



**MICHAEL N. FEUER**  
CITY ATTORNEY

REPORT NO. R 16 - 0 3 6 2  
NOV 23 2016

**REPORT RE:**

**DRAFT ORDINANCE TO APPROVE A RESOLUTION AUTHORIZING  
THE SALE OF CITY OF LOS ANGELES PROPERTY TO THE  
BIG PINE VOLUNTEER FIRE PROTECTION DISTRICT**

The Honorable City Council  
of the City of Los Angeles  
Room 395, City Hall  
200 North Spring Street  
Los Angeles, California 90012

Honorable Members:

This Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality. This draft ordinance would approve Resolution No. 017-096, dated November 15, 2016, authorizing the sale of City of Los Angeles (City) property under the management and control of the Los Angeles Department of Water and Power (LADWP) located at 181 North Main Street, Big Pine, Inyo County, California (Property) to the Big Pine Volunteer Fire Protection District (Fire District).

Background

The Property is located at 181 North Main Street, Big Pine, Inyo County, California and consists of 1.017 acres. The Property is also in the commercial district of Big Pine and connected to a local district for water and sewer services. LADWP no longer requires the Property for operational purposes of generating water or power, or the protection or conservation of water and power resources. In 1938, the Board of Water and Power Commissioners of the Department of Water and Power adopted a

policy of divesting itself of such properties located in Owens Valley in Resolution No. 179, and in 2012 reaffirmed and updated this policy in Resolution No. 012-217.

The Fire District has leased the Property from LADWP for the past 45 years for its operation of the Big Pine Volunteer Fire Department. The Fire District desires to acquire fee ownership of the Property to make significant capital improvements in new buildings to better serve the community with services critical to public peace, health and safety. LADWP desires to divest itself of the Property because it is no longer required for operational purposes.

LADWP Real Estate staff performed an in-house valuation assessment of the Property and determined its fair market value to be \$155,000. LADWP and the Fire District negotiated an Agreement of Purchase and Sale of Real Property and Escrow Instructions (Purchase Agreement) for the direct sale of the Property to the Fire District for a sale price of \$155,000, sold in its as-is condition, and with the City reserving all oil, gas, water and mineral rights. MWH Americas, Inc., an environmental consultant hired by the parties, conducted Phase I and II environmental site assessments on the Property and found no adverse environmental conditions. The sale of the Property will generate revenue in the amount of \$155,000 minus closing costs, which include \$30,000 for the cost of the Phase I and II environmental site assessments.

#### Charter Requirements

This ordinance is transmitted for your approval pursuant to Charter Sections 385 and 675, after approval by the Board of Water and Power Commissioners of the Department of Water and Power.

#### CEQA Findings

In accordance with the California Environmental Quality Act (CEQA), it has been determined that the sale of the Property to the Fire District is exempt pursuant to the General Exemption described in CEQA Guidelines Section 15061(b)(3).

#### Recommendation

Based on the foregoing, it is requested that the City Council adopt the enclosed draft ordinance. A copy of the Board Resolution is included in the Council file.

#### Council Rule 38 Referral

This draft ordinance has been presented to the Board of Water and Power Commissioners of the Department of Water and Power pursuant to Council Rule 38.

If you have any questions regarding this matter, please contact Deputy City Attorney John O. Beanum at (213) 367-4535. He or another member of this Office will be available present you consider this matter to answer any questions you may have.

Very truly yours,

MICHAEL N. FEUER, City Attorney

By   
DAVID MICHAELSON  
Chief Assistant City Attorney

DM:JOB:ff  
Transmittal