



ERIC GARCETTI
Mayor

RONALD O. NICHOLS
General Manager

October 3, 2013

The Honorable City Council
City of Los Angeles
Room 395, City Hall
Los Angeles, California 90012

Honorable Members:

Subject: Authorizes execution of Sale of Surplus Property Owned by LADWP at 14030 Hartland Street, Van Nuys, California 91405 (Real Estate File No. P-70313)

Pursuant to Charter Section 675 (d)(2), enclosed for approval by your Honorable Body is Resolution No. 014 062, adopted by the Board of Water and Power Commissioners on October 1, 2013, approved as to form and legality by the City Attorney, which authorizes execution of Sale of Surplus Los Angeles Department of Water and Power-Owned Property Located at 14030 Hartland Street, Van Nuys, California 91405 (Real Estate File No. P-70313). As directed by the Board, transmitted to you are supporting documents.

If there are any questions regarding this item, please contact Ms. Winifred Yancy, Manager of Intergovernmental Affairs and Community Relations, at (213) 367-0025.

Sincerely,

Barbara E. Moschos
Board Secretary

BEM:oja

Enclosures: LADWP Resolution
Board Letter
CAO Report
Deed

Water and Power Conservation ... a way of life

111 North Hope Street, Los Angeles, California 90012-2607 Mailing address: Box 51111, Los Angeles 90051-5700
Telephone: (213) 367-4211 Cable address: DEWAPOLA

c/enc: Mayor Eric Garcetti
Councilmember Felipe Fuentes, Chair, Energy and the Environment Committee
Gerry F. Miller, Chief Legislative Analyst
Miguel A. Santana, City Administrative Officer
Rafael Prieto, Legislative Analyst, CLA
William R. Koenig, Chief Administrative Analyst
Winifred Yancy

P-70313
(Sale of Excess Property
Located at 14030 Hartland Street,
Van Nuys, California)

WHEREAS in 1989, the Los Angeles Department of Water and Power (LADWP) purchased the residential property located at 14030 Hartland Street, Van Nuys, California (the "Property") to mitigate noise and dust associated with the ongoing construction of LADWP Distributing Station No. 140, located immediately adjacent to the property; and

WHEREAS, the Property had been leased and occupied up until 2002; however, the Property has been vacant for the past eleven (11) years resulting in significant deferred maintenance that will require costly renovation and cleanup in order to be inhabitable; and

WHEREAS, LADWP Distributing Station No. 140 was completed and the Property is no longer needed for construction or mitigation purposes; and

WHEREAS, the LADWP has determined that the Property is not necessary for current or future LADWP operations, as defined in the City Charter Section 601 – property needed for the production, delivery, or conservation of water or power resources; and

WHEREAS, Charter Section 675(d)(2) requires City Council approval to sell, lease, or otherwise dispose of, or in any manner withdraw from the control of the Board of Water and Power Commissioners real property; and

WHEREAS, on April 5, 2011, the Board of Water and Power Commissioners and on April 27, 2011, the City Council declared the Property surplus and authorized the holding of an auction to sell the Property; and

WHEREAS, the Property was offered for sale via public auction on June 18, 2013, and attracted a successful bid of \$311,000 from Nationwide Capital Group, LLC.

BE IT RESOLVED:

1. It is found and determined that the City of Los Angeles is the owner of, and there is under the control of the LADWP, the Property located in the City of Los Angeles legally described as follows:

Lot 1 of Tract No. 20779, in the City of Los Angeles, County of Los Angeles, State of California, as per map recorded in Book 547 Pages 3 and 4 of Maps, in the Office of the County Recorder of said County.

500 410

SUBJECT to the following:

EXCEPTING and RESERVING unto the City of Los Angeles all water and water rights whether surface, subsurface, or of any other kind, and all water and water rights appurtenant or in anywise incident to the real property herein described, or used thereon or in connection therewith, together with the right to develop, take, transport, control, regulate, and use all such water; and reserving unto the Grantor all oil, gas, petroleum, or other mineral or hydrocarbon substances in and under said land, without the right to enter upon the surface of said land for such use.

Liens for taxes and assessments then current and unpaid, if any, and to all easements, rights of way, encroachments, covenants, conditions, restrictions, and to all other matters of record.

2. Said Property is no longer required for use by the LADWP, and that said Property was authorized to be sold in accordance with the provisions of Sections 385 and 675 (d)(2) of the Los Angeles City Charter.

3. The Manager of Real Estate is authorized, empowered, and directed to negotiate additional terms and conditions, including escrow instructions, as may be required to finalize and execute the sale of the single family residence located at 14030 Hartland Street, Van Nuys, California for \$311,000. Possession of the property shall not be given prior to close of escrow. Policy of title insurance, if desired by the purchaser, shall be obtained by, and at the expense, of the purchaser. This property is being sold "as-is" without warranty or guarantee, either expressed or implied, as to zoning requirements, the ground location of property lines, the existence of encroachments, if any, or the condition of the property.

4. The execution of a written instrument approved as to form and legality by the City Attorney conveying title to said real property, for and in consideration of the sums described herein, to be paid to the Department of Water and Power, is authorized and ordered on the terms and conditions herein set forth.

5. That the President or the Vice President of the Board, or the General Manager of the LADWP, or such person as the General Manager shall designate in writing, and the Secretary, Assistant Secretary or the Acting Secretary of the Board, be and they are hereby authorized and directed to execute on behalf of LADWP an instrument in writing, approved as to form and legality by the City Attorney, conveying title to said real property, provided that the sale of property and the execution of said instrument shall first be duly authorized by Ordinance.

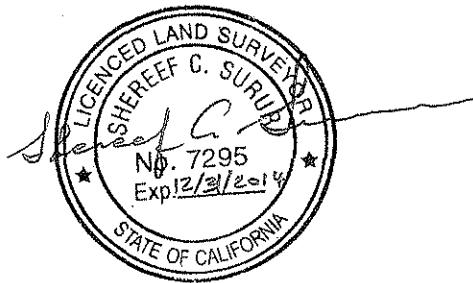
6. The City Council is requested to authorize and direct the execution of said instrument by adopting an ordinance, as provided in Sections 385 and 675 (d)(2) of the Los Angeles City Charter.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of a Resolution adopted by the Board of Water and Power Commissioners of the City of Los Angeles at its meeting held OCT 01 2013



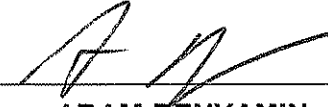
Barbara E. Moschese
Secretary

APPROVED AS TO FORM AND LEGALITY
CARMEN A. TRUTANICH, CITY ATTORNEY

AUG 06 2013
BY *Eduardo A. Angeles*
EDUARDO A. ANGELES
SENIOR ASSISTANT CITY ATTORNEY



LOS ANGELES DEPARTMENT OF WATER AND POWER (LADWP) BOARD APPROVAL LETTER

TO: BOARD OF WATER AND POWER COMMISSIONERS		DATE: August 15, 2013
 GARY WONG Assistant General Manager – Systems Support Division		SUBJECT: Sale of Surplus LADWP-owned Property Located at 14030 Hartland Street, Van Nuys, California 91405 (Real Estate File No. P-70313)
 RONALD O. NICHOLS General Manager		
 ARAM BENYAMIN Senior Assistant General Manager – Power System		FOR COMMISSION OFFICE USE: RESOLUTION NO. _____
CITY COUNCIL APPROVAL REQUIRED: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		IF YES, BY WHICH CITY CHARTER SECTION: 675 (d)(2)

PURPOSE

Transmitted for approval by your Honorable Board is a Resolution, approved as to form and legality by the City Attorney, recommending that the Los Angeles City Council approve the sale of LADWP-owned property consisting of a single family dwelling located at 14030 Hartland Street, Van Nuys, California 91405.

COST AND DURATION

The sale of 14030 Hartland Street will result in a one time payment of \$311,000 to the Power Revenue Fund.

The sale price was a result of an auction conducted by LADWP Staff on June 18, 2013. A minimum bid price of \$100,000 had been recommended by an appraisal completed in August 2010 by LADWP's Real Estate Services Appraisal Section. The minimum bid valuation is considered to be a liquidation price based on the condition of the property. The successful bid of \$311,000 was made by Austin Hardy of Nationwide Capital Group, LLC. The auction was advertised in various media publications during the week of June 10-14, 2013. Twenty-one (21) registered bidders attended the auction.

BACKGROUND

In 1989, LADWP began the design and construction of Distributing Station 140 located at 14047 Vanowen Street in Van Nuys. The station is located along a major

thoroughfare, but the northeast corner of the property abuts a residential neighborhood. The LADWP site is directly contiguous with the single family dwelling located at 14030 Hartland Street. In order to mitigate an ongoing noise and dust disturbance associated with the planned construction period, LADWP acquired the dwelling in November 1989 for a price of \$325,000.

The parcel has a land area of approximately 8,500 square feet improved with a 2,028 square foot dwelling, per public records. The structure was built in 1955 and is a one-story wood frame house on a slab foundation. The home contains 4 bedrooms with 1 3/4 baths, an attached two car garage, and a pool. The dwelling has significant deferred maintenance including the roof and the exterior wood siding. The interior also will require substantial renovation and clean up in order to be inhabitable. The pool is not functional and accumulates water during the rainy season. In recent years, the home has been subject to trespassers and vandalism.

On April 5, 2011, the Board of Water and Power Commissioners declared the property surplus and authorized the sale, by auction, of the property. Subsequently, the Los Angeles City Council authorized same on April 27, 2011. Accordingly, attached is a signed City Administrative Officer report dated January 28, 2011. The process subsequent to Board approval in 2011 was delayed due to a miscommunication in presenting the ordinance before the City Council.

This conveyance was approved by the Planning Department pursuant to Charter Section 558. This Charter Section obligates the Planning Department to ensure that the sale of certain City property is in conformance with the City's General Plan. Accordingly, attached is the City Planning letter dated April 18, 2005.

Per Charter Section No. 675, City Council approval by ordinance is required.

ENVIRONMENTAL DETERMINATION

In accordance with the California Environmental Quality Act (CEQA), it has been determined that this conveyance is exempt from further requirements under the Los Angeles City CEQA Guidelines, Section 15061 (b) 3, Categorical Exemption: The project is exempt from CEQA where the activity is covered by the general rule that CEQA applies to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the action in question may have a significant effect on the environment, that activity is not subject to CEQA.

RECOMMENDATION

It is recommended that your Honorable Board adopt the attached Resolution recommending that the Los Angeles City Council adopt an ordinance approving the

Board of Water and Power Commissioners

Page 3

August 15, 2013

sale, by public auction, of 14030 Hartland Street to Austin Hardy of Nationwide Capital Group for \$311,000.

RJD

Attachments

e-c/att: Ronald O. Nichols

Richard M. Brown

Aram Benyamin

James B. McDaniel

Philip Leiber

Gary Wong

Reynan L. Ledesma


Ron Davis

ew
2/16/11

RECEIVED

FEB 15 2011

REAL ESTATE BUS, GROUP
Dept of Water and Power

TRANSMITTAL			0150-09509-0000
TO Ronald O. Nichols General Manager Department of Water and Power	DATE JAN 31 2011	COUNCIL FILE NO.	
FROM The Mayor	COUNCIL DISTRICT 2		
PROPOSED RESOLUTION AUTHORIZING THE SALE AT PUBLIC AUCTION OF A CITY OF LOS ANGELES OWNED PROPERTY LOCATED AT 14030 HARTLAND STREET, VAN NUYS, CALIFORNIA 91405			
Approved and transmitted for further processing including Council consideration. See the City Administrative Officer report attached.			
 MAYOR			
MAS:RPR:101100961 CAO 649-d			

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: January 28, 2011

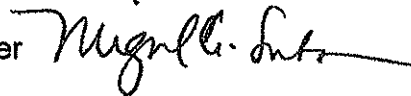
CAO File No.: 0150-09509-0000

Council File No.:

Council District: 2

To: The Mayor

From: Miguel A. Santana, City Administrative Officer



Reference: Transmittal from the Department of Water and Power dated December 8, 2010; referred by the Mayor for report on December 23, 2010

Subject: **PROPOSED RESOLUTION AUTHORIZING THE SALE AT PUBLIC AUCTION OF A CITY OF LOS ANGELES OWNED PROPERTY LOCATED AT 14030 HARTLAND STREET, VAN NUYS, CALIFORNIA 91405**

SUMMARY

The Department of Water and Power (DWP; Department) requests approval of a proposed resolution which authorizes the Department to sell at public auction, for not less than the minimum bid price of \$100,000, a City of Los Angeles (City) owned property consisting of a single family dwelling on an 8,500 square foot lot, located in Council District Two at 14030 Hartland Street in the community of Van Nuys. The DWP has determined that this property is not necessary for current or future Department operations, as defined in the City Charter Section 601 – property needed for the production, delivery, or conservation of water or power resources. Charter Section 675(d)(2) requires Council approval to sell, lease, or otherwise dispose of, or in any manner withdraw from the control of the Board of Water and Power Commissioners real property. The City Attorney has approved the proposed resolution as to form and legality.

In 1989, the Department purchased the residential property for \$325,000 in order to mitigate noise and dust associated with the ongoing construction of DWP Distributing Station Number 140, located immediately adjacent to the property. According to the Department, the property had been leased and occupied up until 2002; however, the property has been vacant for the past nine years resulting in significant deferred maintenance that will require costly renovation and cleanup in order to be inhabitable. In August 2010, to establish a minimum bid price, an appraisal of the property was performed by the Department that determined the liquidated value, based on the condition, is \$100,000.

The Department advises that it notified various City Departments and public agencies that the DWP intended to sell excess property and requested to be contacted within 60 days if there was interest in purchasing the property. The departments/agencies contacted include the Mayor, City Council, Community Development, Community Redevelopment Agency, Housing, Housing Authority of the County of Los Angeles, and Los Angeles Unified School District. To date, no department or agency has contacted the DWP with interest.

Upon review of the attached DWP request, it is the opinion of this Office that the item can be approved as the requested action appears to be reasonable and in accordance with City policies and procedures.

RECOMMENDATION

That the Mayor:

1. Approve the proposed resolution which authorizes the Department of Water and Power to sell at public auction the City of Los Angeles owned property consisting of a single family dwelling on an 8,500 square foot lot, located in Council District Two at 14030 Hartland Street in the community of Van Nuys; and
2. Return the proposed resolution to the Department for further processing, including Council consideration.

FISCAL IMPACT STATEMENT

Approval of the proposed resolution will result in revenue for the Power Revenue Fund of no less than \$100,000, which is the amount of the minimum starting bid and total appraised liquidated value of the property. Since the Department of Water and Power is bound only by the City Debt Management Policies, the City Financial Policies are not applicable. Approval of the proposed resolutions will have no impact on the City's General Fund.

TIME LIMIT FOR COUNCIL ACTION

Pursuant to Charter Section 675(d)(2), "Powers and Duties of the Board – Real Estate Interests," subject to the water rights of the City, there is no time limit for Council action on agreements for real property or any rights in real property held by DWP that will be sold, leased or withdrawn from the Department's control.

MAS:RPR:10110096

Attachments

DOCUMENTARY TRANSFER TAX \$ _____ (County)

\$ _____ (City)

_____ Computed on the consideration or value of
the property conveyed, or

_____ Computed on the consideration or value
less liens or encumbrances remaining at
time of sale.

Signature of agent determining tax for L.A.D.W.P.

D E E D

THE CITY OF LOS ANGELES, a municipal corporation, grants to NATIONWIDE
CAPITAL GROUP, LLC, all that certain real property in the City of Los Angeles,
County of Los Angeles, State of California, described as:

Lot 1 of Tract No. 20779, in the City of Los Angeles, County of
Los Angeles, State of California, as per map recorded in Book 547,
Pages 3 and 4 of Maps, in the Office of the County Recorder of
said County.

EXCEPTING AND RESERVING to the City of Los Angeles all water and water
rights appurtenant whether surface or subsurface and also reserving all oil,
gas, and petroleum, or other mineral or hydrocarbon substances, without the
right to enter upon the surface of said land for such use.

SUBJECT TO all outstanding taxes and assessments, if any.

SUBJECT TO easements, covenants, conditions, restrictions, and other matters of record.

Dated _____

THE CITY OF LOS ANGELES
AND
THE BOARD OF WATER AND POWER COMMISSIONERS
OF THE CITY OF LOS ANGELES

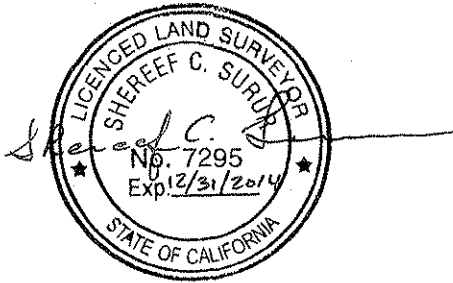
By _____
Ronald O. Nichols, General Manager
Department of Water and Power

And _____

Authorized by:
Resolution No. _____
Adopted _____
Approved by _____
Council _____
Council File No. _____

APPROVED AS TO FORM AND LEGALITY
CARMEN A. TRUTANICH, CITY ATTORNEY

AUG 06 2013
BY Eduardo A. Angeles
EDUARDO A. ANGELES
SENIOR ASSISTANT CITY ATTORNEY



STATE OF CALIFORNIA)
) SS.
COUNTY OF _____)

On _____ before me, _____,
Notary Public, personally appeared _____

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under the PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____