

APPROVED
JUN 20 2007

REPORT OF GENERAL MANAGER

NO. 07-140

DATE June 20, 2007

**BOARD OF RECREATION
and PARK COMMISSIONERS**

C.D. 9

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: 3RD AND ROSE STREET PARK - PRELIMINARY AUTHORIZATION TO ACQUIRE PROPERTY LOCATED AT 735 E. 3RD STREET

R. Adams	_____	J. Kolb	_____
J. Combs	_____	F. Mok	_____
H. Fujita	_____	K. Regan	_____
S. Huntley	_____	*M. Shull	<u><i>[Signature]</i></u>

[Signature]
General Manager

Approved *[Signature]*

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Preliminarily approve the acquisition of 0.11 acres of privately owned, vacant property located at 735 E. 3rd Street in the vicinity of the Downtown Arts District (APN 5163-008-010), for the purpose of creating a pocket park;
2. Authorize staff to work with the General Services Department to acquire the 0.11 acres of privately owned land located at 753 E. 3rd Street (APN: 5163-008-010);
3. Authorize the Department's Chief Accounting Employee to establish a new Subdivision/Quimby Fees Account 460K-TH with 3rd and Rose Street Park as the Account Name in Council District Nine;
4. Authorize the Chief Accounting Employee to transfer \$735,035.54 in Subdivision/Quimby Fees, which were collected in 2005-2006 Fiscal Year, from the Subdivision/Quimby Fees Account 460K-00 to the new 3rd and Rose Street Park Account 460K-TH;

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5. Approve the allocation of \$700,000 from 3rd and Rose Street Park Account 460K-TH for the acquisition and development of property located at 753 E. 3rd Street for the proposed pocket park; and,
6. Direct staff to return to the Board for final authorization to acquire said property upon the conclusion of negotiations with the property owner and completion of due diligence requirements.

SUMMARY:

In November 2005, the General Services Department (GSD) was instructed to survey potential sites in the Downtown Arts District that could be developed as park space. The Downtown Arts District, located in the area of Little Tokyo, is bounded by First Street to the north, the Los Angeles River to the east, Sixth Street to the south, and Alameda Street to the west. This district is rapidly developing with many housing and retail development opportunities.

Staff surveyed various governments and privately owned properties within the designated area, and, with the assistance from GSD and the Office of Councilmember Jan Perry of Council District Nine, determined that the property located at 735 E. 3rd Street was an ideal location for the development of a pocket park. The subject property, with an Assessor's Parcel No. of 5163-008-010, measures approximately 0.11 acres (see Attachment A). It is currently vacant and surrounded by several retail outlets and a housing project.

This report seeks authority for GSD and Department staff to begin discussions with the property owner and address other due diligence requirements such as requesting an appraisal and conducting an environmental phase I site assessment. Upon completion of negotiations and due diligence requirements, staff will request final Board approval for this acquisition.

Upon the approval of this report, Subdivision/Quimby Fees in the amount of \$735,035.54 collected during Fiscal Year 2005-2006 can be transferred from the Subdivision/Quimby Fees Account 460K-00 to the new 3rd and Rose Street Park Account 460K-TH. The total Subdivision/Quimby Fees allocation for the acquisition of property located at 753 E. 3rd Street for a proposed pocket park is \$700,000. The remaining funds will be used for future projects at the facility. These Subdivision/Quimby Fees were collected within one mile of the proposed 3rd and Rose Street Park Site, which is the standard distance for the allocation of Subdivision/Quimby Fees for neighborhood parks.

The Assistant General Manager of Operations East, the Superintendent of Metro Region, and the Office of Councilmember Jan Perry of Council District Nine concur with staff's recommendations.

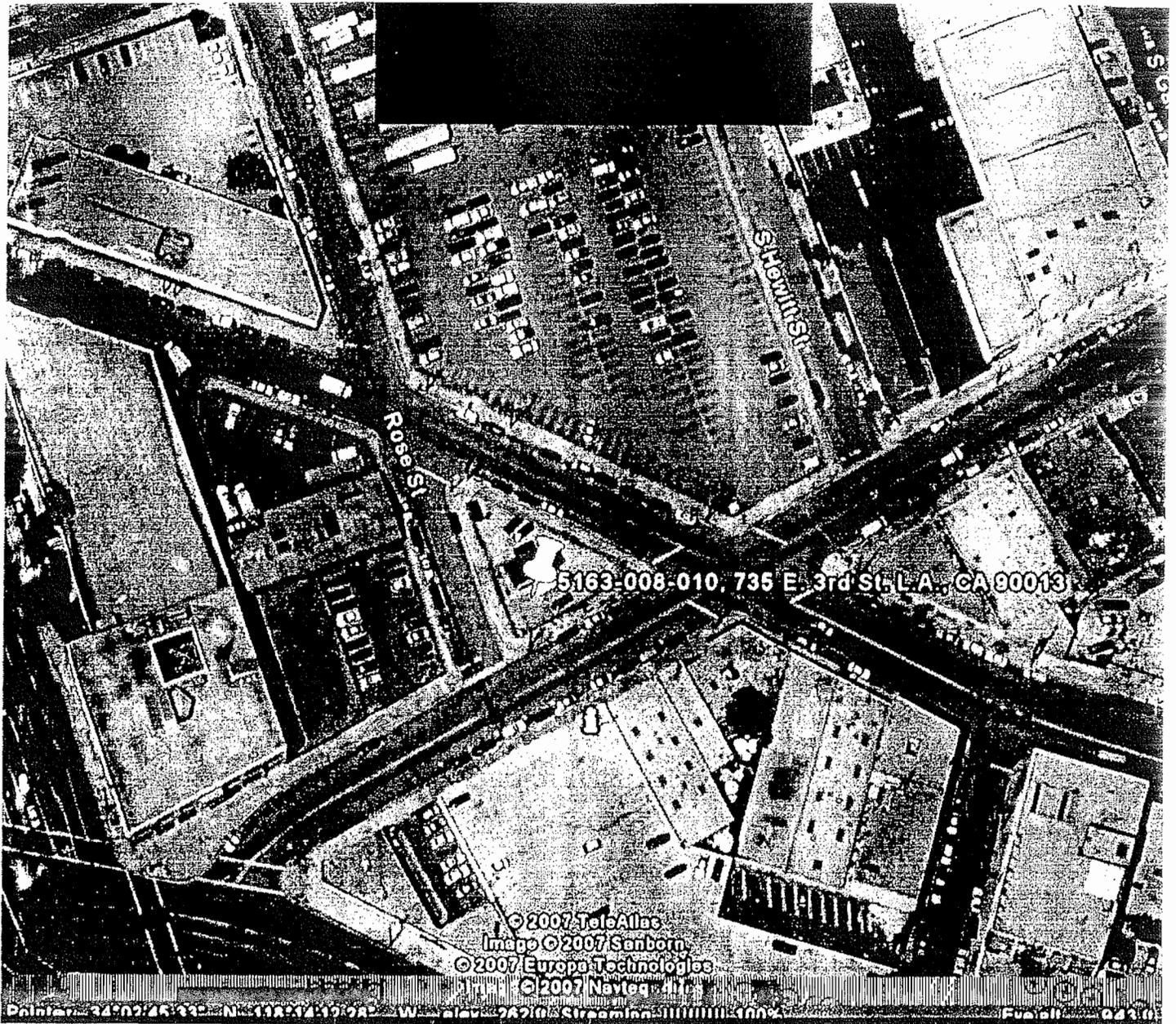
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FISCAL IMPACT STATEMENT:

Since this is only preliminary approval of the acquisition, the final purchase price, including closing costs, will depend upon the outcome of negotiations with the property owner. If the property is acquired, the Department would be responsible for ongoing maintenance costs, which are not known at this time.

Report prepared by Cid Macaraeg, Senior Management Analyst II in Real Estate and Asset Management.



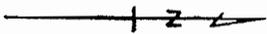
735 East 3rd Street.

Currently for Sale

CD 9

5163 8
SCALE 1" = 60'

JOHNSTON TRACT
M.R. 2-92-93



CODE
4

FOR PREV. ASSM'T. SEE: 17-11

