

BOARD REPORT

NO. 17-134

DATE May 23, 2017

C.D. 9

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: SOUTH LOS ANGELES WETLANDS PARK – LEASE AGREEMENT WITH MUSEUM ASSOCIATES DBA THE LOS ANGELES COUNTY MUSEUM OF ART FOR THE USE OF A PORTION OF THE SOUTH LOS ANGELES WETLANDS FOR A PROPOSED MUSEUM

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



 General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATIONS

1. Authorize the Department of Recreation and Parks' (RAP) General Manager or designee to negotiate and execute a thirty-five (35) year Lease (Lease) with Museum Associates dba the Los Angeles County Museum of Art (LACMA) for the use of a portion of the RAP's South Los Angeles Wetlands Park for the renovation and rehabilitation of Building 71 and operation of a proposed Museum in accordance with Charter Sections 594(a) and 595 and consistent with the terms, improvements, and uses set forth in this Report;
2. Authorize RAP staff and the City Attorney to make any necessary changes to the Lease consistent with the terms, improvements, and uses set forth in this Report;
3. Direct the Board Secretary to transmit forthwith the proposed Lease to the Mayor in accordance with Executive Directive No. 3 (Villaraigosa Series), and to the City Attorney for review and approval as to form;
4. Authorize the Board President and Secretary to execute the proposed Lease Agreement upon receipt of the necessary approvals; and,
5. Find, pursuant to State California Environmental Quality Act (CEQA) Guidelines, in consideration of the whole of the administrative record, that the project was adequately assessed in the previously certified Final Environmental Impact Report (EIR), Findings, Statement of Overriding Considerations and accompanying mitigation measures, and Mitigation Monitoring and Reporting Program for the South Los Angeles Wetlands Park Project EIR (SCH No. 2007051122); and no subsequent EIR, negative declaration, addendum or other CEQA analysis is required for approval of the project.

BOARD REPORT

PG. 2 NO. 17-134

SUMMARY

On January 21, 2009, the Board approved the acquisition of a nine-acre parcel located at 5413 South Avalon Boulevard for the South Los Angeles Wetlands Park (Park) through Report No. 09-003. The site was previously used by the Metropolitan Transit Agency (MTA) as a bus maintenance and storage yard. The Park currently includes a pocket park, parking lot, and wetlands area which were completed in 2012. There is also an 84,000 square foot Building 71 which was a remnant from the previous bus maintenance and storage yard as shown in Exhibit A. Building 71 has been sealed off from the public as RAP searches for funds to complete a hazardous materials abatement and seismic retrofit of the building.

Proposal

Recently, Museum Associates dba the Los Angeles County Museum of Art (LACMA) met with RAP staff to discuss a proposal to manage and operate a museum program at the Park. LACMA is proposing to provide programming for organized museum, cultural, recreational, and community activities. The proposal also includes an offer to repair, retrofit and provide improvements to Building 71 at no cost to RAP. RAP has reviewed the terms offered by LACMA and finds such terms to be acceptable. LACMA has a strong desire to execute a long term Lease as soon as possible.

Term and Premises

The proposed Lease with LACMA would have a term of not more than thirty-five (35) years. The premises area shall include the entire 84,000 square foot Building 71 and portions of the Park immediately adjacent to the building and the east side parking lot.

Repair, Retrofit and Improvements

LACMA proposes to initially improve up to 10,000 square feet of space in the building for use for public programming within eighteen (18) months of the execution of the Lease. An additional 13,000 square feet of space in the building (8,500 square feet for additional public programming and 4,500 square feet for a Ranger Station) will be improved within five (5) years after the completion of the initial 10,000 square foot improvement. LACMA may elect to improve another 12,000 square feet of space in the building within ten (10) years of the execution of the Lease.

Improvements include the repair and retrofit of the building to meet current code requirements for seismic, structural, mechanical, electrical, and plumbing systems, and to otherwise accommodate the museum needs, including the installation of a loading dock. LACMA's obligation to retrofit and repair shall be limited to the building and has no obligation to retrofit and repair any portion of the Park that is not the building.

BOARD REPORT

PG. 3 NO. 17-134

Uses and Operations

LACMA shall use the premises area for the operation of art and culture-related and instructional public programs and ancillary or related uses, including the storage of LACMA's art collection, operation of a restaurant or café, operation of a retail space, and providing recreational and instructional programs to the surrounding communities. Additionally, within one year of the execution date of the Lease, LACMA shall provide certain public programming at several recreation centers within the surrounding communities. Within eighteen (18) months of the execution of the Lease, LACMA will begin public programming on the premises area.

LACMA's proposed public programming strategy's goal is to realize LACMA's vision of engaging the local community both through compelling public art programs and training initiatives that support residents in becoming paid staff. These programs include Social Justice-themed School Tour and Art-Making; Teen Tour Guide Programs; Intergenerational Weekday and Weekend Programs; and Teaching Assistant Training Programs.

Park Ranger Station

As indicated above, LACMA will improve 4,500 square feet of building space for the installation of a Park Ranger Station. Improvements shall be limited to providing utility (gas, electricity and water) hookups and in ensuring that RAP is able to connect its internal information and technology systems to the electrical and data cable connections of the building. RAP shall be responsible for any additional capital and other improvements it deems necessary or desires.

LA Philharmonic and Youth Orchestra Los Angeles

LACMA is currently in discussions with the Los Angeles Philharmonic (Philharmonic) concerning the possibility of bringing its Youth Orchestra Los Angeles program to the Park. Should this occur, LACMA proposes to sublease a portion of the building to the Philharmonic.

ENVIRONMENTAL IMPACT STATEMENT

Staff has determined that the proposed lease agreement for the use of Building 71 is a continuation of the original Park project previously evaluated for environmental impacts in the certified Final Environmental Impact Report (FEIR-SCH No. 2007051122), Findings, Statement of Overriding Considerations, Mitigation Monitoring and Reporting Program (MMRP), and supporting technical studies (Environmental Documents). On April 8, 2008, City Council certified the Final EIR for the Park project and adopted the MMRP. A Notice of Determination was filed with the Los Angeles County Clerk on April 11, 2008. Pursuant to State CEQA Guidelines Sections 15162, 15163, and 15164, there are no substantial changes in the proposed project and the circumstances under which the project will be undertaken that require revisions of the previous EIR, nor any new information of substantial importance showing any new significant environmental effects not identified or an increase in the severity of significant effects previously examined in the EIR. In addition, there are no mitigation measures or alternatives to the project considerably different than those analyzed in the previous EIR. Therefore, no subsequent EIR, negative declaration, addendum or other CEQA analysis is required for approval of the project.

BOARD REPORT

PG. 4 NO. 17-134

FISCAL IMPACT STATEMENT

There are no anticipated fiscal impacts to RAP's General Fund should the Board authorize the execution of the Lease. All costs, with the exception to any additional improvements to the aforementioned Park Ranger Station, will be the responsibility of LACMA. Any costs for the future Park Ranger Station will be requested through the regular budget process.

This Report was prepared by Cid Macaraeg, Sr. Management Analyst II in Real Estate and Asset Management, Planning, Maintenance and Construction Branch.

LIST OF ATTACHMENTS/EXHIBITS

- 1) Exhibit A – Los Angeles County Property Assessment Information System

