

# APPROVED

MAR 03 2022

**BOARD REPORT**

**BOARD OF RECREATION  
AND PARK COMMISSIONERS**

NO. 22-040

DATE March 03, 2022

C.D. 6

**BOARD OF RECREATION AND PARK COMMISSIONERS**

SUBJECT: STATE SPECIFIED GRANTS FOR THE SOUTHEAST SAN FERNANDO VALLEY ROLLER AND SKATEBOARD RINK IN SUN VALLEY (AKA SHELDON SKATE PARK); AUTHORIZATION TO APPLY AND SUBMIT APPLICATION, APPROVAL OF PROJECT SCOPE; ACCEPTANCE OF GRANT AWARD IF AWARDED (STATE CONTRACT NO. C5054039)

AP Diaz	_____	M. Rudnick	_____
H. Fujita	_____	C. Santo Domingo	_____
J. Kim	_____	* N. Williams	<u>NDW</u>

*M. Shue*  
General Manager

Approved   X   Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

If Approved: Board President *Aylin Patanucas* Board Secretary *Solisba Sarden*

RECOMMENDATIONS

1. Approve the filing of an application by the Department of Recreation and Parks (RAP) to the State of California, Office of Grants and Local Services (State) for the State Specified Grant for the Southeast San Fernando Valley Roller and Skateboard Rink in Sun Valley (aka Sheldon Skate Park) project ("Project") as described in this Report, subject to the approval of the Mayor and City Council;
2. Authorize RAP's General Manager to accept and receive the State Specified Grant funds for the Project, if awarded and subsequent to Mayor and City Council approval of such acceptance, and to execute a grant agreement in substantially the form set forth as Attachment No. 1 to this Report for the Project scope and amount as more fully set forth in this Report, subject to the approval of the Mayor and City Council and City Attorney approval as to form; and
3. Direct RAP staff to transmit a copy of the State Specified Grant award for the Project to the Mayor, Office of the City Administrative Officer (CAO), Office of the Chief Legislative Analyst (CLA), and to the City Clerk for committee and City Council approval, pursuant to the Los Angeles Administrative Code Section 14.6 *et seq.* as may be amended;
4. Authorize RAP's Chief Accounting Employee to establish the necessary account(s), and/or to appropriate funding received within "Recreation and Parks Grant" Fund 205 to accept the State Specified Grant funds upon acceptance of such grant award funds by RAP after obtaining all necessary approvals;

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5. Authorize RAP staff to make necessary technical corrections to carry out the intent of this Report; and
6. Direct RAP staff and/or Bureau of Engineering (BOE) staff to return to the Board of Recreation and Park Commissioners (Board) for approval of finalized design plans and California Environmental Quality Act (CEQA) determinations for the Project.

SUMMARY

In mid-October 2021, the State of California Office of Grants and Local Services (State) notified RAP that through the State budget process, State Specified Grant funds were approved for a City of Los Angeles project through the Fiscal Year 2021-2022 California State budget process. Usually when a Specified Grant has been approved for a project (via State Fiscal Year Budget) to the City of Los Angeles, the City of Los Angeles City Councilmember(s), the Assemblyperson, and/or the California Senator have agreed that the project in their district needs additional funding for improvements. The project allocated State Specified Grant funds is the Southeast San Fernando Valley Roller and Skateboard Rink in Sun Valley (aka Sheldon Skate Park) (Project).

On January 21, 2022, RAP staff received a grant contract (Attachment No. 1) from the State for the Project. The State requires RAP to sign the grant contract and return the grant contract within 30 days return or by February 20, 2022, or as soon as possible following this date, to secure the \$4.4 million in State Specified Grant funds, otherwise the grant funds will be allocated for the next State Fiscal Year 2022-2023.

Between November 2021 and January 21, 2022, RAP staff has met with Public Works/Bureau of Engineering (BOE), and the State, to determine what the Project scope should be. RAP staff has determined that BOE will take the lead as project manager for the Project.

The project scope for the Project is as follows:

Project Name & Location	Project Manager	Council District	Project Scope	Grant Amount
Southeast San Fernando Valley Roller and Skateboard Rink in Sun Valley  Location: 12511 Sheldon St, Sun Valley, CA 91352	BOE	6	Development of a roller rink and an approximately 1,000 square-foot recreation center building or larger, and landscaping.	\$4,400,000

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This Specified Grant Project must be completed by December 2023/January 2024. RAP must submit to the State this Specified Grant close-out package for this Project by March 1, 2024 in order for the State to conduct its site visits and process the final payments to RAP before the State Specified Grant funds liquidation date of June 30, 2024.

### ENVIRONMENTAL IMPACT STATEMENT

RAP staff will return to the Board with CEQA determinations for this Project once the design plans have been finalized.

### FISCAL IMPACT STATEMENT

There is no anticipated fiscal impact to RAP's General Fund. The maintenance of the proposed park improvements will be determined when the proposed park improvements is completed around Fiscal Year 2023-24.

This Report was prepared by Kai Wong, Senior Project Coordinator, Grants Administration, Finance Division and reviewed by Bill Jones, Chief Management Analyst, Grants Administration, Finance Division

### LIST OF ATTACHMENTS

- 1) Attachment No. 1 – State Contract No. C5054039 - Southeast San Fernando Valley Roller and Skateboard Rink in Sun Valley (aka Sheldon Skate Park)

State of California - Natural Resources Agency  
**Department of Parks and Recreation**  
**GRANT CONTRACT**  
**General Fund**  
**Specified Grants**

GRANTEE City of Los Angeles

GRANT PERFORMANCE PERIOD is from July 01, 2021 through June 30, 2024

CONTRACT PERFORMANCE PERIOD is from July 01, 2021 through June 30, 2024

The GRANTEE agrees to the terms and conditions of this Contract, and the State of California, acting through its Director of Parks and Recreation, pursuant to the State of California, agrees to fund the total State grant amount indicated below. The GRANTEE agrees to complete the GRANT SCOPE(s) as defined in the GRANT SCOPE /Cost Estimate Form of the application(s) filed with the State of California.

Total State grant amount not to exceed **\$4,400,000.00**

The General and Special Provisions attached are made a part of and incorporated into the Contract.

City of Los Angeles  
 GRANTEE

STATE OF CALIFORNIA  
 DEPARTMENT OF PARKS AND RECREATION

By \_\_\_\_\_  
 Typed or printed name of Authorized Representative

By \_\_\_\_\_

\_\_\_\_\_  
 Signature of Authorized Representative

Address \_\_\_\_\_

Title General Manager; Executive Officer; Asst Gen. Manager; CFO

Date \_\_\_\_\_

Date \_\_\_\_\_

**CERTIFICATION OF FUNDING**  
**(For State Use Only)**

CONTRACT NO C5054039	AMENDMENT NO	FISCAL SUPPLIER I.D. 0000011753			PROJECT NO.
AMOUNT ENCUMBERED BY THIS DOCUMENT \$4,400,000.00		FUND. General Fund			
PRIOR AMOUNT ENCUMBERED FOR THIS CONTRACT		ITEM 3790-101-0001	CHAPTER 21	STATUTE 21	FISCAL YEAR 2021/22
TOTAL AMOUNT ENCUMBERED TO DATE \$4,400,000.00		Reporting Structured. 37900091	Account/Alt Account. 5432000-5432000000	ACTIVITY CODE 60058	PROJECT / WORK PHASE

## **I. RECITALS**

This CONTRACT is entered into between the California Department of Parks and Recreation (hereinafter referred to as “GRANTOR,” “DEPARTMENT” or “STATE”) and City of Los Angeles (hereinafter referred to as “GRANTEE”).

The DEPARTMENT hereby grants to GRANTEE a sum (also referred to as “GRANT MONIES”) not to exceed \$4,400,000, subject to the terms and conditions of this AGREEMENT and the 2021/22 California State Budget, Chapter 21, statutes of 2021, Item number – 3790-101-0001 (appropriation chapter and budget item number hereinafter referred to as “SPECIFIED GRANT”). These funds shall be used for completion of the GRANT SCOPE(S).

The Grant Performance Period is from July 01, 2021 to June 30, 2024.

## **II. GENERAL PROVISIONS**

### **A. Definitions**

As used in this CONTRACT, the following words shall have the following meanings:

1. The term “APPLICATION” means the individual project APPLICATION packet for a project pursuant to the enabling legislation and/or grant program PROCEDURAL GUIDE requirements.
2. The term “CONTRACT PERFORMANCE PERIOD” means the duration of time during which this CONTRACT is in effect.
3. The term “DEPARTMENT” or “STATE” means the California Department of Parks and Recreation.
4. The term “DEVELOPMENT” means capital improvements to real property by means of, but not limited to, construction, expansion, and/or renovation, of permanent or fixed features of the property.
5. The term “GRANTEE” means the party described as the GRANTEE in Section I of this AGREEMENT.
6. The term “GRANT PERFORMANCE PERIOD” means the period of time during which eligible costs may be incurred by the GRANTEE and paid for by the DEPARTMENT, as specified in the fully executed CONTRACT.
7. The term “GRANT PROJECT” means all real estate, leases, subleases, buildings, and other property acquired or developed with GRANT monies.

8. The term "GRANT SCOPE" means the items listed in the GRANT SCOPE/Cost Estimate Form found in each of the APPLICATIONS submitted pursuant to this grant.
9. The term "PROCEDURAL GUIDE" means the document identified as the "Procedural Guide for Southeast SFV Roller and Skateboard Rink in Sun Valley Specified Grant." The PROCEDURAL GUIDE provides the procedures and policies controlling the administration of the grant.

## **B. Project Execution**

1. Subject to the availability of GRANT MONIES, the STATE hereby grants to the GRANTEE a sum of money not to exceed the amount stated in Section I of this CONTRACT, in consideration of, and on condition that, the sum be expended in carrying out the purposes as set forth in the scope described in the enabling legislation and referenced in the APPLICATION, Section I of this CONTRACT, and under the terms and conditions set forth in this CONTRACT.

The GRANTEE shall assume any obligation to furnish any additional funds that may be necessary to complete the GRANT SCOPE(S).

During the CONTRACT PERFORMANCE PERIOD, the GRANTEE agrees to submit any proposed change or alteration from the original GRANT SCOPE(S) in writing to the STATE for prior approval. This applies to any and all proposed changes that will occur after STATE has approved the APPLICATION. Changes in the GRANT SCOPE(S) must first be approved in writing by the STATE.

2. The GRANTEE shall complete the GRANT SCOPE(S) in accordance with the time of the Performance Period set forth in Section I of this CONTRACT, and under the terms and conditions of this contract.
3. The GRANTEE shall comply with the California Environmental Quality Act (Public Resources Code, Section 21000, et seq., Title 14, California Code of Regulations, Section 15000 et seq.).
4. The GRANTEE shall comply with all applicable current laws and regulations affecting DEVELOPMENT projects, including, but not limited to, legal requirements for construction contracts, building codes, health and safety codes, and laws and codes pertaining to individuals with disabilities, including but not limited to the Americans With Disabilities Act of 1990 (42 U.S.C. §12101 et seq.) and the California Unruh Act (California Civil Code §51 et seq.)

## **C. Project Costs**

1. GRANTEE agrees to abide by the PROCEDURAL GUIDE.
2. GRANTEE acknowledges that STATE may make reasonable changes to its procedures as set forth in the PROCEDURAL GUIDE. If STATE makes any changes to its procedures and guidelines, STATE agrees to notify GRANTEE within a reasonable time.

#### **D. Project Administration**

1. If GRANT MONIES are advanced for DEVELOPMENT projects, the advanced funds shall be placed in an interest bearing account until expended. Interest earned on the advanced funds shall be used on the project as approved by the STATE. If grant monies are advanced and not expended, the unused portion of the grant and any interest earned shall be returned to the STATE within 60 days after project completion or end of the GRANT PERFORMANCE PERIOD, whichever is earlier.
2. During the GRANT PERFORMANCE PERIOD, the GRANTEE shall submit written project status reports within 30 calendar days after the STATE has made a specific request. All such project status reports shall be signed and certified as complete and accurate by the authorized representative of the GRANTEE. In any event, the GRANTEE shall provide the STATE a report showing total final project expenditures within 60 days of project completion or the end of the GRANT PERFORMANCE PERIOD, whichever is earlier. The GRANT PERFORMANCE PERIOD is identified in Section I of this CONTRACT.
3. The GRANTEE shall make property or facilities acquired and/or developed pursuant to this contract available for inspection upon request by the STATE.

#### **E. Project Termination**

1. Project Termination refers to the non-completion of a GRANT SCOPE. Any grant funds that have not been expended by the GRANTEE shall revert to the STATE.
2. The GRANTEE may unilaterally rescind this contract at any time prior to the commencement of the project. The commencement of the project means the date of the letter notifying GRANTEE of the award or when the funds are appropriated, whichever is later. After project commencement, this contract may be rescinded, modified or amended only by mutual CONTRACT in writing between the GRANTEE and the STATE, unless the provisions of this contract provide that mutual CONTRACT is not required.
3. Failure by the GRANTEE to comply with the terms of the (a) PROCEDURAL GUIDE, (b) this CONTRACT or any other grant contracts, specified or general, that GRANTEE has entered into with STATE or any other department, agency, commission or other subdivision of California State government, may be cause for suspension of all obligations of the STATE unless the STATE determines that such failure was due to no fault of the GRANTEE. In such case, STATE may reimburse GRANTEE for eligible costs properly incurred in performance of this CONTRACT despite non-performance of the GRANTEE. To qualify for such reimbursement, GRANTEE agrees to mitigate its losses to the best of its ability.
4. Any breach of any term, provision, obligation or requirement of this CONTRACT by the GRANTEE shall be a default of this CONTRACT. In the case of any default by GRANTEE, STATE shall be entitled to all remedies available under law and equity, including but not limited to: a) Specific Performance; b) Return of all GRANT

MONIES; c) Payment to the STATE of the fair market value of the project property or the actual sales price, whichever is higher; and d) Payment to the STATE of the costs of enforcement of this CONTRACT, including but not limited to court and arbitration costs, fees, expenses of litigation, and reasonable attorney fees.

5. The GRANTEE and the STATE agree that if the GRANT SCOPE includes DEVELOPMENT, final payment may not be made until the work described in the GRANT SCOPE is complete and the GRANT PROJECT is open to the public.

#### **F. Budget Contingency Clause**

If funding for any fiscal year is reduced or deleted by the budget act for purposes of this program, the STATE shall have the option to either cancel this contract with no liability occurring to the STATE, or offer a CONTRACT amendment to GRANTEE to reflect the reduced grant amount. This Paragraph shall not require the mutual CONTRACT as addressed in Paragraph E, subsection 2, of this CONTRACT

#### **G. Hold Harmless**

1. The GRANTEE shall waive all claims and recourse against the STATE including the right to contribution for loss or damage to persons or property arising from, growing out of or in any way connected with or incident to this CONTRACT except claims arising from the concurrent or sole negligence of the STATE, its officers, agents, and employees.
2. The GRANTEE shall indemnify, hold harmless and defend the STATE, its officers, agents and employees against any and all claims, demands, damages, costs, expenses or liability costs arising out of the ACQUISITION, DEVELOPMENT, construction, operation or maintenance of the property described as the project which claims, demands or causes of action arise under California Government Code Section 895.2 or otherwise except for liability arising out of the concurrent or sole negligence of the STATE, its officers, agents, or employees.
3. The GRANTEE agrees that in the event the STATE is named as codefendant under the provisions of California Government Code Section 895 et seq., the GRANTEE shall notify the STATE of such fact and shall represent the STATE in the legal action unless the STATE undertakes to represent itself as codefendant in such legal action in which event the GRANTEE agrees to pay the STATE's litigation costs, expenses, and reasonable attorney fees.
4. The GRANTEE and the STATE agree that in the event of judgment entered against the STATE and the GRANTEE because of the concurrent negligence of the STATE and the GRANTEE, their officers, agents, or employees, an apportionment of liability to pay such judgment shall be made by a court of competent jurisdiction. Neither party shall request a jury apportionment.



5. The GRANTEE shall indemnify, hold harmless and defend the STATE, its officers, agents and employees against any and all claims, demands, costs, expenses or liability costs arising out of legal actions pursuant to items to which the GRANTEE has certified. The GRANTEE acknowledges that it is solely responsible for compliance with items to which it has certified.

## **H. Financial Records**

1. The GRANTEE shall maintain satisfactory financial accounts, documents, including loan documents, and all other records for the project and shall make them available to the STATE for auditing at reasonable times. The GRANTEE also agrees to retain such financial accounts, documents and records for five years following project termination or final payment.
2. The GRANTEE shall keep such records as the STATE shall prescribe, including records which fully disclose (a) the disposition of the proceeds of STATE funding assistance, (b) the total cost of the project in connection with such assistance that is given or used, (c) the amount, source and nature of that portion of the project cost supplied by other sources, and (d) any other such records that will facilitate an effective audit.
3. The GRANTEE agrees that the STATE shall have the right to inspect and make copies of any books, records or reports pertaining to this contract or matters related thereto during regular office hours. The GRANTEE shall maintain and make available for inspection by the STATE accurate records of all of its costs, disbursements and receipts with respect to its activities under this CONTRACT, and shall provide copies of all such records to STATE in its certified status reports upon request by the STATE. Such accounts, documents, and records shall be retained by the GRANTEE for at least five years following final payment.
4. The GRANTEE shall use a generally accepted accounting system.

## **I. Use of Facilities**

1. The GRANTEE agrees that the GRANTEE shall operate and maintain, and retain full control of the property acquired or developed with the GRANT MONIES, for the duration of the CONTRACT PERFORMANCE PERIOD.
2. The GRANTEE agrees that, during the CONTRACT PERFORMANCE PERIOD, the GRANTEE shall use the property acquired or developed with grant funds under this CONTRACT only for the purposes of this grant and no other use, sale, assignment, transfer, mortgage, or other disposition or change of the control or use of the property or of any interest in the property to one not consistent with the grant purpose shall be permitted except as authorized by the DEPARTMENT and the property shall be replaced with property of equivalent value and usefulness as determined by the STATE.

3. The property acquired or developed may be transferred or assigned to another entity only if the successor entity assumes the obligations imposed under this CONTRACT and only with the prior approval of STATE.
4. Any real Property (including any portion of it or any interest in it, including any leases) may not be used as security or collateral for any debt, loan or mitigation, without the prior written approval of the STATE, provided that such approval shall not be unreasonably withheld as long as the purposes for which the grant was awarded are maintained. Any such permission that is granted does not make STATE a guarantor or a surety for any debt, loan or mitigation, nor does it waive STATE's rights to enforce performance under the CONTRACT.
5. All real property (including any portion or interest in it, including any leases), or rights thereto, acquired with GRANT MONIES shall be subject to an appropriate form of restrictive title, rights, or covenants approved by the STATE. If the project property is taken by use of eminent domain, GRANTEE shall reimburse STATE an amount at least equal to the amount of grant monies received from STATE or the pro-rated full market value of the real property, including improvements, at the time of sale, whichever is higher.
6. If eminent domain proceedings are initiated against GRANTEE, GRANTEE shall notify STATE within 10 days of receiving the complaint.

**J. Nondiscrimination**

1. The GRANTEE shall not discriminate against any person on the basis of sex, race, color, national origin, age, religion, ancestry, sexual orientation, or disability in the use of any property or facility developed pursuant to this CONTRACT.
2. The GRANTEE shall not discriminate against any person on the basis of residence except to the extent that reasonable differences in admission or other fees may be maintained on the basis of residence and pursuant to law.
3. All facilities shall be open to members of the public generally, except as noted under the special provisions of this project contract or under provisions of the enabling legislation and/or grant program.

**K. Severability**

If any provision of this CONTRACT or the application thereof is held invalid, that invalidity shall not affect other provisions or applications of the CONTRACT which can be given effect without the invalid provision or application, and to this end the provisions of this CONTRACT are severable.

## **L. Liability**

1. STATE assumes no responsibility for assuring the safety or standards of construction, site improvements or programs related to the GRANT SCOPE. The STATE'S rights under this CONTRACT to review, inspect and approve the GRANT SCOPE and any final plans of implementation shall not give rise to any warranty or representation that the GRANT SCOPE and any plans or improvements are free from hazards or defects.
2. GRANTEE shall ensure that any contractor hired has adequate liability insurance, performance bond, or other security necessary to protect the GRANTEE interest and the STATE's interest against poor workmanship, fraud, or other potential loss associated with the completion of the GRANT PROJECT.

## **M. Assignability**

Without the written consent of the STATE, the GRANTEE'S interest in and control of any portion of the GRANT PROJECT and responsibilities under this CONTRACT shall not be assignable or transferable by the GRANTEE either in whole or in part.

## **N. Use of Grant Monies**

GRANTEE shall not use any grant funds (including any portion thereof) for the purpose of making any leverage loan, pledge, promissory note or similar financial device or transaction, without: 1) the prior written approval of the STATE; and 2) any financial or legal interests created by any such leverage loan, pledge, promissory note or similar financial device or transaction in the project property shall be completely subordinated to this CONTRACT through a Subordination Agreement provided and approved by the STATE, signed by all parties involved in the transaction, and recorded in the County Records against the fee title of the project property.

## **O. Section Headings**

The headings and captions of the various sections of this CONTRACT have been inserted only for the purpose of convenience and are not a part of this CONTRACT and shall not be deemed in any manner to modify, explain, or restrict any of the provisions of this CONTRACT

## **P. Waiver**

Any failure by a party to enforce its rights under this CONTRACT, in the event of a breach or default, shall *not* be construed as a waiver of said rights; and the waiver of any breach or default under this CONTRACT shall *not* be construed as a waiver of any subsequent breach.

City of Los Angeles  
GRANTEE

By: \_\_\_\_\_  
Signature of Authorized Representative

Title: \_\_\_\_\_

Date: \_\_\_\_\_

STATE OF CALIFORNIA  
DEPARTMENT OF PARKS AND RECREATION

By: \_\_\_\_\_  
Signature of Authorized Representative

Title: \_\_\_\_\_

Date: \_\_\_\_\_