

Community Benefit Analysis for Proposed Non-Profit Transfer

I. Proposed Terms and Conditions	
Facility Location:	Former railroad spur adjacent to 244 S. San Pedro Street, APN 5161-020-923
Proposed Transferee:	Japanese American Cultural & Community Center, a non-profit 501(c)3 organization
Council File Reference:	C.F. 13-1482 (Motion adopted December 18, 2013)
Area:	Approximately 10,573 square feet of land
Terms and Conditions of Sale:	Sale to JACCC with the requirement that permanent access be provided across the spur to the Plaza and Center Building as well as to the James Irvine Japanese Garden. No applicable renewal options.
Market Value:	The GSD Class "C" estimate is \$875,000.
Proposed Rental Rate:	There is no proposed rental rate due to the proposed permanent transfer.
Utilities/Custodial:	Transferee shall be financially responsible for all applicable utility and custodial costs, including site security and ensuring that debris is cleared and landscaping (if any) is maintained.
Improvements:	Transferee shall have full responsibility for the cost of any needed improvements to the railroad spur or alley.
II. History and Current Services	
Mission:	The Japanese American Cultural and Community Center (JACCC) is a hub for Japanese and Japanese American arts and culture and a community gathering place for the diverse voices it inspires. The JACCC connects the community with creative professionals, and connects Japanese American residents of Southern California with the broader world.
Vision:	<ol style="list-style-type: none"> 1) Advance traditional Japanese arts and their practice in the United States, as well as their manifestations in Japanese American arts and culture; 2) Provide a physical campus in downtown Los Angeles for the creation, exhibition, and presentation of the visual, performing and culinary arts; 3) Provide a context for creative expression by a continuum of artists, including full-time professionals, part-time and avocational artists, community members, students and their families; 4) Act as a community resource for residents of and visitors to Little Toyko; and 5) Provide programs and opportunities to promote social justice and inter-cultural understanding and collaboration.
Background / History:	The JACCC was founded in 1971. It is located in Little Tokyo, at the heart of one of the largest ethnic arts and cultural centers of its kind in the United States. JACCC's Center Building was opened in 1980, followed by the opening of the 880-seat Aratani Theater and the Isamu Noguchi-designed JACCC Plaza in 1983.

Community Benefit Analysis for Proposed Non-Profit Transfer

	<p>The Center building houses a gallery, teahouse, classrooms and office space for 22 community and non-profit organizations. The property also includes the James Irvine Japanese Garden.</p> <p>The former railroad spur is the only access point for the backstage of the Aratani Theatre. It is vital for fire and general emergencies, as well as loading and unloading of equipment, instruments, stage sets and the backstage access for artists and performers. The spur is also the primary access point for the Plaza and Center Building, and is the primary external access to the James Irvine Japanese Garden. Residents and visitors to the Little Tokyo Towers Senior Housing cross the spur during daylight hours for direct access to Little Tokyo and downtown Los Angeles.</p>
<p>Current Services:</p>	<p>The campus is visited by more than 120,000 people each year. It provides public programs that are free, subsidized and accessible. The theater, plaza and garden are utilized by dozens of nonprofit organizations that do not have their own physical space.</p> <p>In FY16, JACC programs welcomed 246 artists and community members. The campus hosted 2,147 programs, exhibitions and special events, including 148 days of free programs. The Aratani Theatre was in use for 167 days of performances. Tickets to JACCC performances are subsidized through corporate sponsorship and donations from individuals.</p>
<p>III. Community Benefit Analysis</p>	
<p>Value of Direct Services:</p>	<p>A1. <u>Total Value of all Staff</u>: \$1,065,042 A2. <u>Value of Dedicated Program staff</u>: \$707,936</p> <p><i>Includes: Staff for Visual and Cultural Arts, Performing Arts, Community Engagement, and Maintenance</i></p> <p>B. <u>Value of Services to Participants</u>: \$391,099</p> <p><i>Includes: Free admission to Japanese Garden, free tickets to performing arts programs, free community engagement programs and free visual and cultural arts exhibitions.</i></p>
<p>Value of Operational Budget:</p>	<p>C. <u>Value of Operational Budget</u>: \$393,969</p> <p><i>Includes: Subsidy of theater operations, JACCC Plaza Maintenance, Railroad Spur Security and Maintenance</i></p>
<p>Additional Offsets / In-Kind Services:</p>	<p>D. <u>Support for 194 artists</u>: \$148,600</p> <p><i>Includes:</i></p>
<p>Total Community Benefit:</p>	<p><u>\$1,641,604 annually</u> (=A+B+C+D above)</p>

Community Benefit Analysis for Proposed Non-Profit Transfer

Market Value for Area:	<u>\$875,000 based on August 2017 Class “C” estimate</u>
Benefits Finding & Recommended Action.	<p>Community benefits to be provided by JACCC, in the first year alone, are estimated at \$1,641,604. This exceeds the total appraised value of \$875,000. If the value of the property were amortized over 30 years and the value of the annual contribution, not including adjustments for CPI or CAP rate were calculated over 30 years, then the actual contribution would be \$49,248,120.</p> <p>The proposed sale is consistent with the City’s proposed Non-Profit Leasing Policy in that the market value of the area is exceeded/significantly offset by the annual contributions in services from the non-profit lessee. The proposed sale and terms are recommended for approval.</p>

Date	Analyst	Chief	Assistant CAO