



ERIC GARCETTI
MAYOR

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

DETERMINATIONS, ORDINANCE, AND REQUESTS FOR AUTHORITY
RELATING TO AN EXCHANGE OF PROPERTIES
LOCATED IN THE PORTER RANCH AREA

Pursuant to City Council's action of August 29, 2014, relative to the exchange of properties located in Porter Ranch Area (Council File No. 14-1086), the Department of General Services hereby reports to City Council with recommendations.

BACKGROUND

On August 29, 2014, you approved a proposed exchange of properties between the Department of Recreation and Parks ("RAP") and Porter Ranch Development Co. ("PRDC"), with the support of RAP's Board Report #14-195 and RAP's Board Resolution 10414.

In the early 1960s, the development firm known as Macco requested that approximately 3,000 acres of property it owned in the San Fernando Valley, known as Porter Ranch, be annexed to the City. As a part of the proposed annexation of Porter Ranch, it was determined that the RAP would receive land within the annexation area for public parks and recreational facilities.

The annexation of Porter Ranch (Annexation Area #5) to the City became effective on March 30, 1965. As a part of the annexation process, City staff worked to identify, survey, and appraise the sites within Porter Ranch that were proposed to be utilized for public parks. On July 7, 1966, the RAP Board acted to accept twenty-five parcels of land, totaling 403.5 acres, within Porter Ranch for recreation and/or park purposes (Resolution No. 5499). Much of the new park land was in the form of steep hillsides, canyon bottoms, and remnant ridgeline properties. The 403.5 acres of property, which at that time was referred to in its entirety as Porter Ranch Park, was deeded to the City, and dedicated as public parkland, in March 1968 (Board Report No. 606).

Included within the 403.5 acres of new park property were all, or portions of, the parks currently known as Aliso Canyon Park, Browns Creek Park, Eddleston Park, Limekiln Canyon Park, Moonshine Canyon Park, Old Mission Trail, Palisades Park, Porter Ranch Park, Porter Ridge

Park, and Wilbur-Tampa Park. In addition to the aforementioned park sites, the 403.5 acres of new park property also included several miles of 12-foot to 25-foot wide noncontiguous strips of land ("RAP Parcels") that were intended to be developed into equestrian trails. The location and layout of the accepted park sites and equestrian trails was based in part on the tentative land use and development plans for Porter Ranch that the City approved at the time of its annexation.

Since Porter Ranch was annexed to the City in 1965, and as the actual construction of the residential and commercial subdivision within the Porter Ranch area has progressed, significant modifications, revisions, and adjustments have been made to the land use, development, and transportation plans in the area.

Proposed Land Exchange

The RAP Parcels total approximately 3.99 acres. The RAP Parcels are 12-foot to 25-foot wide parcels that were acquired for, and originally intended to be developed into, equestrian trails. For the most part, the RAP Parcels are not aligned with the natural topography of the area and do not coincide with any existing equestrian trails in this area. The RAP Parcels are not contiguous as they are separated by gaps where the Porter Ranch's street network was proposed to be aligned in 1968. The RAP Parcels are currently undeveloped and unimproved open space. A limited amount of rough grading has occurred within the southernmost parcels but the northern parcels remain in a substantially natural state. The RAP Parcels are inaccessible to the general public and, due to their topography and alignment, are not currently used for public recreational purposes. Several of the parcels are landlocked and do not, or will not, have access to existing or proposed public streets, as the trail right-of-way was established prior to the determination of the final alignment of the street network in this part of Porter Ranch.

PRDC is currently in the process of clearing the conditions of approval for four of its residential tract maps in Porter Ranch, including Tentative Tract Nos. 50505, 50506, 50507, and 50507-01, in order to record the final tract maps for those four residential subdivisions. However, the RAP Parcels, which are City-owned park properties, are located within the boundaries of Tentative Tract Nos. 50505, 50507, and 50507-01. PRDC needs to acquire the RAP Parcels to finalize the said subdivisions.

The parcels to be received by the City from PRDC under the proposed property exchange ("PRDC Parcels") total approximately 5.77 acres. The PRDC Parcels are approximately 100 feet wide and generally follow the alignment of a side canyon of Browns Canyon. The majority of the PRDC Parcels are in an unimproved natural condition, and the northernmost portion of the PRDC Parcels are located at the bottom of engineered open space slopes improved with concrete drainage benches and down drains. Properties to the immediate north, east, and west of the PRDC Parcels consist of natural open space slopes, the majority of which are owned by RAP and are part of Browns Creek Park. Browns Creek Park is a 51.99 acre park that consists entirely of undeveloped and unimproved natural open space. City's acquisition of the PRDC Parcels would connect the currently-disconnected portions of the Browns Creek Park.

TERMS AND CONDITIONS OF THE PROPOSED EXCHANGE

The following are being recommended as the key features of the proposed property exchange:

- The City will convey, through a quitclaim deed, the RAP Parcels to PRDC “as-is”.
- PRDC will convey, through a quitclaim deed, the PRDC Parcels to City, “as-is”.
- All standard escrow and closing costs will be paid by PRDC.
- The land to be acquired by the City is to be held as parkland or open space in perpetuity.

DETERMINATION REGARDING COMPETITIVE BIDDING

The proposed exchange would result in greater public park acreage for the City. The RAP Parcels total 3.99 acres and have an estimated market value of \$14,000 as of November 2013. The PRDC Parcels total 5.77 acres and have an estimated market value of \$20,000 as of November 2013. The PRDC Parcels, currently owned by PRDC, are needed to connect the currently-disconnected portion of the Browns Creek Park. Based on these unique features of the contemplated transaction, competitive bidding would not be practicable, and public interest would be best served by the proposed exchange of properties without competitive bidding.

ENVIRONMENTAL ASSESSMENT

A Phase I Environmental Site Assessment (ESA) was performed for the property proposed to be exchanged to RAP. Based on the findings of this assessment, no Recognized Environmental Conditions (RECs) and no historical RECs were identified for the Property. Therefore, no further site investigation is required. The Phase I ESA Report dated November 26, 2013, is on file in the RAP's Real Estate Division.

CEQA

If the City Council wishes to adopt the ordinance, it must first comply with the California Environmental Quality Act (CEQA). The Environmental Impact Report (EIR) for the project was previously certified by the City Council on July 10, 1990, and addendums subsequently prepared in April and September 2000, and October 2006. The original Advisory Agency decision adopted the EIR and its later addendums have also been adopted in conjunction with subsequent project approvals. On June 3, 2014, the Advisory Agency, in approving modifications of the previously-approved Vesting Tentative Tract Map No. 50505 (VTT-50505-M1), found that there were no changes to the project or new information triggering the need for further environmental review. Therefore, the City Council may comply with CEQA by taking the following action prior to, or concurrent with, any action to adopt the ordinance:

Find under the California Public Resources Code Section 21166 and the State's Environmental Quality Act (CEQA) Guidelines Section 15162, on the basis of substantial evidence contained in the whole record, that since the Advisory Agency decision on June 3, 2014, approving modifications to the subject Vesting Tentative Tract (VTT-50505-M1), there have been no changes to the Project, changes with respect to the

circumstances under which the Project is being undertaken, or new information of substantial importance concerning the Project, which cause new significant environmental effects or a substantial increase in the severity of previously identified significant effects, and therefore no additional environmental review is required for the Project.

RECOMMENDATIONS

The Department of General Services recommends that City Council take the following actions relative to the proposed exchange of properties at Porter Ranch:

- (1) FIND under the California Public Resources Code Section 21166 and the State's Environmental Quality Act (CEQA) Guidelines Section 15162, on the basis of substantial evidence contained in the whole record, that since the Advisory Agency decision on June 3, 2014, approving modifications to the subject Vesting Tentative Tract (VTT-50505-M1), there have been no changes to the Project, changes with respect to the circumstances under which the Project is being undertaken, or new information of substantial importance concerning the Project, which cause new significant environmental effects or a substantial increase in the severity of previously identified significant effects, and therefore no additional environmental review is required for the Project;
- (2) DETERMINE that, based on the unique features of the proposed exchange of properties, transfer of the RAP Parcels through competitive bidding would not be practicable, and public interest would be best served by a direct transfer to PRDC;
- (3) PRESENT and ADOPT the accompanying ORDINANCE authorizing transfer of the RAP Parcels to PRDC, in exchange for City's receipt of the PRDC Parcels;
- (4) AUTHORIZE the Department of General Services to negotiate and execute an Exchange Agreement and Escrow Instructions regarding the transfer of City-owned RAP Parcels to PRDC in exchange for City's receipt of PRDC-owned PRDC Parcels, in a form substantially similar to the attached Exchange Agreement, subject to approval of the City Attorney as to form;
- (5) AUTHORIZE the Department of General Services to take any action and negotiate and execute any agreement or document necessary to implement the contemplated exchange of properties, subject to approval of the City Attorney as to form with respect to such agreement(s) or document(s); and
- (6) AUTHORIZE the City Attorney to make technical corrections and changes to all agreements and documents necessary for the contemplated transaction.



Tony M. Royster
General Manager