

CITY OF LOS ANGELES
INTERDEPARTMENTAL CORRESPONDENCE
L.A FOR KIDS STEERING COMMITTEE MEETING, AUGUST 29, 2024
AGENDA ITEM (7)
BUREAU OF ENGINEERING

Agenda Item No. 7

Date: August 29, 2024

To: Proposition K – L.A. for Kids Steering Committee

From: Ohaji Abdallah, Interim Program Manager *Ohaji K. Abdallah, R.A.*
Recreational and Cultural Facilities Program,
Bureau of Engineering, Architectural Division

Subject: **PARKS FIRST TRUST FUND – ANNUAL FINANCIAL REPORT REGARDING EXPENDITURES AND RECEIPTS PER LOS ANGELES ADMINISTRATIVE CODE (LAAC) SECTION 5.526G**

RECOMMENDATION

That the L.A. for Kids Steering Committee recommend that City Council receive and file this Parks First Trust Fund Annual Report.

SUMMARY

In January 2001, the City Council established the Specific Plan for the Vermont/Western Station Neighborhood Plan (SNAP) (Ordinance No. 173749) (C.F. 00-1999 and C.F. 00-1999-S1). The SNAP covers an approximately 2.2 square mile area within the Hollywood and Wilshire Communities, within the 4th, 10th, and 13th Council Districts, respectively. The SNAP Ordinance established the Parks First Program and the Parks First Trust Fund (Fund) for the purpose of developing ten or more acres of small parks and other open space within the Plan area. The SNAP Ordinance requires that prior to the City issuing a Certificate of Occupancy, an applicant for any residential project within the SNAP must pay a fee to the Parks First Trust Fund of \$4,300 per dwelling. The Ordinance designates the L.A. for Kids Steering Committee to administer, manage and expend funds from the Parks First Trust Fund in accordance with the SNAP Ordinance. Monies in the Parks First Trust Fund shall be used only for the purpose of acquiring land and developing, improving and maintaining parks and open space physically located within the SNAP boundaries. At least 15 percent of these monies must be allocated over the life of the Plan for operation and maintenance of the parks and open spaces developed within the Plan area.

The LAAC Section 5.526-G states that the L.A. for Kids Steering Committee shall report annually to the City Council and Mayor identifying and describing in detail the receipts and expenditures of the Fund and submit such annual report within 60 days after the close of the fiscal year covered in the report. In accordance with such requirement, staff submits this annual report and recommends that the L.A. for Kids Steering Committee request the City Council to receive and file this report.

ANNUAL DEVELOPMENT FEE REPORT REGARDING RECEIPTS AND EXPENDITURES

The fees for the Parks First Trust Fund are accounted for in a separate Special Revenue Fund (No. 45B), with interest earnings restricted to the same uses as the original collection fees. As of July 31, 2024, the Fund has received \$5,360,726 in fee collections and \$763,785.70 in interest earnings for a total of \$6,124,511.70 (Attachment A). Of this amount, \$4,186,869 has been awarded through a competitive request for proposals (RFP) process. As an administrative action, an additional \$786,034.60 has been set aside for future maintenance awards to ensure compliance with the Ordinance requirements. These figures will be periodically updated as additional revenues are collected.

The Parks First Program requires the award of Parks First Trust Fund monies through a competitive RFP process that is open to non-profit organizations, governmental entities, and City departments for projects within the SNAP area and have been administered within the Proposition K Competitive Request for Proposals (RFP) process. As there are no future RFPs remaining within the Proposition K program, we are in discussions as to the disbursement of the remaining funds which will be detailed in a subsequent report, subject to Council approval.

FISCAL IMPACT

There is no General Fund impact as this is an administrative action.

ATTACHMENT

Parks First Trust Fund (No. 45B) Financial Report

45B (Vermont/Snap Parks First Trust Fund)			
<i>Summary of Revenues & Appropriations from inception thru 7/31/22</i>			
		Land Use Fees	Interest Revenues
FY	2004	\$354,300.00	\$5,168.01
	2005	4,300.00	11,196.96
	2006	-	12,846.47
	2007	-	16,157.18
	2008	712,800.00	21,965.44
	2009	4,300.00	44,367.92
	2010	15,400.00	30,515.21
	2011	-	23,363.99
	2012	-	19,615.49
	2013	4,300.00	18,488.15
	2014	45,196.00	15,752.73
	2015	55,900.00	14,507.08
	2016	62,030.00	14,857.73
	2017	395,600.00	15,745.88
	2018	1,294,300.00	24,246.10
	2019	580,500.00	49,307.38
	2020	1,414,700.00	89,665.11
	2021	399,900.00	60,485.65
	2022	17,200.00	52,775.34
	2023	-	100,758.61
	2024	-	121,999.27
Subtotals		\$5,360,726.00	\$763,785.70
Total Revenues:			\$6,124,511.70
<i>*Less - Prior Appropriations:</i>			<i>4,972,903.60</i>
**Total Remaining to be Awarded:			\$1,151,608.10
<i>*Inclusive of a set-aside for Operations and Maintenance.</i>			
<i>** Per the Los Angeles Administrative Code Sec.5.526.D - The LAFKSC must plan to allocate at least 15% of the monies in the Fund over the life of the Plan for operation and maintenance of the parks and open spaces developed in the Plan area.</i>			