NO. 09-188

C.D. 7

DATE July 8, 2009

BOARD OF RECREATION

and PARK COMMISSIONERS
BOARD OF RECREATION AND PARK COMMISSIONERS

11349 EL DORADO AVENUE - PURCHASE AND SALE AGREEMENT AND SUBJECT: ALLOCATION OF FUNDS FOR PROPERTY ACQUISITION FOR A NEW **PARK**

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V. Israel	*M. Shull	Vie for	2 ~ 01) /
		U	led Warm on
			General Manager
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Approved		Disapproved	Withdrawn

RECOMMENDATION:

That the Board:

- Adopt the Resolution, on file in the Board Office, authorizing staff to request the 1. assistance of the City Attorney and the Department of General Services, per Charter Section 594 (a) and (b), in obtaining fee title to two parcels with the address of 11349 El Dorado Avenue in Pacoima:
- 2. Authorize the General Manager to execute a Purchase and Sale Agreement to acquire this property, substantially in the form on file in the Board Office, subject to the approval of the City Attorney as to form;
- 3. Authorize the Department's Chief Accounting Employee to establish a new Subdivision/Quimby Fee Account No. 460K-EO named "El Dorado Park";
- Authorize the Department's Chief Accounting Employee to transfer \$88,725 in 4. Subdivision/Quimby Fees collected in Fiscal Year 2003-04 from Account No. 460K-00 to El Dorado Park Account 460K-EO;
- 5. Authorize the Department's Chief Accounting Employee to transfer \$177,450 in Zone Change/Park Fees collected in Fiscal Year 2004-05 from Account No. 440K-00 to El Dorado Park Account 460K-EO;

PG. 2 NO. 09-188

- 6. Authorize the Department's Chief Accounting Employee to transfer \$14,574 in Subdivision/Quimby Fees collected in Fiscal Year 2005-06 from Account No. 460K-00 to El Dorado Park Account 460K-EO:
- 7. Authorize the Department's Chief Accounting Employee to transfer \$133,860 in Subdivision/Quimby Fees collected in Fiscal Year 2006-07 from Account No. 460K-00 to El Dorado Park Account 460K-EO;
- 8. Approve the allocation of \$414,609 in Subdivision/Quimby and Zone Change/Park Fees from El Dorado Park Account 460K-EO for the acquisition of property located at 11349 El Dorado Avenue and related expenses;
- 9. Authorize staff to request that the project manager from the Bureau of Engineering prepare for deposit into escrow the sum of \$483,590 in approved Proposition K funds (Year 13, Fund 43K, Account E868) and to pay the sum of \$12,410 from the same source for a combined Phase I assessment and update and also \$4,000 for a Class "A" appraisal;
- 10. Direct the Board Secretary, upon the successful close of escrow, to accept the grant deed(s) to the parcels with the land represented by Assessor Parcel Number 2616-017-026 to be set apart and dedicated as park property in perpetuity and known as "El Dorado Park"; and,
- 11. Direct staff to work with the Office of Council District Seven, the Los Angeles County Flood Control District and other entities to determine if the City should retain the adjacent land represented by Assessor Parcel Number 2616-017-027 or transfer it to the County because of its nearness to the channel of the Pacoima Wash.

SUMMARY:

The Office of Council District Seven requests that the City acquire for park development a vacant, level parcel totaling 1.21 acres and an adjacent parcel of 0.49 acre; both have the same private owners and an address of 11349 El Dorado Avenue. The larger parcel is Assessor Parcel Number 2616-017-026 while the other parcel is "-027". The Los Angeles County Flood Control District has an easement over the entire smaller parcel. The property is located north of the interchange of the Ronald Reagan (118) and the Golden State (5) Freeways, two blocks southwest of San Fernando Road and the same distance southeast of the City of San Fernando. The neighborhood has both residential and commercial development.

PG. 3 NO. __09~188

On September 24, 2008, the acquisition of the larger parcel and its future use by the public were discussed at a meeting of the Local Volunteer Neighborhood Oversight Committee. It was agreed that if the City of Los Angeles acquires the site and identifies development funds, Recreation and Parks staff will consult further with the community on design proposals. The Council Office and other attendees noted that several groups in the Pacoima area are interested in integrating any new park into a larger plan for recreational space along the Wash that will include a network of pedestrian/bike paths. Potential agency partners in this broader effort include the City of San Fernando and the Los Angeles County Department of Public Works.

The Department of General Services obtained a Class "A" appraisal of the two El Dorado parcels. The date of valuation was April 24, 2009, and the cost was \$4,000. The larger parcel was valued at \$685,000; the second parcel's valuation was \$7,508. The private owners obtained a separate appraisal, the date of valuation being June 10, 2009. That appraisal gave \$850,000 to \$925,000 as the range for the two parcels. The owners have expressed a willingness to sell both parcels to the City for \$800,000 provided that the transaction is expedited. Staff anticipate that escrow and title insurance fees will be less than \$10,000.

A Phase I assessment was completed in June 2007. The resulting report disclosed that the soil of parcel "-026" consists of four different types of fill material and recommended sampling for contamination. This was done. An updated report of May 19, 2009, found that the fill material is not hazardous; there is no environmental impediment to the City's acquiring the property. The initial report noted that the site is within a Methane Buffer Zone as identified by the Department of Building and Safety. Since no structure is planned as part of the site's recreational development, there is no foreseeable need for methane testing. The total cost of the environmental analysis was \$12,410.

In order to partly fund the acquisition, the sum of \$414,609 can be transferred to a new Subdivision/Quimby Account 460K-EO named "El Dorado Park"; the sum is currently in related accounts as follows:

- \$88,725 in Subdivision/Quimby Fees collected in Fiscal Year 2003-04 in Account No. 460K-00;
- \$177,450 in Zone Change/Park Fees collected in Fiscal Year 2004-05 in Account No. 440K-00;
- \$14,574 in Subdivision/Quimby Fees collected in Fiscal Year 2005-06 in Account No. 460K-00; and
- \$133,860 in Subdivision/Quimby Fees collected in Fiscal Year 2006-07 in Account No. 460K-00.

PG. 4 NO. <u>09-188</u>

The \$414,609 was collected within two miles of the El Dorado site, which is the standard distance for the allocation of these fees for community parks and recreational facilities. Finally, the sum of \$483,590 is available in an approved Proposition K grant (year 13, Fund 43K, Account E868).

Staff determined that the acquisition of land to preserve open space for park use is exempt from the provisions of the California Environmental Quality Act (CEQA). This determination was made pursuant to Article III, Section 1y, Class 25 (5) of the City CEQA Guidelines. A Notice of Exemption was filed with the Los Angeles City and County Clerks on July 11, 2008.

In addition to the Office of Council District Seven, the Assistant General Manager of Operations West and the Superintendent of the Valley Region concur with staff's recommendations.

FISCAL IMPACT STATEMENT:

Anticipated acquisition costs in addition to the purchase price are \$4,000 for the appraisal, \$12,410 for the Phase I assessment/update and less than \$10,000 in escrow and title insurance fees. Valley Region staff estimate that annual maintenance costs will be approximately \$16,500, with a one-time expenditure of \$2,500 for fencing and a gate.

This report was prepared by Joan Reitzel, Senior Management Analyst in Real Estate and Asset Management, Planning and Construction Division.