

# APPROVED

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## BOARD OF RECREATION AND PARK COMMISSIONERS

BOARD REPORT

NO. 17-034

DATE February 15, 2017

C.D. 1

### BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: ACCEPTANCE OF FLAT TOP PROPERTY DONATION: FINAL AUTHORIZATION TO ACQUIRE PROPERTY FOR PARK PURPOSES; AND CATEGORICAL EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT PURSUANT ARTICLE 19, SECTION 15325 (f) (ACQUISITION TO PRESERVE OPEN SPACE OR LANDS FOR PARK PURPOSES) OF CALIFORNIA CEQA GUIDELINES

AP Diaz	_____	V. Israel	_____
<i>for</i> *R. Barajas	<u>GSD</u>	N. Williams	_____
H. Fujita	_____		

  
 \_\_\_\_\_  
 General Manager

Approved ✓ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

### RECOMMENDATIONS

1. Adopt the Resolution, herein included as Attachment 1, authorizing Department of Recreation and Parks (RAP) staff to request the assistance of the Department of General Services (GSD) and other City entities, per Charter Section 594(a) and (b), in accepting and obtaining fee title to approximately 36.37 acres, or 1,583,569 square feet, of hill top open space property, located in the Montecito Heights area of North East Los Angeles for the preservation of open space and the development of a passive use park, identified as Flat Top Park;
2. Authorize the Department's Chief Accounting Employee to use RAP's Real Estate Leasing Account or an undetermined RAP funding account to pay for closing and title cost related to the acquisition; and, to establish the necessary funding accounts to maintain the park site, and to accept and/or authorize transfer of the necessary monies to fund the maintenance of said park to the appropriate City Department accounts for the Flat Top Park Acquisition and to make technical corrections as necessary to acquire and maintain the park property;
3. Approve the use of an undetermined RAP account to be named "Flat Top Park " for the Maintenance Costs of the Flat Top property or other related costs as recommended by City Council Office District 1 upon approval of City Council Motion transferring funds for the Maintenance of Flat Top;
4. Upon the approval of City Council actions approving the transfer of \$225,000 to RAP for maintenance of said Park, Staff recommends that the Board authorize staff to

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coordinate acquisition activities with the Department of General Services, and any other Department needed to obtain the necessary funding approvals to expedite the purchase of said property as recommend by Council action and approval by the Board; and,

5. Grant final approval to accept the Donation of the property upon the completion of the following acquisition due diligence, and contingent on the following conditions at no cost to RAP:
  - A. Appropriate California Environmental Quality Act (CEQA) documentation will have been completed;
  - B. All environmental assessments, Phase I, and Phase II if needed, will have been completed and satisfied prior to close of escrow;
  - C. The Department of General Services have negotiated a purchase price that is consistent with their professional opinion of market value; and,
  - D. Clearance/resolution of all encumbrances and any Title issues prior to closing of escrow; and,
6. In order to expedite the acquisition of the proposed acquisition project, authorize the Board President and Board Secretary to execute the Donation Agreement (Agreement) upon receipt of the necessary approvals, request and grant authority to GSD and City Attorney's Office to review, negotiate, draft and finalize and execute forthwith an Agreement on behalf of the Board, if necessary, pending final review and approval by GSD Asset Management Division and, subject to the approval of the City Attorney as to form and legality, and upon completion and approval of all conditions indicated in this Report;
7. Authorize the Board Secretary to execute the escrow instructions and to accept the grant deed for the subject property, as approved by the City Attorney, which shall be set apart and dedicated as park property in perpetuity;
8. Find that the project is categorically exempt from the provisions of the California Environmental Quality Act; and,
9. Authorize RAP's Chief Accounting Employees to make technical changes as necessary to carry out the intent of this Report, establish the necessary accounts to acquire the project site, and to accept and transfer the necessary monies to fund the acquisition and/or maintenance to the appropriate City Department accounts or escrow company account in order to expeditiously complete the acquisition and maintenance of the parcel identified as Flat Top Park.

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### SUMMARY

On August 13, 2014, through Report No. 14-220 (Attachment 2), the Board granted preliminary approval to proceed with the acquisition of the Flat Top Property for park and open space purposes.

With the support from Councilmember Gilbert Cedillo, First Council District, RAP staff is recommending the acquisition/acceptance of the donation of the parcel identified as Flat Top located in the North East Los Angeles Community Plan Area. The parcel measures approximately 36.37 acres of hill top open space property or 1,583,569 square feet. The property consists of various hillside lots. The property is located in the Montecito Heights area of North East Los Angeles near Montecito Drive, Thomas Street, and Fenn Street. Councilmember Cedillo and RAP are interested in acquiring the property for the open space and or park development in order to expand the recreational activities, such as hiking trails in the area and for the preservation of open space. The proposed acquisition will provide more recreational open space for the surrounding community and City of Los Angeles at large. RAP staff believes that the acquisition would also protect the existing landscape, preserving the open space and the historic surrounding area of the site of the Church of the Foursquare Gospel, which transmitted its signal from that location, as well as protect the public's enjoyment of the unobstructed views that are present from Flat Top Hill. CD 1 would like to see the acquisition proceed so that the area continues to be preserved and protected as open space while expanding the protected hill areas and open space area that will help preserve and protect the unique range of hills and topography of North East Hills.

The parcel identified as Flat Top Park, and identified in Exhibit A for information only, is located in the Community Plan Area of North East Los Angeles. The parcel measures approximately 36.37 acres of hill top open space property or 1,583,569 square feet. It is situated adjacent to Historic telecommunications facilities and towers. The property is a rugged and steeply-sloped parcels, residentially-zoned ([Q]RE20-1D). The GSD Asset Management Division will provide a Class "A" appraisal or formal appraisal of estimate of value for the property for title insurance purposes. Funds will be made available for the maintenance of the site by CD 1 for 2½ years in the amount of Two Hundred Twenty-Five Thousand Dollars (\$225,000.00). Said Funds will be transferred to RAP by Council Motion at a later time, to be deposited into a RAP fund and account entitled Flat Top Park.

### Property Value and Acquisition Details

To determine the fair market value for the aforementioned property identified as Flat Top Park, GSD will use a Formal Appraisal prepared by an independent appraiser. As of the drafting of this Report, the Appraisal is being prepared. The estimated value of the appraisal will help determine title insurance value to protect the City of Los Angeles. Once GSD concurs with appraiser's valuation methodology, it will be used to arrive at the value for the subject property. GSD is aware that this is a donation to RAP for park purposes and, at no cost to RAP or the City, will be approved by GSD for acquisition upon completion of all due diligence and that is consistent with their professional expertise.

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The current owner of the Flat Top property has agreed to donate the property to RAP. The owners of the aforementioned property and GSD Asset Management Division have agreed to a final purchase price of Zero Dollars (\$0.00). It is estimated that an additional Six Thousand Dollars (\$6,000.00) is required for payment of closing fees, bringing the total property acquisition cost to Six Thousand Dollars (\$6,000.00). Escrow costs and related pre-acquisition costs will be funded by Council District 1 funds or RAP Real Estate funds. Funds for the acquisition and/or Maintenance of the subject property are to be made available from RAP's Fund "Flat Top Park". CD 1 has agreed to commit maintenance funds for the maintenance of the site for 2½ years at an amount of Two Hundred Twenty-Five Dollars (\$225,000.00). At this time, a development plan for the community is not available. It is not expected at this time that the parcel will be developed, but instead will be left as open space to preserve its aesthetic qualities and beauty that CD 1 and the surrounding community want to preserve. There is no additional information on any future development plans or costs. This Report only addresses the acquisition of the property identified as Flat Top Park.

### Funding Sources

CD 1 has indicated that sufficient funding is available for the acquisition of parcel identified as Flat Top Park, and has been reassured by the owner that any unpaid liens, title issues or fees, or pending obligations will be resolved before the acquisition can be completed. Estimated costs for the donation are approximately Six Thousand Dollars (\$6,000.00). City staff is unable to determine an accurate complete total, which would include closing costs, as this information has not been made available to date. City staff does however estimate that up to an additional Six Thousand Dollars (\$6,000.00) in closing costs fees will be needed to complete the acquisition. GSD and RAP will verify correct costs prior to closing of escrow. Recreation and Parks Fund "Flat Top Park" is expected to be used to pay for all acquisition related costs such as appraisals, environmental site assessments costs, escrow closing costs, and site preparation.

### Pending Issues

Before the acceptance/acquisition of the donation of the Flat Top property can be completed, all issues that have to do with title must be resolved. Currently, the property owner has indicated that there are easement(s) that need to be corrected and recorded relating to access. GSD staff has also indicated that County Records need to be corrected to reflect the correct boundaries of the property in question. An appraisal needs to be prepared to determine title insurance value. The property owner has also indicated that there are pending grants that may affect funding as it relates to maintenance obligations. City staff needs to ensure that any obligation of any grant or agreement in place for the operation, maintenance, and/or development must be reviewed first prior to any assignment that will require Board and/or Council Approval as to not obligate RAP or the City unnecessarily. RAP will welcome any grant or outside funding that is used to maintain or develop the site, but RAP must be included and notified in the initial processes of review and proposal of any grant application that affects Flat Top Park. The property owner has also informed RAP that there are certain outstanding financial obligations that need to be paid related to administrative and maintenance costs. CD 1 has assured RAP that any unpaid obligations will be the responsibility of the owner and said costs will not be part of this transaction. RAP staff recommends that this donation be accepted at no cost to RAP with the

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possible exception of closing escrow costs and related pre-acquisition costs and other due diligence cost.

### NEEDS ASSESSMENT

The proposed Flat Top Park donation/acquisition will add and expand the area served for this regional area of 3,675 residents. An estimated 1,944 residents live within a one-half mile walking distance of the proposed Flat Top Park acquisition who are not currently served. An un-estimated number of tourist and others will also be served by the addition/expansion of the Regional Park and expansion of trails within the region known as the South East portion of the Rim of the Valley Corridor, which Federal State, County and City officials have been trying to complete for several decades. Completion and inclusion of this area could potentially qualify the area for additional Federal and State funds as part of the Rim of the Valley Corridor.

### TREE AND SHADE

Flat Top Park is an open space, hillside area full of wild landscape and chaparral featuring native vegetation/plants typical of region and the larger Santa Monica Mountains region with some rare species. It is expected that the area will remain natural and preserved as open space.

In addition to CD 1, the Assistant General Manager of the Planning, Maintenance and Construction Branch and the Superintendent of the Metro Region have been consulted and concur with the staff recommendations.

### ENVIRONMENTAL IMPACT STATEMENT

Environmental due diligence in the form of a Phase I Environmental Site Assessment (ESA) has been performed for the subject property in accordance with the American Society for Testing and Materials (ASTM) Standard Practice for Environmental Site Assessment: Phase I Environmental Site Assessments (Standard Designation E 1527-05) approved in November 2005 and the United States Environmental Protection Agency (US EPA) 40 CFR Part 312 Standards and Practices for All Appropriate Inquiries (AAI) – Final Rule adopted November 1, 2006. No evidence of Recognized Environmental Conditions (RECs) was found on the property, and no further site investigation would be required. The Phase I ESA Report dated November 2016 is on file in the Department's Real Estate Division.

The proposed project consists of the acquisition of property with the intent to preserve open space for park purposes. Therefore, staff recommends that the Board determine that the acquisition of the project site is categorically exempt from the provisions of California Environmental Quality Act (CEQA), pursuant to Article 19, Section 15325, Class 25 (f) of the State CEQA Guidelines.

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FISCAL IMPACT STATEMENT

The proposed park acquisition will require an increase in maintenance cost demands, and will require a budget increase that will be requested through the RAP's General Fund budget request.

As indicated in the Summary of this Report, the proposed park is not expected to be developed at this time, and therefore there is no fiscal impact to the RAP's General Fund for development of the site at this time. Maintenance for the area is also expected to be minimal as the site will remain natural open space. Once this acquisition is completed, operational maintenance costs will be determined. CD 1 has indicated that it will transfer maintenance funds for the maintenance of the Flat Top property for 2½ years. Any unpaid obligations will be the responsibility of the property owner, and will need to be addressed prior to the donation and acquisition of the property. Upon project completion, a request for funding will be submitted in future RAP annual budget requests.

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

LIST OF ATTACHMENT(S)

- 1) Proposed Resolution
- 2) Board Report No. 14-220
- 3) Park Analysis Report
- 4) Exhibit A

RESOLUTION NO. \_\_\_\_\_

WHEREAS, First City Council District Office has recommended the acquisition of the Flat Top Property (Property) and has committed itself to transferring funds for the maintenance of Property to RAP; and,

WHEREAS, On August 13, 2014, through Report No. 14-220, the Board of Recreation and Park Commissioners (Board) granted preliminary approval to proceed with the acquisition of Property for park and open space purposes; and,

WHEREAS, Board granted approval to proceed with the purchase of the property upon the completion of the preliminary acquisition activities, and contingent on the following conditions:

- A. Appropriate California Environmental Quality Act (CEQA) documentation will have been completed;
- B. All environmental assessments, Phase I, and Phase II if needed, will have been completed and satisfied prior to close of escrow
- C. The Department of General Services will negotiate a purchase price that is consistent with their professional opinion of market value;
- D. All and any Title issues will have been cleared or resolved prior to closing of escrow; and,

WHEREAS, Property is approximately 36.37 acres or 1,583,569 square feet of hill top open space property, located in the Montecito Heights area of North East Los Angeles; and,

WHEREAS, The acquisition of the Property will protect the area and surrounding open space area that will help preserve and protect the unique Montecito Heights Hills topography; and,

WHEREAS, Property is a rugged and steeply-sloped parcel, residentially-zoned and,

WHEREAS, GSD will use a Formal Appraisal to assess the property value for title insurance purposes; and,

WHEREAS, GSD and Owner have agreed to a donation of property for Zero Dollars (\$0.00) for the Property; and,

WHEREAS, It is estimated that an additional Six Thousand Dollars (\$6,000.00) is required for payment of escrow fees, bringing the total property acquisition cost to Six Thousand Dollars (\$6,000.00); and,

WHEREAS, Escrow costs and related pre-acquisition costs will be funded from the RAP Real Estate fund or a Recreation and Parks fund to be established as a later time, to be named "Flat Top Park", when Council approves the transfer of funds to RAP fund for maintenance and related acquisition costs; and,

WHEREAS, this acquisition will add and protect open space in the area and bring more recreational opportunities and potential funding to the entire City through expanded availability of recreational activities and facilities and inclusion as part of the Rim of the Valley Corridor; and,

WHEREAS, the Phase I Environmental Site Assessment report indicates that no evidence of Recognized Environmental Conditions (RECs) was found on the property, and no further site investigation is required, that therefore there is no environmental impediment to the Department of Recreation and Parks (RAP) acquiring the site for public use; and,

NOW, THEREFORE, BE IT RESOLVED by the Board of Recreation and Park Commissioners that GSD be requested to finalize the acceptance and acquisition of the 36.37 acres of hill top open space property or 1,583,569 square feet, located in the area North East Los Angeles identified as Flat Top Park, in accordance with the provisions of Charter Section 594 (a) and (b); and,

BE IT FURTHER RESOLVED that the Board requests and grants authority to GSD and City Attorney's Office to negotiate, draft, finalize and execute a Donation Agreement pending final review and approval by GSD and, subject to the approval of the City Attorney as to form; and,

BE IT FURTHER RESOLVED that the Board President and Board Secretary be authorized to execute the Donation Agreement upon receipt of the necessary approvals from the City Attorney's Office and the –aforementioned stated conditions with special attention to the Resolution of all pending environmental and title issues; and,

BE IT FURTHER RESOLVED that the Board approve the use of Recreation and Parks funds in an account to be determined at later time and identified as “Flat Top Park” for the acquisition and related costs of the vacant parcel identified as the Flat Top acquisition; and,

BE IT FURTHER RESOLVED that the GSD Asset Management Division, RAP's Chief Accounting Employee be authorized use RAP Real Estate Leasing account to pay for Title and closing costs or related acquisition costs; and, to make technical corrections as necessary, to establish the necessary accounts to acquire if necessary the project site, and to accept and transfer the necessary monies to fund the acquisition and or Maintenance to the appropriate City Department accounts or escrow company account in order to expeditiously complete the acquisition and maintenance of the parcel identified as Flat Top, and;

BE IT FURTHER RESOLVED that the Board Secretary is directed to execute the escrow instructions and accept the grant deed for the subject property for the acquisition and expansion of the property to be known as the “Flat Top Park” as approved by the City Attorney, which shall be set apart and dedicated as park property in perpetuity.

I HEREBY CERTIFY that the foregoing is a full, true and correct copy of a Resolution adopted by the Board of Recreation and Park Commissioners of the City of Los Angeles at its Meeting held on \_\_\_\_\_, 20\_\_\_\_ (Board Report No. \_\_\_\_\_).

\_\_\_\_\_  
Armando X. Bencomo, Secretary

Resolution No. \_\_\_\_\_

**APPROVED**

**AUG 13 2014**

**BOARD OF RECREATION  
& PARK COMMISSIONERS**

REPORT OF GENERAL MANAGER

NO. 14-220

DATE August 13, 2014

C.D. 1

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: FLAT TOP PARK – PRELIMINARY AUTHORIZATION TO PROCEED WITH THE ACQUISITION OF PROPERTY FOR PARK PURPOSES

<i>for</i>	R. Adams	<u>                    </u>	V. Israel	<u>                    </u>
	*R. Barajas	<u>CSP</u>	K. Regan	<u>                    </u>
	H. Fujita	<u>                    </u>	N. Williams	<u>                    </u>

*M. [Signature]*  
General Manager

Approved                      Disapproved                      Withdrawn                     

RECOMMENDATIONS:

That the Board:

1. Authorize the Department of Recreation and Parks (RAP) to initiate the process for the possible acquisition of real property, consisting of five (5) parcels totaling approximately 1,583,569 square feet or 36.37 acres, located in the Montecito Heights area of East Los Angeles for the preservation of open space and the development of a passive use park, as described in the Summary of this Report;
2. Authorize staff to coordinate acquisition activities with the Department of General Services (GSD), and other Departments as necessary, and to obtain the necessary environmental clearances and funding approvals to expedite the purchase of said property; and,
3. Upon the completion of the preliminary acquisition activities, direct staff to return to the Board of Recreation and Park Commissioners (Board) with escrow instructions and related documents for the Board's final approval to acquire the property, contingent on the following conditions:
  - A. Funding will have been made available for the acquisition of the property through Proposition A – LA County funds and/or other funding source yet unidentified;
  - B. Appropriate California Environmental Quality Act (CEQA) documentation will have been completed;
  - C. All environmental assessments, Phase I, and Phase II if needed, will have been completed and satisfied prior to close of escrow;

## REPORT OF GENERAL MANAGER

PG. 2

NO. 14-220

- D. Class "A" Appraisal will have been prepared and approved by GSD; and,
- E. The GSD will have negotiated a purchase price that is consistent with their professional opinion of market value.

SUMMARY:

RAP, with the support from the Councilmember for the 1st District, is considering the acquisition of the five (5) parcels identified by the following Los Angeles County Assessor's Parcel Numbers (APN): 5206-017-003, 5207-027-004, 5207-028-005, 5207-028-006, and 5207-028-008 located in the Montecito Heights area of East Los Angeles (Exhibit A1-8). The parcels are immediately adjacent to RAP's Mount Olympus Park. All five (5) parcels together measure approximately 1,583,569 square feet or 36.37 acres. The property is vacant and consists of hillside land and prominent views. The property features both walking trails and high value habitat. RAP is interested in acquiring the property for the development of a passive use park and the preservation of open space in the area. GSD, Asset Management Division, will provide a Class "A" appraisal of estimate of value for the property.

As currently envisioned, North East Trees (NET), a RAP partner in other endeavors, will acquire the property using Proposition A funds available to them. NET will then transfer the property to the City of Los Angeles (City), and enter into an operations and maintenance agreement with RAP to provide maintenance and operations responsibilities. Upon completion of necessary due diligence work and the drafting of an agreement with NET, RAP staff will present the proposed acquisition and agreement to the Board for consideration and final approval.

The California Environmental Quality Act (CEQA) and the Phase I Environmental Site Assessment are currently being completed. Both the CEQA documentation and the Phase I Environmental Site Assessment will be completed and made available for review prior to making a determination on the possibility of acquiring this property.

This project has the support from Council District 1. In addition, the Assistant General Manager of Planning, Construction and Maintenance Branch has been consulted and concurs with staff's recommendations.

FISCAL IMPACT STATEMENT:

There is no fiscal impact to RAP' General Fund with the approval of the preliminary authorization to proceed with the acquisition of the property.

This Report was prepared by Cid Macaraeg, Sr. Management Analyst II, Real Estate and Asset Management.

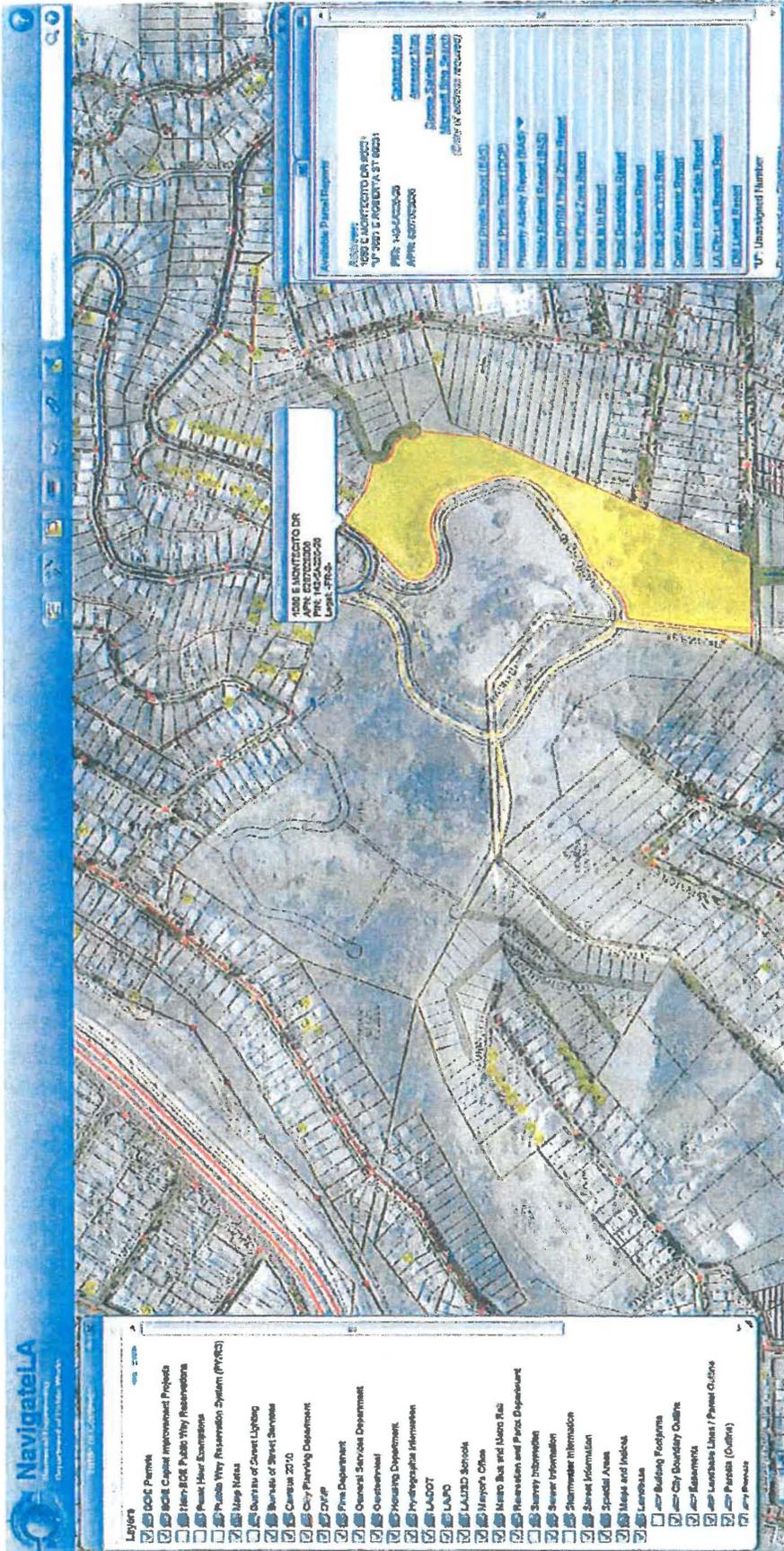




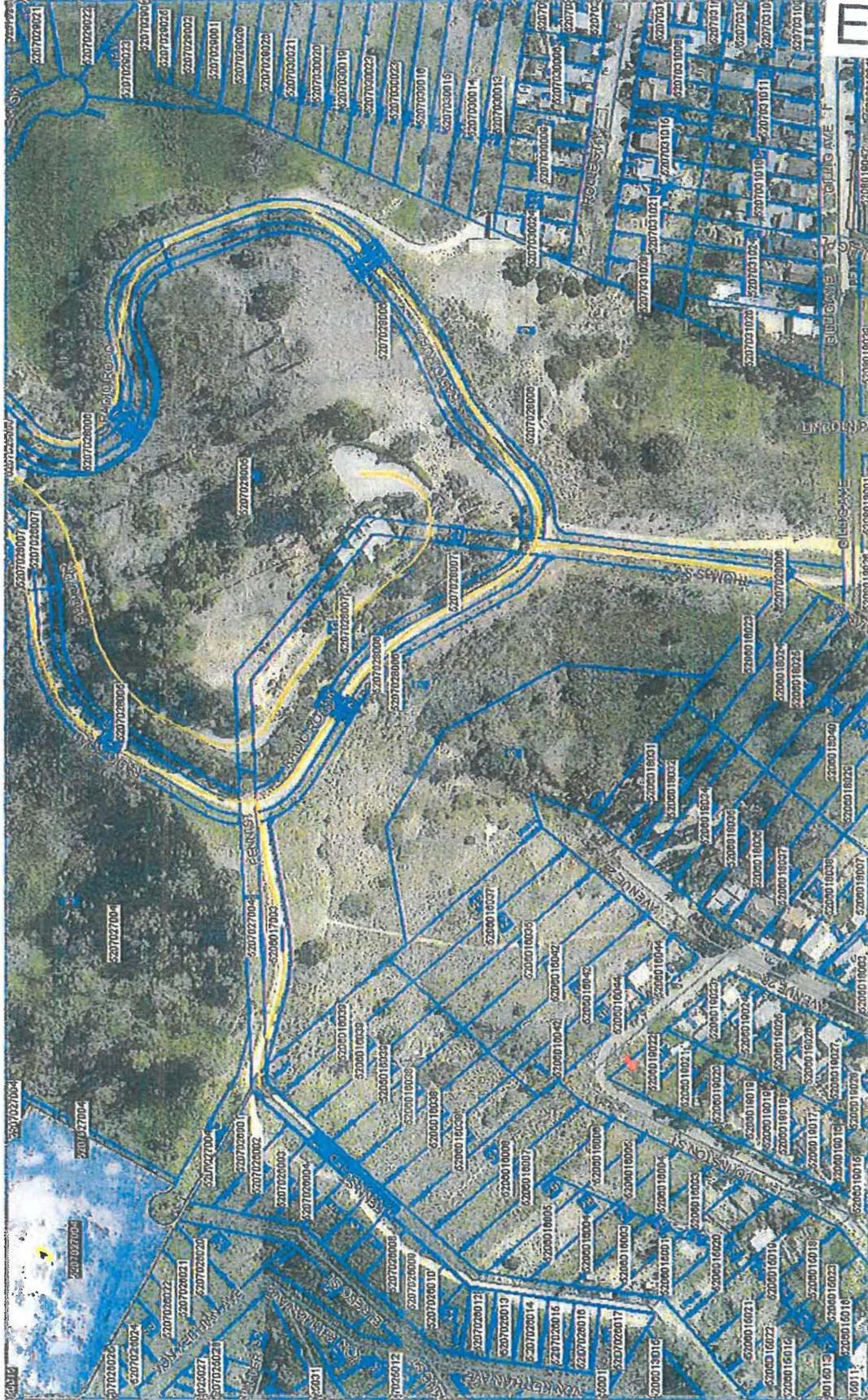
# Exhibit A3

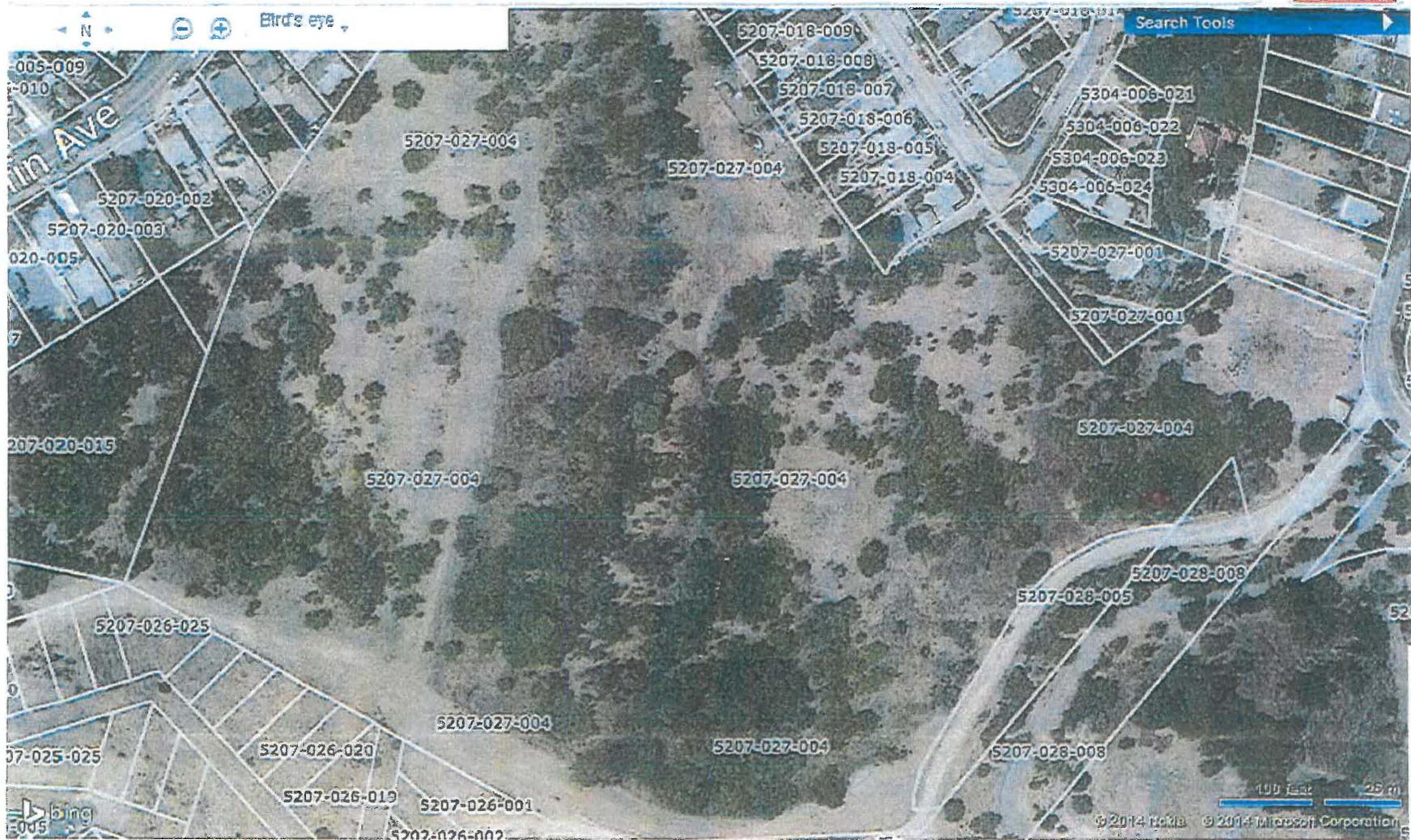


# Exhibit A4



# Exhibit A5





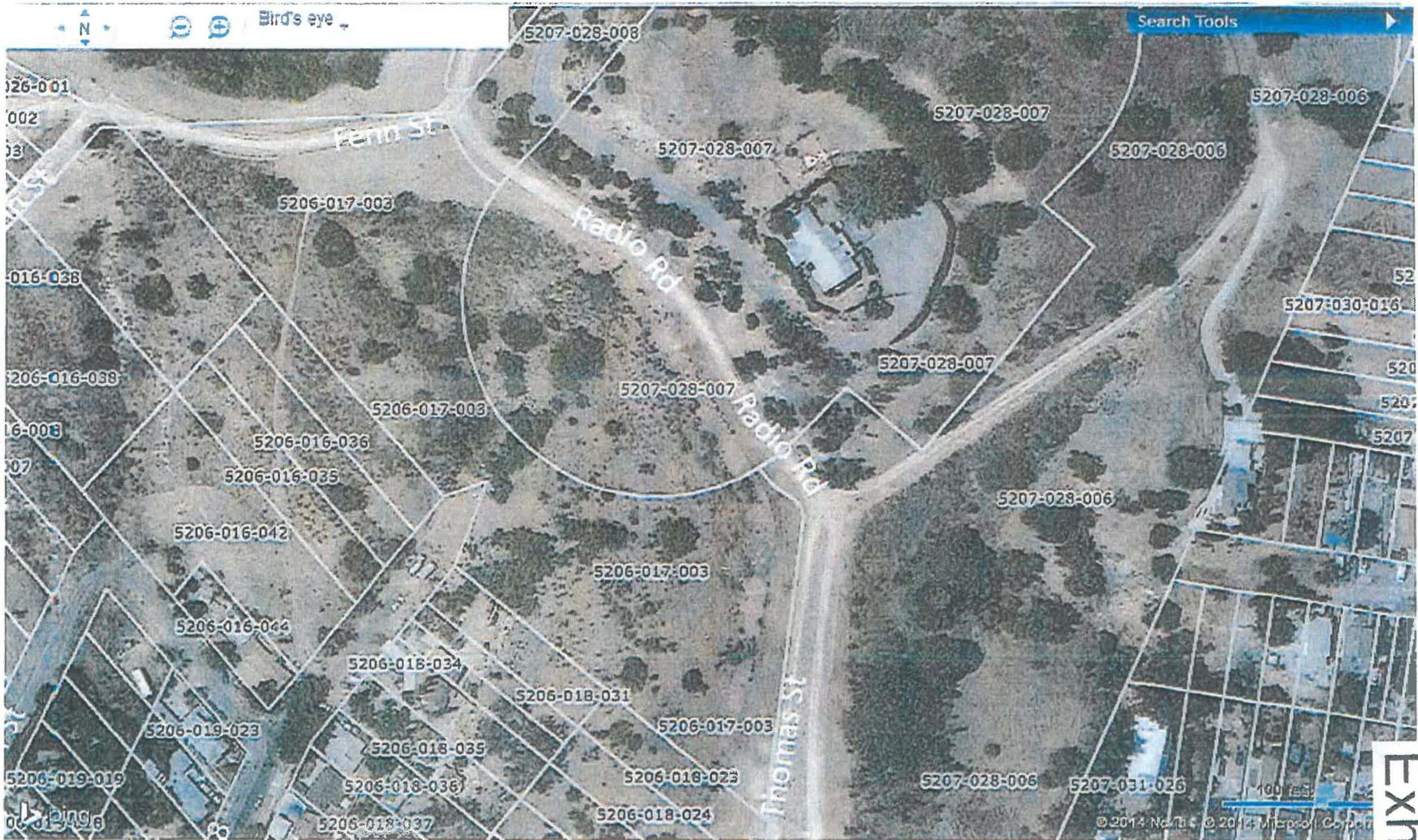


Exhibit A7

ATTACHMENT 2

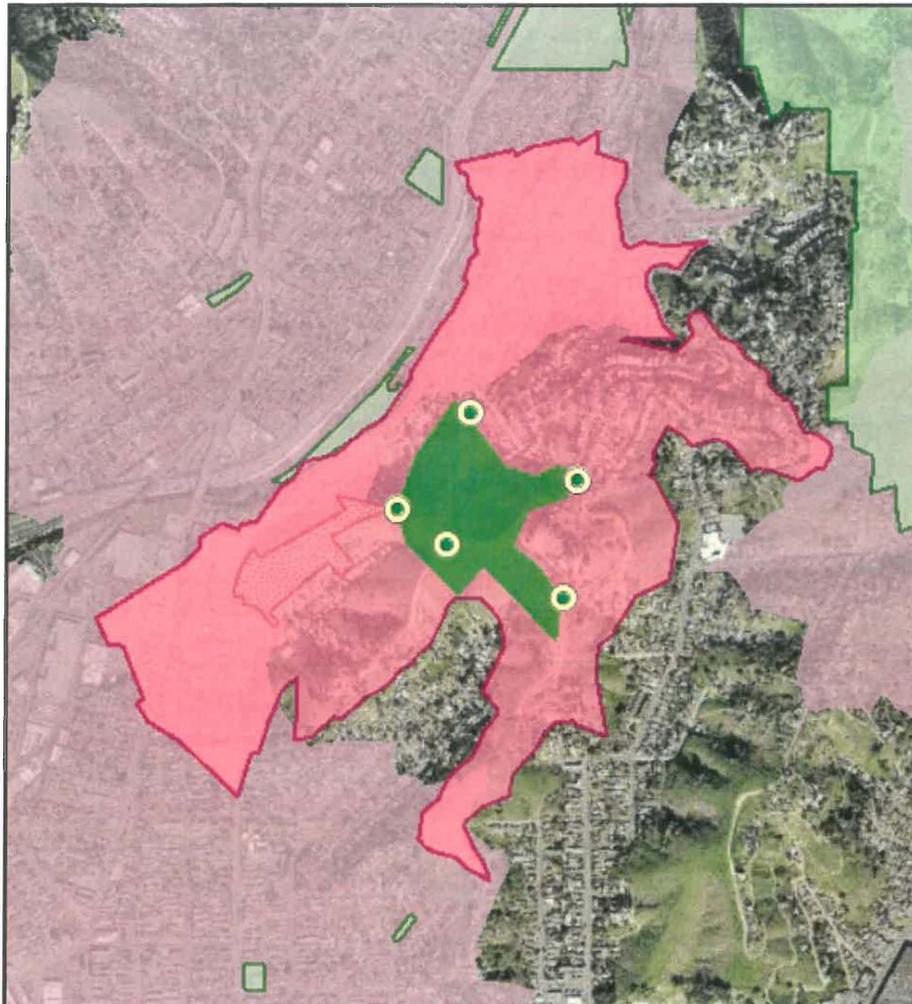


Exhibit A8



**EQUITABLE PARKS & AMENITIES  
DECISION SUPPORT SYSTEM**

# Park Analysis Report



## Scenario Information

Scenario Name:

Flat Top

Description:

Scenario Type:

New Park

Park Class:

Improved

Baseline Dataset\*:

All Parks (RAP and Non-RAP)

\*The baseline dataset is the existing parks dataset whose service areas are used to calculate the currently non-served metrics given below in blue. These residents and households, which would be served by the proposed park, are not currently served by any existing park in the baseline dataset.

## Population and Age Breakdown

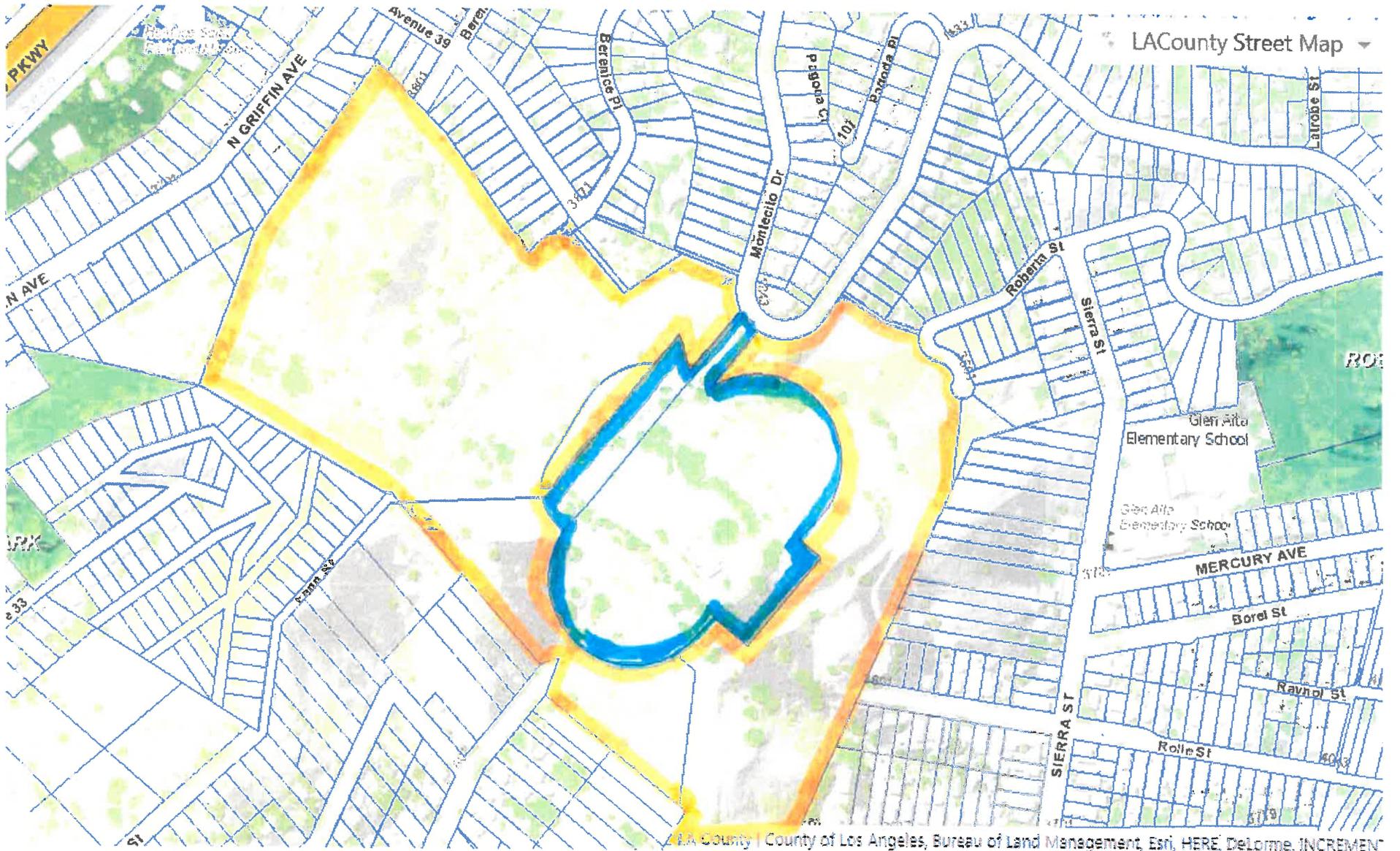
	Total Residents Served:	Currently Non-Served Residents Served:
Residents Served:	3,675	1,944
<i>Residents Served by Age</i>		
Under Age 5:	261	131
Age 5 to 9:	232	119
Age 10 to 14:	248	118
Age 15 to 17:	164	74
Age 18 to 64:	2,412	1,285
Age 65 and Over:	358	217

## Household and Income Breakdown

	Total Households Served:	Currently Non-Served Households Served:
Households Served:	1,100	624
<i>Households Served by Annual Income</i>		
Under \$25,000:	298	148
\$25,000 to \$34,999:	129	63
\$35,000 to \$49,999:	179	104
\$50,000 to \$74,999:	119	53
\$75,000 and Over:	375	256

Source: Census/ACS 2010

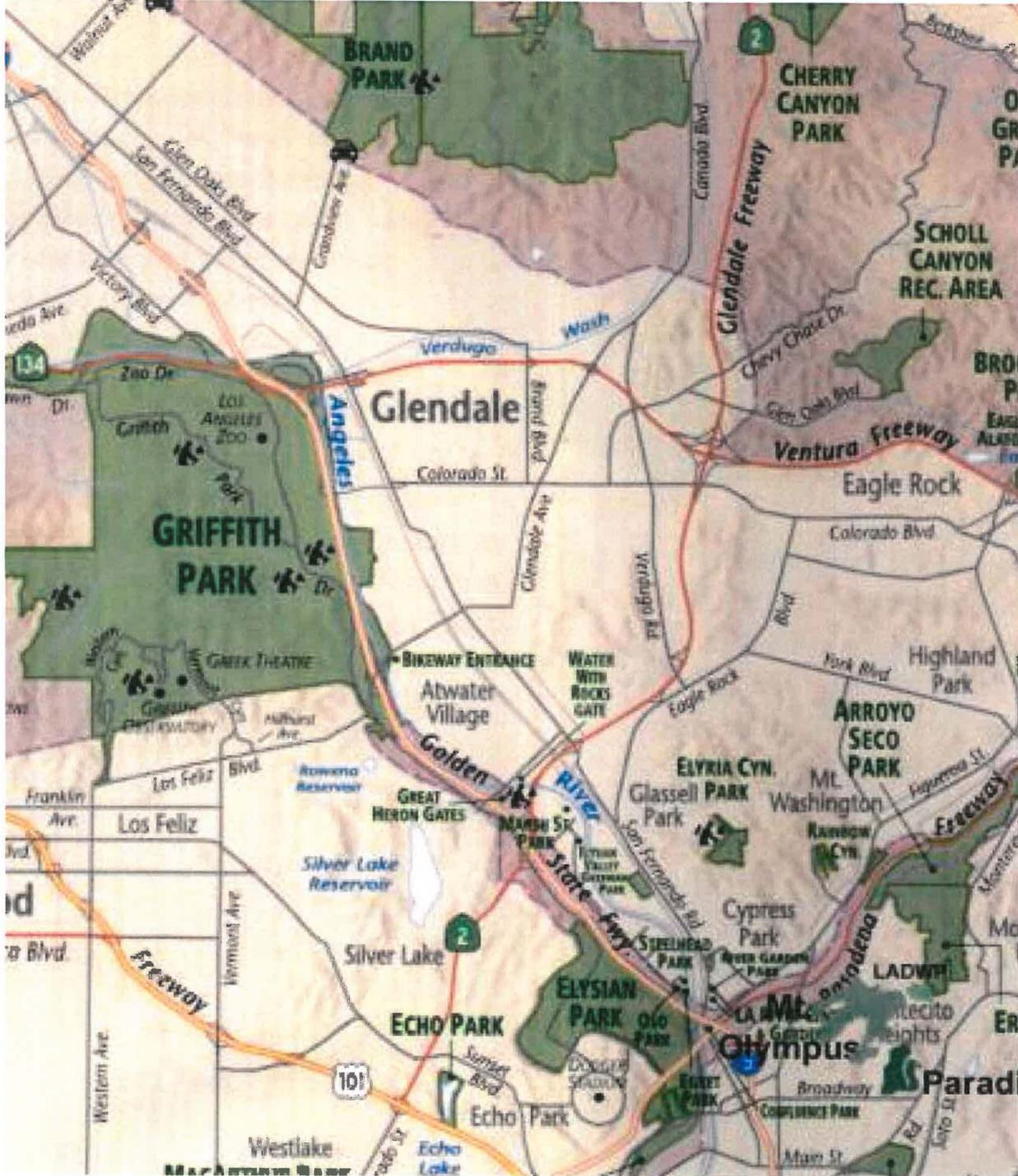




Property Owners:

North East Trees: 

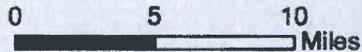
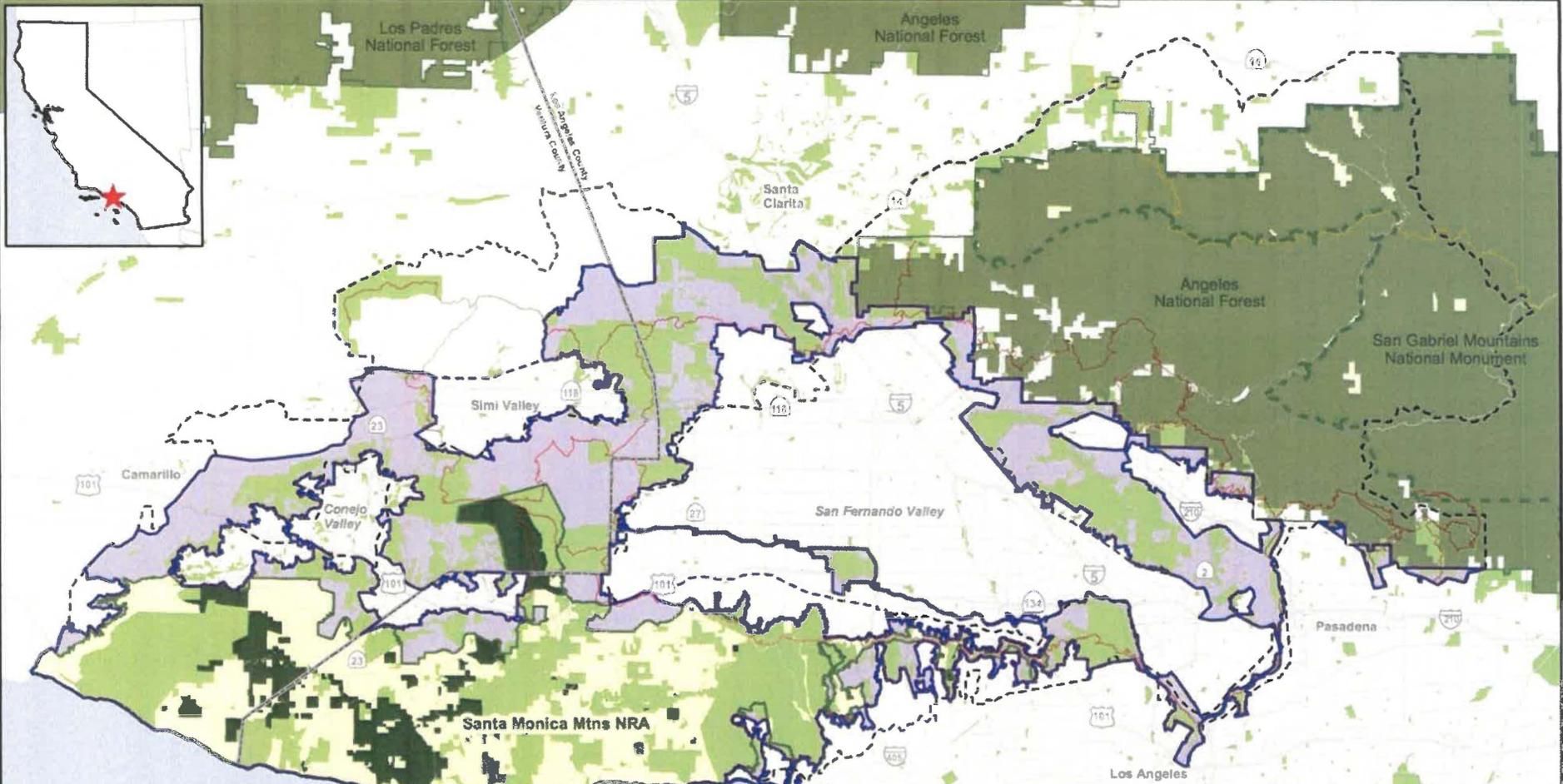
International Church Of The Foursquare Gospel: 



# Selected Alternative

Santa Monica Mountains National Recreation Area Boundary Adjustment with Cooperative Conservation Emphasis

National Park Service  
U.S. Department of the Interior



Coordinate System: NAD 1983 UTM Zone 11N  
The NPS makes no warranty, express or implied, related to the accuracy or content of this map.

- |  |  |
|--|--|
| Proposed Boundary (shading indicates boundary adjustment area) | Existing Protected Areas   |
| Study Area   | National Park Service  |
| Santa Monica Mountains National Recreation Area                | US Forest Service (USFS land is excluded from boundary adjustment) |
| San Gabriel Mountains National Monument                        | Other Federal, State, and Local Protected Areas                    |
| Proposed Rim of the Valley Trail                               | Pacific Crest Trail  |

Santa Monica Mountains NRA GIS, February 2016 Data Sources: Existing protected areas and park boundaries: CPAD 9.1, NPS, USFS, SMMC, MRCA; Roads: Streetmap Pro 7; Trails: SMMC, USFS