

REPORT OF GENERAL MANAGER

NO. 05-171

DATE June 15, 2005

C.D. 13

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: 911 NORTH MUSEUM DRIVE, MT. WASHINGTON: ACQUISITION OF A VACANT PARCEL KNOWN AS "MOON CANYON"

J. Combs	<u>JK</u>	H. Fujita	_____
*S. Huntley	_____	B. Jensen	_____
J. Kolb	_____	F. Mok	_____
K. Regan	_____		

Robert H. Jensen (R)  
General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board:

1. Adopt the Resolution, on file in the Board Office, authorizing the acquisition for \$1,800,000.00 of a vacant 4.5 acre parcel in the Mt. Washington area of Los Angeles and having a street address of 911 North Museum Drive, pending the satisfactory outcome of a Phase I site assessment and geotechnical evaluation; and
2. Upon obtaining these satisfactory outcomes and the completion of escrow, authorize the Board Secretary to accept the grant deed to the parcel, which is to be set aside and dedicated as park property in perpetuity.

SUMMARY:

In 2002, based on requests from area residents, the Office of Council District 14 began efforts to purchase an irregular, bowl-shaped and privately owned vacant parcel of 4.5 acres with a street address of 911 North Museum Drive (APN 5466-002-002). The parcel is bordered on three sides by San Rafael Avenue, but perhaps because the parcel is most accessible along the side next to Moon Avenue, it has become known as "Moon Canyon". The residents and the Council Office wish the site to be preserved in a natural state as public open space.

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In June and July 2003, the City Council directed General Services to negotiate with the parcel's owner; \$550,000.00 to fund the acquisition was authorized from the City's Capital Improvement Expenditure Program, Council File 02-0600-S72, No. 40 and Council File 03-1366. The Council Motion authorizing the acquisition did not specify the disposition of the property once the City acquired it. However, in correspondence dated June 6, 2005, the District's Councilmember requested that the parcel be placed under the Department's jurisdiction.

Negotiations were protracted because the owner sought a sales price commensurate with the property's low-density residential zoning and had begun the process of obtaining a tract map. Only recently have the owner and General Services agreed on a sale price of \$1,800,000.00. The owner has also agreed to pay title insurance and escrow costs from the proceeds of the sale. This price is compatible with an appraisal performed in October 2004, with the valuation adjusted for the time lapse to the present and the scarcity of large vacant parcels in the vicinity.

Earlier in the acquisition process the Council Office asked the Environmental Management Group of the Bureau of Engineering to prepare documentation required under the California Environmental Quality Act (CEQA). A Notice of Exemption was filed on March 22, 2004, pursuant to Article III, Section 1, Class 25 (1) of the City CEQA Guidelines. At the time, a preliminary soil and geology study was performed but not a Phase I environmental assessment; it seemed likely that the acquisition would occur by condemnation and an assessment was not requested by the City Attorney. The Bureau of Engineering will review the geotechnical data and a Phase I assessment will be performed under the direction of the Department's environmental personnel. Escrow instructions will make consummation of the sale contingent upon a satisfactory resolution of these issues.

### FISCAL IMPACT STATEMENT:

On June 9, 2005, the "L. A. for Kids" Steering Committee approved the use of Proposition 40 discretionary funds for the acquisition as follows: up to \$1,009,912.00 in discretionary Per Capita funds and up to \$810,088.00 in Roberti-Z'berg-Harris funds for a total potential funding of \$1,820,000.00. The Council Office asked for this funding arrangement because of a possible need to reprogram some or all of the previously approved CIEP funds for another District project. The exact mix of funding sources will be determined before the close of escrow. Appraisal costs have already been paid, so they will not be an additional expenditure. As stated earlier, the owner will assume all escrow and related expenses.

The Region estimates that brush clearance of the parcel will total approximately seven thousand dollars per year.

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The Assistant General Manager of Operations East, the Superintendent of Griffith-Metro Region and the Office of Council District Fourteen concur with staff's recommendations.

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