

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: February 26, 2016

CAO File No.: 0150-10577-0000

Council File No.:

Council District: 5

To: The Mayor

From: Miguel A. Santana, City Administrative Officer *MS*

Reference: Transmittal from the Department of Water and Power dated December 10, 2015; referred by the Mayor for report on December 16, 2015

Subject: **PROPOSED RESOLUTION AUTHORIZING THE SALE OF TWO PARCELS OF SURPLUS PROPERTY LOCATED WITHIN ENCINO RESERVOIR**

SUMMARY

The Department of Water and Power (DWP; Department) requests approval of a proposed resolution which authorizes the direct sale of City of Los Angeles (City) owned surplus property consisting of two parcels of land located along the Encino Reservoir property. The sale of these parcels was requested by the adjacent homeowners. Pursuant to Government Code Section 54220(e), real property that is declared surplus is eligible for sale to the owners of contiguous land. DWP has determined that the properties are not necessary for current or future DWP operations in accordance to Charter Section 601.

The two surplus properties are located behind the residence at 17462 Sumiya Drive and 4510 Encino Avenue in the City of Los Angeles, within the community of Encino. The two properties were appraised with a fair market value of \$65,000 and \$37,000, resulting in a total value of \$102,000. DWP has reviewed and accepted these values and will sell the properties at the appraised values.

It is noted that DWP improvements to the Encino reservoir resulted in additional noise affecting these adjacent homeowners 15 years ago. The adjacent homeowners subsequently received a DWP license agreement for construction of a sound wall at the homeowners' own expense.

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.

RECOMMENDATIONS

That the Mayor:

1. Approve the proposed resolution which authorizes the direct sale of City of Los Angeles owned surplus property consisting of a land located behind the residences at 17462 Sumiya Drive and 4510 Encino Avenue in the community of Encino for a combined appraised value of \$102,000; 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 Water Revenue Fund in the amount of \$102,000, which is the total appraised fair market value of the two parcels of surplus property. The proposed resolution complies with the Department's adopted Financial Policies. Approval of the proposed resolution 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:JJ/RR:10160054