



RESOLUTION NO. _____

BOARD LETTER APPROVAL

A handwritten signature in blue ink that reads 'Donna I. Stevener'.

DONNA I. STEVENER
Chief Administrative Officer

A handwritten signature in blue ink that reads 'Richard F. Harasick'.

RICHARD F. HARASICK
Senior Assistant General Manager –
Water System

A handwritten signature in blue ink that reads 'Martin L. Adams' with 'for' written below it.

MARTIN L. ADAMS
Chief Operating Officer

A handwritten signature in blue ink that reads 'David H. Wright'.

DAVID H. WRIGHT
General Manager

DATE: May 2, 2017

SUBJECT: New Lease Agreement to the City of Los Angeles Department of Recreation and Parks for Natural Areas and Open Spaces on a Portion of LADWP's Ascot Reservoir – LADWP File W-80858

SUMMARY

The proposed new Lease Agreement (Lease) between LADWP and the Los Angeles Department of Recreation and Parks (RAP) is for the purpose of operating and maintaining natural areas and open space on a portion of LADWP's Ascot Reservoir. On February 16, 2010, the Board of Water and Power Commissioners (Board) adopted a 20-year Lease between LADWP and RAP. The new Lease will update the indemnity language and extend the term by an additional 30 years to allow for RAP to qualify for a million dollar grant. The 20-year Lease will be terminated concurrently.

The Lease will generate \$1.00 per year for the Water Revenue Fund. Additionally, RAP is undertaking the maintenance responsibility of the leased premises which will result in an estimated annual savings of approximately \$11,000 per year to LADWP.

City Council approval is required by Charter Section 607(a).

ENVIRONMENTAL DETERMINATION

Determine item is exempt pursuant to California Environmental Quality Act Guidelines 15061 (b)(3). In accordance with the California Environmental Quality Act (CEQA) it has

been determined that the new lease agreement for operating and maintaining natural areas and open space on a portion of Ascot Reservoir is exempt pursuant to the General Exemption described in CEQA Guidelines Section 15061(b)(3). General Exemptions apply in situations where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

RECOMMENDATION

It is recommended that the Board adopt the attached Resolution recommending City Council's approval of the new Lease with RAP.

ALTERNATIVES CONSIDERED

Not applicable.

FINANCIAL INFORMATION

The Lease will generate \$1.00 per year for the Water Revenue Fund. Additionally, RAP is undertaking the maintenance responsibility of the leased premises which will result estimated annual savings of approximately \$11,000 per year to LADWP.

BACKGROUND

The Ascot Reservoir property consists of approximately 122 acres of land located in the El Sereno area of Los Angeles. In 1986, the original reservoir was taken out of service and replaced with the new Ascot Tank. This tank is a more compact facility compared to the old reservoir; therefore, a significant portion of the land surrounding the facility may be put to an alternate use.

In 2005, discussions began between LADWP and RAP to determine if it was possible to utilize portions of the property not required for LADWP operations in a manner that would provide recreational benefits to the surrounding community. Passive recreation and community open space along with natural areas were considered. LADWP's Water System staff has determined that approximately 93.5 acres of the southerly portion of the property is not required for present or foreseeable Water System use and should be made available for community use. On February 16, 2010, the Board adopted a 20-year Lease between LADWP and RAP.

Subsequently, RAP entered into an agreement with Northeast Trees, a non-profit organization dedicated to creating public green spaces, to design and landscape the leased premises for RAP. Northeast Trees applies for various grants to finance green space projects. To secure a grant from the State of California for this project, the term must be extended. This new Lease will replace the current Lease dated February 16, 2010.

Due to time-sensitive funding source obligations, and in accordance with the Mayor's Executive Directive No. 4, a waiver was requested by the Mayor's Office. A City Administrative Officer's Report will be provided for City Council review prior to final consideration of this item.

CITY ATTORNEY

The Office of the City Attorney reviewed and approved the new Lease and Resolution as to form and legality.

ATTACHMENTS

- Resolution
- Lease Agreement