

APPROVED

REPORT OF GENERAL MANAGER

NO. 15-059

DATE March 19, 2015

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C.D. 14

BOARD OF RECREATION
& PARK COMMISSIONERS

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: 50 PARKS INITIATIVE – SAN JULIAN PARK – ACCEPTANCE OF PARK PROPERTY AT 312 EAST 5TH STREET FOR PARK PURPOSES; EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

| | | | |
|-------------|------------|-------------|-------|
| R. Adams | _____ | V. Israel | _____ |
| *R. Barajas | <u>USD</u> | K. Regan | _____ |
| H. Fujita | _____ | N. Williams | _____ |

for

[Signature]
General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATIONS:

That the Board:

1. Adopt the draft resolution, substantially in the form on file in the Board Office, authorizing the acceptance of the transfer of approximately 12,751 square feet or 0.29 acre of real property located at 312 East 5th Street, Los Angeles, California 90013, Los Angeles County Assessor's Parcel Numbers (APNs) 5148-014-904, 905, 906 at the intersection of San Julian Street and 5th Street in the Central City Community Plan area of the City of Los Angeles (City), from the Community Redevelopment Agency of Los Angeles (CRA/LA);
2. Authorize the Board Secretary to execute the Resolution to accept the transfer of property via Grant Deed, subject to review and approval of the City Attorney;
3. Set apart the Parcels and dedicate them as park property in perpetuity;
4. Find that the project is exempt from the provisions of the California Environmental Quality Act;
5. Direct staff to file a Notice of Exemption with the Los Angeles County Clerk; and,

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6. Request and/or authorize that the Department of General Services (GSD) assist in processing the transfer of property from the CRA/LA to the Department of Recreation and Parks (RAP), as requested by the Los Angeles City Council.

SUMMARY:

On September 22, 1980, the Community Redevelopment Agency of the City of Los Angeles, (CRA) acquired an approximately 12,751 square foot or .29 acre property located at the intersection of San Julian Street and 5th Street (San Julian Park) for development into a public park - Instrument No. 80-9180961002195.

On March 22, 2011, the Los Angeles City Council by Motion approved the recommendations of the CRA under Council File (CF) No. 11-0086-S1 and amending Motion 22A authorizing and accepting the conveyance from the CRA of all real property listed on Attachment "A" of the CRA report dated March 17, 2011, which included the San Julian Park Property. Council also authorized the GSD and other City departments as necessary to negotiate and execute documents to complete the transfer of the real property deeds from the CRA to the City.

On June 14, 2011, the CRA transferred to the City, the San Julian Park property by Grant Deed in an effort to preserve the park and continue its use as a park where space is much needed. The Grant Deed was recorded in the Los Angeles County Recorder's Office on June 14, 2011 as Instrument No. 2011-0808720.

On June 28, 2011, Governor Jerry Brown had signed into law two bills that amended California Community Redevelopment Law in order to address the state's ongoing budget deficit. Assembly Bill (AB) X126 dissolved all California Redevelopment Agencies (RDA) effective October 1, 2011. As a result of the California Supreme Court upholding the constitutionality of ABX 126, which called for the dissolution of the RDA, approximately four hundred (400) RDA were dissolved on February 1, 2012, with the assets and liabilities transferred to Successor Agencies and Successor Housing Agencies.

In accordance with ABX 126, the State Controller (State) audited all asset transfers (including property transfers) made by the former RDA to Cities and other public agencies during the period from January 2011 through January 2012. In April 2012, the State ordered all cities and other public agencies to reverse asset transfers from the former RDA unless the City or public agency had committed to a third party for an expenditure or encumbrance of a specific asset prior to June 28, 2011.

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As a result of this action, all former CRA properties that had been transferred to City had to be returned to the State or successor entity known as the Designated Local Authority. The San Julian Park was one of those sites.

On August 31, 2012 (CF No. 11-0086-S5), Council approved the return of seventy (70) parcels to the CRA/LA, a Designated Local Authority (DLA) which is the successor agency to the former Community Redevelopment Agency.

On December 4, 2012 the City transferred to the CRA/LA via Quit Claim Deed the San Julian Park.

The legislation that dissolved the Community Redevelopment Agency of the City of Los Angeles also established the CRA/LA as the Successor Entity charged with disposition of all real property assets of the former redevelopment agency in accordance with a Long Range Property Management Plan (LRPMP). The CRA/LA Governing and Oversight Boards approved the LRPMP in November 2013 and submitted it to the State Department of Finance (DOF) for approval of said plan of disposition of the real property. DOF issued approval of disposition for a subset of CRA/LA Properties identified as two (2) Government Use properties. With the passing of AB 1484 said bill amended ABX 126 in an attempt to eliminate the potential "fire sale" of properties owned by former redevelopment agencies and allow for properties to be disposed of through a Long Range Asset Management Plan, which was subject to approval of the Oversight Board and the State Department of Finance.

On February 12, 2013, the City Council adopted the action, under Council File No. 13-0002-S21 in support of expediting the conveyance of the CRA/LA owned parks to the City in order to ensure that the parks remain open and accessible to the public at no cost. On December 18, 2013, Council acted on the recommendations of the Innovation Technology and General Services Committee Report on the transfer of the CRA/LA properties to the City under Council File No. 13-1482.

On February 27, 2014, DOF approved the transfer from CRA/LA to the City of thirty-one (31) real property interests, including seven (7) public parks, fourteen (14) public rights of way and parcel remnants, two (2) government facilities, and eight (8) access and use easements. In addition, the transfer of four (4) real property interests representing 5,610,084 square feet of transferrable development rights may become available for transfer to the City. All received properties will be encumbered with restrictions that require that the properties continue to be used for government purposes in perpetuity, and will be conveyed by grant deed, quitclaim, or easement transfer (Transfer Documents) to the City. This Report provides recommendations to allow the RAP to assume ownership of real property known as the San Julian Park property as one of the site interests for Government Use from CRA/LA.

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Deferred maintenance costs and necessary repairs on all the proposed property transfers have been estimated at \$784,503.00. Annual operating and maintenance costs associated with the properties are estimated at \$216,050.00 as anticipated in current and planned departmental budgets.

At its meeting held May 29, 2013, the City Council adopted the action(s), under CF No. 13-0600-S1, to appropriate as of July 1, 2013 monies in the amount of \$2,748,897 for park maintenance.

On May 6, 2014, the City Council adopted the action(s) under CF No. 13-1482, relative to the final list of transfer of properties per Attachment "A" from CRA/LA to City Departments as described in the City Administrative Officer (CAO) and Chief Legislative Analyst's (CLA) joint report dated April 4, 2014 under CF No. 13-1482. Of concern to RAP are specific Recommendations No. 1, 2, 3, 5, 6, 7, and 9, requesting that the Board of Recreation and Park Commissioners (Board) consider and approve the acquisition of the seven (7) park properties as described in the joint report. The seven (7) parks that City Council requests the Board to consider are listed below:

- 1- Watts Towers Cultural Crescent - 1780 East Santa Ana, APN: 6065-033-900
- 2- Country Club Park Heritage Plaza - 1015 South Wilton Place, APN: 5081-024-902
- 3- San Julian Park - 312 East 5th Street, APNs: 5148-014-904, 905, 906
- 4- Pico/Union Community Garden - 1554 West 11th Place, APN: 5137-025-901 to -904
- 5- Challengers Track and Field Easement - 1046-1056 West 50th Street and 1047-1057 West 51st Street
- 6- Western/Gage Park Project - 6300 South Western Avenue, APN: 6002-030-906; APN: 5017-026-062
- 7- Grand Hope Park - 900 South Hope Street, APN: 5139-007-947, -924

The San Julian Park, which this Report addresses specifically, is the 3rd of those parcels that has been recommended by City Council for acquisition. As intended and recommended by City Council, RAP staff presents to the Board that the Board consider per City Council the acceptance of the non-financial transfer/acquisition of the parcel known as San Julian Park. This will help the City to accomplish the goals of various redevelopment projects and to serve the public interest by the elimination of blight and the furtherance of economic development and the creation of new parks as proposed by the 50 Parks Initiative. Transferring said park to RAP will help meet the intended goal of City Council of ensuring that these parks remain open and accessible to public as proposed through City Council Resolution under CF No. 13-0002-S21.

San Julian Park is located in the Skid Row area of the City which is an area of low income and high homelessness rates. A park in the Skid Row area would benefit the community greatly. The addition of this open space parcel to RAP's inventory/stewardship will allow for an increase in recreational activities in this densely populated area of the Central City Community Plan area. City Council and

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Council District 14 have expressed its strong support for this park dedication through various motions and resolutions approving the continuation of this property as park.

NEEDS ASSESSMENT:

The proposed San Julian Park, once completed, would provide a neighborhood park in an area of Skid Row where City residents do not have sufficient access to improved green spaces or neighborhood parks. An estimated 14,972 residents live within a ½ mile walking distance of the proposed San Julian Park. Of those 14,972 residents, an estimated 499 senior residents over age 65 currently do not have access to any improved green spaces or neighborhood parks within a ½ mile walking distance of their homes.

This project has strong support from Council District 14. In addition, the Assistant General Manager of Operations Branch and the Superintendent for the Metro Region have been consulted and concur with staff's recommendations.

A Phase I Environmental Site Assessment was prepared November 7, 2014 for the parcel proposed to be dedicated for park purposes in accordance with the standards for All Appropriate Inquiries. The report concluded that there were no recognized environmental conditions or controlled recognized environmental conditions on or near the parcel, and therefore, no further environmental studies were recommended. Since the parcel dedication involves the transfer of ownership of interests in land to preserve open space, this action is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1, Class 25 of the City CEQA Guidelines.

FISCAL IMPACT STATEMENT:

The proposed Acquisition will require an increase in maintenance cost demands and will require a budget increase which will be requested through the RAP's standard budget process. There will be no cost to RAP for the acquisition/transfer of this parcel. All costs will be incurred by CRA/LA and GSD. The park is already developed.

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