

10-1783  
6013

MOTION

INFORMATION TECH. & GOVT. AFFAIRS

El Centro del Pueblo (El Centro) was established in 1974 as a not-for-profit community service agency. Its mission is to provide social services and resources to the community to improve the quality of life for children, youth, and families in the diverse communities of Los Angeles County. El Centro provides numerous services, including counseling, drug prevention, social rehabilitation, employment, education, health services, and youth services.

In June 2000, the City and El Centro entered into a 15-year lease agreement for Department of Transportation Lot No. 676, in which Proposition K funds were used to construct a basketball court, volleyball court, two handball courts, and a picnic area for public use (Council File No. 00-0807). Per the lease agreement, El Centro pays \$750 per month for the first two years, with adjustments made every two years to reflect the replacement value of the revenue stream.

Section 5.5 of the lease agreement ("Adjustment to Market Level") states that "After obtaining full funding for the construction and operation of the Recreation Center, Tenant shall reasonably apply for and diligently pursue outside funding, if not otherwise prohibited, sufficient to either purchase the Property at the fair market value of the Property or lease the Property at Fair Market Lease Rates."

El Centro is now interested in reviewing the purchase option inasmuch the property will continue to be used for recreational and public purposes, and they would prefer to own the property rather than continue to make lease payments. To achieve this goal, it is important that City staff report on the disposition of El Centro's on-going lease payments; a determination on the fair market value of the property; and, how El Centro can satisfy the Proposition K service commitment, among other issues.

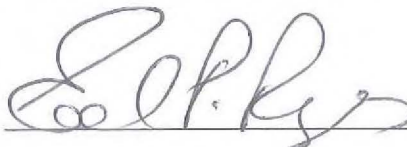
I THEREFORE MOVE that the City Administrative Officer, with the assistance of the Chief Legislative Analyst, the City Attorney, and the General Services Department, be directed to report in 60 days with recommendations to enable the purchase of City-owned Department of Transportation Lot No. 676 at fair market value by its current occupant, El Centro del Pueblo, pursuant to the terms of a lease agreement between the City and El Centro del Pueblo, and to address all current Proposition K service commitments and related issues.

PRESENTED BY:



ERIC GARCETTI  
Councilmember, 13<sup>th</sup> District

SECONDED BY:



NOV 12 2010

ak

ORIGINAL

EG