

CATEGORICAL EXEMPTION, and NEIGHBORHOODS AND COMMUNITY ENRICHMENT COMMITTEE REPORT relative to the proposed Amended and Restated Agreement with the Tavern at Rancho, LLC, for the redevelopment, operation, and maintenance of food and beverage concession at the Rancho Park Golf Complex.

Recommendations for Council action:

1. DETERMINE that the project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Article 19, Sections 15301(a) [Interior or exterior alterations involving such things as interior partitions, plumbing, and electrical conveyances;]; 15301(d) [Restoration or rehabilitation of deteriorated or damaged structures, facilities, or mechanical equipment to meet current standards of public health and safety]; 15302(c) [Replacement or reconstruction of existing utility systems and/or facilities involving negligible or no expansion of capacity]; 15303(e) [Installation of Accessory (appurtenant) structures including garages, carports, patios, swimming pools, and fences]; and 15304(a) [Grading on land with a slope of less than 10 percent] of California CEQA Guidelines as well as to Article III, Section 1, Class 1(1), Class 1(4), Class 1(14), Class 2(3), Class 11(6) and Class 4(1) of City CEQA Guidelines and DIRECT staff to file a Notice of Exemption with the Los Angeles County Clerk.
2. AUTHORIZE the President and Secretary of the Board of Recreation and Park Commissioners to execute the proposed amended and restated agreement with The Tavern at Rancho Park, LLC for the redevelopment, operation, and maintenance of food and beverage concession at the Department of Recreation and Parks' Rancho Park Golf Complex, for a term of fifteen years with one five-year option to renew, subject to the approval of the City Attorney as to form.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that there is no additional impact on the General Fund. To the extent applicable, the recommendation stated in the report complies with the City Financial Policies in that user charges and fees are set to support the full cost of operations for which the fees are charged Revenues for Agreement 2 will be deposited into the Department of Recreation and Parks' Golf Surcharge Account. The "Supplemental Work" performed by the Concessionaire will be funded through the Golf Operations Special Fund by way of monthly rent credits comprised of the entire monthly rent payment due and will commence after the Department verifies that all capital improvements are completed as proposed and approved by the Department, and that the Department is satisfied with the quality of the work. The Concessionaire will invest \$7,862,320, comprising \$4,285,184 in capital improvements and \$3,577,136 in "Supplemental Work." The Department anticipates an estimated revenue resulting from Agreement 2 over the initial fifteen year term to be approximately \$16 million based on the rental percentage of gross receipts per the Concessionaire's pro forma.

Financial Policies Statement: The CAO further reports that the recommendation in the report complies with the City Financial Policies in that user charges and fees are set to support the full cost of operations for which the fees are charged.

Community Impact Statement: None submitted.

**TIME LIMIT FILE – APRIL 15, 2024
(LAST DAY FOR COUNCIL ACTION – APRIL 12, 2024)**

Summary:

On April 3, 2024, your Committee considered the January 9, 2024 CAO report relative to the proposed Amended and Restated Agreement with the Tavern at Rancho, LLC, for the redevelopment, operation, and maintenance of food and beverage concession at the Rancho Park Golf Complex. The report attached to the Council file includes some background on the matter.

After providing an opportunity for public comment, the Committee moved to approve the recommendations detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

NEIGHBORHOODS AND COMMUNITY ENRICHMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
HERNANDEZ:	YES
LEE:	ABSENT
HUTT:	YES

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-NOT OFFICIAL UNTIL COUNCIL ACTS-