

**APPROVED**  
APR 05 2007

REPORT OF GENERAL MANAGER

NO. 07-88

DATE April 5, 2007

**BOARD OF RECREATION  
and PARK COMMISSIONERS**

C.D. 13

**BOARD OF RECREATION AND PARK COMMISSIONERS**

**SUBJECT: TEMPLE BEVERLY PARK (AKA LAKE STREET PARK) (W.O. #E170166F) –  
PHASE III - FINAL ACCEPTANCE AND RECOMMENDATION TO ACQUIRE  
PROPERTY IN ACCORDANCE WITH AN EXECUTED PURCHASE AND  
SALES AGREEMENT**

R. Adams _____	J. Kolb _____
J. Combs _____	F. Mok _____
H. Fujita _____	K. Regan _____
S. Huntley _____	*M. Shull <u>MS</u>

*As amended  
file attached*

*Regin Adams*  
General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board approve the final acceptance for Phase III (gymnasium property) of Temple Beverly Park (AKA Lake Street Park), and direct staff to take the necessary actions to acquire the completed, developed site, in accordance with the executed Purchase and Sales Agreement, as amended.

SUMMARY:

As approved by the Board, on November 15, 2000 (Board Report No. 00-441), the City of Los Angeles contracted with Neimann Properties, Inc., to acquire a 1.8 acre site, located at 227 North Lake Street (near Beverly and Alvarado), in Council District Thirteen (CD 13), developed to the Board's approved specifications for the new Temple Beverly Park (AKA Lake Street Park) (W.O. #E170166F). The proposed turn-key acquisition, pursuant to an executed Purchase and Sales Agreement, project consisted of:

Phase I - design and construction of a 5,400 square-foot multi-use facility community center, two basketball courts, a skateboard park, parking, grass and trees, fencing and drinking fountains, as well as a recreation center building with a community center, offices, American with Disabilities Act (ADA) compliant restrooms, storage and multi-use classroom. Phase I was completed and previously accepted by the Board and acquired with the exception of a small parcel, which was retained by the developer for the development of a new gymnasium for the park ("Additional Park Improvements");

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Phase II – design and construction of a Universal Access Playground and open park space – completed and previously accepted and acquired;

Phases I and II of the project were completed and accepted by the Board on May 19, 2004 (Board Report No. 04-152), and have been acquired by the Department for a total purchase price of approximately \$5,732,000, not including the property upon which the gymnasium is now sited. The park is open and has provided much needed open space and recreation to one of the most disadvantaged and high-density neighborhoods in the City of Los Angeles, as well as providing an important resource to a newly constructed elementary school on the adjacent property.

The City is currently in escrow for the Phase III (gymnasium property) improvements. The purchase price to acquire the land and gymnasium improvements as described in Amendment No. 4 is \$2,306,000, plus eight approved change orders in the amount of \$185,676.46, for a total acquisition cost of \$2,491,676.46. Note that costs for all change orders have been previously paid directly through escrow. Subsequent to Board approval of funding for the Additional Park Improvements in April 2004, the amount of \$2,000,000, in the form of a Public Works Trust Fund (PWTF) loan, was placed into escrow as a deposit towards acquisition of the subject property. Upon the Board's approval, no less than three days prior to close of escrow, \$2,300,000 in Community Development Block Grants (CDBG) will be placed into escrow to replace the PWTF loan and additional closing costs. The Purchase and Sales Agreement requires that escrow for acquisition of the Additional Park Improvements be closed within ten days of Board acceptance of the Additional Park Improvements. Subsequent to close of escrow, the PWTF loan funds will be returned to the City, along with any remaining unspent interest.

Design and construction of the 6,759 square-foot gym, identified in the Purchase and Sales Agreement as the "Additional Park Improvements" and the subject of the executed Amendment No. 4 to the Purchase and Sales Agreement (also known as "Phase III"), is now complete, and it is recommended that the Board accept the completed gymnasium and direct staff to take the necessary actions to acquire the remainder of the property, upon which the new gymnasium was built.

Although construction is complete and has been accepted as such by the Bureau of Contract Administration (BCA) and Bureau of Engineering (BOE), a few minor punch list items remain.

<u>Punch List Items</u>	<u>Amount</u>
Handrails at Ramp and Stairs	\$ 8,300
Two 18 ½" column pads at north end wall	833
Volleyball Sleeves	<u>875</u>
Sub-total:	\$10,008
<u>10% Contingency</u>	<u>1,001</u>
Total:	\$11,009

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Until the developer has completed all of the work to the satisfaction of the City Engineer or his designated representative, the Board is requested to direct that the escrow officer (Lori Buel) retain \$11,009 as a retention amount. Upon approval of the completion of each of the above items to the satisfaction of the City Engineer or his designated representative, the City Engineer will notify the Board Secretary of such completion and request that the Board Secretary notify escrow to release the appropriate retention amount.

In addition to the above mentioned retention, the developer has provided a letter indicating that they will maintain the landscape for forty-nine days from the date of the Bureau of Contract Administration's Final Inspection which was on March 29, 2007.

A Notice of Exemption from the California Environmental Quality Act was filed with the City and County Clerk's Offices on November 28, 2000.

### FISCAL IMPACT STATEMENT:

The project is completely funded with CDBG Funds. A Fiscal Year 2007-08 budget request has been made to cover the costs of the maintenance and operation of the new facility.

This report was prepared by Ray Araujo, Project Manager, and reviewed by Neil Drucker, Program Manager, Recreational and Cultural Facilities Program; and by Bradley M. Smith, P.E., Chief Deputy City Engineer., Bureau of Engineering.

EXCERPT FROM THE MINUTES OF THE SPECIAL MEETING  
BOARD OF RECREATION AND PARK COMMISSIONERS  
APRIL 5, 2007

GENERAL MANAGER'S REPORT:

07-88

TEMPLE BEVERLY PARK (AKA LAKE STREET PARK) (W.O.#170166F) -  
PHASE III - FINAL ACCEPTANCE AND RECOMMENDATION TO  
ACQUIRE PROPERTY IN ACCORDANCE WITH AN EXECUTED  
PURCHASE AND SALES AGREEMENT

Mr. Michael Shull, Superintendent, Planning and Development Division, amended the report to include Recommendation Nos. 2 and 3 as follows:

2. Direct the Board Secretary to execute any remaining escrow instructions necessary to complete the acquisition of the subject property, as approved by the City Attorney; and,
3. Authorize the Board Secretary to accept the Grant Deed for the subject property.

Motion

It was moved by Vice-President Luévano, seconded by Commissioner Casillas that Report No. 07-88 be approved as amended. There being no objections, the Motion was unanimously approved.