

REPORT OF GENERAL MANAGER

NO. 12-307

DATE November 7, 2012

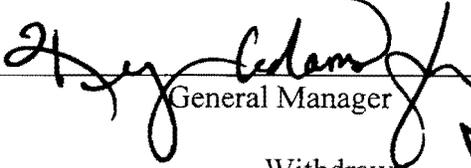
C.D. 13

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: TARGET RETAIL CENTER PROJECT – CHILDCARE FACILITY REQUIREMENTS PURSUANT TO SECTION 6.G OF THE VERMONT/WESTERN TRANSIT ORIENTED DISTRICT/SPECIFIC PLAN/STATION NEIGHBORHOOD AREA PLAN; REQUEST FOR IN-LIEU CHILD CARE FEE PAYMENT PURSUANT TO SECTION 6.G.4 OF THE VERMONT/WESTERN TRANSIT ORIENTED DISTRICT/SPECIFIC PLAN/STATION NEIGHBORHOOD AREA PLAN

R. Adams _____
H. Fujita _____
V. Israel _____

K. Regan _____
*M. Shull MS
N. Williams _____



General Manager
AUG 14 2013

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board of Recreation and Park Commissioners (Board) deny the request submitted by representatives of Target Corporation for the Board to determine and authorize a cash payment in lieu of child care space required to be developed as a condition of approval of the Target Retail Center Project (APCC-2008-2703-SPE-CUB-SPP-SPR).

SUMMARY:

The Target Retail Center Project (Project) is a new multi-tenant commercial retail building proposed to be developed on a 3.88 acre parcel located at 5520 West Sunset Boulevard, in the East Hollywood community of the City. The Project proposes the demolition of the 59,561 square feet of single-story buildings, electrical substation, and surface parking lot existing at this site for the construction of a three level retail shopping center of 194,749 gross square feet, which would consist of an approximately 163,862 square foot Target store along with 30,887 square feet of other smaller retail and food uses.

The Project is located within the Hollywood Community Plan and within Subarea C of the Vermont/Western Transit Oriented District/Specific Plan/Station Neighborhood Area Plan (SNAP).

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The Project was approved by the Central Area Planning Commission on August 14, 2012 (APCC-2008-2703-SPE-CUB-SPP-SPR). The Central Area Planning Commission's approval of the Project is currently being appealed; therefore the Project has not yet received its final approvals.

Condition No. 133 of the Project's Conditions of Approval, as approved by the Central Area Planning Commission on August 14, 2012, is as follows:

Childcare Facility Requirements. Prior to the issuance of building permits, for every 50 square feet of net, usable, non-residential floor area, the project shall provide one square foot of Childcare Facility, plus Ground Floor Play Area, pursuant to Section G of the SNAP. A 3,895 square-foot indoor Childcare Facility, plus the required amount of Ground Floor Play Area, shall be required. As an alternative, and pursuant to Section G.4 of the Specific Plan, the applicant may provide a Cash Payment in lieu of some or all of the required indoor floor area and outdoor play area. The applicant shall request the Department of Recreation and Parks (Department) to determine and authorize a cash payment in lieu of the required Child Care Facility (pursuant to Ordinance 181192). If authorized, this cash payment shall be deposited into the Vermont/Western Station Neighborhood Area Plan Child Care Trust Fund (referred to as the Child Care Fund) prior to the issuance of building permits.

On October 18, 2012 representatives of Target Corporation, the applicant for the Project sent a letter to the Board formally requesting that the Board authorize the payment of a fee in-lieu of providing the required child care facility.

Vermont/Western Transit Oriented District/Specific Plan/Station Neighborhood Area Plan (SNAP)

Vermont/Western Transit Oriented District/Specific Plan/Station Neighborhood Area Plan covers an approximately 2.2 square mile area within the Hollywood and Wilshire communities. SNAP is a part of the City's General Plan (Ordinance No. 173749). SNAP contains both land use regulations and project development guidelines and standards. In general, projects located within SNAP are required to comply with applicable provisions of SNAP, unless otherwise granted an exception from a SNAP provision by the Central Area Planning Commission.

The Department operates two parks located within SNAP boundaries: Barnsdall Park and Madison West Park. Barnsdall Park is a 14.59 acre community park, located at 4800 Hollywood Boulevard, which features the Barnsdall Art Center, Junior Arts Center, Municipal Art Gallery, Galley Theater, and the Hollyhock House. Madison West Park is a 0.52 acre neighborhood park, located at 464 North Madison Avenue, which features a children's play area, covered picnic tables, and a small open field. A map of the SNAP is attached as Exhibit A.

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SNAP Childcare Facility Requirements

SNAP Section 6.G requires all commercial and mixed-use projects located in Subareas B, C and D of the SNAP with 100,000 net square feet or more of non-residential floor area to include child care facilities to accommodate the child care needs of project employees for pre-school children, including infants.

SNAP Section 6.G.2 requires that the childcare facility be located on the ground floor of a project, unless otherwise permitted by State Law.

SNAP Section 6.G.3 permits the childcare facility to be located off-site of a project, provided that it is located within 5,280 feet of a project.

SNAP Section 6.G.7 requires project applicants to submit an annual report to the Department documenting the annual number of children served by a childcare facility required to be provided pursuant to SNAP Section 6.G. Originally, this was the Commission on Children, Youth and Their Families responsibility. However, oversight of the Vermont/Western Station Neighborhood Area Plan Child Care Trust Fund was transferred by Ordinance 181192 effective July 27, 2010 to the Department. The Ordinance states that "The Department of Recreation and Parks (Department) with the concurrence of the President of the City Council shall administer, have overall management of and expend funds from the Child Care Fund in accordance with the provisions of this Chapter. The Department with the concurrence of the President of the City Council shall also administer the Fund in accordance with established City practice and in conformity with Government Code Section 66000, *et seq.*" The Department is responsible for monitoring a project's compliance with SNAP Section 6.G and the Department of Building and Safety is responsible for enforcing a project's compliance with its requirements.

Cash Payment In-Lieu of Childcare Facility

SNAP Section 6.G.4 allows project applicants to request that the Board authorize a cash payment in-lieu of some or all of the indoor childcare facility and outdoor play area space required to be provided pursuant to SNAP Section 6.G. The Board may but is not required to approve such a request. Approval is discretionary.

Pursuant to Los Angeles Administrative Code Section 5.530, any in-lieu fees collected pursuant to SNAP Section 6.G.4 shall be deposited into Vermont/Western Station Neighborhood Area Plan Child Care Trust Fund (Child Care Fund). Fees deposited into the Trust Fund are to be administered and managed by the Department, with the concurrence of the President of the City Council. These funds can only be expended for the purpose of (1) acquiring facilities, developing, improving, and operating child care programs physically located within the

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boundaries of the SNAP, and (2) providing financial assistance with child care payments to qualified parents in the area, as determined by the Department.

Calculation of the In-Lieu Fee

Currently there is no adopted fee schedule for the collection of in-lieu fees to be paid pursuant to SNAP Section 6.G.4.

SNAP does not include a fee schedule for these in-lieu fees, nor does it provide a clear basis for the level of in-lieu fees to charge projects subject to SNAP Section 6.G. Furthermore, no project to date has been subject to the requirements of SNAP Section 6.G, so there is no example project to use as guidance for determining an in-lieu fee.

Therefore, in order for the Board to authorize a cash payment in-lieu of some or all of the indoor childcare facility and outdoor play area space required to be provided pursuant to SNAP Section 6.G, the Board would need to determine and adopt an in-lieu fee schedule. In order to do so, the Board would need to demonstrate that the proposed in-lieu fees are roughly proportional to the level of impact created by the project and would need to make written findings demonstrating both an essential nexus between the project at issue and the impact on the need for child care facilities.

Staff Recommendation

Staff recommends that the Board deny the request submitted by representatives of the Project for the Board to determine and authorize a cash payment in lieu of the child care space required to be developed as a condition of approval of the Project.

At this time, staff does not have the resources or ability to calculate and recommend an appropriate, and defensible, in-lieu fee for the provision of child care facilities and programs. Additionally, even if an appropriate in-lieu fee could be determined and collected, the Department lacks the ability to expend those funds, as it currently does not operate nor have future plans to operate, child care programs and facilities at the two park sites located within the boundaries of SNAP or childcare payment assistance programs for area parents.

As discussed above, the purpose of SNAP Section 6.G is to ensure that large commercial and mixed-use projects located in specific areas of SNAP provide child care facilities to accommodate the child care needs of project employees for pre-school children, including infants. As the Department currently does not operate nor have future plans to operate child care programs and facilities within the boundaries of the SNAP, the payment of an in-lieu fee to the Department would not be the optimal method to facilitate the achievement of the purpose of SNAP Section 6.G.

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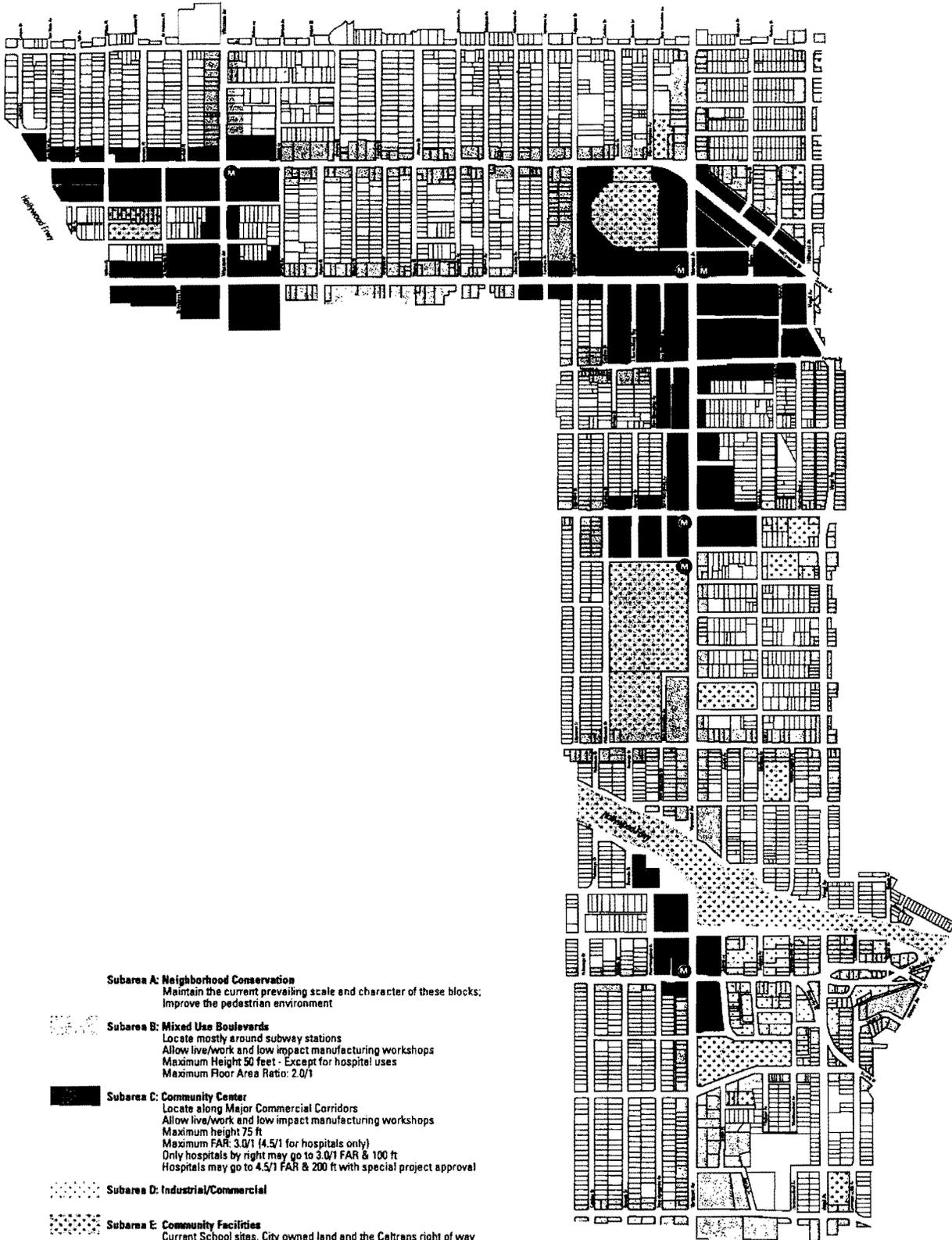
It is important to note that the Board's denial of this request would not relieve or eliminate the Project's requirement to provide a 3,895 square-foot indoor child care facility, plus any required amount of ground floor play area, either on or within 5,280 feet of the Project site.

Staff has determined the request for payment of in-lieu childcare fees will not be approved for the reasons set forth above, and therefore, is exempt from the California Environmental Quality Act (CEQA) in accordance with Article II, Section 2(j) of the City CEQA Guidelines.

FISCAL IMPACT STATEMENT:

Adoption of this report will have no fiscal impact on the Department's General Fund.

This report was prepared by Darryl Ford, Management Analyst II, Planning, Construction, and Maintenance Branch.



- Subarea A: Neighborhood Conservation**
Maintain the current prevailing scale and character of these blocks;
Improve the pedestrian environment
- Subarea B: Mixed Use Boulevards**
Locate mostly around subway stations
Allow live/work and low impact manufacturing workshops
Maximum Height 50 feet - Except for hospital uses
Maximum Floor Area Ratio: 2.0/1
- Subarea C: Community Center**
Locate along Major Commercial Corridors
Allow live/work and low impact manufacturing workshops
Maximum height 75 ft
Maximum FAR: 3.0/1 (4.5/1 for hospitals only)
Only hospitals by right may go to 3.0/1 FAR & 100 ft
Hospitals may go to 4.5/1 FAR & 200 ft with special project approval
- Subarea D: Industrial/Commercial**
- Subarea E: Community Facilities**
Current School sites, City owned land and the Caltrans right of way
- (M) Subway Portal**

Map I

Vermont/Western Transit Oriented District Specific Plan (Station Neighborhood Area Plan)

CPC 00-1976

Los Angeles Department of City Planning • Citywide Division • Graphics Section • as adopted by the City Council January 23, 2001

