

APPROVED

OCT 01 2020

BOARD OF RECREATION AND PARK COMMISSIONERS

BOARD REPORT

NO. 20-195

DATE October 01, 2020

C.D. 3

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: RESEDA SKATE FACILITY EXPANSION - 18214 SHERMAN WAY - AUTHORIZATION TO PROCEED WITH PRELIMINARY ACQUISITION ACTIVITIES OF PROPERTY FOR EXPANSION AND DEVELOPMENT FOR PARK PURPOSES

AP Diaz, H. Fujita, V. Israel, S. Piña-Cortez, C. Santo Domingo, N. Williams

M. Shue General Manager

Approved X Disapproved Withdrawn

RECOMMENDATIONS

- 1. Grant preliminary authorization to the Department of Recreation and Parks (RAP) staff to initiate the process for the acquisition of portions of the parcels currently identified by Assessor Parcel Number: (APN:) 2125-036-105 and 2125-036-106, located at 18214 Sherman Way, Los Angeles, CA 91335 (Property), in connection with the Reseda Ice Skating and Roller Rink Project;
2. Authorize RAP staff to conduct preliminary acquisition activities regarding the Property to include: the drafting of a Purchase and Sale Agreement (PSA), all due diligence activities, and the approval of necessary funding in cooperation and with the assistance of the Department of General Services (GSD), Department of Public Works (DPW), Bureau of Engineering (BOE), Proposition K (Prop K) Steering Committee and staff, City Administrative Officer (CAO) and other necessary entities in order to obtain the necessary environmental clearances and documentation, title clearances and funding approvals, clearance of encumbrances and other clearances necessary for the purchase of the Property in connection with the Reseda Ice Skating and Roller Rink Project;
3. Upon the completion of the preliminary acquisition activities, direct RAP staff to return to the Board of Recreation and Park Commissioners (Board) for final approval of the purchase of the Properties, along with escrow instructions, PSA and related documents for the Board's final approval of the acquisition for a portion of the Property, subject to the following conditions;
A. Funding will be made available for the acquisition of the Property through AB1290 Funds or other funding source(s) to be identified;

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- B. Completion of all appropriate California Environmental Quality Act (CEQA) analysis and documentation;
  - C. Completion of all environmental assessments, including Phase I and/or Phase II if needed, pre-acquisition inspections, and due diligence activities related to the acquisition of the Property;
  - D. Finalization of all material terms of the purchase of the Properties, including the negotiation by GSD of a purchase price that is consistent with their professional opinion of market value;
  - E. GSD will have ensured that title to the Property is free and clear of any all liens and encumbrances, RAP will not be responsible for any non-related acquisition cost not covered by title insurance;
  - F. Approval by City Council of necessary funding appropriation, encumbrances, and/or reprogramming of funds for all pre-acquisition activities, acquisition, demolition and security, and due diligence related costs in connection with the Property; and
  - G. Ensure that any RAP funds used for the acquisition of the Property will be reimbursed to RAP's Real Estate Unit Acquisition fund;
4. Authorize RAP staff to make technical corrections as necessary to carry out the intent of this Report.

### SUMMARY

On January 17, 2018, the Board authorized RAP to proceed with the acquisition of CRA/LA parcels for the construction of the Reseda Skate Facility (Report No. 18-014). The Board action included various requests for GSD to implement the property acquisition on behalf of RAP. The Board also approved the proposed conceptual plan for the project to locate the roller hockey rink and the ice skating rink on the 18210 Sherman Way parcel and locate the parking lot on the 18128 Sherman Way parcel.

The conceptual plan for the Reseda Ice Skating and Roller Rink Project included:

1. A 60' x 120' roller hockey rink built on grade with a shade structure and 1,200 square-foot building to house related rink offices, restrooms and storage.
2. An approximately 26,800 square-foot ice rink building with a 85' x 200' ice surface, cooling infrastructure, ice grooming equipment storage, Zamboni machine room, locker rooms for two teams, restrooms, office space, public seating, skate rental area, pro shop and concessions space, and other ancillary spaces required by ice hockey and figure skating.
3. A 127-space parking lot with driveways, fencing, landscaping and security lighting.

The properties located at 18128 and 18210 Sherman Way were acquired on September 7, 2018.

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After the acquisition of the CRA/LA Parcels, BOE initiated predesign activities for the project in November 2019. During the predesign, it was determined that additional space would be needed in order to achieve the optimal and most cost-efficient design for the facility that also meets all the programming and operation and maintenance requirements. This additional space, if acquired, would be used to expand the footprint of the Reseda Skate Facility, to allow the inclusion of adequate Fire Lane and other requirements, without the need to construct a multi-story Ice Skating Facility on the current site. The additional space would greatly increase the chance to have all of the administrative facilities and programming space for the Reseda Skate Facility on one floor, thereby achieving cost savings to the project

On June 30, 2020, a motion introduced by the Office of Council District 3 (CD3) instructing GSD, with the assistance of RAP and the City Attorney, to negotiate a purchase and sale agreement with the owner of the adjacent property, Magnolia Science Academy (Magnolia), to acquire approximately 6,625 square feet (25' x 265') of the surface parking lot located at 18214 Sherman Way (APNs 2125-036-105 and 2125-036-106) to accommodate the development plans for the Reseda Skate Facility (C.F. 20-0856). Attachment 1 shows the proposed acquisition area adjacent to Lot 4.

The appraisal obtained by GSD dated February 28, 2020 includes two valuations of the Property. One valuation is the property value based on the sale of comparable lots in the area (Base Property Value) and the second valuation includes the Base Property Value plus Severance Damages due to the loss of parking revenue for 17 parking spaces, potential loss if the parcel was developed for office space, and loss of existing site improvements. The Base Property Value was valued at Five Hundred Twenty-Five Thousand Dollars (\$525,000.00). The second valuation is Nine Hundred Seventy-Five Thousand Dollars (\$975,000.00).

CD3 and City staff have had preliminary discussions with Magnolia regarding the proposed acquisition of the Property. Magnolia has indicated its interest in negotiating with the City to allow the City to acquire the Property to add space to the skating facility. As part of those discussions, Magnolia requested to enter a Shared Use Parking Memorandum of Understanding with RAP, which could allow the City and Magnolia greater flexibility in establishing the parking available during the operating hours of the school and skating facility.

CD 3 introduced a motion to transfer and appropriate One Million Dollars (\$1,000,000.00) in AB1290 Funds for the acquisition of approximately 6,625 sq. ft. on the Property (C.F. 20-0856).

Currently, the overall Reseda Skate Facility Project is at the end of Predesign and at the start of the Design phase. Attachment 2 shows the current proposed floor plan for the Reseda Skate Facility.

### ENVIRONMENTAL IMPACT

The California Environmental Quality Act (CEQA) and the Phase I Environmental Site Assessment (ESA) for the Property will be completed as part of the due diligence process. Once completed, both the CEQA and the Phase I Environmental Site Assessments documentation will be made available for review prior to making a determination on the possibility of acquiring this

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Property. Phase I has not been requested yet for this addition but should be done before the final authorization report is presented to the Board for approval.

### FISCAL IMPACT

At this time, there is no fiscal impact to RAP's General Fund. However, once the Project, consisting of the construction of the roller hockey and ice skating rinks and ancillary improvements, is completed, operational maintenance cost will be determined and a request for funding, if necessary, would be submitted in future RAP annual budget requests.

### STRATEGIC PLAN INITIATIVES AND GOALS

Approval of this Board Report advances RAP's Strategic Plan by supporting:

**Goal No. 1:** Provide Safe and Accessible Parks

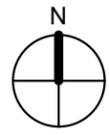
**Outcome No. 1:** Every Angeleno has walkable to a park in their neighborhood

**Result:** This acquisition would allow for the construction of the most cost efficient design for the new Reseda Skate Facility that also meets all the programming and operation and maintenance requirements. The new Reseda Skate Facility will serve approximately 5,563 City residents.

This Report was prepared by Meghan Luera, Management Analyst, Planning, Maintenance and Construction Branch.

### ATTACHMENTS

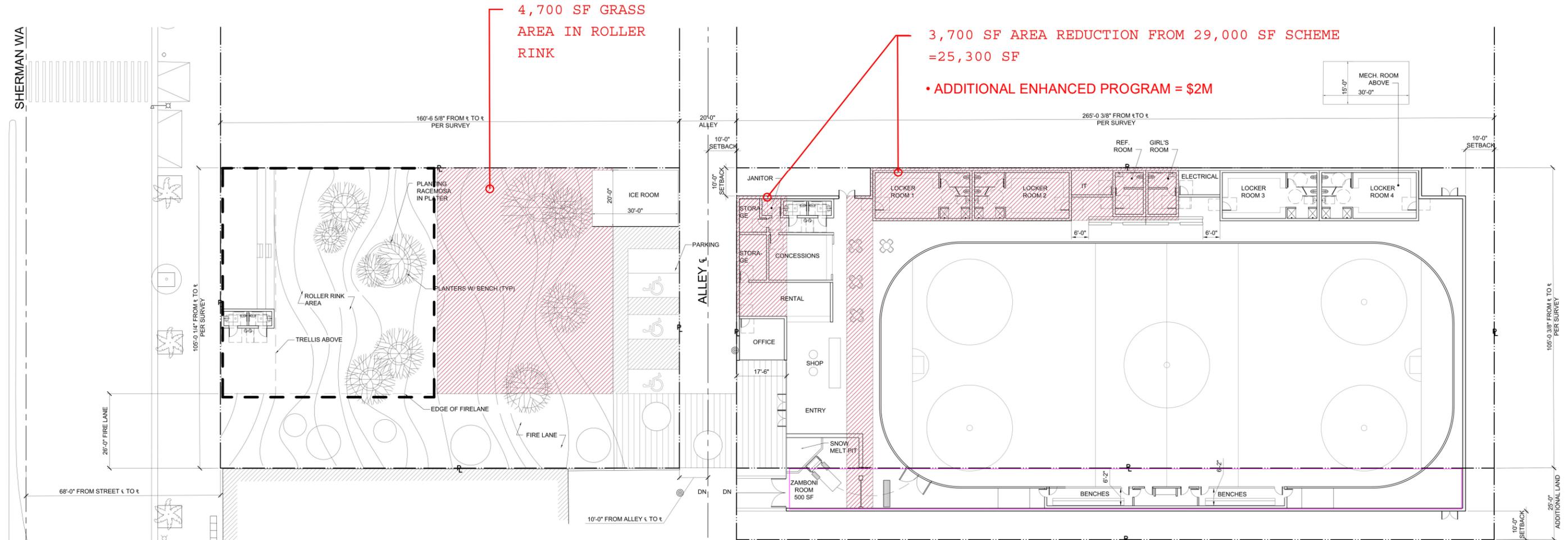
- 1) Aerial Map of Reseda Ice Skating Facility and Roller Rink
- 2) Floor Plan of Reseda Ice Skating Facility and Roller Rink



**AERIAL MAP**

**RESEDA ICE SKATING FACILITY AND ROLLER RINK**

A-01



- ROLLER SKATE AREA: 6,000 SF
- BUILDING PROGRAM: ROLLER RINK SURFACE AREA 56'x79' OVERHEAD TRELIS BLEACHER RESTROOMS

- ICE RINK BUILDING AREA: 25,300 SF
- BUILDING PROGRAM: 85'X200' ICE RINK LOCKER ROOMS RESTROOMS ZAMBONI/MACHINE/EQUIPMENT ROOMS PRO SHOP/CONCESSION

- BUILDING MATERIAL: CMU WALL UP TO 10' SPRUNG STRUCTURE ABOVE 10'



**FLOOR PLAN**

A-04

**RESEDA ICE SKATING FACILITY AND ROLLER RINK**