



ANTONIO R. VILLARAIGOSA
Mayor

Commission
THOMAS S. SAYLES, *President*
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CHRISTINA E. NOONAN
JONATHAN PARFREY
BARBARA E. MOSCHOS, *Secretary*

RONALD O. NICHOLS
General Manager

April 11, 2011

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

Honorable Members:

Subject: Sale of Excess City-Owned Property Located at 14030 Hartland Avenue

Pursuant to Charter Section 675, enclosed for approval by your Honorable Body is Resolution No. 011 228, adopted by the Board of Water and Power Commissioners (Board) on April 5, 2011, approved as to form and legality by the City Attorney, which authorizes the Sale of Excess City-Owned Property, located at 14030 Hartland Avenue, Van Nuys, California, at a public auction. As directed by the Board, transmitted to you are supporting documents.

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

Sincerely,

Barbara E. Moschos
Board Secretary

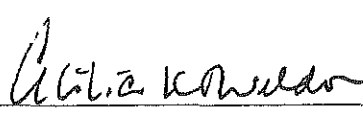
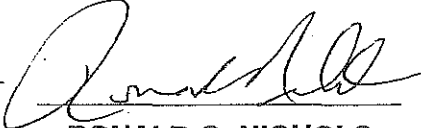
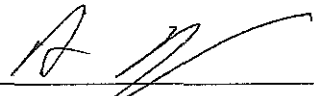
BEM:oja
Enclosures: LADWP Resolution
Board Letter
CAO Report

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 Antonio Villaraigosa
Councilmember Jan C. Perry, Chair, Energy and the Environment Committee
Mr. Gerry F. Miller, Chief Legislative Analyst
Mr. Miguel A. Santana, City Administrative Officer
Mr. Rafael Prieto, Legislative Analyst, CLA
Mr. William R. Koenig, Chief Administrative Analyst
Ms. Winifred Yancy

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

TO: BOARD OF WATER AND POWER COMMISSIONERS		DATE: March 4, 2011
 CECILIA K.T. WELDON Chief Administrative Officer		SUBJECT: Sale of Excess City-owned Property Located at 14030 Hartland Avenue, 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	

PURPOSE

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

COST AND DURATION

A minimum bid price of \$100,000 has been set for sale of the property. The value was determined by an appraisal dated August 4, 2010, by Guy C. Lammers, a Certified General Appraiser, of Real Estate Services. The bid price is considered to be a liquidation value based on the condition of the property. The auction will be conducted by LADWP staff.

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 rear east corner of the property is immediately adjacent to a residential neighborhood. The LADWP site is directly contiguous with a single family dwelling located at 14030 Hartland Street. In order to mitigate the ongoing noise and dust associated with the planned construction period, LADWP acquired the adjacent

property on Hartland. The home was purchased in November 1989 for a price of \$325,000.

The parcel is approximately 8,500 square feet with a 2,028 square foot dwelling. The structure was built in 1955 and is a one-story wood frame house built 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 habitable. The pool is not functional and accumulates water during the rainy season.

Per Charter Section No. 675, City Council approval is required. Accordingly, attached is a signed City Administrative Officer report, dated January 31, 2011.

RECOMMENDATION

It is recommended that your Honorable Board adopt the attached Resolution recommending the Los Angeles City Council's approval of an Ordinance authorizing the sale, by public auction, of City-owned property located at 14030 Hartland Street, Van Nuys, California.

RLL:nv

Attachments

e-c/att: Ronald O. Nichols
Richard M. Brown
Aram Benyamin
James B. McDaniel
Cecilia K.T. Weldon
Lorraine A. Paskett
Ann M. Santilli
Gary E. Wong
Reynan L. Ledesma

P-70313

RESOLUTION NO. 011 228

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

WHEREAS the Los Angeles Department of Water and Power (LADWP) has determined that this 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 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 in 1989, LADWP purchased the residential property for \$325,000 in order 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 nine years resulting in significant deferred maintenance that will require costly renovation and cleanup in order to be inhabitable.

NOW THEREFORE BE IT RESOLVED:

Section 1. The Board finds and determines that the following real property, owned by the City of Los Angeles and under the control of the Los Angeles Department of Water and Power, is no longer required for the use of the City of Los Angeles or its Department of Water and Power, and it is in the best interest of the Los Angeles Department of Water and Power that said property be sold at public auction for not less than the prescribed minimum bid of \$100,000 provided, however, that pursuant to Charter Section 675, the sale of said parcel and the execution of written instruments conveying title on the terms and conditions set forth herein shall first be duly approved by the Los Angeles City Council, whose approval is hereby requested.

Section 2. The real property is situated in the City of Los Angeles, County of Los Angeles, and State of California and further described as follows:

Lot 1 of Tract No. 20779, in the City of Los Angeles, in the 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 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.

Section 3. The terms and conditions of the public auction which shall be held in Los Angeles, California, shall be as specified herein and pursuant to the authority granted herein and in the Ordinance submitted herewith.

Section 4. Prior to the auction, the General Manager is authorized to have the appraisal upon which the minimum bid is set forth in the Resolution updated. Should the updated appraisal demonstrate appraised value different from those set forth herein, the General Manager is authorized to substitute the minimum bid with the updated value reflected in the updated appraisal.

Section 5. After holding the auction, should no acceptable bid be received or should the sale not be completed for the property described herein, the General Manager or his designee is hereby authorized to:

1. Re-offer said property for sale to the second highest bidder, and if second highest bidder fails to complete the sale and/or comply with the conditions of the sale, to the third then fourth highest bidders, upon the same terms and conditions specified in the notice of sale without further order or permission of the Los Angeles City Council , or
2. Pursuant to Division 7, Chapter 1 Article 4, Section 7.32 of the Los Angeles Administrative Code, cause one or more other notices of sale to be published and to conduct one or more other sale auctions under the terms and conditions of the notice of sale for a period of two years from the effective date of the Ordinance approving the Resolution or until said property authorized for sale herein is sold or otherwise disposed.

The provisions of this section shall be subject to Board confirmation of sale and acceptance of all successful bids for said property, for and on behalf of the Los Angeles Department of Water and Power.

Section 6. The Manager of Real Estate is authorized and directed to cause said notice of sale to be given inviting oral bids for the sale of said excess property at public auction; said notice of sale shall be given by publishing the same for seven consecutive days in a newspaper of general circulation, printed and published in the County of Los Angeles as the General Manager or his designee may direct.

Section 7. The Chief Accounting Employee of the LADWP, upon proper certification, is authorized and directed to draw demands on the Power Revenue Fund in payment of the publication of the notice of sale at the established legal rate plus incidental expenses.

Section 8. Upon approval by the City Council of this Resolution, the President, or the Vice President, or the General Manager, or such person as the General Manager shall designate in writing, and by the Secretary, Assistant Secretary or the Acting Secretary of the Board be and they are hereby authorized and directed to execute an instrument in writing, approved as to form and legality by the City Attorney conveying title to the property sold at public auction as provided herein, upon confirmation of the sale and acceptance by the Board of the successful bid for said property however, the execution of said written instrument shall be subject to approval by the Los Angeles City Council. The Manager of Real Estate is authorized, empowered, and directed to execute escrow documents and other related documents for and on behalf of the LADWP.

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 APR 05 2011

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

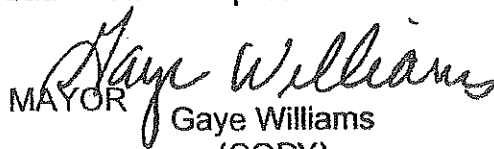
Barbara E. Maschoy
Secretary

MAR 7 2011
BY *Eduardo A. Angeles*
EDUARDO A. ANGELES
SENIOR ASSISTANT CITY ATTORNEY

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
<p>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</p> <p>Approved and transmitted for further processing including Council consideration. See the City Administrative Officer report attached.</p> <p style="text-align: center;"> MAYOR Gaye Williams (COPY)</p>		

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: January 28, 2011

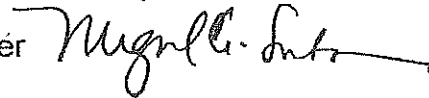
CAO File No.: 0150-09509-0000

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