

ECONOMIC DEVELOPMENT AND JOBS COMMITTEE REPORT relative to the acquisition of real property located at 1554 West 11th Place in Council District One.

Recommendations for Council action, pursuant to Motion (Cedillo – De Leon):

1. AUTHORIZE the Department of General Services (GSD) to negotiate, execute, and accept transfer documents and perform other actions necessary with the CRA/LA, A Designated Local Authority, to receive and convey real property located at 1554 West 11th Place in Council District One with such transfer conditioned upon the City's receipt of an "Approval of Removal Action Completion Report" from the California Department of Toxic and Substance Control affirming the environmental condition of the Property is safe for public use.
2. INSTRUCT the GSD to effectuate a non-financial transfer of jurisdiction of the Property described above in Recommendation No. 1 to the Department of Recreation and Parks (RAP).
3. REQUEST the Board of Recreation and Park Commissioners to consider and accept the transfer of jurisdiction of the property described above in Recommendation No. 1 and dedicate said property as park property in perpetuity if there is no environmental impediment in doing so.

Fiscal Impact Statement: Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

Summary:

On June 14, 2022, your Committee considered a Motion (Cedillo – De Leon) relative to the acquisition of real property located at 1554 West 11th Place in Council District One. According to the Motion, on May 6, 2014, Council adopted actions related to the transfer of properties identified for government use from the CRA/LA (Council File No. 13-1482). A total of 35 real property assets were identified for government use and approved for transfer to the City, including a 12,495 square foot parcel in Council District One known as the Union Avenue Community Garden (Property) located at 1554 W. 11th Place in Pico Union.

A Phase I and Phase II Environmental Assessment Report of the Property identified contaminants found in the soil and as a result, transfer of the Property to the City is still pending. On June 25, 2019, Council authorized the use of all taxable CRA/LA Excess Non-Housing Bond Proceeds (EBP) available to Council District One from the Pico Union 1 Redevelopment Project Area to address the environmental condition of the Property and to assure it is safe for future public use (Council File No. 14-1174-S66). The environmental site remediation is currently in process and will be deemed

complete upon the California Department of Toxic and Substance Control (DTSC) issuing an "Approval of Removal Action Completion Report."

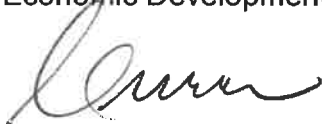
The DTSC is the State regulatory agency overseeing the process. Council action is needed to authorize the GSD to negotiate and execute an acquisition agreement with CRA/LA to transfer the Property that includes the following terms:

- A purchase price acceptable to the City
- An allocation between the City and CRNLA of all charges associated with the acquisition.
- An owner's policy of title insurance from a title company acceptable to the City.
- All documents related to the acquisition in a form acceptable to the City.
- City must undertake diligence of the conditions of the Property.

Such Council action shall be conditioned upon the City's receipt of an "Approval of Removal Action Completion Report" from DTSC affirming the environmental condition of the Property is safe for public use. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the Motion. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Economic Development and Jobs Committee



PRICE: YES
KREKORIAN: YES
BLUMENFIELD: YES
RAMAN: ABSENT
HARRIS-DAWSON: YES

ARL
6/14/22
CD 1

-NOT OFFICIAL UNTIL COUNCIL ACTS-