

APPROVED

MAY 23, 2017

BOARD OF RECREATION AND PARK COMMISSIONERS

BOARD REPORT

NO. 17-135 Revised

DATE May 23, 2017

C.D. 9

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: EXPOSITION PARK – LUCAS MUSEUM OF NARRATIVE ART (MUSEUM) – LEASE AGREEMENT WITH THE 6TH DISTRICT AGRICULTURAL ASSOCIATION (STATE) FOR THE USE OF CITY/PARK PROPERTY FOR THE PROPOSED MUSEUM; AMENDMENT TO GROUND LEASE AGREEMENT WITH STATE FOR USE OF STATE PROPERTY FOR PLAYFIELD PURPOSES; CONSIDERATION OF THE EIR, FIRST ADDENDUM, SECOND ADDENDUM, THIRD ADDENDUM, FOURTH ADDENDUM, AND ERRATA, FINDINGS, STATEMENT OF OVERRIDING CONSIDERATIONS AND ACCOMPANYING MITIGATION MEASURES AND MITIGATION MONITORING PROGRAM FOR THE LOS ANGELES MEMORIAL COLISEUM RENOVATION PROJECT EIR (SCH NO. 1990011065)

AP Diaz _____ V. Israel _____
*R. Barajas RB _____ N. Williams _____
H. Fujita _____



General Manager

Approved ✓ _____ Disapproved _____ Withdrawn _____
As Amended _____

RECOMMENDATIONS

1. Adopt a proposed Resolution, herein included as Attachment 1, authorizing the Department of Recreation and Parks (RAP) to: (1) enter into a proposed fifty (50) year Lease Agreement (Lease) with the 6th District Agricultural Association (State) for the use of the Leighton Avenue parcels for the construction and operation of a portion of the proposed open space landscaping of the Lucas Museum of Narrative Art (Museum) in accordance with Charter Section 594 and for the construction and operation of an underground parking garage in accordance with Charter Section 596, and (2) amend the existing lease with the State for the City's Playfield at Expo Center;
2. Authorize the RAP's General Manager or designee to negotiate Lease with the State, on file in the Board of Recreation and Park Commissioner's (Board) Office, for the use of the Leighton Avenue parcels for the construction and operation of a portion of the proposed Museum and for construction and operation of the underground parking garage, consistent with the terms set forth in this Report and subject to approval of the

BOARD REPORT

PG. 2 NO. 17-135 Revised

Mayor and, as to the use of the subsurface space, the City Council, and approval of the City Attorney as to form;

3. Authorize RAP's General Manager or designee to negotiate Amendment to the Ground Lease Agreement (Ground Lease) with State, on file in the Board Office, for the use of State property, measuring approximately 154,800 square feet or 3.55 acres, for Playfield purposes at Exposition Park, subject to approval of the Mayor and approval of the City Attorney as to form;
4. Direct the Board Secretary to transmit forthwith the final negotiated Lease and Ground Lease concurrently to the Mayor in accordance with Executive Directive No. 3 (Villaraigosa Series), and to the City Attorney for review and approval as to form;
5. Authorize the City Attorney's Office to make technical changes to the Lease and Ground Lease, as necessary;
6. Authorize the Board President and Secretary to execute the proposed Lease and Ground Lease upon receipt of the necessary approvals; and
7. Find that pursuant to the California Environmental Quality Act (CEQA) Guidelines Sections 15162, 15163, and 15164, in consideration of the whole of the administrative record, that the project was adequately assessed in the previously certified Environmental Impact Report (EIR), First Addendum, Second Addendum, Third Addendum, Fourth Addendum, and Errata, findings, Statement of Overriding Considerations and accompanying mitigation measures and Mitigation Monitoring Program for the Los Angeles Memorial Coliseum Renovation Project EIR (SCH No. 1990011065); and no subsequent EIR, Negative Declaration, or further addendum or other CEQA analysis is required for approval of the project and the actions before the Board.

SUMMARY

In January 2017, filmmaker George Lucas announced that Los Angeles was selected as the location to build the Lucas Museum of Narrative Art (Museum). To be located primarily on State land at Exposition Park, the Project is estimated to cost approximately One Billion Dollars (\$1,000,000,000.00), which includes building costs, art and an endowment of at least Four Hundred Million Dollars (\$400,000,000.00). The project comprises a five level 299,717 square foot Museum with a two-level parking garage underneath and an adjacent landscaped area with walking paths and a three-level parking garage underneath (Exhibit A).

On April 19, 2017, the Board, through Report No. 17-104, authorized the General Manager to execute the Planning application related to the Museum project and directed RAP staff to work with the State to draft a new lease agreement for the State's use of the two City-owned Leighton Street parcels and to amend the Ground Lease Agreement to remove certain terms and conditions no longer applicable due to the Museum project.

BOARD REPORT

Lease Agreement (Lease)

Two (2) parcels within the project area, Lots 101 and 102 on Leighton Street are City-owned lots under RAP's jurisdiction (Exhibits B-1 and B-2). These lots measure approximately 19,800 square feet or 0.45 acres and are currently used for parking. In addition, the City also owns a small sliver of land not currently in use, which is no wider than a sidewalk and juts directly out from the Leighton Street parcels north along Vermont Avenue. Taken all together, the property is to be part of an open and landscaped area with walking paths and a tri-level underground parking garage (Exhibit C). The proposed Lease will have a term of fifty (50) years that would allow for the construction of a public open space area and a tri-level subterranean public parking structure. According to the State, the surface public open space area is to be maintained and operated by the Museum, and the subterranean public parking structure is to be maintained and operated by the State. The Lease includes a provision that allows for the sublease by the State to the Museum. The rent owed by the State for the Lease is \$1 per year. Other considerations for this Lease include the public benefit to be realized from the construction, operation, and maintenance of the improvements contemplated, including landscaped open space on the City-owned property, as well as 33 parking spaces provided either on State property or in the new subterranean garage, all at no cost to RAP.

Ground Lease Agreement (Ground Lease)

On March 16, 2016, the Board approved the Ground Lease between the State and the City of Los Angeles for the use of State property for playfield use and shared parking through Report No. 16-062. The Ground Lease was executed on May 6, 2016, and has an initial term of ten (10) years and five (5) one (1) year options for a total of fifteen (15) years. Due to the Museum project, various locations used for the playfields and shared parking will no longer be available under the Ground Lease. Therefore, several of the terms and conditions of the Ground Lease are no longer applicable or will have to be amended.

Due to the Museum project, various locations used for the playfields and shared parking will no longer be available under the Ground Lease. Therefore, several of the terms and conditions of the Ground Lease are no longer applicable or will have to be amended.

Please see table below for a comparison of the current terms and the proposed terms:

	Current Ground Lease	Proposed Terms
State Benefits	<ol style="list-style-type: none">1. Annual rent of \$90K with annual escalation2. 325 spaces provided by City at four locations (for all USC home football games, plus three additional events per year)	<ol style="list-style-type: none">1. Same –2. State relinquishes City of requirement to provide 163 spaces. City to continue to provide 162 spaces through end of lease (108 City-owned EXPO Center perimeter spaces; and 54 City-owned Martin Luther King strip spaces)

BOARD REPORT

PG. 4

NO. 17-135 Revised

	Current Ground Lease	Proposed Terms
City Benefits	<ol style="list-style-type: none"> 1. Approx. three acres for playfield 2. Use of South Lawn of Museum of Natural History for special event parking up to 3 times per year 3. Use of 495 spaces on State's Lot 1 for special event parking up to five times per year 4. Reduced rate parking of no more than \$2.00 per day for 200 EXPO Center parking spaces wither within Lot 4 or 5 	<ol style="list-style-type: none"> 1. New and relocated playfield, paid for by the Museum 2. – Same – 3. No longer provided 4. Same <p>New benefits:</p> <ol style="list-style-type: none"> 5. Proceeds from provision of 162 spaces (above) to accrue to the City (currently those proceeds are paid by USC to the State) 6. Use of 33 parking spaces, free of charge in Lot 4 or 5 or the new underground garage, for as long as the museum lease exits (i.e. up to 50 years)

The proposed Amendment to the Ground Lease is included as Attachment 3.

ENVIRONMENTAL IMPACT STATEMENT

RAP staff has determined that the actions before the Board are part of a larger project, adequately assessed in a previously certified EIR, along with four Addenda, Errata, Findings of Fact, a Statement of Overriding Considerations, and a Mitigation Monitoring Program, for the Los Angeles Memorial Coliseum Renovation Project EIR (SCH No. 1990011065). On April 11, 2017, the Los Angeles Advisory Agency (Director of City Planning) approved the Fourth Addendum to the EIR for the proposed Lucas Museum of Narrative Arts as the Modified Project. A Notice of Determination (NOD) was filed with the Los Angeles County Clerk on April 24, 2017. No further CEQA documentation is required for the subject actions before the Board.

FISCAL IMPACT STATEMENT

There are no anticipated fiscal impacts to RAP's General Fund should the Board approve the execution of the Lease. Further, RAP staff, consistent with the Fiscal Impact Statement in Report No. 16-062, does not anticipate any additional costs beyond those already identified in the Ground Lease.

BOARD REPORT

PG. 5 NO. 17-135 Revised

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

- 1) Proposed Resolution
- 2) Exhibit A – Preliminary Design of Lucas Museum of Narrative Art Museum
- 3) Exhibit B-1 – Aerial Photograph of Project Site – Lots 101 and 102
- 6) Exhibit B-2 – Parcel Map of Project Site – Lots 101 and 102
- 7) Exhibit C – Conceptual Landscape Plan

REVISED

RESOLUTION NO. _____

WHEREAS, it has been proposed to build the Lucas Museum of Narrative Art (Museum) at Exposition Park in Los Angeles on 6th District Agricultural Association (State) property and City of Los Angeles property under the jurisdiction of the City of Los Angeles Department of Recreation and Parks (City); and

WHEREAS, the City property is located on Leighton Avenue across the street from the City's EXPO Center and identified by Assessor's Parcel Nos. 5037-027-101 and 102 plus a small sliver of land not currently in use, which is no wider than a sidewalk and juts directly out from the Leighton Street parcels north along Vermont Avenue (City Land); and

WHEREAS, subject Leighton parcels measure approximately 19,800 square feet or 0.45 acres and are currently used for parking and subject adjoining lands is not currently in use; and

WHEREAS, the Museum's design for the City Land proposes a landscaped open space that will be open to the public, as well as, a public tri-level subterranean parking garage, which will be operated by the State; and

WHEREAS, the State and the City have agreed upon the terms and conditions of a fifty (50) year lease for the use of the City Land for the Museum project; and

WHEREAS, on March 16, 2016, the Board of Recreation and Park Commissioners (Board) approved the Ground Lease between the State and City for the use of three (3) acres of State land for the City's Athletic Field and shared parking through Board Report No. 16-062; and

WHEREAS, the Museum's design proposes elements to be located on State and City property that are currently used for the City's Athletic Field and shared parking; and

WHEREAS, the State and City have agreed to relocate the City's playfield onto other State owned property and alternative shared parking arrangements;

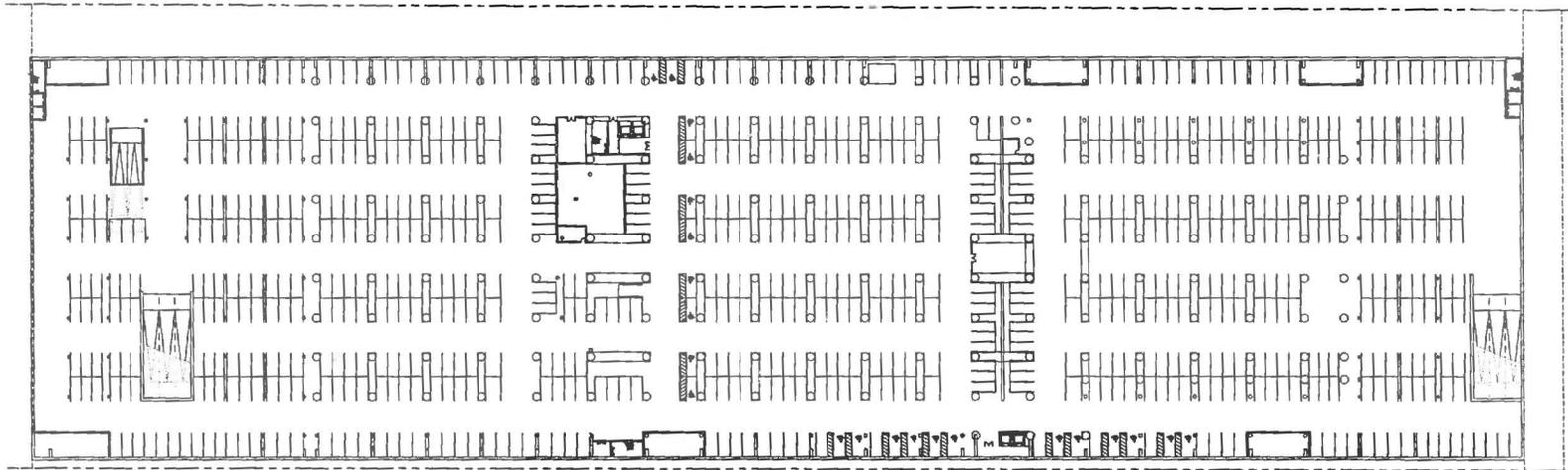
NOW, THEREFORE, BE IT RESOLVED, that the Board of Recreation and Park Commissioners approves the proposed Lease Agreement between the State and the City for the use of the Leighton Avenue parcels for a fifty (50) year term from the effective date of the lease; and,

BE, IT FURTHER RESOLVED, that the Board of Recreation and Parks Commissioners approves the proposed First Amendment to the Ground Lease Agreement between the State and the City for the Athletic Field and Shared Parking; and,

BE IT FURTHER RESOLVED, that the City Attorney's Office shall be authorized to make material and technical changes as needed to the proposed Lease Agreement and First Amendment to the Ground Lease, so long as the primary deal points remain as described in Board Report.

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__ (Report No. _____)

ARMANDO X. BENCOMO, BOARD SECRETARY
Resolution No. _____



2 PARKING LEVEL B1 FLOOR PLAN
1/32" = 1'-0"



1 PARKING LEVEL B2 FLOOR PLAN
1/32" = 1'-0"



Stantec Architecture Inc.
U.S. Name

DATE	DESCRIPTION	BY	CHKD

**PRELIMINARY
NOT FOR
CONSTRUCTION**

Not for permit, pricing or other construction. The document has not been coordinated or checked with the general contractor or other trades.

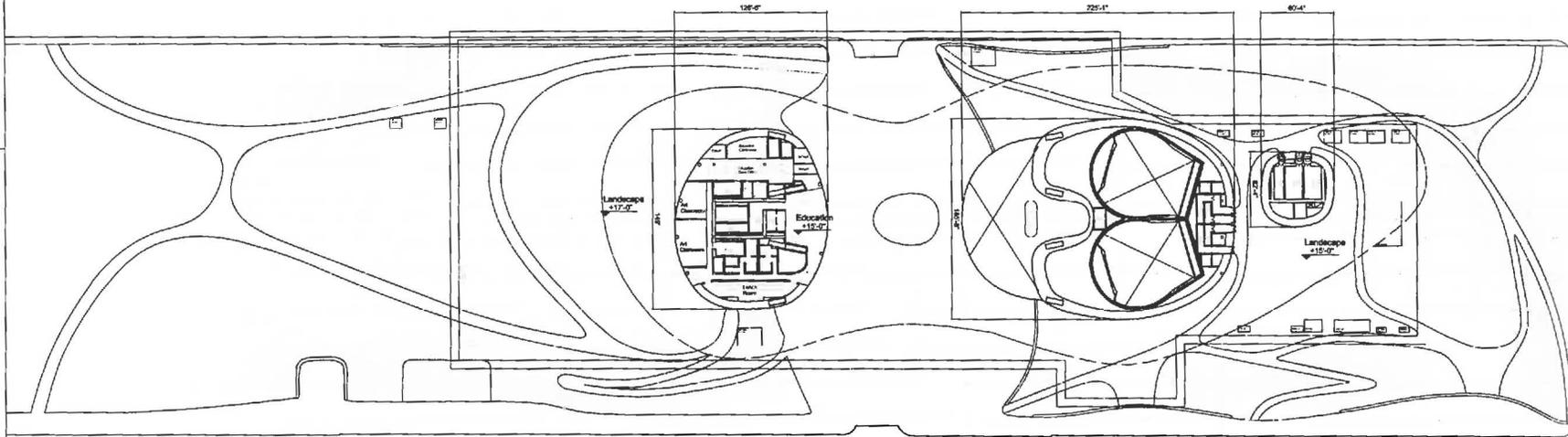
Key Plan:

LUCAS MUSEUM OF
NARRATIVE ART
Exposition Park
Los Angeles, California

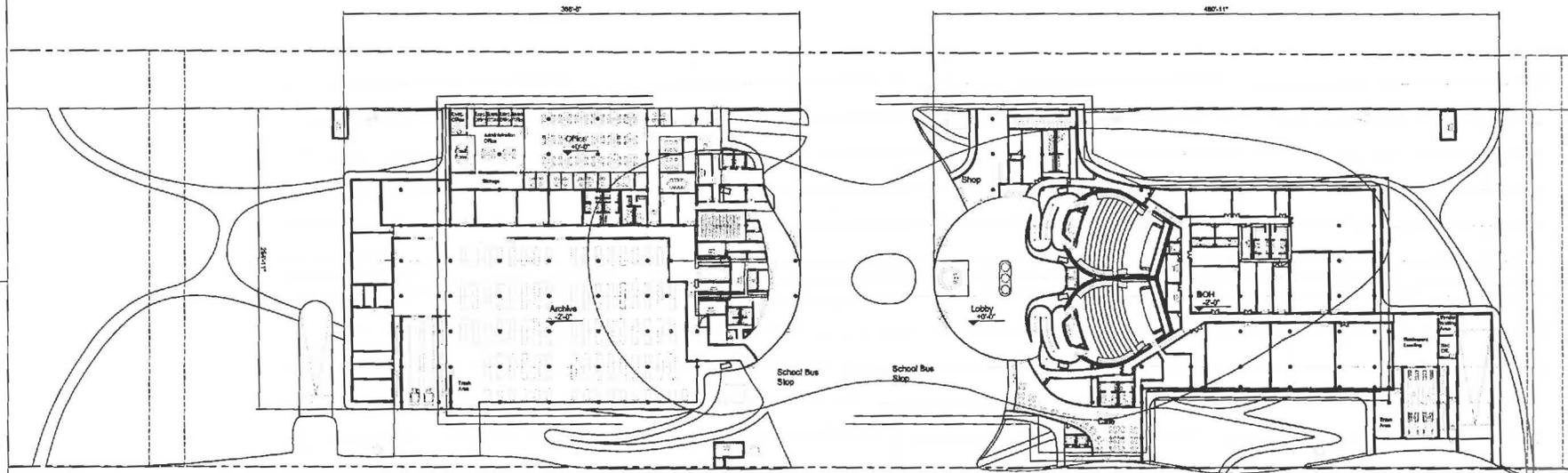
MUSEUM FLOOR PLANS

Project No. 222701202 Scale

Drawing No.



2 LEVEL 2 FLOOR PLAN
1:32 = 1/8"



1 LEVEL 1 FLOOR PLAN
1:32 = 1/8"



Marking Architecture Inc.
LA, CA

NO.	DESCRIPTION	DATE	BY	CHKD.
1	ISSUED FOR PERMIT	10/18/14	MM	MM
2	ISSUED FOR CONSTRUCTION	10/18/14	MM	MM

**PRELIMINARY
NOT FOR
CONSTRUCTION**

Not to permit, pricing or other construction.
No approval to enter into construction contract
and to proceed without a contract.

Key Plan:

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
---	---	---	---	---	---	---	---	---	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	----	-----

LUCAS MUSEUM OF
NARRATIVE ART
Specialist Firm
Los Angeles, California

MUSEUM FLOOR PLANS
Project No 222791802
Scale
Drawing No



Figure 1
Aerial Photograph of Modified Project Site

5037

27
SHEET

P. A.
941 - 30

TRA
34

REVISED
88081002018001
89031402001001

90082114012001-09
81060602005001-08
91070306007001-09

94120904011001-28
96070803005001-28
97052704001001-09

2003031804001001-22
2003031804001002-22
2009121802-22,25

2015021202-25
20160419-25

SEARCH NO

OFFICE OF THE ASSESSOR
COUNTY OF LOS ANGELES
COPYRIGHT © 2002

Exhibit B-2



MAPPING AND GIS
SERVICES
SCALE 1" = 200'

PROL. OF
LEIGHTON
AVE
VERMONT
AVE
DETAIL "A"
NO SCALE

PROL. OF
LEIGHTON
AVE
BILL ROBERTSON
LN
DETAIL "B"
NO SCALE

TRACT NO 2411
MB 26 - 77 - 79
MARTIN LUTHER KING JR

PG
28

38TH VAC ST

E PROLONG OF S LINE OF 38TH ST VACATED

SOUTHERN DISTRICT AGRICULTURAL PARK AND ADJOINING LOTS

2017

RS 99 - 19 - 23

STATE
6TH DISTRICT AGRICULTURAL ASSN
EXPOSITION PARK
937
62.99±AC

STATE
6TH DIST
923
6.00±AC

CITY
925

STATE
926

STATE
6TH DIST
909

CITY
936

STATE
928

STATE
929

STATE
930

STATE
931

STATE
932

STATE
933

STATE
934

STATE
935

STATE
936

STATE
937

STATE
938

STATE
939

STATE
940

STATE
941

STATE
942

STATE
943

MR

4

BILL ROBERTSON LN

VERMONT AVE

BILL ROBERTSON LN

FIGUEROA ST

BLVD

BK
5019

PG
31

39TH
ST

PG
32

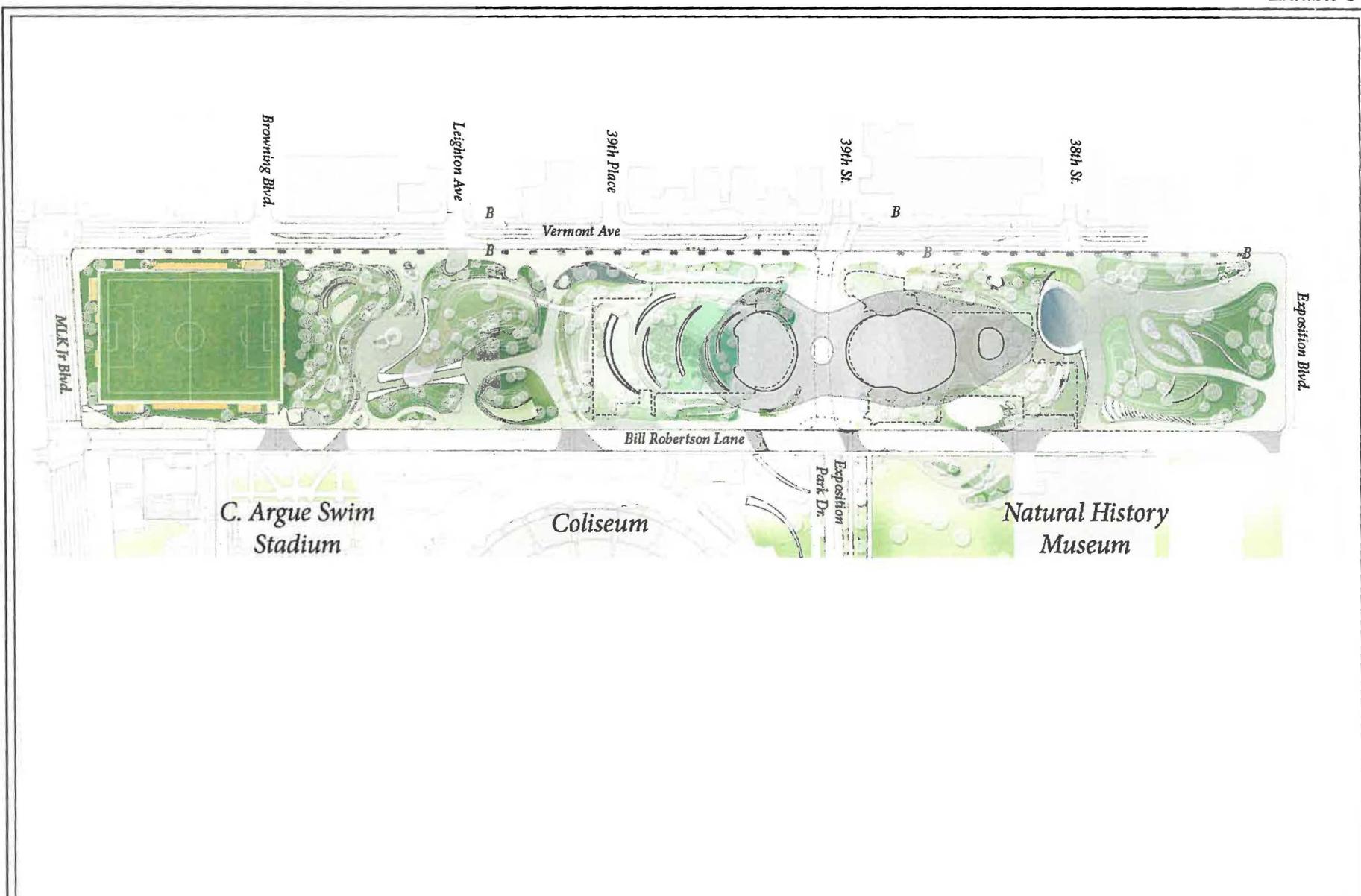


Figure 5
Conceptual Landscape Plan