

Your **TRANSPORTATION, INFORMATION TECHNOLOGY AND GENERAL
SERVICES, and BUDGET AND FINANCE** Committees

report as follows:

TRANSPORTATION, INFORMATION TECHNOLOGY AND GENERAL SERVICES, and BUDGET AND FINANCE COMMITTEES REPORT and ORDINANCE relative to the sale of City-owned property to the Los Angeles County Metropolitan Transportation Authority (MTA) for the Exposition Corridor Light Rail Transit (Expo) project.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. DETERMINE that a portion of the City-owned property located at 3410 South La Cienega Boulevard is no longer required for City use and that the public interest is best served by the direct sale of the property.
2. PRESENT and ADOPT accompanying ORDINANCE relative to the sale of the property, without calling for bids, to the MTA for the adjusted sale price of \$3,172,915, for the on-site construction by MTA of a five-story parking structure for the Expo project.
3. INSTRUCT the Department of General Services to complete the transactions as outlined in the accompanying ORDINANCE, and process the necessary documentation to effectuate the sale and deposit the proceeds, over and above the expenses, into the appropriate accounts, as directed by the Los Angeles Administrative Code (LAAC).

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that this action will not impact the General Fund. The MTA will purchase the property for the adjusted sale price of \$3,172,915, which will be deposited into the Sewer Construction Maintenance Fund 208/50. The proposed transaction is in accordance with Charter Section 385 Sale of Property, LAAC Section 7.22 Recommendations Required of City Departments, and 7.27 Private Sale, and California Government Code Section 54220 Surplus Land, which establishes the basic guidelines for the sale of City-owned surplus property.

Community Impact Statement: None submitted.

SUMMARY

In a report to Council dated June 10, 2011 (attached to the Council file), the CAO states that the Department of General Services requests authority to sell a portion of City-owned property located at 3410 South La Cienega Boulevard to the MTA in the amount of \$3,265,000. The MTA will use the Surplus Property for the construction of a five-story parking structure for the Expo Project.

According to the CAO, on March 8, 2000, the Bureau of Sanitation acquired the 54,000 square-foot property from a private party using \$3.6 million in Sewer Construction and Maintenance funds. The City property was purchased to serve as a construction shaft site for the East Central Interceptor Sewer which was completed in 2004. In addition, the City property is used as an air treatment facility for removing foul air to meet the requirements of the City's Collection Systems Settlement Agreement with the Environmental Protection Agency, Los Angeles

Regional Water Quality Control Board, Santa Monica Baykeeper and other community groups. This 10-year agreement began in 2004 and requires the City to improve sewer service and odor control through maintenance, operation, and capital improvement projects.

The CAO reports that the MTA will reimburse the City \$407,083 for the relocation and redesign costs of the air treatment facility to accommodate the additional area required for the proposed parking structure and to meet the zoning height requirements. The air treatment facility will be relocated to the easterly portion of the City property, where the East Central Interceptor Sewer is currently located. The MTA was obligated to relocate and protect existing water and sewer lines. The City agreed to reimburse MTA for the relocation costs in the amount of \$499,168. The adjusted sale price is \$3,172,915. The CAO recommends approval of the property sale.

The CAO further notes that the MTA has agreed to provide any and all right of ways or easements to allow the Bureau of Sanitation to use the alley for operating and maintaining the odor control duct that runs parallel to the parking structure and to provide safe access to the sewer lines and the air treatment facility facilities for operational and maintenance purposes.

At its meeting held June 22, 2011, the Transportation Committee recommended that Council authorize the Department of General Services to sell the property described above, subject to the terms and conditions of the accompanying Ordinance, to the MTA for the Expo project, and to approve the related actions above, as recommended by the CAO. At their respective meetings held July 5 and July 18, 2011, the Information Technology and General Services and Budget and Finance Committees concurred with this action.

Respectfully submitted,

TRANSPORTATION
COMMITTEE

INFORMATION TECHNOLOGY
AND GENERAL SERVICES
COMMITTEE

BUDGET AND FINANCE
COMMITTEE

- NOT OFFICIAL UNTIL COUNCIL ACTS -

MEMBER
ROSENDAHL:
LABONGE:
ALARCON:
KORETZ:
PARKS:

VOTE
YES
YES
ABSENT
ABSENT
YES

MEMBER
CARDENAS:
PERRY:
ZINE:

VOTE
YES
ABSENT
YES

MEMBER
PARKS:
ENGLANDER:
HUIZAR:
KORETZ:
ROSENDAHL:

VOTE
YES
YES
ABSENT
ABSENT
YES