

REPORT OF GENERAL MANAGER

APPROVED
FEB 07 2007

NO. 07-32

DATE February 7, 2007

**BOARD OF RECREATION
and PARK COMMISSIONERS**

C.D. 5

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: WESTWOOD GARDENS PARK - PROPOSED ACQUISITION AND DEVELOPMENT OF A VACANT PARCEL AT 1246 GLENDON AVENUE

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

AS Amended

J. Mukeri
General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATION:

That the Board:

1. Affirm the provisions in Resolution No. 10130, adopted by the Board on November 16, 2005, concerning the acquisition, development and dedication of APN 4325-005-087;
2. Approve the negotiated purchase price of \$2,260,000;
3. Authorize the General Manager to sign, on behalf of the Department, the "Purchase and Sale Agreement and Joint Escrow Instructions" (PSA) drafted by the Office of the City Attorney and on file in the Board Office;
4. Authorize the General Manager to sign, on behalf of the Department, the Internal Revenue Service Form No. 8283 titled "Noncash Charitable Contributions" and the form titled "Acknowledgement of Gift", both forms being on file in the Board Office as part of the PSA, said actions having been requested by the seller and approved by the Office of the City Attorney as to form;
- ~~5. Approve "Westwood Gardens" as the name of the new park; and,~~
5. Authorize staff to identify and seek additional funds in order to fully develop the site into a passive park.

Delete

REPORT OF GENERAL MANAGER

PG. 2

NO. 07-32

SUMMARY:

For some time the Office of Council District Five has sought for the City to acquire for park purposes a vacant parcel at the northeast corner of Glendon and Wellworth Avenues in Westwood (APN 4325-005-087). The parcel totals 12,500 square feet or 0.29 acre. It is adjacent to the new branch library, and both have the address of 1246 Glendon Avenue.

At the time the Board adopted Resolution No. 10130 on November 16, 2005, authorizing the acquisition and development of the parcel (Board Report No. 05-307), staff had identified Quimby and Zone Change fees from Westwood Recreation Complex subaccounts totaling \$2,439,362, of which \$30,000 from this same source had previously been approved by the Board on June 1, 2005, for pre-acquisition costs (Board Report No. 05-153).

The Phase I site assessment performed in July 2005 indicated no environmental impediments to the acquisition. Staff also determined that the acquisition and subsequent development of the parcel into a passive park, which is recommended be named Westwood Gardens, are exempt from the provisions of the California Environmental Quality Act (CEQA). The Notice of Exemption was filed on July 7, 2005.

The subsequent delay in completing the acquisition was the result of stalled negotiations with the seller, a private party. Staff of the Real Property and Environment Division of the Office of the City Attorney recently reported the terms of an agreement, including a purchase price of \$2,260,000. The City is not involved with validating a higher value, if any, which the owner seeks to obtain through a subsequent appraisal; this action is the responsibility of the owner. The owner has asked the City to sign Part IV of the Internal Revenue Service Form No. 8283, which is the section concerning the recipient of a donation; this section states that signing the form "does not represent agreement with the claimed fair market value." Likewise, signing the supplementary form titled "Acknowledgement of Gift" does not obligate the City to affirm any value to the parcel beyond the agreed-upon purchase price.

The total spent in pre-acquisition costs consists of \$2,659 for the Phase I assessment and CEQA filing fee; therefore, the sum of \$2,466,703 is still available for acquisition and development. Given the purchase price of \$2,260,000 and anticipated escrow/title fees of \$7,000, approximately \$200,000 will be available for the site's development. On March 7, 2006, the Architectural Division of the Bureau of Engineering (BOE) estimated \$538,000 for design/development costs based on initial, conceptual studies. This sum includes contingencies and projected escalation in construction costs as well as BOE staff costs. Staff will continue seeking additional funding in order to fully develop the site into a passive park.

The Office of Council District Five strongly supports the acquisition as does the community.

REPORT OF GENERAL MANAGER

PG. 3

NO. 07-32

The Assistant General Manager of Operations West and the Superintendent of the West Region also concur with staff's recommendations.

FISCAL IMPACT STATEMENT:

As noted in Reports No. 05-153 and 05-307, the Quimby and Zone Change funds approved for the acquisition and at least partial development of the parcel have already been collected; therefore, there will be no immediate impact to the General Fund. It is anticipated that ongoing maintenance of the passive park will cost up to \$13,000 per year, which will be requested during the annual budgeting process.

Report prepared by Joan Reitzel, Senior Management Analyst in Real Estate and Asset Management.