County of Los Angeles
CHIEF EXECUTIVE OFFICE
Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
http://ceo.lacounty.gov

WILLIAM T FUJIOKA
Chief Executive Officer

Board of Supervisors
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Second District

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Third District

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Fourth District

MICHAEL D. ANTONOVICH
Fifth District

May 29, 2012

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES
24 May 29, 2012
Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

APPROVAL OF RENAMING OF THE CIVIC PARK TO GRAND PARK, AUTHORIZATION FOR MAINTENANCE, OPERATING, AND PROGRAMMING AGREEMENT, AND APPROPRIATION ADJUSTMENT (FIRST DISTRICT) (3 VOTES)

SUBJECT

Approval of the recommended actions and appropriation adjustment will authorize the renaming of the Civic Park as Grand Park and delegate to the Chief Executive Office the implementation of an agreement to authorize the Performing Arts Center of Los Angeles County to maintain, operate, and provide programming services for the Grand Park.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve the name "Grand Park" for the newly redeveloped and expanded park that was formerly known as the Civic Park, part of the Grand Avenue Project – Phase I.

2. Delegate to the Chief Executive Office the authority to negotiate and execute a Maintenance, Operating, and Programming Agreement with the Performing Arts Center of Los Angeles County, a non-profit corporation, as the initial Grand Park operator.

3. Approve the appropriation adjustment to transfer $1.5 million to the Grand Park Operating Budget, Services and Supplies, from Provisional Financing Uses to fund one-time start-up and initial operating costs.

4. Authorize the Auditor-Controller and the Chief Executive Office to collect revenue from Starbucks, Bank of America, County-owned parking lots, rental events, and/or other concessionaires located at Grand Park and deposit it to the Grand Park Operating budget.

5. Authorize the Chief Executive Office to take any other actions consistent with and/or necessary for the implementation of the foregoing approvals.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

In February 2010, as part of the Grand Avenue Project, your Board directed the Chief Executive Office (CEO) to negotiate with the Performing Arts Center of Los Angeles County (PACLAC) for the initial programming, operations, and maintenance of the Grand Park (Park). Approval of the recommended actions will detail the responsibilities of the County and PACLAC for the maintenance, operation, and programming of the County owned Park.

Background

In June 2010, your Board authorized the Grand Avenue Park Development, LLC to proceed with the implementation of the Civic Park Project (Project). The Project includes the demolition, redesign, re-engineering, and re-construction of the existing vehicular ramps off of Grand Avenue; restoration of the historic Arthur J. Will Memorial Fountain; creation of a new Olive Tree Courtyard; the relocation of the existing plaques, monuments, and flags to the new Flag Garden; and the creation of an event lawn in place of the surface parking lot, south of the Clara Foltz Criminal Justice Center.

The Park improvements have been designed to serve as an active, welcoming setting for daily activities, and to create a civic gathering place for community celebrations, cultural and ethnic celebrations, festivals, holiday events, and other similar gatherings.

In anticipation of completion of the Project's construction, which is scheduled for June 2012, and the Park's opening in Summer 2012, the CEO has been in negotiations with PACLAC to act as the initial operator of the Project with maintenance, operating, and programming responsibilities.

Proposed Agreement

The County and PACLAC are committed to an open, inclusive, welcoming, safe, and enjoyable Park for the benefit of all. There may be musical, theatrical, and educational programs in the Park, with the hope and expectation that the broad range of activities will reach out to, and emanate from, all communities of the County.

The maintenance, operating, and programming agreement (Agreement) will generally provide for PACLAC as the operator to perform the County's obligations to provide the following services: maintenance, housekeeping, security, public programming, supervision of all permitted uses, and the operations of the Park. These services are at the County's expense, subject to the approval of an annual County budget appropriation submitted during the County budget process. All utility bills will be paid directly by the County.

The Agreement outlines the County's oversight and approvals generally and as it relates to any concession, other subcontracts or subleases, prices, and rules and regulations governing the day-to-day operations and maintenance of the Project. The Park will be managed by the CEO, for the Board, as a County asset.

The County will pay to PACLAC the cost of any services under the Agreement performed by PACLAC employees, or third parties contracted to PACLAC, to perform the County's obligations as negotiated in the Agreement.

The Agreement with PACLAC will be for a three-year term. By July 2013, an independent 501(c)(3) will be established which will be ultimately responsible for public programming, operating policies and procedures, and fundraising to support Park programs on behalf of the County. Prior to the establishment of the 501(c)(3), the Agreement establishes the Grand Park Advisory Board (Advisory Board) to provide oversight and direction to the County on public programming and policies affecting Park programming and Park use, and solicit public comments and input on park programs and activities. The Advisory Board will consist of: one appointee from each County Supervisorial office; one from the relevant City Council district; and one from the CEO. It is anticipated that meetings with the Advisory Board will be scheduled at minimum quarterly, and be open to the public, subject to the Brown Act rules on open meetings.

Implementation of Strategic Plan Goals

These actions will support the County's Strategic Plan Goals of Operational Effectiveness (Goal 1) by investing in public infrastructure that will enhance activities which promote good health, social, and emotional well-being.

FISCAL IMPACT/FINANCING

The Fiscal Year (FY) 2011-12 Final Budget allocates $1.5 million of net County cost to fund one-time start-up and initial operating costs budgeted in Provisional Financing Uses. The attached appropriation adjustment will transfer $1.5 million to the Grand Park Operating Budget from Provisional Financing Uses to fund the initial associated costs.

The maintenance, operations, and an allocation for public programming for the first full FY 2012-13 is estimated to cost $3.3 million and will be partially offset by revenue collected from concessions, parking, and facility rental and event fees of $524,000. Net County cost will total approximately $2.8 million for FY 2012-13 and is expected to decrease each year as event revenue increases, with an ultimate goal of budgetary self sufficiency in the future.

The initial annual revenue estimate of $524,000, includes $119,000 from Starbucks and Automated Teller Machines, $305,000 from parking fees on weekends at County-owned parking lots; and $100,000 from rental and event fees. It is anticipated that revenue will rise as the number of events increase and use of the Park expands. Revenue generated at the Park will be deposited to the Grand Park Operating budget (Fund A01, Organization Number 28200, Accounting Codes 8399, 8631, 9462, 8396).

FY 2012-13 will be the Park's initial year and the operations will be monitored monthly by CEO staff and PACLAC; and will be reported to the Advisory Board. Based on this monitoring of actual operational expenditures and revenue, the ongoing County obligation can be estimated and included as part of the County Budget process.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The County is authorized by the provisions of Government Code Section 26227 to contract with a non-profit corporation to operate programs to meet the social needs of the County which the Board of Supervisors determines to be in the best interest of the County and the general public.

The term of the Agreement will be for an initial period of three years.

The CEO recommends your Board to delegate the authority to finalize negotiations and execute an Agreement based on the negotiated items identified and described in this Board letter, in cooperation with County Counsel.

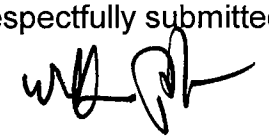
ENVIRONMENTAL DOCUMENTATION

On February 13, 2007, acting as a Responsible Agency, your Board certified the Grand Avenue Project Environmental Impact Report (EIR), as prepared and certified by the Grand Avenue Authority, as the lead agency for the Grand Avenue Project. The recommended action is within the scope of the Grand Avenue Project in the previously certified EIR.

CONCLUSION

Please return one adopted copy of this Board letter to the Chief Executive Office, Capital Projects Division.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:RLR:DJT
DKM:CF:mc

Attachments

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller
Performing Arts Center of Los Angeles County

PINK (1)

BA FORM 09/09

BOARD OF SUPERVISORS OFFICIAL COPY

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPT'S. NO. [060

DEPARTMENT OF CHIEF EXECUTIVE OFFICE

May 29, 2012

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

FY 2011-12

3 - VOTES

SOURCES	USES
Provisional Financing Uses A01-CB-2000-13749-13760 Services and Supplies Decrease Appropriation	Grand Park A01-CB-2000-28200 Services and Supplies Increase Appropriation

SOURCES TOTAL: $ 1,500,000

USES TOTAL: $ 1,500,000

JUSTIFICATION

Reflects one-time start-up funding associated with the new Grand Park.

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

24 MAY 29 2012

SACHI A. HAMAI
EXECUTIVE OFFICER

AUTHORIZED SIGNATURE GEVORK SIMDJIAN

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

REFERRED TO THE CHIEF EXECUTIVE OFFICER FOR ---

☑ ACTION ☐ RECOMMENDATION

☑ APPROVED AS REQUESTED ☐ APPROVED AS REVISED

AUDITOR-CONTROLLER BY Karen Shikuma

B.A. NO. 158 May 2 2012

CHIEF EXECUTIVE OFFICER BY S. Kibbawy

May 2 2012

SEND 6 COPIES TO THE AUDITOR-CONTROLLER