

APPROVED

REPORT OF GENERAL MANAGER

SEP 19 2007

NO. 07-217

DATE September 19, 2007

BOARD OF RECREATION and PARK COMMISSIONERS

C.D. 10

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: LAFAYETTE PARK MULTIPURPOSE COMMUNITY CENTER - GIFT AGREEMENT AND MEMORANDUM OF AGREEMENT WITH HEART OF LOS ANGELES YOUTH, INC.(HOLA), FOR ADDITIONAL IMPROVEMENTS TO THE MODERN MULTI-STORY RECREATION BUILDING PROJECT AND THE USE OF THE MULTIPURPOSE CENTER BY HOLA FOR THE ENHANCEMENT OF RECREATION YOUTH PROGRAMS

R. Adams _____
H. Fujita _____
S. Huntley _____
V. Israel _____

J. Kolb _____
F. Mok _____
K. Regan _____
*M. Shull *[Signature]*

[Signature]
General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Approve the proposed Gift Agreement (Agreement), substantially in the form on file in the Board Office, between the Department and Heart of Los Angeles Youth, Inc. (HOLA), a California non-profit corporation, specifying the terms and conditions for the use of funds in the amount up to \$722,070 (Gift Funds), for the expansion of the scope of work for the existing Modern Multi-Story Recreation Building project at Lafayette Park (PRJ#1435A) (W.O. #E170317F) to include additional improvements specified on the attached Exhibit A (HOLA Construction);
2. Accept with gratitude the Gift Funds from HOLA in an amount not to exceed \$722,070, unless subsequently increased by mutual agreement, to specifically fund the HOLA Construction, pursuant to the terms and conditions of the proposed Agreement;
3. Direct the Department's Chief Accounting Employee to establish a project account (Fund205/Dept. 88/Account No. CD02 - LaFayette Park HOLA) for future deposits of the Gift Funds to be used specifically for HOLA Construction improvements related to the Lafayette Multipurpose Community Center (Center) renovation project;

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4. Approve the proposed Memorandum of Agreement (MOA) between the Department and HOLA, substantially in the form on file in the Board Office, for the use of the Center by HOLA, following the completion of said improvements, for the enhancement of recreational youth programs at the Center;
5. Direct the Board Secretary to concurrently transmit the approved Agreement and MOA to the Mayor, in accordance with Executive Directive No. 3, and to the City Attorney for review and approval as to form; and,
6. Authorize the Board President and Secretary to execute the Agreement and MOA upon receipt of the necessary approvals.

SUMMARY:

HOLA, a California non-profit organization, and the Department have a pre-existing relationship in successfully providing youth enrichment programs for children residing around the Department's Lafayette Park Multipurpose Center (Center), located at 625 S. Lafayette Park Place. HOLA's mission as an organization is to provide free athletic, academic, and fine arts programs for elementary, middle school, and high school children at various locations, including Lafayette Park.

On September 6, 2006, the Board approved the acceptance of a gift of additional design funds (Board Report No. 06-252) from HOLA, in the amount of \$32,120 (Design Gift), to revise the architectural design of the Proposition K and Proposition 12 RZH funded, Modern Multi-Story Recreation Building Project (Project No. #1435A – Project) at the Center to include additional club room and office space for HOLA's proposed future use in providing programs to the community. Pursuant to the Board's acceptance of the Design Gift and HOLA's anticipated award of a \$1,000,000 Grant (Foundation Grant) from the Everychild Foundation (Foundation) for construction of additional capital improvements and program enhancements at the Center, the Project design plans were revised to add the necessary building space to the Project to accommodate HOLA's proposed future development of new programs and the expansion of existing programs at the Center.

Since obtaining Board acceptance of the Design Gift, HOLA was successful in receiving the Foundation Grant award. Pursuant to the terms and conditions of the grant agreement between HOLA and the Foundation, HOLA has offered to provide funding for the construction of the additional building space improvements included in the redesign of the HOLA Construction portion of the Project, contingent upon HOLA receiving the full amount of the Foundation Grant. The Foundation Grant (\$1,000,000), which is contingent upon the execution of the proposed Gift Agreement and Memorandum of Agreement (MOA), consists of two parts:

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- A. Capital Grant – Up to \$722,070 to be used solely for the completion of the HOLA Construction building improvements, in conjunction with the Department's existing Project at the Center; and,
- B. Program Grant – Up to \$277,930 to be used by HOLA, solely for the enhancement and expansion of programs offered to children at the Center, subject to the terms, conditions, and execution of the proposed MOA.

The MOA shall set forth the terms and conditions under which HOLA will be authorized to occupy and use the additional building space created by the HOLA Construction for the development of new programs and the expansion of its existing programs and to better serve an increasing number of children residing around Lafayette Park. The proposed MOA has a term of twenty-five (25) years commencing upon the date of execution. Under the proposed MOA, the Department and HOLA will provide integrated programming to help develop and improve the physical, social, and emotional well-being of at-risk youth through athletics and recreation; will provide opportunities for neighborhood youth to contribute to their community; and will create a replicable model that may be implemented at other urban parks.

The Program Grant (\$277,930) provided to HOLA by the Foundation will fund the first year of programming at the Center. In addition, HOLA has secured additional funding through a second grant which will fund the subsequent two (2) years of HOLA programming at the Center. HOLA will actively seek funding sources to ensure the fulfillment of its obligations under the MOA.

An Initial Study/Mitigated Negative Declaration (MND) has been prepared and adopted for the proposed additions to the Lafayette Recreation Center, and a Notice of Determination was filed on June 23, 2004, with the Los Angeles County Clerk. Staff has reviewed the MND with respect to the proposed design changes that would accommodate HOLA in the new addition to the recreation center, and has determined that these changes will not result in new significant environmental effects or substantially increase the severity of previously identified effects. In addition, no new mitigation measures or modification to adopted measures would be required. Therefore, no subsequent CEQA review or documentation is required for the acceptance of the Gift Funds from HOLA or the approval of the MOA.

Staff has discussed the proposed project with the Assistant General Manager of Operations East, the Superintendent of the Metro Region, and the Office of Councilmember Herb J. Wesson, Jr. of the Tenth Council District, and each supports the project and concurs with staff's recommendations.

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FISCAL IMPACT STATEMENT:

There will be no fiscal impact to the Department associated with this project, except for the maintenance and operating costs of a new larger space, as the direct costs related to the proposed HOLA Construction and enhanced programs at the Center will be funded entirely through the Foundation Grant in the form of the Capital Gift to the Department and Program Gift to HOLA.

Prepared by Joel Alvarez, Management Analyst II of the Department's Real Estate and Asset Management Section.

EXHIBIT A

USE OF GIFT FUNDS

Additions and Alterations to Base Construction:

A. Capital Gift (\$722,070)

Additions and alterations to the original scope of the Recreation-Community Center project in accordance with the attached floor plan. Specifically, the additions and alterations will consist of:

1. Lower Level:
 - a. Clubroom D
 - b. HOLA staff offices
2. Street Level:
 - a. Expansion of classroom construction Clubroom A
 - b. Interior remodel
 - i) Clubroom B
 - ii) Clubroom C
 - Build-out interior space (countertops, wiring, and shelving)
 - Computers (15)
 - Miscellaneous hardware and software
3. Digital Security Camera Surveillance System (7 cameras)
4. Construction Contingency (\$150,000)

