

REPORT OF GENERAL MANAGER

NO. 04-154

DATE May 19, 2004

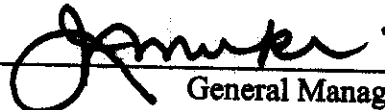
CD 06

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: BLYTHE STREET PARK: FINAL AUTHORIZATION TO ACQUIRE A 0.21 ACRE PROPERTY IN THE COMMUNITY OF PANORAMA CITY FOR PARK EXPANSION (#1345B)

*K. Chan bc
H. Fujita _____
M. Mariscal _____
K. Regan _____

J. Combs _____
J. Kolb _____
F. Mok _____
G. Stigile _____


General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

1. Adopt a resolution, substantially in the form attached hereto, authorizing the acquisition of a 0.21 acre parcel (APN 2210-021-004), located at 14746 Blythe Street in the community of Panorama City, for the amount of \$583,717.00, including escrow and title insurance fees, for future expansion of the existing Blythe Street Park;
2. Direct the Department's Grants Administration Section to expedite the processing of an invoice to the State of California for the amount of \$583,717.00, for direct deposit into Stewart Title and Escrow Company escrow account No. 04110128;
3. Direct the staff to proceed with the legally obligated relocation of tenants presently residing on the property;
4. Direct the Staff to process demands for any and all legally obligated costs associated with the required relocation assistance; and,
5. Authorize the Board Secretary to execute the escrow instructions and grant deed for the subject property.

REPORT OF GENERAL MANAGER

PG 2

NO. 04-154

SUMMARY:

The Department of General Services Asset Management Division (DGS) has notified staff that negotiations for the acquisition of the property at 14746 Blythe Street have concluded. Preliminary authorization for this acquisition was granted by the Board of Recreation and Park Commissioners (Board) on April 16, 2003 (Board Report 03-129). At that time, the Board preliminarily approved the acquisition of three parcels at 14746, 14750, and 14752 Blythe Street in the community of Panorama City. Since then, the Department of General Services (DGS) has been conducting negotiations with each of the property owners in an attempt to secure all three properties for acquisition. However, the only owners with whom the City has had any success to date is with Mr. and Mrs. Gary Payton, owners of 14750 Blythe Street, and Mr. Sukhdeep Singh, owner of 14746 Blythe Street. The Department is no longer pursuing the acquisition of the property at 14752 Blythe Street, as the property owner has demonstrated and confirmed an unwillingness to sell the property to the City.

Due to certain restrictions associated with the use of Proposition 12 funds, the City cannot acquire either of the Blythe Street properties (14746 or 14750) through its powers of eminent domain (condemnation). Therefore, the City has had to continue negotiations with the respective property owners for an extended period of time before reaching a mutually acceptable property value.

The 14746 Blythe Street property measures approximately 9,147 square feet or 0.21 acres. The property is currently improved with an apartment building consisting of four (4) units (2,970 sq. ft.). The addition of this property to the Blythe Street Pocket Park, which presently consists of 0.28 acres, combined with the acquisition of the property at 14750 Blythe Street 9,147 sq. ft.), will eventually increase the park's size to 0.70 acres. The additional, contiguous open space will create valuable opportunities for additional recreational amenities to be added to the existing children's tot-lot.

The DGS has negotiated the acquisition of the 14746 Blythe Street property at the fair market value of \$581,000.00. The original appraisal performed by Joseph Bates and Associates, Inc. (August 2002) indicated a property value of \$325,000.00. Based on that appraised value, a purchase offer was made on May 15, 2003, followed by subsequent offers dated December 17, 2003 and February 13, 2004. After having received and reviewed counter offers from Mr. Singh, with supporting documentation reflecting the significant increases in real estate market property values over the past two years, the DGS updated the appraisal accordingly and determined a new value of \$581,000.00.

REPORT OF GENERAL MANAGER

PG 3

NO. 04-154

The closing costs for this transaction will be \$1,200.00 for escrow fees and \$1,517.00 for title insurance. The total amount of funds required to be deposited into the escrow account prior to escrow closing is \$583,717.00. The necessary funds for this acquisition are available from previously allocated and approved Proposition 12 Murray-Hayden funds (\$946,000.00 – Fund 205, Account M006 and \$520,000.00 – Fund 205, Account M005).

Additional costs related to the Blythe Street Park expansion project include an appraisal (\$10,000.00), Phase I Environmental Site Assessment (\$2,838.00), CEQA filing fees (\$25.00), and Traffic Study (\$2,225.00), totaling \$15,088.00. Future expenses will include the legally obligated costs associated with tenant relocation assistance and moving expenses. Although the DGS has estimated the relocation costs to be approximately \$110,000.00 for the four (4) units, they've also indicated that this cost may increase, upon further evaluation, due to some of the units being occupied by Section 8 tenants. The funds necessary to pay the legally obligated relocation expenses associated with this acquisition are available through the approved Proposition 12 Murray-Hayden grants funds (\$520,000.00 – Fund 205, Account M006).

In accordance with the requirements of the California Environmental Quality Act (CEQA), a Mitigated Negative Declaration (MND) for the expansion of Blythe Street Park was adopted and a Notice of Determination filed on June 6, 1999. However, because the number of properties proposed for acquisition changed since that document was adopted, a new MND (on file in Board Office) was prepared for the Board's final review and approval. The MND was circulated to all interested parties and responsible agencies, and filed with the State Clearinghouse for a 30-day review and comment period from April 24, 2003 to May 27, 2003. On April 7, 2004, through the Board Report NO. 04-103 the Board adopted MND. No substantive comments were received on environmental issues. However, all comments have been incorporated into the final MND, copies of which have been provided to the Board for its review and consideration. A Mitigation Monitoring and Reporting Plan has been prepared that specifies all the mitigation measures identified in the MND, which will either reduce or eliminate the potentially significant environment impacts of the project. It was determined that the project, as proposed, will not individually or cumulatively have an adverse effect on wildlife resources or their habitats as defined by Fish and Game Code 711.2 with adoption and implementation of the appropriate mitigation measures, as provided in the MND. A Phase I Environmental Site Assessment was also performed that determined there are no recognized environmental conditions associated with the subject properties. On April 7, 2004, the Board, through Board Report No. 04-103, adopted the Initial Study/Mitigated Negative Declaration (IS/MND) and the associated Mitigation Monitoring and Reporting Plan (MMRP – on file in Board Office) for the Blythe Street Park Expansion Project, finding that all potentially significant environmental effects of the project have been properly disclosed and evaluated in compliance with the California Environmental Quality Act (CEQA) and the State and City CEQA Guidelines, and that the IS/MND reflects the Department of Recreation and Parks' independent judgment and analysis.

REPORT OF GENERAL MANAGER

PG 4

NO. 04-154

The Operations West Assistant General Manager and Superintendent are aware of staff's recommendations and have expressed their support. Staff from the Office of the Sixth Council District have also been consulted and concur with the recommendations contained herein.

This report was prepared by Joel Alvarez, Real Estate and Asset Management.

RESOLUTION NO.

BE IT RESOLVED, that acquisition of the following described property for dedicated park purposes, hereby is approved in accordance with the provisions of Section 506(c) of the City Charter:

14746 Blythe Street, which consists of 0.21 acres of improved land (APN 2210-021-004).

LEGAL DESCRIPTION OF PROPERTY:

14746 Blythe Street, City of Los Angeles, County of Los Angeles, State of California:

The East 61 feet of the West 244 feet of the North 180 feet of Lot 29 of Tract No.1532, as per map recorded in Book 22, Page 130, of maps in the Office of the County Recorder of the County of Los Angeles.

BE IT FURTHER RESOLVED, the Department of General Services, Asset Management Division, has negotiated the acquisition of said property at a cost of \$583,717.00, including closing costs, to be funded from the \$520,000.00 (Department Fund 205, Account M006) and \$946,000.00 (Department Fund 205, Account M005) appropriation(s) from the previously approved State of California Proposition-12, Murray-Hayden Grant Funds; and,

BE IT FURTHER RESOLVED, that the Department of Recreation and Parks Grants Administration Section be authorized to expedite an invoice to the State of California for the amount of \$583,717.00, payable to Stewart Title and Escrow Company, to be deposited directly into escrow account 04110128, from the previously approved Proposition-12 Murray-Hayden Grant Funds, for the acquisition of a 0.21 acre parcel located at 14746 Blythe Street; and,

BE IT FURTHER RESOLVED, that the Board Secretary is authorized to execute the escrow instructions and grant deed for the subject property, as approved by the City Attorney.

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 May 19, 2004.

MARY ALVAREZ,
Board Secretary

Resolution No.