

APPROVED

FEB 02 2023

BOARD OF RECREATION AND PARK COMMISSIONERS

BOARD REPORT

NO. 23-030

DATE February 02, 2023

C.D. 9

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: PROPOSITION 84 STATEWIDE PARK DEVELOPMENT AND COMMUNITY REVITALIZATION PROGRAM GRANTS (PROP 84) – SLAUSON-WALL PARK (PRJ20769) PROJECT – GRANT EXTENSION CONTRACT AMENDMENT

B. Aguirre	_____	M. Rudnick	_____
H. Fujita	_____	C. Santo Domingo	_____
B. Jackson	_____	*N. Williams	<u>NDW</u>

General Manager

Approved X ^{With Corrections} Disapproved _____ Withdrawn _____

RECOMMENDATIONS

1. Approve the extension for the grant performance period for the Proposition 84 Statewide Park Development and Community Revitalization Program Grants (Prop 84) – Slauson-Wall Park (PRJ20769) Project (Project) from June 30, 2022 to June 30, 2026
2. Authorize the Department of Recreation and Park’s (RAP) General Manager, or designee, to execute the Prop 84 grant contract amendment agreements for the Slauson-Wall Park Project extending the grant performance period of each of such projects until June 30, 2026, as set forth in Attachment 1 of this Report and subject to approval by the City Council and the City Attorney as to form.
3. Authorize the Department of Recreation and Park’s (RAP) General Manager, or designee, to execute the Prop 84 grant contract amendment agreement for the Slauson-Wall project extending the grant performance period of each of such projects until June 30, 2026, as set forth in Attachment 1 of this Report and subject to approval by the City Council and the City Attorney as to form.

SUMMARY

In 2009, the City of Los Angeles, Department of Recreation and Parks (RAP) partnered with the Community Redevelopment Agency (CRA/LA) in the development of approximately thirty-eight (38) projects and submitted applications under the Proposition 84 Statewide Park Development and Community Revitalization Program (Prop 84) Grant in March of 2010 (Report No. 09-317 dated December 9, 2009). Included in this application was a property known as Slauson-Wall, a project in which the CRA/LA would develop a seven (7) acre industrial site in South-Central Los Angeles, located at 5867 South Los Angeles Street, Los Angeles 90003, into multiple housing units and a park. The CRA/LA would create a four (4) acre park with a new plaza/promenade, multi-use sports fields, children's playground, basketball courts, a community garden, and picnic areas. The completed park would then be turned over to RAP to manage and maintain. However, in 2012, prior to the start of the project, the CRA/LA was dissolved pursuant to State Assembly Bill (AB) 1X26.

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RAP had assumed the grant award of \$4,999,933 in Prop 84 grant funding for Slauson-Wall Park (Report No. 17-239, Council File No. 13-0656, 17-0002-S60). The Slauson-Wall property is currently under Economic Workplace Development Department (EWDD). Council District 9 (CD 9) and EWDD are working on the development of the 4 acre park and the 3 acre of housing development. The 4 acre park will be turned over to RAP once the park has been developed.

RAP had previously requested the Prop 84 grant to be extended from a liquidation date of June 30, 2017 to June 30, 2022.

In December 2021/January 2022, RAP staff requested an additional grant extension from the State of California Department of Parks and Recreation (State) for Slauson-Wall Park project. RAP requested that the grant performance period be extended from June 30, 2022 to June 30, 2026. The State will only reconsider the grant extension if the Project meets certain conditions of the Prop 84 Grant guideline. RAP staff worked with CD 9 in meeting these conditions.

RAP was notified on January 3, 2023 by the State that the State Legislature has approved the grant extension requests for the Prop 84 Project in the State Fiscal Year 2022-2023 Budget. The new grant liquidation date has been extended from June 30, 2022 to June 30, 2026. The State requires RAP to sign the Prop 84 grant agreement amendment and return it within 30 days or by February 2023 to have the State Controller encumber the grant amount (Attachment No. 1). If the State's encumbrance deadline is missed, the grant award will be lost. The Project is expected to be completed by the new grant liquidation date of June 30, 2026.

ENVIRONMENTAL IMPACT

The redevelopment project for the Project has not yet been defined. Staff will report to the Board once details of the Project become more available.

FISCAL IMPACT

There is no fiscal impact to RAP's General Fund. However, future maintenance costs for above projects will be adjusted in the next fiscal year budget.

STRATEGIC PLAN INITIATIVES AND GOALS

Approval of this Board Report advances RAP's Strategic Plan by supporting:

- | | |
|-----------------------|--------------------------------------------------------------------|
| Goal No. 1: | Provide Safe and Accessible Parks |
| Outcome No. 1: | Every Angeleno has walkable access to a park in their neighborhood |

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Key Metric: Percentage of Angelenos with park access within a ½ mile radius of their home
Target: 60% by 2022
Result: The new park development will enhance the park users' experience

This Report was prepared by Kai Wong, Service 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. C6930001 – Slauson-Wall Park

State of California - Natural Resources Agency
Department of Parks and Recreation
GRANT CONTRACT
2006 Parks Bond Act
Statewide Park Development and Community Revitalization

GRANTEE City of Los AngelesGRANT PERFORMANCE PERIOD is from July 01, 2009 through June 30, 2026CONTRACT PERFORMANCE PERIOD is from July 01, 2009 through June 30, 2039PROJECT TITLE SLAUSON-WALL PARK PROJECT NUMBER SW-19-001

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 PROJECT SCOPE(s) as defined in the Development PROJECT SCOPE / Cost Estimate Form or Acquisition documentation for the Application(s) filed with the State of California.

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

Total State Grant not to exceed \$4,999,933.00

City of Los Angeles

Grantee

STATE OF CALIFORNIA
DEPARTMENT OF PARKS AND RECREATIONBy _____
Typed or printed name of Authorized RepresentativeBy _____
Typed or printed name of Authorized Representative

Signature of Authorized Representative

Signature of Authorized Representative

Address _____

Title General Manager, Executive Officer, or Assistant General Mgr

Title _____

Date _____

Date _____

CERTIFICATION OF FUNDING
(For State Use Only)

CONTRACT NO C6930001	AMENDMENT NO	FISCAL SUPPLIER I.D. 0000011753			PROJECT NO. SW-19-001
AMOUNT ENCUMBERED BY THIS DOCUMENT \$4,999,933.00		FUND. SAFE DRINKING WTR, COASTAL PROTECTION FUND OF 2006			
PRIOR AMOUNT ENCUMBERED FOR THIS CONTRACT		ITEM 3790-1025-6051	CHAPTER 43	STATUTE 22	FISCAL YEAR 2022/23
TOTAL AMOUNT ENCUMBERED TO DATE \$4,999,933.00		Reporting Structured. 37900091	Account/Alt Account. 5432000-5432000000	ACTIVITY CODE 65217	PROJECT / WORK PHASE 3790000SW19001

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 \$4,999,933, subject to the terms and conditions of this CONTRACT and the 2022/23 California State Budget, Chapter 43, statutes of 2022, Item number – 3790-1025-6051 (appropriation chapter and budget item number hereinafter referred to as “2006 Parks Bond Act, Statewide Park Development and Community Revitalization GRANT”). These funds shall be used for completion of the GRANT SCOPE(S).

The Grant Performance Period is from July 01, 2009 to June 30, 2026.

II. GENERAL PROVISIONS

A. Definitions

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

1. The term “ACT” means the California Drought, Water, Parks Climate, Coastal Protection, and Outdoor Access for All Act of 2018, as referred to in section I of this CONTRACT.
2. The term “APPLICATION” means the individual project APPLICATION packet for a project pursuant to the enabling legislation and/or grant program process guide requirements.
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 CONTRACT.
6. 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.
7. The term “GUIDE” means (1) the document identified as the “Grant Administration Guide for California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018 Competitive Grant Programs Capital

Improvement Projects” and (2) The Application Guide that established the competitive procedures and policies for the selection of projects.

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).

The GRANTEE agrees to submit any change or alteration from the original GRANT SCOPE(S) in writing to the STATE for prior approval. This applies to any and all changes that occur after STATE has approved the APPLICATION. Changes in the GRANT SCOPE(S) must 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.

To maintain the integrity of the competitive grant program, the GRANTEE agrees that any other project changes or alterations which deviate from the intent of the project selection criteria provided by the GRANTEE in the original competitive APPLICATION must be submitted in writing to the STATE for prior approval.

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 Guide

1. GRANTEE agrees to abide by the GUIDES.
2. GRANTEE acknowledges that STATE may make reasonable changes to its procedures as set forth in the 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. The GRANTEE shall submit written project status reports within 30 calendar days after the STATE has made such a request. 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 agreement in writing between the GRANTEE and the STATE, unless the provisions of this CONTRACT provide that mutual agreement is not required.
3. Failure by the GRANTEE to comply with the terms of the (a) GUIDE, (b) any legislation applicable to the ACT, (c) this CONTRACT as well as any other grant contracts, specified or general, that GRANTEE has entered into with STATE, 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 agreement as addressed in Paragraph E, provision 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 to 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 issuance of final payment, whichever is later.
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 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. Such accounts, documents, and records shall be retained by the GRANTEE for at least five years following project termination or issuance of final payment, whichever is later.
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 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 MONIES under this contract only for the purposes of this grant and no other use, sale, or other disposition or change of the use of the property to one not consistent with its purpose shall be permitted except as authorized by the STATE 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 to another entity if the successor entity assumes the obligations imposed under this CONTRACT and with the approval of STATE.
4. Any real Property (including any portion of it or any interest in it) may not be used as security for any debt or mitigation, without the 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 the STATE a guarantor or a surety for any debt or mitigation, nor does it waive the STATE'S rights to enforce performance under the Grant CONTRACT.

5. All real property, 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 will secure adequate liability insurance, performance bond, and/or other security necessary to protect the GRANTEE'S and STATE'S interest

against poor workmanship, fraud, or other potential loss associated with completion of the grant project.

M. Assignability

Without the written consent of the STATE, the GRANTEE'S interest in and responsibilities under this CONTRACT shall not be assignable 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, shall *not* be construed as a waiver of said rights; and the waiver of any breach under this CONTRACT shall *not* be construed as a waiver of any subsequent breach.

III. SPECIAL PROVISIONS

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. This Executive order extends to recipients of any State *Grants (Grantee)*. *Grantees include those* who have contracted or will contract to receive State grants funds. *Accordingly*, should the State determine that a Grantee is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or

entities, that shall be grounds for termination of this agreement. The State shall provide the Grantee advance written notice of such termination, allowing the Grantee at least 30 calendar days to provide a written response. **Termination of any contract found to be in violation of this Executive Order shall be at the sole discretion of the State.**

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: _____