

APPROVED
JUN 27 2013

REPORT OF GENERAL MANAGER

NO. 13-175

DATE June 27, 2013

BOARD OF RECREATION
AND PARK COMMISSIONERS

C.D. 14

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: SPRING STREET PARK – AGREEMENT WITH COMMUNITY PARTNERS
FOR FRIENDS OF SPRING STREET PARK FOR THE OPERATION AND
MAINTENANCE OF THE PARK

R. Adams	_____	K. Regan	_____
H. Fujita	_____	M. Shull	_____
*V. Israel	<u>Raf</u>	N. Williams	_____

[Signature]
General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATIONS:

That the Board:

1. Approve the proposed three-year Agreement (“Agreement”), substantially in the form on file in the Board Office, between the City of Los Angeles (“City”) Department of Recreation and Parks (“RAP”) and Community Partners, a California 501(c) (3) non-profit corporation acting on behalf of and for the benefit of the Friends of Spring Street Park (“FOSSP”), a local downtown Los Angeles community group, for the operation and maintenance of the Spring Street Park, subject to the approval of the Mayor and of the City Attorney as to form;
2. Find that pursuant to Charter Section 371(e)(2), obtaining competitive bids for the work to be performed pursuant to the proposed Agreement, is not practicable or advantageous because the professional, expert, technical or other special services to be provided are of a temporary and occasional character;
3. Find that pursuant to Charter Section 371(e)(10), subject to the requirements of Section 1022, the use of competitive bidding would be undesirable, impractical or impossible, or where the competitive bidding requirements are otherwise excused by the common law and it is in the City’s best interest to enter into the proposed Agreement to provide operational and maintenance services which will enhance the recreational experience for the public in a park that would otherwise be a passive park;

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4. Find that pursuant to Charter Section 372, obtaining competitive proposals or bids for the work to be performed pursuant to this Agreement is not reasonably practicable or compatible with the City's interest because without the proposed Agreement RAP would not be able to provide both operational and maintenance services for the park due to a lack of required resources;
5. Find, that in accordance with Charter Section 1022, that it is more economical or feasible to secure these services by Community Partners and FOSSP (collectively referred to in the Agreement as "Organization") than by CITY employees due to RAP's reduced budget and staffing shortages;
6. Direct the Board Secretary to transmit the proposed Agreement to the Mayor in accordance with Executive Directive No. 3, and concurrently to the City Attorney for review as to form; and,
7. Authorize the Board President and Secretary to execute the Agreement upon receipt of the necessary approvals.

SUMMARY:

Spring Street Park is located at 426 S. Spring Street in the Historic Old Bank District of downtown Los Angeles. The 0.71 acre site, previously a parking lot, was acquired on June 2, 2009, at the price of \$5.6 million dollars, for the development of a new park for the use and enjoyment of residents and visitors of the surrounding community. The Downtown area lacks much needed urban open space and the nearest park to the area is 0.5 miles away. There are thousands of downtown residents, in addition to visitors and those who work in the area. The new Spring Street Park on 4th and Spring Street not only improves the visual aesthetic of downtown but provides a welcoming green space oasis to visitors, workers, and residents.

On February 17, 2010, the Board approved the allocation of \$3,342,799.00 in Quimby Funds for the acquisition and park development project at Spring Street Park (Board Report No. 10-035). The park is scheduled to open in June of 2013.

Due to the City's budget crisis, in some cases there is inadequate funding to maintain new parks. Therefore, on the City's behalf, Community Partners has proposed to operate and maintain the Spring Street Park through its contractual relationship with the FOSSP community group. Community Partners, a registered public charity and California non-profit corporation has proposed to act as the fiscal sponsor for FOSSP who will operate and maintain the Spring Street Park after the construction is complete and the Park is opened to the public, at no cost to the City, over the term of the proposed three (3) year Agreement. Funds, grants, and donations for the maintenance of the Park are to be generated by FOSSP in sufficient amounts to operate and maintain Spring Street Park for the entire term of the agreement. These funds are anticipated to be received from potential corporate sponsors, residents and businesses, and other community

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associations in the surrounding community who are likely to use the park. Under this proposed Agreement, any third party sponsorship arrangement that FOSSP may wish to negotiate, along with any related sponsorship recognition, including signage, will be subject to prior review and approval by the Board and/or the General Manager or his/her designee, and may require a separate written agreement to be submitted for Board approval.

The Agreement requires FOSSP to maintain the park to the custodial and maintenance standards of RAP, which are set out in detail in Exhibits B and C to the Agreement. This will include maintenance of the fountain in the Park. FOSSP will maintain appropriate levels of insurance as determined by the City's Risk Manager, and will indemnify RAP. The Agreement includes all standard City contract language, including ordinance mandated requirements. Although FOSSP will be allowed, under the Agreement, to conduct some events and fundraising at the Spring Street Park, the activity is subject to RAP notice and review and does not grant control over daily Park patronage or constrain regular public use. Consequently due to RAP not having sufficient financial resources or personnel available in its employment to continuously undertake the specialized tasks to be provided by Community Partners and/or FOSSP, it has been determined that it would be more economical or feasible to secure such services from an outside source than to utilize services provided by another City Department, as there would be significant monetary costs to the City.

The Board's approval of this proposed Agreement will authorize FOSSP to operate and maintain the Spring Street Park upon completion of the park's development and FOSSP's acceptance of such responsibilities, at no cost to the City. Under normal circumstances, RAP's contracting of operational or maintenance services to be provided by an outside source, which would normally be performed by RAP or other City employees, would require a Charter Section 1022 determination by the City Administrative Officer (CAO). However, pursuant to staff's discussion(s) with CAO and City Personnel Department staff, it was determined that a 1022 determination is not required, as no monetary compensation shall be paid by the City to Community Partners or FOSSP for the services they will provide under the proposed Agreement.¹

ENVIRONMENTAL IMPACT STATEMENT:

Staff has determined that the proposed Operations and Maintenance Agreement for the Spring Street Park will grant a non-profit group use of an existing park facility involving negligible or no expansion of use, and therefore, is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1(a) Class 1(14) of the City CEQA Guidelines.

¹Competitive bidding is mandated by the City's Administrative Code unless one of the enumerated exceptions applies. Consequently, in an abundance of caution, it is recommended that the Board make the 1022 finding as an exception to the competitive bidding requirement for service contracts.

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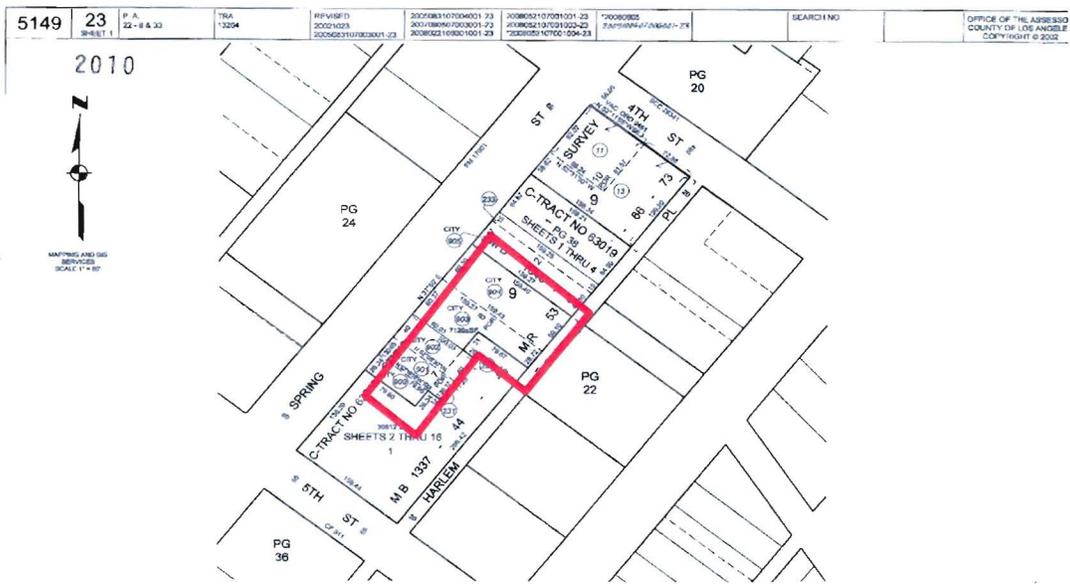
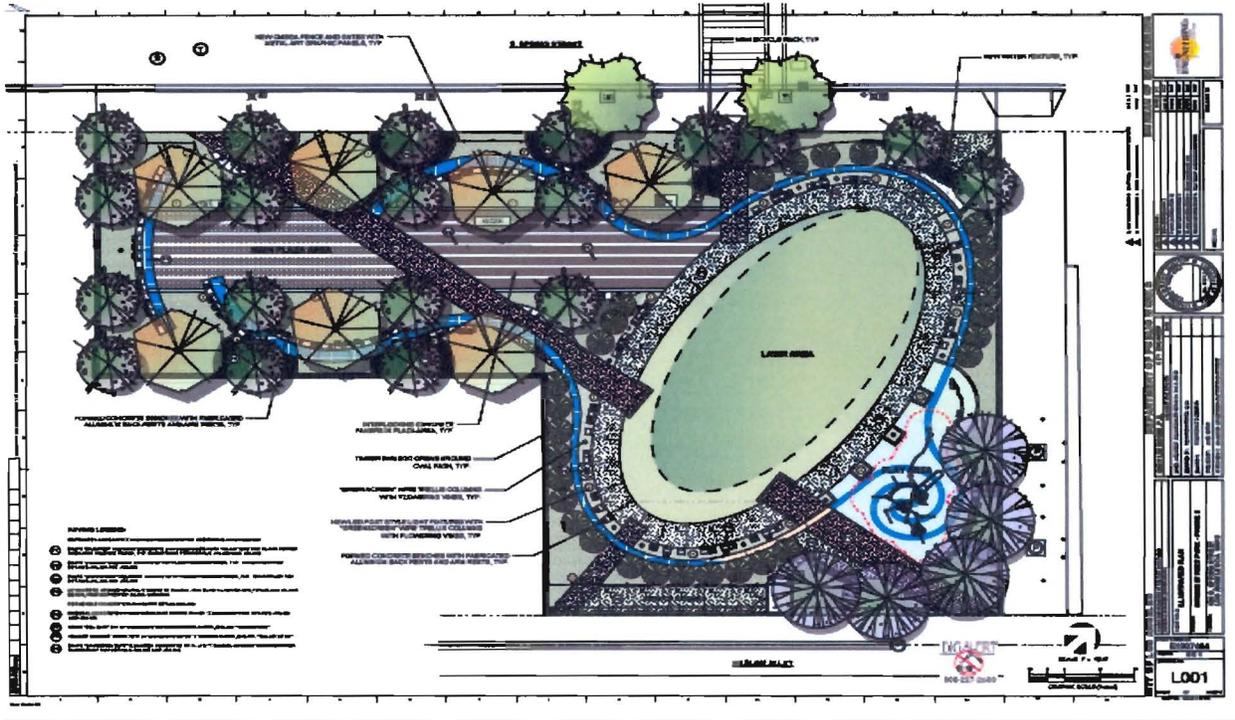
The Superintendent of the Metro Region and staff of the Office of Councilmember Huizar (Council District 14) are aware of the Agreement, support the Agreement, and concur with staff's recommendations.

FISCAL IMPACT STATEMENT:

The Board's approval of the proposed project will not have any fiscal impact on RAP's General Fund, as all costs associated with the operation and maintenance of the park shall be paid and conducted by FOSSP through Community Partners during the term of the Agreement.

This report was prepared by Joel Alvarez, Sr. Management Analyst and Chinyere Stoneham, Sr. Recreation Director, Partnership Division.

EXHIBIT-A
Site Map: Property Design Rendering and Parcel Map



PROPERTY DESCRIPTION

Spring Street Park 426 South Spring Street, Los Angeles, CA 90015

APN: 5149-023-900, 901, 902, 903, 904, and 905

PROPERTY boundary lines are illustrated above in red, and by this reference shall be incorporated into this AGREEMENT as though fully set forth.