FRANK T. MARTINEZ
City Clerk

KAREN E. KALFAYAN
Executive Officer

When making inquiries relative to this matter refer to File No.

CITY OF LOS ANGELES
CALIFORNIA

ANTONIO R. VILLARAIGOSA
MAYOR

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07-1820

CD 4

July 9, 2007

Office of the Mayor
City Attorney (w/ blue Sheet)
Councilmember LaBonge
City Administrative Officer
Department of Recreation and Parks
Board of Recreation and Park Commissioners

Controller, Room 300
Accounting Division, F & A
Disbursement Division

RE: TO A LEASE AGREEMENT WITH LOS ANGELES MUSEUM OF THE HOLOCAUST

At the meeting of the Council held JUNE 26, 2007, the following action was taken:

Attached report adopted	X
Attached motion (-) adopted	
Attached resolution adopted	
FORTHWITH	
Mayor concurred	
To the Mayor FORTHWITH	
Motion adopted to approve communication recommendation(s) as amended	
Motion adopted to approve committee report recommendation(s)	
Ordinance adopted	
Ordinance number	
Publication date	
Effective date	
Mayor vetoed	
Mayor approved	
Mayor failed to act - deemed approved	
Initial study adopted	X
Mitigated Negative Declaration adopted	X
Mitigation monitoring reporting plan adopted	X
Generally exempt	

Frank T. Martinez

City Clerk
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File No. 07-1820

TO THE COUNCIL OF THE CITY OF LOS ANGELES

Your ARTS, PARKS, HEALTH AND AGING Committee

report as follows:

ARTS, PARKS, HEALTH AND AGING COMMITTEE REPORT relative to a lease agreement with the Los Angeles Museum of the Holocaust (LAMOTH).

Recommendations for Council action:

1. ADOPT the Initial Study and Mitigated Negative Declaration (IS/MND) and the associated Mitigation Monitoring Reporting Plan for the Los Angeles Museum of the Holocaust at Pan Pacific Park finding that, on the basis of the whole record including the IS/MND and all comments received, there is no substantial evidence that the project will have a significant environmental effect on the environment, and that all potentially significant environmental effects of the project have been properly disclosed and evaluated in the IS/MND in compliance with the California Environmental Quality Act (CEQA) and the State and City CEQA Guidelines.

2. APPROVE and AUTHORIZE the President and Secretary of the Board of Recreation and Park Commissioners to execute, the lease agreement with the LAMOTH for a term of 50 years, subject to the addition of a provision requiring the LAMOTH to have full funding in place prior to commencing construction and further requiring the LAMOTH's contractor to obtain a construction performance bond naming the City as additional loss payee and to use prevailing wage rates for the construction of the Holocaust Museum Project, subject to the approval of the City Attorney.

Fiscal Impact Statement: The City Administrative Officer reports that the LAMOTH will pay the City an annual rent of $1. Additionally, the LAMOTH will be responsible for construction costs of the Holocaust Museum Project currently estimated at $6 million. The LAMOTH will also be responsible for landscape, maintenance and operational costs associated with its operations of the Holocaust Museum Project. There is no impact on the General Fund.

SUMMARY

In a communication dated June 8, 2007, the City Administrative Officer (CAO) reports that the Board of Recreation and Park Commissioners (Board) approved a lease agreement between the Department of Recreation and Parks (DRP) and the LAMOTH. The term of the proposed lease agreement is 50 years. Under the terms of the proposed agreement, the City leases to the LAMOTH approximately 20,000 square feet of land located in the northwest corner of Pan Pacific Park for the construction and operation of a holocaust museum and ancillary facilities. The museum building will be partly below ground and earth-sheltered with a grass-covered roof to integrate the building into the surrounding parkland. The DRP report states that the museum building would be designed to be visually compatible with the surrounding parkland. As consideration for the lease, the LAMOTH will operate the project as a first-class, non-profit museum and make an annual payment of $1 to the City during the term of the proposed lease agreement. Additional details on the more significant provisions in the proposed lease agreement are included in the CAO report attached to this Council file.

The CAO further reports that Pan Pacific Park is currently owned by the State of California. Presently, the City operates Pan Pacific Park under an operating agreement between the State and the County of Los Angeles. The City Attorney has advised that the City must first receive fee title to Pan Pacific Park before the proposed lease agreement could be effective. The DRP reports that it is currently seeking the fee title transfer from the State. The DRP anticipates completing the fee title transfer in the next two months. The effective date of the lease would be the later of (a) the date the City Clerk attests the Lease Agreement or (b) the date the State transfers title to Pan Pacific Park to the City.

According to the DRP, the preliminary cost estimate for the construction of the Holocaust Museum Project is $6 million. To date, the LAMOTH has raised $4 million of this preliminary cost estimate. The CAO notes that although the LAMOTH is required to submit all plans to the Board for approval, the proposed lease agreement does not require the LAMOTH to have full funding in place prior to commencing construction. The CAO recommends that the City require the LAMOTH to secure funding, in such an amount as would be necessary to complete the Holocaust Museum project based on plans approved by the Board, prior to the start of construction. The CAO further recommends that the City require the LAMOTH's contractor to obtain a construction performance bond naming the City as an additional loss payee and use prevailing wage rates for the construction of the Holocaust Museum Project.

At its regular meeting held on June 13, 2007, representatives from the DRP, CAO and the LAMOTH provided an overview of the Holocaust Museum Project to the Arts, Parks, Health and Aging Committee. The Committee approved the recommendations contained in the CAO report. This matter is now submitted to Council for its consideration.

Respectfully submitted,

ARTS, PARKS, HEALTH AND AGING COMMITTEE

MEMBER	VOTE
LABONGE:	YES
PERRY:	YES
CARDENAS:	YES

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Tony Cardenas

Report

ADOPTED

JUN 2 6 2007

LOS ANGELES CITY COUNCIL

Initial Study and Mitigated Negative Declaration Adopted
Mitigation Monitoring Reporting Plan Adopted