BOARD REPORT

DATE August 9, 2017

BOARD OF RECREATION AND PARK COMMISSIONERS

NO. 17-171

C.D. 14

SUBJECT: VESTING TENTATIVE TRACT (VTT) NO. 74852 – RECOMMENDATION TO THE ADVISORY AGENCY FOR LAND DEDICATION OR IN-LIEU PARK FEE PAYMENT

Approved X Disapproved Withdrawn
with corrections

RECOMMENDATIONS

1. Recommend that the Advisory Agency require Vesting Tentative Tract (VTT)-74852 to pay the in-lieu park fee to the City in order to fulfill the Project's requirements under provisions of the Park Fee Ordinance/Los Angeles Municipal Code Section 12.33; and,

2. Authorize the Department of Recreation and Parks (RAP) to provide a Report to the Advisory Agency informing them of the Board of Recreation and Park Commissioners' (Board) recommendation.

3. See recommendation below

PARK FEE SUMMARY

Ordinance 184,505 (Parks Dedication and Fee Update Ordinance) became effective on January 11, 2017. Ordinance 184,505 requires most residential projects that create new dwelling units or joint living and work quarters to dedicate land or to pay a fee in-lieu (Park Fee) for the purpose of developing park and recreational facilities. Residential projects that propose one or more additional dwelling units are subject to these requirements unless they meet one of the exceptions listed in Los Angeles Municipal Code Section 12.33 C.3 (e.g. certain affordable housing units and secondary dwelling units may be exempt from any requirement to pay a fee).

Pursuant to Los Angeles Municipal Code Section 17.04 (Subdivision Committee), RAP shall submit a report to the Advisory Agency for each application for subdivision map approval and that report "shall contain recommendations, approved by the Board, specifying the land to be dedicated, the payment of fees in lieu thereof, or a combination of both ... "

RECOMMENDATIONS CONTINUED

3. Recommends that if no exemption is provided for the project, then the recommendation would be for land dedication.
PROJECT SUMMARY

The proposed Project is located at 554-562 South San Pedro Street and 555-561 South Crocker Street in the Skid Row community of the City. The Project, as currently proposed, is a mixed-use project with an 18-story and 12-story building with approximately 407 residential units, of which 401 units are affordable, and approximately 12,227 square feet of commercial floor area.

Conceptual renderings of the Project are attached (Attachment 1).

RAP staff held an Early Consultation meeting with the applicant on February 9, 2017 to discuss the requirements of Los Angeles Municipal Code Section 12.33, including options for park land dedications, satisfaction of Park Fees, and recreational credits.

The Advisory Agency has sent RAP a notification requesting RAP provide its report and recommendations on the Project by August 21, 2017. If no written report is provided to the Advisory Agency by that date, the Advisory Agency will assume that RAP has no report to make.

REQUIRED LAND DEDICATION AND IN-LIEU FEE PAYMENT

Land Dedication

Pursuant to Los Angeles Municipal Code Section 12.33 D, residential Subdivision projects with more than fifty (50) residential dwelling units may be required by the City to dedicate land to the City for park and recreation purposes. The amount of land to be dedicated is calculated based on the formula detailed in Los Angeles Municipal Code Section 12.33 D.2:

- \[ LD = (DU \times P) \times F \]
  - \( LD \) = Land to be dedicated in acres.
  - \( DU \) = Total number of new market-rate dwelling units.
  - \( P \) = Average number of people per occupied dwelling unit as determined by the most recent version of the U.S. Census for the City of Los Angeles.
  - \( P = 1.92 \)
  - \( F \) = Park Service factor, as indicated by the Department of Recreation and Parks rate and fee schedule.
  - \( F = 0.00192 \) (1.92 acres of park land per 1,000 residents)

The maximum required land dedication for the Project’s proposed 407 units would be:

2.25 Acres = \( 407 \times 2.88 \) \times 0.00192
The land dedication estimate is subject to change based on the number of exempt Affordable Housing Units included as part of the Project. Since the Project has 401 proposed affordable units in the Project that could potentially qualify for an exemption per Los Angeles Municipal Code Section 12.33 G, the maximum required land dedication for the Project would be:

\[
0.03 \text{ Acres} = (6 \times 2.88) \times 0.00192
\]

Per Los Angeles Municipal Code Section 12.33 D.3, land dedications may be made on-site or off-site of the Project location. Any off-site land dedication shall be located within a certain radius of the Project site, as specified below:

a) Neighborhood Park: within a 2-mile radius  
b) Community Park: within a 5-mile radius  
c) Regional Park: within a 10-mile radius

Should the Advisory Agency require the Project to dedicate land to the City, RAP staff will prepare a subsequent Report for the proposed land dedication. The Board may accept or decline the proposed land dedication.

**In-Lieu Fee Payment**

Pursuant to Los Angeles Municipal Code Section 12.33, the Park Fee amount is determined by the type of residential development project (Subdivision or Non-Subdivision). RAP shall collect these fees pursuant to Los Angeles Municipal Code Section 19.17 and the Park Fees Section of the Department of Recreation and Parks' Rate and Fee Schedule. As of July 1, 2017, Residential Subdivision projects that are subject to the Subdivision fee shall pay:

\[
$8,382.42 \times \text{number of new non-exempt dwelling units}
\]

The maximum required Park Fees payment for the Project for the total proposed 407 would be:

\[
$3,411,644.94 = $8,382.42 \times 407 \text{ dwelling units}
\]

The in-lieu fee estimate is subject to change depending on the Park Fee schedule in effect in the year of payment; the number of exempt Affordable Housing Units included as part of the Project; any Dwelling Unit Construction Tax previously paid by the Project; and, any credits granted by RAP to the Project for eligible privately owned recreational facilities and amenities.

Since the Project has 401 proposed affordable units in the Project that could potentially qualify for an exemption per Los Angeles Municipal Code Section 12.33 G, the maximum required Park Fee payment for the Project would be:

\[
$50,294.52 = $8,382.42 \times 6 \text{ dwelling units}
\]
STAFF ANALYSIS AND RECOMMENDATION

Approximately fifty-four percent (54%) of residents in the City of Los Angeles live within a one-half (1/2) mile, or a ten (10) minute walk, from a public park or open space. The Mayor's Office of Sustainability Plan sets a goal of increasing the percentage of Angelinos living within a one-half mile from a park to sixty-five percent (65%) by 2025 and to seventy-five percent (75%) by 2035. RAP has employed strategies, such as the 50 Parks Initiative, that are intended to increase park access and meet these park access goals.

Requiring a land dedication for a public park as a condition of approval of a subdivision pursuant to LAMC 12.33 is one mechanism by which RAP acquires land. The payment of in-lieu fees also facilitates land acquisition, and those fees may also be used to improve the RAP controlled properties via capital improvement projects. RAP staff analyzes each proposed development project including its location, new population, surrounding parks, service radius gaps, etc., in order for RAP staff to determine which mechanism, land dedication or in-lieu fees, to recommend for the Board's review and approval.

Project VTT-74852 is located within the Skid Row neighborhood of the larger Downtown community. Currently, the Weingart Café and a surface parking lot is located at the proposed Project site. Located to the north and west are various service organizations. The Weingart Center Association, who is the applicant for this Project, is immediately to the south of the Project site. On the east and south sides of the Project site are industrial buildings.

There are two public parks which are within a technical half (½) mile walking distance from the Project site. San Julian Park, located at 312 East 5th Street, is north of the Project site. Gladys Park, located at 808 East 6th Street, is east of the Project site.

These are the only parks currently within one-half (½) mile of the Project site. There are 2 future/proposed parks within two (2) miles of the Project site, 1st and Broadway Park and the 6th Street Bridge Park. A map showing the Project location and nearby public parks is attached hereto (Attachment 2).

If a new public park was provided at the Project location the park would serve the new residents of the Project as well as approximately one hundred, eighty-two (182) new residents within a one-half (½) mile radius (See Attachment 3).

If the proposed number of exempt affordable units in the Project did qualify for an exemption, it would result in a required land dedication of just 0.03 acres.

Therefore, RAP staff recommends that the appropriate mitigation measure for this Project is the payment of in-lieu fees.

FISCAL IMPACT STATEMENT

The acceptance of in-lieu park fee will have no impact on RAP's General Fund.
This Report was prepared by Meghan Luera, Management Assistant, Planning, Maintenance and Construction Branch.

LIST OF ATTACHMENTS

1) Conceptual Project Renderings
2) Project Location and Surrounding Parks
3) EPADSS Report
## Scenario Information

**Scenario Name:**
VTT-74852 - 554-562 South San Pedro Street

**Description:**
2 new mixed-use buildings with approximately 407 residential units, of which 401 units are affordable, and approximately 12,227 square feet of commercial floor area.

**Scenario Type:**
New Park

**Park Class:**
Improved

**Baseline Dataset:**
All Parks (RAP and Non-RAP)

*The baseline dataset is the existing parks dataset whose service areas are used to calculate the currently non-served metrics given below in blue. These residents and households, which would be served by the proposed park, are not currently served by any existing park in the baseline dataset.

## Population and Age Breakdown

<table>
<thead>
<tr>
<th>Residents Served by Age</th>
<th>Total Residents Served</th>
<th>Currently Non-Served Residents Served</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under Age 5:</td>
<td>135</td>
<td>9</td>
</tr>
<tr>
<td>Age 5 to 9:</td>
<td>140</td>
<td>7</td>
</tr>
<tr>
<td>Age 10 to 14:</td>
<td>168</td>
<td>4</td>
</tr>
<tr>
<td>Age 15 to 17:</td>
<td>101</td>
<td>4</td>
</tr>
<tr>
<td>Age 18 to 64:</td>
<td>10,864</td>
<td>141</td>
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<tr>
<td>Age 65 and Over:</td>
<td>1,479</td>
<td>17</td>
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</table>

## Household and Income Breakdown

<table>
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<tr>
<th>Households Served by Annual Income</th>
<th>Total Households Served</th>
<th>Currently Non-Served Households Served</th>
</tr>
</thead>
<tbody>
<tr>
<td>Under $25,000:</td>
<td>3,781</td>
<td>35</td>
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<tr>
<td>$25,000 to $34,999:</td>
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<td>$35,000 to $49,999:</td>
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<td>$50,000 to $74,999:</td>
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<td>$75,000 and Over:</td>
<td>549</td>
<td>27</td>
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Source: Census/ACS 2010