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COUNCIL DISTRICT 13



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GARCETTI, LABONGE SEEK NEW FIRE STATION SITE FLORENTINE GARDENS LOCATION DEEMED FISCALLY UNSOUND

Council President Eric Garcetti and Councilmember Tom LaBonge issued instructions today to end negotiations with the owners of the Florentine Gardens site and to seek alternative locations for Hollywood's new Fire Station 82. The Proposition F Oversight Committee had begun to explore the purchase of the nightclub for use as a fire station, but the costs of acquisition became prohibitive.

"Public safety goes hand in hand with fiscal responsibility," said Garcetti, in whose district Florentine Gardens sits. "Hollywood's going to get a top-notch, brand-new fire station, and I look forward to seeing options from the oversight committee for a site that works."

"Based on advice from the City Attorney, the City Administrative Officer, the Fire Chief and other city staff, I support the effort to abandon the Florentine Gardens site for Fire Station 82," said LaBonge. "The fiscal reality of real estate costs made the project overwhelmingly expensive at that site. I look forward to working with Council President Garcetti and the community in order to find the right location."

Voters approved Proposition F in November of 2000. The language approved issuance of \$532.6 million in bond funds and called for construction of a regional fire station in the Hollywood area to replace Fire Station 82, currently located at 1800 Bronson Avenue.

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It Appears that Garcetti and LaBonge are not Being Truthful When They Assert that Florentine Gardens is Too Expensive for Buy Fire Station 82

The land for Permanent Supportive Housing Project at 1720 N. Gower cost the City \$5.2 million for approximately 1/3 of an acre. The Florentine Gardens site is about 1.6 acres. Thus, the comparable value of Florentine Gardens is about \$22 Million. They are located on the same city block.

The city budget to acquire property at Garfield and Hollywood was \$23.5 Million. Thus, the cost to buy the Garfield and Hollywood site was about \$1.5 more than the cost of the Florentine Gardens.

How does it work out that \$23.5 million is a reasonable purchase price but \$22 million is too great?

Let's look at the City's Own Figures for Land Acquisition and Construction Costs

The cost to purchase 1.6 acres at Florentine Gardens and to build at that site plus build an annex at 1800 N. Bronson is \$38 Million. The cost to purchase and build at Garfield-Hollywood is \$44 Million.

How can \$38 Million be too expensive for a \$44 Million budget?

Also the Van Ness lot can be sold recouping at least \$5 million. That brings the cost of the Florentine Gardens site down to net \$33 Million.

How can \$33 Million be too expensive for a budget of \$44 Million?

The Prop F funds have been earning interest since 2001. If we subtract the accrued interest of \$13 Million the cost to buy and build at Florentine Gardens is only \$20 Million.

How can \$20 Million be too expensive for \$44 Million budget?

Below is a chart we obtained from the City showing the various buy and build costs for different PS 82 Options