

BOARD REPORT

NO. 23-043

DATE February 16, 2023

C.D. 14

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: SUSPENSION OF 1ST AND BROADWAY CIVIC CENTER PARK – PARK DEVELOPMENT (PRJ21252) (PRJ20781) PROJECT – REALLOCATION OF QUIMBY FEES – DECOMMITMENT OF PARK FEES - STATUTORY EXEMPTION FROM THE PROVISIONS OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) PURSUANT TO ARTICLE II, SECTION 2, CLASS (j) [PROJECTS WHICH ARE REJECTED OR DISAPPROVED] OF CITY CEQA GUIDELINES AND ARTICLE 18, SECTION 15270 OF CALIFORNIA CEQA GUIDELINES

B. Aguirre	_____	M. Rudnick	_____
H. Fujita	_____	<i>for</i> C. Santo Domingo	<i>DF</i> _____
B. Jackson	_____	N. Williams	_____



 General Manager

Approved _____ Disapproved _____ Withdrawn X

If Approved: Board President _____ Board Secretary _____

RECOMMENDATIONS

1. Suspend the 1st and Broadway Civic Center Park – Park Development (PRJ21252) (PRJ20781) Project;
2. Approve the reallocation of Fourteen Million, Three Hundred Seventy-Five Thousand, Two Hundred Forty-Eight Dollars and Eighty-Three Cents (\$14,375,248.83) in Quimby Fees which was previously allocated to the 1st and Broadway Civic Center Park – Park Development (PRJ21252) (PRJ20781) Project (Project) to the 1st and Broadway Civic Center Park Account No. 89460K-RX to be made available for allocation to other projects as detailed in this Report;
3. Authorize Department of Recreation and Parks (RAP) staff to de-commit from the following fund and work order numbers a maximum of Two Million, Six Hundred Thirty-Three Thousand, Six Hundred Two Dollars and Twenty-Eight Cents (\$2,633,602.28) in Park Fees from the proposed Project:

BOARD REPORT

PG. 2 NO. 23-043

<u>FUNDING SOURCE</u>	<u>FUND/DEPT./ACCT. NO.</u>	<u>WORK ORDER NO.</u>
Park Fees	302/89/89716H	QT072967
Park Fees	302/89/89716H	QT068095

4. Determine that the Project is statutorily exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2, Class (j) [Projects which are rejected or disapproved] of City CEQA Guidelines and Article 18, Section 15270 of California CEQA Guidelines and direct RAP Staff to file a Notice of Exemption (NOE) with the Los Angeles County Clerk;
5. Authorize RAP's Chief Accounting Employee to prepare a check to the Los Angeles County Clerk in the amount of \$75.00 for the purpose of filing a Notice of Exemption (NOE); and
6. Authorize RAP staff to make technical corrections as necessary to carry out the intent of this Report.

SUMMARY

First and Broadway Civic Center Park is an undeveloped, vacant 1.96-acre property located at 217 West First Street in the Civic Center area of Downtown Los Angeles, across the street from the Los Angeles City Hall. The Project site is generally bounded by the Los Angeles County's Grand Park to the north, Spring Street to the east, 1st Street to the south, and Broadway to the west. Approximately 7,620 City residents live within a one-half mile walking distance of First and Broadway Civic Center Park.

Phase I – Site Acquisition and Demolition (PRJ20655) Project

The property was acquired in 2013 as dedicated park land for the development of a new park under the City's "50 Parks Initiative". The First and Broadway Park site was formerly the site of a thirteen (13) story State office building that was constructed in 1931 as part of the Public Works Programs. The State building was occupied until the mid-1970's, and was demolished in 1976 due to systemic damage suffered in the 1971 San Fernando Sylmar Earthquake. Extensive site demolition to remove remnants of a former 13-story State office building and a 2-level underground parking structure was completed by the City in late 2014.

The City spent Ten Million, Eight Hundred Forty-Four Thousand, Seven Hundred Fifty-Four Dollars and Seventy-Seven Cents (\$10,844,754.77) in Quimby and Zone Change Fees, Quimby and Zone Change Fee Interest, and RAP Capital Park Development B Special Funds to acquire

BOARD REPORT

PG. 3 NO. 23-043

the site, secure the site and provide on-site security, conduct preliminary investigations, complete remediation and removal of the contaminated soil and standing water in the underground parking structure, demolish and excavate the remnants of the former building, and backfill, grade, and level the site (Report Nos. 12-264, 13-072, 14-085, 17-188).

Phase II – Park Development (PRJ21252) (PRJ20781) Project

The Department of Public Works, Bureau of Engineering (BOE) worked in collaboration with the Department of Recreation and Parks (RAP) and the Office of Council District 14 to initiate a public design dialogue about the most compelling uses, the most creative design approach, and themes for the development of the open space. A community presentation was conducted on October 7, 2014, and a community design workshop on January 17, 2015, to solicit public input to help formulate the scopes and programs of the new park. Following public input, BOE issued Task Order Solicitations on July 13, 2015 to its pre-qualified on-call consultant lists of twenty (20) architectural and ten (10) landscape architectural firms. A total of ten (10) proposals were received on August 17, 2015, and four firms advanced as finalists to participate in the design competition. At that time, it was estimated the Project could cost approximately \$10 million, per Report No. 15-227.

On October 29, 2015, four (4) design firms were selected to participate in a design competition to develop the 1st and Broadway Civic Center Park site. A five-member selection panel, consisting of two members from RAP, two members from BOE, and one member from the Department of Cultural Affairs, met on March 30, 2016 to score and rank each of the four firms, and subsequently Studio-MLA (formerly known as Mia Lehrer + Associates) was selected as the winner of the design competition and as the lead architect for the Project.

After extensive community outreach conducted for the Project, including presentations, design workshops, paper and online surveys spanning from October 2014 to July 2019, the final proposed scope of work for the Project was developed as follows:

The proposed Project would incorporate a two-story restaurant building with rooftop access at the northwest corner of the park, trees and green spaces for public enjoyment, walking pathways and passive recreational uses, numerous seating areas, new hardscaping and landscaped areas, bicycle parking area, 16 multi-function canopies to provide shade and lighting throughout the park, and bioswales and Best Management Practices (BMPs) for infiltration and/or appropriate treatments of storm water runoffs.

Previously, the Board of Recreation and Parks Commissioners (Board) approved the allocation and commitment of Nineteen Million, Eight Hundred Forty Thousand, Four Hundred Fourteen Dollars and Thirty-One Cents (\$19,840,414.31) in Quimby and Park Fees for the proposed Project, which was the total amount of funding available for the Project (Report No. 15-227, 16-116, 17-188 and 19-060). See below the identified funding:

BOARD REPORT

PG. 4 NO. 23-043

Source	Fund/Dept/Acct	Amount	Percentage
Park Fees	302/89/89716H	\$2,633,602.28	13%
Quimby Fees	302/89/89460K-RX	\$17,206,812.03	87%
Total		\$19,840,414.31	100%

On November 20, 2019, the Board approved the final plans and call for bids for the Project (Report No. 19-233). At the time the City Engineer’s estimate for the Project was \$21.5 million with an additive alternate for sixteen (16) “California Poppy” canopy structures estimated to cost \$3.8 million. Per Report No. 19-233, the estimated funding shortfall at that time was approximately \$13.4 million.

Two (2) bids were received from Ford EC, Inc. and Pinner Construction Co, Inc., from the list of eight (8) pre-qualified contractors adopted by the Board of Public Works on August 14, 2015. The bid amounts received are listed in the following table:

Contractor	Base Bid	Additive Alternate
Ford EC, Inc.	\$27,473,000	\$3,100,100
Pinner Construction Co, Inc.	\$28,495,000	\$8,502,000

On July 16, 2020, the Board approved the cancelation of all bids received for the Project on February 18, 2020 (Report No. 20-133). Per Report No, 20-133, the bids were canceled due to lack of sufficient funding and the Project was planned to be re-bid at a later time through RAP’s as-needed pre-qualified general contractors for park facilities construction once the Project is fully funded. Per Report No. 20-133, the estimated funding shortfall based on the received bids for the base bid and the additive alternate was approximately \$21.2 million.

Suspension of Phase II – Park Development (PRJ21252) (PRJ20781) Project

Following the Board’s cancelation of the bids for the Project, RAP worked with the BOE, BOE’s design consultant, the Office of Council District 14, and the Office of the Mayor to determine the path forward for the Project.

Given the lack of sufficient funding, the initial discussion was to repackage the Project, with minor modification, in order to re-bid the Project. Several scenarios and configurations were discussed. Ultimately it was determined the best path would be to move forward with the park improvements, sidewalk improvements, shade canopies as the Base Bid and the Restaurant Building as the Add Alternate. The BOE moved forward and prepared a revised bid package for the Project for review.

The Office of Council District 14 then raised concern that adding additional Quimby/Park Fees funding for the Project would limit the amount of funding available for other priority projects in CD 14. In response, RAP developed a funding plan and strategy to fully fund and implement all of the priority projects that CD 14 had identified, as well as set aside funding for the Project and other

BOARD REPORT

PG. 5 NO. 23-043

RAP priority projects (including Pershing Square).

Subsequently, there was a request from the Office of Council District 14 to City staff to prepare a conceptual design and rough order magnitude cost to add a tubular steel fence around the perimeter of the park. The BOE prepared that information and provided it to the Office of Council District 14 and the Office of the Mayor for review.

Ultimately, the Office of Council District 14 communicated to RAP that there was not support for the commitment of additional Quimby/Park Fees funding for the Project. It is important to note that throughout the planning process for this Project, City Staff continued to investigate alternate funding sources of funding, including State Grants and Federal Congressionally Directed Spending Requests (Earmarks). However, without the provision or identification of additional funding for the Project, the Project remained on hold and could not be re-bid.

Recently, RAP was requested by the Office of Council District 14 and the Office of the Mayor to make any remaining unexpended Quimby and Park Fees previously allocated and committed for the Project available for other priority park projects in CD14, most notably to address funding shortfalls for the Pershing Square Park Redevelopment project, 6th Street PARC project, and to re-initiate design and construction of Costello Pool.

Thus far, RAP has expended Two Million, Eight Hundred Fifty Thousand, Nine Hundred Four Dollars and Sixty-Three Cents (\$2,850,904.63) in Quimby Fees and Park Fees on the Project on design consultant fees and plan check and permit fees to other City departments.

Upon approval of this Report, Fourteen Million Three Hundred Seventy-Five Thousand Two Hundred Forty-Eight Dollars and Eighty-Three Cents (\$14,375,248.83) in Quimby Fees which were previously allocated for the Project would be reallocated to the 1st and Broadway Civic Center Park Account No. 89460K-RX to be made available for future allocation to the alternative priority park projects mentioned above.

Upon approval of this Report, Two Million, Six Hundred Thirty-Three Thousand, Six Hundred Two Dollars and Twenty-Eight Cents (\$2,633,602.28) in Park Fees can be de-committed from the proposed Project and made available for allocation to the alternative priority projects mentioned above.

It is unknown at this time how and when the First and Broadway Civic Center Park site will be developed and made available for public park use; the suspension of the Project would not preclude the City from pursuing the construction of the Project as previously designed should sufficient funding be secured. RAP staff will therefore return to the Board at a later date with information about the future of this park site.

BOARD REPORT

PG. 6 NO. 23-043

ENVIRONMENTAL IMPACT

The proposed Project consists of the suspension of a project. This action is statutorily exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2, Class (j) of City of Los Angeles CEQA Guidelines and to Article 18, Section 15270 of California CEQA Guidelines. RAP Staff will file a NOE upon the Board's approval.

FISCAL IMPACT

The approval of this reallocation and de-commitment of Quimby and Park Fees for this Project will have no fiscal impact on RAP's General Fund.

STRATEGIC PLAN INITIATIVES AND GOALS

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

Goal No. 3: Create & Maintain World Class Parks and Facilities

Outcome No. 1: Newly developed park project and the redesign of signature parks

Result: The reallocation of funding from this Project may enable RAP to implement other park projects to serve the Downtown LA Community.

This report was prepared by Ajmal Noorzayee, Management Analyst, Planning, Maintenance and Construction Branch.