

APPROVED
JUN 11 2014

REPORT OF GENERAL MANAGER

NO. 14-138

DATE: June 11, 2014

**BOARD OF RECREATION
AND PARK COMMISSIONERS**

C.D. 13

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: HOLLYWOOD CENTRAL PARK PROJECT – ENVIRONMENTAL IMPACT ANALYSIS AND RELATED TECHNICAL STUDIES – CONTRACT WITH FIRSTCARBON SOLUTIONS AND FRIENDS OF HOLLYWOOD CENTRAL PARK

R. Adams _____

V. Israel _____

for R. Barajas CSD

K. Regan _____

H. Fujita _____

N. Williams _____


General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATIONS:

That the Board:

1. Approve a proposed Contract (Contract), substantially in the form on file in the Board Office, between the City of Los Angeles (City), FirstCarbon Solutions (FCS), a California corporation, and Friends of the Hollywood Central Park (FHCP), a non-profit organization, for the amount of \$525,000.00, to provide and fund the preparation of an environmental impact analysis, and related technical studies, for the proposed Hollywood Central Park project (Project), subject to the approval of the Mayor and the City Attorney as to form;

2. Authorize the General Manager to execute any documents between the Department of Recreation and Parks (RAP), as the Lead City Agency under California Environmental Quality Act (CEQA), and any Responsible Agency under CEQA, including but not limited to the California Department of Transportation (CalTrans), as may be necessary to enable FCS and FHCP to provide and coordinate the preparation of an environmental impact analysis, and related technical studies, for the proposed Project, subject to approval of the City Attorney as to form;

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3. Find, in accordance with Charter Section 1022, that RAP does not have, available in its employ, personnel with sufficient time or the necessary expertise to undertake these specialized professional tasks, that the work can be performed more economically or feasibly by FHCP than by City employees because FHCP will act as a facilitator and raise and donate additional funding to ensure completion of the environmental documents that will be submitted to the City for the City's consideration and approval;
4. Find, in accordance with Charter Section 371(e)(2) that the professional and special fundraising services to be provided by FHCP are of a temporary and occasional character for which competitive bidding is not practical or advantages because FHCP was created for the sole purpose of raising funds, interest and support for the Project;
5. Find, in accordance with Charter Section 371(e)(10) that the use of competitive bidding would be undesirable, impractical or impossible because acquisition of the environmental documentation and analyses necessary for the Project would not be possible without FHCP securing the majority of the funding;
6. Find, in accordance with Charter Section 371(e)(2), that the environmental impact analysis and related technical studies to be provided by FCS for the Project are professional, expert, technical services of a temporary and occasional character for which competitive bidding would be undesirable;
7. Find, in accordance with Charter Section 371(e)(10), that the environmental impact analysis and related technical studies to be provided by FCS for the Project are professional, expert, technical services for which the use of competitive bidding would be undesirable, impractical or impossible or where the common law otherwise excuses compliance with competitive bidding requirements;
8. Find, in accordance with Charter Section 372 that obtaining competitive proposals or bids for the work that may be performed pursuant to this Contract is not reasonably practicable or compatible with the City's interests to obtain proposals or bids as FCS and FHCP are the only organizations that have agreed to provide, obtain, and secure all the services necessary for this Contract;
9. Direct the Board Secretary to transmit forthwith the proposed Contract to the Mayor in accordance with Executive Directive No. 3 and, concurrently, to the City Attorney for review and approval as to form; and,
10. Authorize the Board President and Secretary to execute forthwith the Contract, upon receipt of the necessary approvals.

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SUMMARY:

The Project proposes to cover an approximately one (1) mile portion of the United States (U.S.) 101 Freeway, between Bronson Avenue and Santa Monica Boulevard, in order to create a forty-four (44) acre community park. As the section of the U.S. 101 Freeway between Bronson Avenue and Santa Monica Boulevard is below the level of the street, the Project is proposed to be constructed on a deck above the freeway, which would allow the development of a street-level park. If implemented, the Project would provide a new public park in a neighborhood where a large percentage of residents do not live in close proximity to a public park or recreational facility and would reconnect neighborhoods that were divided by the construction of the U.S. 101 Freeway.

In October 2013, the Los Angeles City Council approved a motion designating the RAP as the lead City agency for the preparation of the Environmental Impact Report/Environmental Impact Study (EIR/EIS), and the associated technical documents, for the proposed Project; transferring \$785,000.00 in funding from Department of Public Works, Bureau of Engineering (BOE) to RAP for costs associated with the preparation of the documents; instructing RAP to seek approval for one (1) additional position of Principal Project Coordinator to manage the City's efforts to coordinate and review the EIR/EIS; and, requesting that RAP negotiate and execute an agreement with FHCP, in the amount of \$525,000.00, to provide services in connection with the preparation of the EIR/EIS, or applicable California Environmental Quality Act (CEQA) and/or National Environmental Policy Act (NEPA) documentation, and associated technical studies for the Project (Council File No. 13-1248).

Background

In January 2007, the Los Angeles City Council approved \$100,000.00 in funding, provided by the Community Redevelopment Agency of Los Angeles (former CRA/LA), to help fund a detailed feasibility study for the proposed Project (Council File No. 06-2791). A Request for Proposals (RFP) for the feasibility study was issued by the former CRA/LA and a consultant team, led by EDAW (a part of AECOM), was selected to complete it. As a part of the feasibility study, a number of stakeholder meetings were held in order to help develop a preferred plan based on feedback from both the local community and technical experts. In October 2008, the feasibility study for the Project was completed. The feasibility study determined that the proposed Project was both technically and functionally feasible.

Due to the size, scope, and location of the proposed project size, and potential funding sources and mechanisms for eventual project implementation, it was determined at that time that both CEQA and NEPA compliance will likely be required. This would require the preparation of an extensive EIR/EIS, and associated technical studies, for the project in order to best facilitate efficient environmental review at the Federal, State, and Local levels.

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In December 2008, following the completion of the feasibility study, FHCP, a non-profit corporation, was created by advocates and supporters of the proposed Project in order to raise funds, community interest and support for the development of the Project. One of the priority objectives for the FHCP has been to identify and secure \$2,000,000.00 in funding for the environmental analysis and the associated technical documentation, for the proposed Project.

In November 2011, the former CRA/LA approved \$2,000,000.00 in funding for the BOE for the EIR/EIS for the Hollywood Central Park Project (Council File No. 11-2115-S1). However, on February 1, 2012, the former CRA/LA was dissolved pursuant to AB 1x-26, and the \$2,000,000.00 in funding was no longer available for the project.

On July 3, 2012, the Los Angeles City Council approved the transfer and appropriation of a total of \$825,000.00, from various funding sources, to BOE, to fund a portion of the identified costs for the preparation of environmental analyses for the proposed Project (Council File No. 12-0600-S120). At that time, BOE staff estimated that \$300,000.00 of the \$825,000.00 in funding would be needed to pay City Departments' staff costs associated with the preparation and review of the environmental documents for the project and the remaining \$525,000.00 would be needed to pay for the necessary environmental consultants.

In August 2012, FHCP received a \$1,200,000.00 donation from the Aileen Getty Foundation to help fund the environmental impact analysis and related technical studies for the Hollywood Central Park Project. Following the receipt of that donation, it was determined by BOE and FHCP that FHCP's funds, in combination with the \$825,000.00 in funding provided to BOE by the City, were sufficient to engage a consultant team and pay a contractor to provide the necessary environmental documentation and analysis for the proposed Project.

In November 2012, FHCP released an RFP for the preparation of the environmental impact analysis and related technical studies and documents for the proposed Project. In February 2013, FHCP selected a consultant team, led by FirstCarbon Solutions (FCS), to prepare the environmental documentation for the Project.

On February 28, 2013, CalTrans, the State agency responsible for highway and bridge planning, construction, and maintenance, issued a memorandum delegating CEQA Lead Agency status for the Hollywood Central Park Project to the City (Exhibit A). In that memorandum, Caltrans elucidated that the delegation of CEQA Lead Agency status should be accompanied by an executed cooperative agreement between Caltrans and the City so Caltrans can provide independent quality assurance on the preparation of the environmental documentation.

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In October 2013, the Los Angeles City Council approved a motion designating RAP as the Lead City Agency for the preparation of the EIR/EIS, and the associated technical documents, for the proposed Project; transferring \$785,000.00 in funding from BOE to RAP for costs associated with the preparation of the documents; instructing RAP to seek approval for one (1) additional position of Principal Project Coordinator to manage the City's efforts to coordinate and review the EIR/EIS; and, instructing RAP to enter into a Contract with FHCP, in the amount of \$525,000.00, to provide services in connection with the preparation of the EIR/EIS (Council File No. 13-1248). It should be noted that only \$745,885.23 of the \$785,000.00 in funding that the Los Angeles City Council directed BOE to transfer to RAP, as adopted in Council File No. 13-1248, was ultimately transferred from BOE to RAP. The Department of Public Works reduced the amount of funding being transferred in order to fully reimburse BOE staff for expenses they incurred from December 20, 2012 through September 18, 2013 while they were working as the Lead City Agency for the project.

Contract with FirstCarbon Solutions and Friends of the Hollywood Central Park

The proposed Contract defines the specific roles and responsibilities for RAP, FCS, and FHCP relative to the preparation of the environmental impact analysis, and related technical studies, for the proposed Project.

Pursuant to the Contract, FHCP will use the funds it has secured, along with the City funds that are being distributed pursuant to the Contract, to pay for environmental services rendered by FCS and the environmental consultant team and to ensure completion of all performance milestones in the Contract. FHCP is obligated and responsible for securing and managing the consultant team preparing the environmental analyses, an EIR/EIS, and appropriate CEQA and NEPA documentation, for the Project. FHCP shall provide, for the Board of Recreation and Park Commissioners (Board) independent review and consideration, all necessary and required environmental documentation and technical studies. RAP staff will work in coordination with FHCP and FCS on the preparation of the required documents. RAP and City staff will review all final work products prepared by FCS and the consultant team to ensure they have been appropriately prepared and are in accordance with City standards and requirements. RAP shall pay FHCP no more than \$525,000.00 for services in connection with the preparation of the environmental analysis, and associated technical studies, in accordance with performance milestones and the related payment schedule that are set forth in the Contract. FHCP shall be responsible for disbursing those funds, along with funds it has secured, to FCS, for the environmental analysis services FCS will be providing. RAP will not be responsible for disbursing any payments to FCS. The term of the Contract shall be eighteen (18) months from the date of execution, and may be extended for two (2) additional six (6) month periods, subject to the written approval of RAP, FHCP and FCS.

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As RAP has been designated by the City Council as the Lead City Agency for the preparation of the EIR/EIS for the proposed Hollywood Central Park Project, the environmental analysis, and any required CEQA and NEPA findings and environmental assessments reports produced for this Project pursuant to this Contract, would be presented to the Board for review in a subsequent report.

Charter Section 1022 Finding

Los Angeles City Charter Section 1022 prohibits contracting out work that could be done by City employees unless the Board determines it is more economical and/or feasible to contract out the service.

The Personnel Department has completed a Charter Section 1022 review and determined that there are City classifications that could provide some but not all of the professional services required to prepare the environmental analysis, and associated technical studies, for the proposed Project. However, none of the City Departments, including RAP, that have the City classifications that could provide some of the professional services have sufficient staff available at this time to do so. Additionally, due to the City's current budgetary constraints and the ongoing hiring freeze, RAP is unable to obtain the personnel necessary to perform these specialized tasks.

Therefore, staff has determined that it is more feasible to secure the necessary services through an independent contractor.

Charter Section 371 Finding

Los Angeles City Charter Section 371(a) requires a competitive bid or proposal process unless there is an applicable exception under Section 371(e).

Los Angeles City Charter Section 371(e)(2) provides an exception that "contracts, as determined by the contracting authority, for the performance of professional, scientific, expert, technical, or other special services of a temporary and occasional character for which the contracting authority finds that competitive bidding is not practicable or advantageous".

Los Angeles City Charter Section 371(e)(10) provides an exception that "subject to the requirements of Section 1022, contracts (including without limitation those, as determined by the contracting authority, for the performance of professional, scientific, expert, technical or other special services), where the contracting authority finds that the use of competitive bidding would be undesirable, impractical or impossible or where the common law otherwise excuses compliance with competitive bidding requirements".

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If a competitive bid or proposal process is initiated to prepare environmental analyses, an EIR/EIS, and appropriate CEQA and NEPA documentation, for the proposed Project it is highly unlikely that the City will be able to identify organizations as uniquely situated as FHCP and FCS are to facilitate the preparation of the environmental documentation. FHCP was created to raise funds, community interest, and support for this proposed project and is familiar with the Federal, State, and Local agencies, organizations, and stakeholder entities that will need to be involved in the preparation of the environmental documentation for the project. FHCP has already secured, and is able manage, a consultant team, led by FCS, that has and can provide the professional, expert, technical services necessary to prepare the environmental documentation for the Project and to provide the results of that effort to the City for its independent consideration.

Furthermore, even if a suitable consultant could be identified through a competitive bid process, the City would be unlikely to find one that could prepare the necessary environmental documentation with the amount of City funding that is available to produce the required environmental analysis and technical studies. At this time, only FHCP has secured, and is willing to provide, the amount of private, non-City, funding and resources necessary to complete the extensive environmental documentation required for the proposed Project. The acquisition of the environmental documentation and analyses necessary for the Project would not be possible without FHCP securing the majority of the funding.

Finally, as was noted previously in this Report, the Los Angeles City Council requested that RAP negotiate and execute an agreement with FHCP for services related to the preparation of the required environmental documentation for this project.

The preparation and completion of the environmental analysis for the proposed Project would provide the City with the environmental review documents needed to evaluate the potential environmental impacts of the project in accordance with the environmental documentation and review requirements of CEQA and NEPA. Without the required environmental documentation, the Project cannot be appropriately evaluated by the City.

Therefore, staff has determined that competitive bidding for preparation of the environmental analyses, EIR/EIS, and appropriate CEQA and NEPA documentation, for the proposed Project would be undesirable at this time.

Charter Section 372 Finding

Los Angeles City Charter Section 372 requires that, except as otherwise provided by ordinance, in all cases where bids are not required by the Charter, competitive proposals or bids shall be obtained as far as reasonably practicable and compatible with the City's interests.

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FHCP has already secured, and is able to manage, a consultant team to prepare the environmental documentation for the Project. FHCP has demonstrated that its consultant team, led by FCS, has the necessary contacts, experience, and resources available to complete the environmental analysis for the proposed Project.

Therefore, staff has determined that it is not reasonably practicable and compatible with the City's interests to obtain proposals because FHCP and FCS are the organizations that have agreed to provide, obtain, and secure all the services necessary for this Project at this time.

Environmental Review

Staff has determined that the action of entering into a contract for the purpose of coordinating the preparation of environmental analysis and associated technical studies for the proposed Project, is not subject to CEQA pursuant to CEQA Guidelines Section 15060(c) as an activity that will not result in a direct or reasonably foreseeable indirect physical change in the environment is not a project under CEQA Guidelines Section 15378.

FISCAL IMPACT STATEMENT:

The funding for this Contract is provided in Fund 302, Department 89, General Capital Account 89270K-HP (Hollywood Central Park). Approval of this Contract will have no impact on the RAP's General Fund.

This Report was prepared by Darryl Ford, Management Analyst II, Planning, Construction, and Maintenance Branch.

Memorandum

*Flex your power!
Be energy efficient!*

To: MICHAEL MILES
District Director, District 7

From: RONALD KOSINSKI
Deputy District Director
Division of Environmental
Planning

Date: February 28, 2013

07-LA-101-PM 5.60/6.60
Hollywood Freeway
Central Park Project, City
of Los Angeles

Subject: Lead Agency Decision Paper Addressing Hollywood Freeway Central
Park Project in the City of Los Angeles on U.S. 101.

Action Request

The City of Los Angeles requested Caltrans to delegate its responsibility as CEQA Lead Agency to the City on the subject project via a letter dated February 1, 2013. This written justification Memorandum is provided pursuant to Caltrans guidelines on CEQA Lead Agency, elucidated in a June 24, 2004 memo from Gary Winters, Chief, Caltrans Division of Environmental Analysis. CEQA Lead Agency delegation requires written determination from the District Director as recommended by the Deputy District Director for Environmental Planning. The delegation should be accompanied or followed by an executed cooperative agreement between Caltrans and the agency to which Caltrans is delegating CEQA Lead Agency status. For this project, Caltrans proposes to allow the City of Los Angeles to act as CEQA Lead Agency.

Background

The Hollywood Freeway Central Park Project (Freeway Cap) is proposing to build a park on top of a depressed one-mile long section of U.S. 101 Freeway in the general vicinity of and between U.S. 101 intersections with Santa Monica Blvd. and Hollywood Blvd. The project's proposed scope of work will primarily include the construction of a new bridge structure over the freeway, add park landscape and amenities, explore potential upgrades to the freeway to current standards, and possibly modify freeway access ramps and adjacent interchanges and local street network. Construction of park/recreation related uses including sports fields and an amphitheater will also be considered.

Justification & Benefits

The Hollywood Central Park Cap proposal is an urban development project, not a transportation project. The proponents are focused on analyzing land use development issues including park access, parking, pedestrian movement, landscaping, urban gardens and community views. Caltrans' major concerns involve constructability, maintenance, traffic engineering and safety. Our concerns are more appropriately addressed in Caltrans Design and Engineering documents, not in our CEQA documents. All subsequent permits, including Caltrans encroachment and airspace permits would still be required. With the City of Los Angeles as CEQA Lead Agency, the involvement of local urban design departments within the City will facilitate environmental review.

Caltrans District 7 has been consulting with the proponents of this cap since 2007. Staff will work closely with the local environmental document preparation team and provide Quality Assurance "Oversight" to CEQA process. This will ensure that the proposed project scope, purpose and need--and its evaluation criteria will adequately address the potential impacts to the environment. Caltrans staff will ensure that freeway operations, maintenance issues, safety issues, right-of-way policies, long-range transportation plans, and other applicable Caltrans objectives directly influence the decision making process. All parties involved in this proposed project will benefit from this delegation.

Recommended Approach

As Responsible Agency under CEQA, at key decision points, Caltrans will participate in coordination meetings to ensure that all reasonable environmental considerations and freeway related issues are addressed to a satisfactory level. This includes, but not limited to schedule, mitigation, and rights-of-way proposals. Failure to comply with these considerations will void this CEQA delegation agreement. This delegation is being recommended to develop a successful product in the most cost effective manner possible.

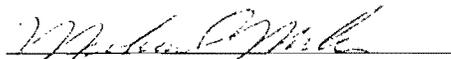
Based on the foregoing information, I have determined that it is in Caltrans' best interest to delegate CEQA Lead Agency status for the Hollywood Freeway Central Park Project in the City of Los Angeles on U.S. 101 to the City of Los Angeles.



RONALD KOSINSKI

Deputy District Director, District 7 Environmental Planning

I concur,



MICHAEL MILES

District Director, District 7