

PARK COMMENCE

REPORT OF GENERAL MANAGER

NO.	14	-2	18	;
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C.D. <u>15</u>

DATE August 13, 2014

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: 50 PARKS INITIATIVE – WATTS CULTURAL CRESCENT (WATTS TOWERS CULTURAL CRESCENT) – ACCEPTANCE OF REAL PROPERTY PARCEL WITH ASSESSOR'S PARCEL NUMBER 6065-033-900 FOR PARK PURPOSES

R. Adams Finn *R. Barajas H. Fujita	(GD	V. Israel K. Regan N. Williams			
Approved			Disapproved _	7 gener	tal Manager Withdrawn

# **RECOMMENDATIONS:**

That the Board:

- 1. Adopt the Resolution, on file in the Board Office, authorizing the acceptance of the transfer of approximately 2.96 acres or 128,797 square feet of property located at 1780 East Santa Ana Boulevard, Watts, California 90002, Los Angeles County Assessor's Parcel Number (APN) 6065-033-900 (Exhibit "A"), between Graham Avenue and Wilmington Avenue (Parcel), from the Community Redevelopment Agency of Los Angeles (CRA/LA);
- 2. Authorize the Board Secretary to accept the transfer via Grant Deed, on file in the Board Office, representing the transfer of ownership of the Parcel, subject to the review and approval of the City Attorney;
- 3. Set apart the Parcel and dedicate it as park property in perpetuity;
- 4. Find that the project is exempt from the provisions of the California Environmental Quality Act;
- 5. Direct staff to file a Notice of Exemption with the Los Angeles County Clerk; and,

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6. Request and/or authorize that the Department of General Services (GSD) assist in processing the transfer of property from the CRA/LA to the Department of Recreation and Parks, as requested by City Council.

## SUMMARY:

The Department of Recreation and Parks (RAP) and its Real Estate staff continue to work in achieving the goal of the 50 Parks Initiative, which its stated goal is to bring parks to those areas throughout the City of Los Angeles that need parks the most. The 50 Parks Initiative program is substantially increasing the number of parks and facilities available across the City of Los Angeles, with a specific focus on densely populated neighborhoods and communities that lack sufficient open space and recreational services. The new parks will provide social, health, economic and environmental benefits to communities that suffer from blight and other social and economic ills.

On March 22, 2011, the Los Angeles City Council (Council), under Council File No. 11-0086-S1 and Amending Motion 22A, adopted the recommendations of the Community Redevelopment Agency (CRA/LA) and accepted the conveyance of real property from the CRA/LA to the City of Los Angeles (City). Said motion(s) authorized GSD and other City departments to negotiate and execute documents necessary to complete the transfer of CRA/LA interests to the City. The Mayor approved the Council action on March 24, 2011. On June 9, 2011, the CRA/LA conveyed the property by Grant Deed to the City. The Grant Deed was recorded on June 10, 2011. Thereafter, on June 17, 2011, Council accepted the Grant Deed conveying the property from the CRA/LA to the City.

On June 17, 2011, Council by Motion also authorized and instructed GSD to effectuate a transfer of jurisdiction of the unimproved parcel of real property located at 1780 East Santa Ana Boulevard, Watts, California 90002 in the Watts Corridor of the South Los Angeles region, parcel known as the Watts Cultural Crescent property, to RAP as a dedicated park property, to be utilized as open space and for the purpose of creating a skate park.

On July 13, 2011, the Board of Recreation and Park Commissioners (Board) approved the transfer of jurisdiction of the parcel known as Watts Cultural Crescent, also identified as APN 6065-033-900 from GSD (Board Report No. 11-135). On September 26, 2011, GSD on behalf of the City recorded the Transfer of Jurisdiction and Control document with the Los Angeles County Assessor's Office, officially transferring the jurisdiction and control of the parcel identified by APN 6065-033-900 from GSD to RAP.

On June 28, 2011, Governor Jerry Brown signed into law two bills that amended California Community Redevelopment Law in order to address the state's ongoing budget deficit. Assembly Bill (AB)X1 26 dissolved all California Redevelopment Agencies (RDA) effective

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October 1, 2011. As a result of the California Supreme Court upholding the constitutionality of ABX1 26, which called for the dissolution of the RDA, approximately 400 RDA were dissolved on February 1, 2012, with the assets and liabilities transferred to Successor Agencies and Successor Housing Agencies.

In accordance with ABX1 26, the State Controller (State) audited all asset transfers (including property transfers) made by the former redevelopment agencies to Cities and other public agencies during the period from January 2011 through January 2012. In April 2012, the State ordered all cities and other public agencies to reverse asset transfers from the former redevelopment agencies unless the City or public agency had committed to a third party for an expenditure or encumbrance of a specific asset prior to June 28, 2011.

On August 31, 2012 (Council File No. 11-0086-S5), Council approved the return of 70 parcels to the CRA/LA, a Designated Local Authority (DLA) which is the successor agency to the CRA/LA. Council withheld the transfer of 28 properties pending further discussions within the City's CRA/LA working group and legal review. The 28 properties withheld were properties that the City felt needed to be retained within the City's control. These included Watts Crescent Park and Wilton Place Park, currently known as Country Club Park.

As a result of this action, all former CRA/LA properties that had been transferred to City had to be returned to the State or successor entity. The Watts Cultural Crescent was one of these sites. On November 21, 2012, the Board through Board Report No. 12-318 rescinded the previous Board action of July 13, 2011, clearing the way for the parcels to be returned to the CRA/LA. On December 6, 2012, the City quit claimed to the CRA/LA parcel identified by APN 6065-033-900 – the Watts Cultural Crescent site.

The legislation that dissolved the Community Redevelopment Agency of the City of Los Angeles established CRA/LA as the Successor Entity charged with disposition of all real property assets of the former redevelopment agency in accordance with a Long Range Property Management Plan (LRPMP). The CRA/LA Governing and Oversight Boards approved the LRPMP in November 2013 and submitted it to the State Department of Finance (DOF) for approval said plan of disposition of real property. DOF has issued approval of disposition for a subset of CRA/LA Properties identified as - 2- Government Use properties.

On December 18, 2013, Council acted on the recommendations of the Innovation Technology and General Services Committee Report on the transfer of the CRA/LA properties to the City under Council File No. 13-1482.

On February 27, 2014, DOF approved the transfer from CRA/LA to the City of 31 real property interests, including 7 public parks, 14 public rights of way and parcel remnants, 2 government facilities, and 8 access and use easements. In addition, the transfer of 4 real property interests

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representing 5,610,084 square feet of transferrable development rights may become available for transfer to the City upon DOF approval. All received properties will be encumbered with restrictions that require that the properties continue to be used for government purposes in perpetuity, and will be conveyed by grant deed, quitclaim, or easement transfer (Transfer Documents) at no cost to the City. This Report provides recommendations to allow the City and RAP to assume ownership of real property known as the Watts Towers Cultural Crescent as one of the site interests for Government Use from CRA/LA. There will be no acquisition cost associated with the acceptance of the CRA/LA properties. Deferred maintenance costs and necessary repairs on all the proposed property transfers have been estimated at \$784,503.00. Annual operating and maintenance costs associated with the properties are estimated at \$216,050.00 as anticipated in current and planned departmental budgets.

On May 6, 2014, the City Council adopted the action(s) under Council File No. 13-1482, relative to the transfer of properties from CRA/LA to City Departments as described in the City Administrative Officer (CAO) and Chief Legislative Analyst's (CLA) joint report dated April 4, 2014 under Council File No. 13-1482. Of concern to RAP are specific recommendations No. 1, 2, 3, 5, 6, 7, and 9, requesting that the Board of Recreation and Park Commissioners consider and approve the acquisition of the seven park properties as described in Attachment "A" of the City Administrative Officer (CAO) and Chief Legislative Analyst's (CLA) joint report dated April 4, 2014 described in Council File No. 13-1482. The seven (7) parks that City Council requests the Board to consider are listed below:

- 1- Watts Towers Cultural Crescent 1780 East Santa Ana, APN: 6065-033-900
- 2- Country Club Park 1015 South Wilton Place, APN: 5081-024-902
- 3- San Julian Park 312 East 5th Street, APNs: 5148-014-904, 905, 906
- 4- Pico/Union Community Garden 1554 West 11th Place, APN: 5137-025-901 to -904
- 5- Challengers Track and Field Easement 1046-1056 West 50th Street and 1047-1057 West 51st Street
- 6- Western/Gage Park Project 6300 South Western Avenue, APN: 6002-030-906; APN: 5017-026-062
- 7- Grand Hope Park 900 South Hope Street, APN: 5139-007-947, -924

The Watts Towers Cultural Crescent, which this Report addresses specifically, is the first of those parcels that has been cleared as having no title issues. As intended and recommended by City Council, RAP staff requests that the Board consider the acceptance of the non-financial transfer/acquisition of the parcel known as the Watts Towers Cultural Crescent site formerly known as the Watts Cultural Crescent site. This will help the City to accomplish the goals of various redevelopment projects and to serve the public interest by the elimination of blight and the furtherance of economic development and the creation of new parks as proposed by the 50 Parks Initiative. The surrounding community is an area that is park deficient and would tremendously benefit from the additional open space park area. There will be no cost passed on

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to RAP for the acquisition/transfer of this site. One of the potential uses of the site is to acquire the site and develop a portion into a Skate Park. RAP has been working on developing a portion of the site into a Skate Park which would add much needed recreational activities to an area of the City that is lacking in active recreation and park space. As of the writing of this Report, there is no available information on the project development costs or final design.

On May 20, 2011, the Board through Board Report No. 11-136 granted conceptual approval of the Skate Park project. The proposed Skate Park Plaza as described in said report called for a 6-stair skate element with ledges, blocks, rails that would also feature benches that can be skated on. As part of the design, a center metal trellis structure would be built to tie into the design motive created by the Watts Towers. The Skate Park Plaza would have colored concrete patterns with complementary swirls that will be designed to complement the Watts Towers. To make the Skate Park Plaza aesthetically pleasing to every park user, the Skate Park Plaza will feature sustainable landscaping which will consist of low-maintenance California native grasses that will be watered with a Smart Irrigation system. The final plan design will be presented to the Board at a later date for final approval.

The re-dedication/addition of this open space parcel to RAP will allow for an increase in recreational activities in the area and completion of the proposed generous donation from the Tony Hawk Foundation and the Annenberg Foundation of the Skate Park Plaza development. The Council District 15 has expressed its strong support for this new park dedication.

A Phase I Environmental Site Assessment was prepared for the parcel proposed to be dedicated for park purposes in accordance with the standards for All Appropriate Inquiries. In addition, a limited number of soil samples were analyzed for potential contamination. The report concluded that there were no recognized environmental conditions or historically recognized environmental conditions on or near the parcel, and therefore, no further environmental studies were recommended. Since the parcel dedication involves the transfer of ownership of interests in land to preserve open space, this action is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article III, Section 1, Class 25 of the City CEQA Guidelines. A separate CEQA determination will be made for the future development of the site when a plan is brought forward for Board approval.

This project has the support from Council District 15. In addition, the Superintendent for the Pacific Region has been consulted and concur with staff's recommendations.

## FISCAL IMPACT STATEMENT:

The proposed dedication will require an increase in maintenance cost demands and will require a budget increase. All cost for the acquisition and transfer of this parcel will be incurred by the CRA/LA and GSD and has no impact on RAP's General Fund. There will be no cost to RAP for

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the acquisition and/or transfer of this parcel. Approximately \$38,000.00 a year will be requested to maintain this facility. This amount will cover the cost for staffing, materials and supplies. This will also provide at least four (4) hours of maintenance per day, seven (7) days a week, year round. If the funding is not granted, this facility will be included in the existing Pacific Region routes resulting in reduction of core functions on existing routes.

This Report was prepared by John Barraza, Management Analyst II of Real Estate and Asset Management Unit, Planning, Construction and Maintenance.

