

REPORT OF GENERAL MANAGER

NO. 03-43

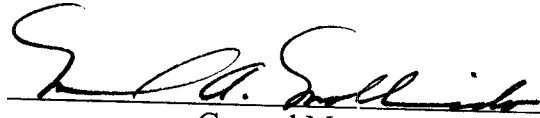
DATE: February 5, 2003

CD _____

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: THIRD AMENDMENT TO THE CONTRACT WITH THE EXPOSITION PARK INTERGENERATIONAL COMMUNITY CENTER, INC., TO ADD ADDITIONAL FUNDS TO THE PROJECT. AUTHORIZATION TO LOAN GOLF SURCHARGE FUNDS TO EPICC TO PERMIT THE TIMELY PAYMENT OF INVOICES

J. Combs _____	H. Fujita _____
A. Corrales _____	J. Kolb _____
J. Duggan <u>JD</u> _____	B. Lukehart _____


General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Approve Amendment No. 3 to Contract # 2937 between the City and the Exposition Park Intergeneration Community Center, Inc. (EPICC) to increase the public funding by \$1,986,815, of which \$1.5 million is from the Community Development Block Grant (CDBG), \$250,000 is from Proposition 12, \$75,000 is from the Community Redevelopment Agency, and \$161,815 is Federal Emergency Management Agency reimbursement; and
2. Approve and authorize the Chief Accounting Employee to loan and transfer \$1.2 million from the Golf Surcharge Account No. 9321 to the EPICC Account No. 9980, within Fund 302, Department 89, to provide sufficient cash flow for the EPICC project, subject to the approval of the Mayor.

SUMMARY:

The Exposition Park Intergenerational Community Center (EPICC) is a public multigenerational recreation facility being constructed with funding from private foundations (\$17 million) and public sources (\$11,767,655). The construction project is under the administration of the EPICC Board of Directors. The EPICC board has hired the Beck/Madson project development firm to direct the work of the contractor.

The contract with EPICC was approved by the Board of Recreation and Park Commissioners on January 5, 2000 (Board Report No. 00-29) and by the City Council and Mayor (CF. 99-1325) on

REPORT OF GENERAL MANAGER

PAGE 2 NO. 03-43

February 1, 2000. The contract includes Exhibits B (Public Funds) and G (Project Budget for the Renovation, Rehabilitation and Construction Agreement). EPICC was authorized under the terms of the agreement to: finalize the development and entitlements documents; gain the necessary environmental approvals; complete the design of the facilities; and complete the construction of the facilities within the guidelines established in the Agreement.

From November, 2000, to January, 2001, the project Construction Documents were let for competitive bids from trade contractors. When the bids were received and analyzed it became apparent that the total scope of the project as originally conceived by EPICC and the City exceeded the funds that had been allocated for construction. With the approval of the EPICC Board of Directors and Recreation and Park's management, a contract was awarded for construction of the Childcare building, the Senior Center, the Swim Stadium and a modified sitework package. The construction contract was within the available funds, accomplished the primary goals of EPICC and Recreation and Parks to build a complete facility, and allowed EPICC and the Department the opportunity to seek additional funding to complete the sitework package as originally envisioned.

In late 2001, through the efforts of Councilmember Mark Ridley-Thomas, EPICC and Department staff, an additional \$1.5 million was secured through the Community Development Block Grant (CDBG). The additional funds were received and used to complete the sitework surrounding the 9 acre site at the southwest corner of Exposition Park. The project is now almost complete. The Childcare Center was ready and operational during the summer of 2002, along with one of the two pools. The new 66,000 square foot Swim Stadium will be ready for occupancy by the end of February, 2003, along with the renovated Clubhouse, which will now be dedicated as a Senior Center.

In addition to the CDBG funding, Department staff was successful in obtaining \$250,000 from the statewide Proposition 12 financing, an additional \$75,000 from the Community Redevelopment Agency, and \$161,815 from the Federal Emergency Management Agency (FEMA). The attached revised Exhibit B includes all of these additional public funds. The attached amendment to the agreement adds these additional funds to the public contribution to the EPICC project.

The Proposition A funds (\$7 million) previously allocated for the project are available on a reimbursement basis. The City must expend funds and later be reimbursed from the Los Angeles County Prop A funds. The Department's final payments will be due very soon, but there are no funds available to cash flow the final payment. Accordingly, staff seeks authorization to loan \$1,200,000 from the Golf Surcharge Account, Fund No. 302, Department No. 89, Account No. 9321 to the EPICC Account No. 9980, Department No. 89, Fund No. 302, subject to the approval of the Mayor. Upon receipt of the Temporary Certificate of Occupancy (TCO), staff will seek reimbursement from the Los Angeles County Prop A. As soon as the funds are received the Golf Surcharge Account will be reimbursed.

Report prepared by: John Duggan, Chief Financial Officer