-025-009, APN 5407-025-010, and APN 5407-025-015 is estimated at \$864,000.00 and the total for all four (4) parcels which includes the option parcel (estimated at \$217,990.99) is \$1,081,990.99. It is estimated that an additional \$10,000.00 is required for payment of closing fees. Therefore, the total property acquisition is estimated to be \$864,000.00 for three (3) parcels and \$1,081,990.99 for four (4) parcels plus \$10,000.00 in closing fees. Escrow costs and related pre-acquisition costs will initially be funded by Capital B Funds: Fund 302, Department 89, Account No. 89270K-CG to be reimbursed by Proposition K at later time. Capital B Funds are being used as a cash flow funding source. Funds for the acquisition of the subject property are to be made available from Fund 302, Department 89, Account 89270K-CG. Proposition K funds will be used to reimburse RAP, an account number will be determined at a later date.

It should be noted that funding for the development of the subject property will be provided from Proposition 84. At this time, further study is needed to determine the appropriate development plan for the project site as the site presents several complex engineering difficulties that will need to be analyzed before the site is developed and that could increase the cost of the development. There is no additional information on development plans or costs. This Report addresses only the acquisition of the parcels for acquisition identified by APN 5407-025-009, APN 5407-025-010, APN 5407-025-015 and APN 5407-025-017.

Funding Sources

There is sufficient funding available for the acquisition of parcel identified by APN 5407-025-009, APN 5407-025-010, APN 5407-025-015, and APN 5407-025-017. Estimated acquisition cost for four (4) parcels is \$ 1,081,990.99. Staff is unable to determine an accurate complete total, which would include closing costs, as this information has not been made available as of the writing of this report. Staff does however estimate that up to an additional \$10,000.00 in closing costs fees will be needed to complete the acquisition. As part of its due diligence, GSD and RAP will verify correct costs prior to the closing of escrow based on information provided by GSD.

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Funding for the acquisition will come from Proposition K. Capital B Funds Account No. 89270K-CG will be used if Proposition K funds are not available. Proposition K Funds will be used to reimburse Capital B Funds which will come from the Alpine Recreation Center Expansion project. Escrow costs and related pre-acquisition costs will be funded by Capital B Funds, Account 89270K-CG. All funding used on this acquisition is expected to be reimbursed by Proposition K funds once the funds are made available and will be used to reimburse Capital B funds, if Capital B Funds are used. The Proposition K funds are available for this acquisition, but RAP must still meet all requirements for release of funds, including all environmental issues and related title issues.

Again, it should be noted that Proposition K funds are expected to be used to pay for all acquisition related costs such as appraisals, environmental site assessments costs, escrow closing costs, and site preparation; and that Proposition 84 funds are expected to be used for park development costs, Capital B Funds will be used to cash flow the project acquisition.

Acquisition Cost:

The cost of the proposed Ord and Yale Street Park acquisition, as recommended by GSD and presented to the Board in Board Report No. 13-106 approved on May 1, 2013, was initially estimated to be \$756,000.00 for three (3) parcels. The estimated appraisal value for APN 5407-025-009 and APN 5407-025-015 were \$378,000.00 and \$252,000.00 respectively. The estimated appraisal value of APN 5407-025-010 was \$126,000.00. However, after further review and negotiations, the recommended acquisition price by GSD is \$ 1,081,990.99 for four (4) parcels based on the estimate of \$45.71 per square feet for the acquisition of the option parcel. The updated estimated value of each parcel as presented by GSD is as follows: APN 5407-025-009 - \$432,000.00; APN 5407-025-010 - \$144,000.00; APN 5407-025-015 - \$288,000.00 and APN 5407-025-017 - \$217,990.99. GSD has indicated that as part of its professional expertise that a fair negotiated price for all four (4) parcels would be \$1,081,990.99. GSD recommends and supports the negotiated price. Estimated closing costs are estimated to be approximately \$10,000.00 in total. The closing costs are estimates only and are subject to change and are for reference purposes only. The projected total acquisition cost is estimated at \$1,091,990.99. GSD will confirm final closing costs and review said costs before it approves the acquisition and the associated closing costs and other related costs based on its professional expertise. The City Attorney's Office will draft three (3) Purchase and Sale Agreements based on negotiation points provided by GSD to the City Attorney's Office.

Purchase and Sale Agreement:

The City Attorney office will prepare three (3) Purchase and Sale Agreements that will address and separate the properties by ownership. The parcels that are part of this acquisition are owned by two (2) different owners. One (1) of the PSA that will be prepared will be for parcels APN 5407-025-

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009 and APN 5407-025-015. A second PSA will be for Parcel APN 5407-025-010 and the third PSA will be for the acquisition of parcel APN 5407-025-017. Parcels APN 5407-025-017 and 5407-025-010 are owned by the same owner. The PSAs will address the approved purchase prices for each parcel that is to be acquired and the obligations of each party involved. Each PSA will indicate that the City will only be responsible acquisition costs and its share of closing costs. The third PSA will also define the obligations of the seller as it relates to parcel APN 5407-025-017. The third PSA will mandate that Seller of said parcel be responsible for all lot split or lot line adjustment costs and related costs as well as its own Attorney's fees and costs or any other costs that the seller will incur as part of its clearances for all title and lot split or lot line adjustment issue and any other related matter concerning the parcel in general.

Environmental Impact:

A Phase I Environmental Site Assessment has not been performed for the project site. However, a Phase II Site Investigation was prepared to assess the presence of any subsurface soil contamination, and determined that no evidence of significant soil contamination was observed or measured during the collection of the soil samples. Additionally, analytical results did not indicate the presence of significant contaminants. Minor levels of volatile hydrocarbon contamination at nonhazardous levels were found in a few borings. The use of the site for a park is not compromised by these findings. It should be noted that staff has ordered a Phase I Environmental Site Assessment for the project site in order to satisfy requirements to qualify for liability protection under Comprehensive Environmental Response, Compensation, and Liability Act. It is estimated that this assessment will be completed prior to the execution of the PSA's.

Staff has determined that the subject project consists of the acquisition of property with the intent to preserve open space for park purposes, and the construction of new small structures (i.e., play equipment, a small accessory building, benches, and tables). The project would otherwise not involve any unusual circumstances, sensitive environments, scenic or historic resources that would result in significant and/or cumulative environmental impacts. Therefore, the project is categorically exempt from the provisions of California Environmental Quality Act (CEQA), pursuant to Article II, Section 1, Class 3(6) of the City CEQA Guidelines, and Article 19, Section 15325, Class 25(f) of the State CEQA Guidelines. A Notice of Exemption (NOE) was previously filed by CRA with the Los Angeles County Clerk on February 19, 2010 for the acquisition and development of the park in connection the Proposition 84 grant. In addition, an NOE was filed on June 27, 2012 for the acquisition and development of the property in connection with a Proposition K grant. However, a new NOE reflecting the revised project scope for the acquisition of a portion of parcel APN: 5407-025-017 will be filed when the final area to be acquired is determined. The new NOE will not be filed until a description of the portion of the fourth parcel has been identified. However, this would not change the determination that the project is exempt from CEQA.

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In addition to the Office of Council District I, the Assistant General Manager of the Planning, Construction and Maintenance Branch and Superintendent for the Metro Region have been consulted and concur with staff's recommendations.

FISCAL IMPACT STATEMENT:

As indicated in the Summary of this Report, the design of the proposed park has not been determined and will be presented to the Board for final approval at a later time. At this time, the impact to the RAP's General Fund is the costs for Acquisition which is estimated at \$1,081,990.99 plus \$10,000.00 in closing costs. Once this project is completed, operational maintenance costs will be determined. Upon project completion, a request for funding will be submitted in future Department annual budget requests.

This Report was prepared by the Real Estate and Asset Management, Planning and Construction Branch Staff.

APPROVED
SEP 03 2014

REPORT OF GENERAL MANAGER

NO. 14-234

DATE September 3, 2014

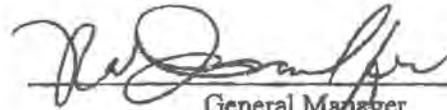
BOARD OF RECREATION
& PARK COMMISSIONERS

C.D. 1

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: 50 PARKS INITIATIVE – ALPINE RECREATION CENTER EXPANSION PROJECT (ORD AND YALE STREET PARK) – APPROVAL OF EXTENSION OF TIME TO ACQUIRE PARCEL; AMENDMENT TO PURCHASE AND SALE AGREEMENT; AND EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

R. Adams	_____	V. Israel	_____
*R. Barajas	_____	K. Regan	_____
H. Fujita	_____	N. Williams	_____



General Manager

Approved  _____

Disapproved _____

Withdrawn _____

RECOMMENDATIONS:

That the Board:

1. Authorize an extension of time to complete the acquisition of a portion of a parcel identified by Los Angeles County Assessor's Parcel Number (APN): 5407-025-017; and
2. Authorize and request the Department of General Services (GSD) to execute an amendment to the Purchase and Sale Agreement (PSA) to reflect a change in purchase value and acreage.

SUMMARY:

The Alpine Recreation Center Expansion project (Ord and Yale Street Park) is a Proposition K Specified project. The Proposition K line item scope of work states "property acquisition for park expansion" for Alpine Recreation Center, which is located at 817 Yale Street in the Chinatown Area of the City.

On November 7, 2006, California voters passed the "Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006" (Proposition 84), which authorizes \$5.4 billion in general obligation bonds for a number of State grant programs. One of the grant programs created was the Statewide Park Development and Community Revitalization Program. A total of \$368,000,000.00 has been dedicated to this program to make grant awards to projects that demonstrate the creation of new park and recreation facilities in proximity to the most

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critically underserved communities throughout California on a competitive basis in two (2) rounds (\$184,000,000.00 available each round).

The 1st round request for proposals for the Statewide Park Program was released in September 2009. At its meeting of February 20, 2010, the City Council authorized the Community Redevelopment Agency of Los Angeles (CRA/LA) to submit grant applications for the development of the Ord and Yale Street Park project (Council File No. 09-2839-S2). In November 2010, the CRA/LA was awarded \$4,999,705.00 in Proposition 84 grant for the Ord and Yale Street Park. In January 2012 however, the CRA/LA was dissolved. As a result of the dissolution of the CRA/LA, the Department of Recreation and Parks (RAP) was asked to assume the grant application and proceed with the projects on behalf of the City of Los Angeles (City). On May 24, 2012, RAP received notification from the State that the Ord and Yale Street Park project would receive further consideration for the Proposition 84 Statewide Park Program grants. In order to complete the assumption of this grant, the State Office of Grants and Local Services requested that the City submit by August 31, 2012, a City Council approved Resolution authorizing the grant application. On August 14, 2012, the City Council adopted a resolution that approved the assumption, transfer and filing of an application for the Ord and Yale Street Park (the project is also known as the Alpine Recreation Center Expansion project and the Vertical Park project) to RAP on behalf of the City, Council File No. 09-2839-S2.

In order to expedite and not lose \$4,999,705.00 in State Proposition 84 grant funds for development or the opportunity to acquire the Ord and Yale project properties, the Board was asked to grant all the necessary authorities required to complete this acquisition as intended by Council and previous Board actions taken on Proposition 84 concerning this Ord and Yale project which the Board approved through Board Report No. 13-230 on September 18, 2013 which also granted authority to acquire a portion of parcel identified by APN: 5407-025-017 within a year. Board was also informed and asked to expedite this acquisition by approving, an alternative funding source that might be used to cash flow this acquisition until Proposition K can reimburse RAP's/City's acquisition and related costs. Capital B Funds might be used to cash flow the acquisition.

On May 1, 2013, the Board granted final authority to acquire three (3) parcels through Board Report No. 13-106 later revised to include a 4th parcel. The Board initially authorized the acquisition of parcels identified by APN: 5407-025-009, APN: 5407-025-010 and APN: 5407-025-015, as part of the Alpine Recreation Center Expansion Project (Ord and Yale Street Park). The three parcels have been acquired and only the 4th parcel is still in the process of acquisition. The Board has approved the acquisition of a 4th parcel as mentioned above through Board Report No. 13-230.

On September 18, 2013, through Board Report No. 13-230, the Board approved a revised Board Report that included a portion of a 4th parcel identified by APN: 5407-025-017 for the Ord and Yale Street Park project. The City is proceeding with the acquisition of an irregular shaped portion of a parcel requiring a lot adjustment and identified by APN: 5407-025-017 with full support of the Council Office. City is only interested in acquiring a small portion of the parcel, which will require

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the lot adjustment and which the owner is processing through the Planning Department and which requires additional time to complete. Originally the Board granted approval to acquire the parcel in question within a year. On September 18, 2014, it will be one year. For this reason, RAP staff is asking for additional time to complete the acquisition. At this time, RAP staff is unaware of how long the lot adjustment will take. As RAP staff was processing the acquisition, staff determined that the value and acreage were incorrect. As part of RAP's staff due diligence, a survey was requested to determine value and acreage and boundary of the parcel in question. The completed survey has provided new estimates for acreage, value and a legal description identifying the boundary of the parcel. The old value and acreage that was provided indicated an amount of \$217,990.99 for an area of 4,769 square feet. The new revised estimated purchase price is \$149,745.96 at \$45.71 per square foot for a parcel estimated to be 3,276 square feet. The owner of said parcel is currently processing the lot line adjustment and addressing outstanding Title Lien issues which will require more time to resolve, going beyond the Board approved timeline for completion of the acquisition of a portion of the parcel identified by APN: 5407-025-017. The portion of the parcel is required to meet the overall project scope as was presented by the CRA/LA to the State. CRALA presented its scope to include the portion of parcel identified by APN: 5407-025-017.

RAP has now acquired three (3) parcels as part of the Ord and Yale project and is proceeding with the acquisition of a portion of a fourth parcel located near 524 West Ord Street in Los Angeles, California 90012. The total lot area for the three (3) parcels is approximately 0.242 acre or 10,570 square feet. The fourth parcel is estimated to be 3,276 square feet. Parcel APN: 5407-025-009 is approximately 5,193 square feet, parcel APN: 5407-025-010 is approximately 1,793 square feet and parcel APN: 5407-025-015 is approximately 3,584 square feet. Currently, the parcels identified by APN: 5407-025-009, APN: 5407-025-010, and APN: 5407-025-015 are all vacant lots. The fourth parcel that RAP/City is interested in acquiring is an irregular shaped portion of parcel identified by APN: 5407-025-017. RAP is interested in acquiring only the vacant portion or the irregular shaped portion of parcel identified by APN: 5407-025-017. The portion of the parcel that the City is interested in acquiring is part of a parcel that has an apartment building on it and the City needs to acquire the small vacant portion or the irregular shaped portion of parcel identified by APN: 5407-025-017. The Department of Public Works, Bureau of Engineering, Survey Division has estimated the portion to be approximately 3,276 square feet. RAP will acquire the portion of APN: 5407-025-017 that BOE Survey Division has surveyed and marked after the lot line adjustment/certificate of compliance is completed by the owner at no cost to RAP. The proposed purchase price for the portion of the fourth parcel is \$45.71 per square feet for an estimate of \$149,745.96. The estimate is based on 3,276 square feet.

It is estimated that an additional \$10,000.00 is required for payment of closing fees. Therefore, the total property acquisition is estimated to be \$159,745.96. Escrow costs and related pre-acquisition costs will initially be funded by Capital B Funds: Fund 302, Department 89, Account No. 89270K-CG and will be reimbursed by Proposition K at later time if Proposition K funds are not available at the time of acquisition. Capital B Funds would be used as a cash flow funding source if Proposition

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K funds are not available. Funds for the acquisition of the subject property are to be made available from Fund 302, Department 89, Account 89270K-CG. Proposition K funds will be used to reimburse RAP; an account number will be determined at a later date.

Currently, as stated above, the City has acquired 3 of the 4 parcels that are needed to meet the project scope as presented to the State by the CRA/LA. Below is a breakdown of the acquisitions as they have occurred.

Status of Acquisition:

1. APN: 5407-025-009 estimated final price \$432,000.00. Acquired November 7, 2013
2. APN: 5407-025-010 estimated final price \$144,000.00. Acquired November 7, 2013
3. APN: 5407-025-015 estimated final price \$288,000.00. Acquired November 7, 2013
4. Option parcel - portion of APN: 5407-025-017 estimate price of \$45.71 per square feet for an estimated amount of \$149,745.96. Acquisition Pending.

Total for 3 parcels: \$864,000.00

Total for 4 parcels: \$1,013,745.96

These acquisition sites were presented to RAP by Council as part of several CRA/LA projects that had been awarded funds by the State. Upon the CRA's dissolution, the City approved the transfer of this and other projects to RAP for acquisition and/or development. A final development plan has not yet been finalized. Therefore, there is no information available on development costs or funding for the development of this site. There could be a need to acquire additional parcels including easements, and street vacations in order to develop the park as first presented by the CRA/LA to the State. The goal now is not to lose the State Proposition 84 funding for this proposed park development project and to use the available Capital B Funds and/or Proposition K funds to acquire the necessary parcels needed to develop a park as proposed by the CRA/LA and Proposition 84 scope.

Pending title issues involving, encumbrances, vacations, lot splits/lot adjustments, and acquisition of additional parcels, there could be additional costs and liability for RAP if these issues have significant impact on the project site and the development of a park. There is the possibility that vacations of existing parcels and acquiring additional parcels could result in additional costs to this project. These issues are being analyzed and reviewed, and depending on the findings, additional costs could result. At this time, RAP cannot determine the potential costs related to this and other issues. The First Council District (CD 1) is aware of these issues and has been informed. CD 1 strongly supports this acquisition and strongly stresses that this site meets all the requirements for a new park in the area, and is part of the larger redevelopment plans for Chinatown and connections to the rest of the Downtown area. As part of its due diligence, RAP has indicated to GSD that all title issues must be resolved prior to acquisition of the parcels and that it should only acquire the option

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parcel after all title and lot line adjustment issues have been resolved, approved and cleared. Although the site itself would make for a good park in the area, the environmental and/or title issues are a concern to RAP staff and, therefore, staff recommends caution with this acquisition and that all title and acreage issues be resolved and clearly understood prior to RAP acquiring the parcels. Should other conditions arise beyond those already covered in this report, the Board's approval will be obtained prior to the close of escrow.

It should be noted that funding for the development of the subject property will be provided from Proposition 84. At this time, further study is needed to determine the appropriate development plan for the project site as the site presents several complex engineering difficulties that will need to be analyzed before the site is developed and that could increase the cost of the development. There is no additional information on development plans or costs. This Report addresses only the request for additional time to complete the acquisition of the portion of parcel identified by APN: 5407-025-017 and the amendment of the PSA to reflect changes in the value and acreage of the acquisition of parcel identified by APN: 5407-025-017.

Funding Sources

There is sufficient funding available for the acquisition of the portion of the parcel identified by APN: 5407-025-017. It should be noted that Proposition K funds are expected to be used to pay for all acquisition related costs such as appraisals, environmental site assessments costs, escrow closing costs, and site preparation; and Capital B Funds will be used to cash flow the project acquisition if needed.

It is estimated that there is currently \$313,500.00 in Proposition K for acquisition and \$4,686,205.00 in Proposition 84 for the development of the Ord and Yale Park project.

Purchase and Sale Agreement Amendment:

The Office of the City Attorney is preparing an amendment to the PSA that will reflect the current value and acreage of the parcel. Said values and acreage was obtained and based on the survey prepared by BOE Survey Division. BOE Survey Division identified and surveyed the portion that is to be acquired. The PSA for the acquisition of a portion of APN: 5407-025-017 was executed on September 30, 2013.

Request for Extension of Time:

If approved by the Board, the extension of time will allow for the completion of the acquisition of the portion of the parcel identified by APN: 5407-025-017. The additional time will allow the owner to complete all required lot line adjustments and clearance of any and all outstanding title and lien issues.

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Environmental Impact:

A Phase I Environmental Site Assessment has not been performed for the project site. However, a Phase II Site Investigation was prepared to assess the presence of any subsurface soil contamination, and determined that no evidence of significant soil contamination was observed or measured during the collection of the soil samples. Additionally, analytical results did not indicate the presence of significant contaminants. Minor levels of volatile hydrocarbon contamination at nonhazardous levels were found in a few borings. The use of the site for a park is not compromised by these findings. It should be noted that staff has ordered a Phase I Environmental Site Assessment for the project site in order to satisfy requirements to qualify for liability protection under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). It is estimated that this assessment will be completed prior to the execution of the amendment to the PSA.

Staff has determined that the subject project consists of the acquisition of property with the intent to preserve open space for park purposes, and the construction of new small structures (i.e., play equipment, a small accessory building, benches, and tables). The project would otherwise not involve any unusual circumstances, sensitive environments, scenic or historic resources that would result in significant and/or cumulative environmental impacts. Therefore, the project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA), pursuant to Article II, Section 1, Class 3(6) of the City CEQA Guidelines, and Article 19, Section 15325, Class 25(f) of the State CEQA Guidelines. A Notice of Exemption (NOE) was previously filed by CRA with the Los Angeles County Clerk on February 19, 2010, for the acquisition and development of the park in connection with the Proposition 84 grant. In addition, a NOE was filed on June 27, 2012 for the acquisition and development of the property in connection with a Proposition K grant. However, a new NOE reflecting the revised project scope for the acquisition of a portion of parcel APN: 5407-025-017 will be filed when the final area to be acquired is determined. The new NOE will not be filed until a description of the portion of the fourth parcel has been identified. However, this would not change the determination that the project is exempt from CEQA.

In addition to the Office of Council District 1, the Assistant General Manager of RAP and RAP Superintendent for the Metro Region have been consulted and concur with staff's recommendations.

FISCAL IMPACT STATEMENT:

At this time, the impact to the RAP's General Fund is the cost for acquisition, estimated at \$159,745.96, which includes \$10,000.00 in closing costs. As indicated in the Summary of this Report, the final design of the proposed park has not been determined and will be presented to the Board for final approval at a later time. Once this project is completed, operational maintenance costs will be determined. Upon project completion, a request for funding will be submitted in future RAP annual budget requests.

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This Report was prepared by John Barraza, Management Analyst II of Real Estate and Asset Management Unit, Planning, Construction and Maintenance Branch.