

ENERGY AND ENVIRONMENT COMMITTEE REPORT and ORDINANCE FIRST CONSIDERATION relative to authorizing the sale of surplus property owned by the Los Angeles Department of Water and Power (LADWP) at 14030 Hartland Street, Van Nuys, California, 91405.

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

1. CONCUR with the Board of Water and Power Commissioners' (Board) action of October 1, 2013, Resolution No. 014-062, authorizing execution of sale of surplus LADWP-owned property located at 14030 Hartland Street, Van Nuys, California, 91405 (Real Estate No. P-70313).
2. PRESENT and ADOPT the accompanying ORDINANCE authorizing the approval of the sale of surplus property located at 14030 Hartland Street, Van Nuys, California, 91405.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that approval of the sale of surplus property, as detailed in Resolution No. 014-062, will result in revenue for the Power Revenue Fund of no less than \$100,000, which is the amount of the starting bid and total appraised liquidated value of the property. Since the LADWP is bound by the City Debt Management Policies, the City Financial Policies are not applicable. Approval of the proposed actions as detailed in the January 28, 2011 CAO report, attached to the Council file, will have no impact on the City's General Fund.

Community Impact Statement: None submitted.

Summary:

On February 5, 2014, your Committee considered October 3, 2013 Board, November 4, 2013 City Attorney and January 28, 2011 CAO reports, Resolution No. 014-062, and Ordinance relative to authorizing the sale of surplus property owned by the LADWP at 14030 Hartland Street, Van Nuys, California, 91405. According to the CAO, the LADWP is requesting authorization 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 LADWP has determined that this property is not necessary for current or future LADWP operations, as defined in 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 real property. The City Attorney has approved the proposed resolution as to form and legality.

In 1989, the LADWP purchased the residential property for \$325,000 in order to mitigate noise and dust associated with the ongoing construction of LADWP 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 LADWP that determined the liquidated value, based on the condition, is \$100,000. The LADWP

advises that it notified various City Departments and public agencies that the LADWP 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 LADWP with interest.

After consideration and having provided an opportunity for public comment, the Committee moved to recommend concurring with Resolution No. 014-062 and the accompanying Ordinance. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

ENERGY AND ENVIRONMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
FUENTES:	YES
BLUMENFIELD:	YES
LABONGE:	ABSENT
HUIZAR:	YES
KORETZ:	ABSENT

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**