

WHEREAS, as a necessary incident to the acquisition by the City of Los Angeles (City) of water rights in the Eastern Sierra watershed for supplying said City and its inhabitants with water, there have been acquired by the City a great number of parcels of land in the communities, incorporated or unincorporated, in said Eastern Sierra, which lands are under the management and control of the Los Angeles Department of Water and Power (LADWP); and

WHEREAS, the residents of said Eastern Sierra communities desire to acquire title in fee to certain said lands; and

WHEREAS, it is highly desirable that the existing spirit of good will and cooperation between the City, as represented by LADWP, and said Eastern Sierra communities be in all proper ways promoted and fostered and, particularly, by such aid and encouragement to said communities and developments as the City can afford through the disposal of its lands within said respective communities, on terms that while safeguarding the interests of said City, will assure settlers and developers of permanency in their respective tenures and investments in said communities; and

WHEREAS, action by the Board of Water and Power Commissioners (Board) to approve a particular sale is subject to approval by the Los Angeles City Council pursuant to City Charter.

NOW, THEREFORE, BE IT RESOLVED, by the Board that the policy of said LADWP is and shall be to offer for sale and to sell to such persons, firms, and corporations as may desire to purchase the same (subject to applicable reservations in favor of said City, including those for any and all water or water rights constituting part thereof, or in anywise appurtenant thereto) lands and improvements by said City, owned within said communities, at such prices as shall constitute the fair market value of said properties, to be determined in each instance by the Board (taking into consideration the reservations aforesaid), and upon such terms as shall be prescribed by the Board; and

BE IT FURTHER RESOLVED, that said policy shall only apply to lands considered surplus to the City of Los Angeles and not required for operational purposes.


BE IT FURTHER RESOLVED, that said policy, as outlined in the "Land Management Guidelines – City Land Acquisition and Divestment Policies for Inyo and Mono Counties," on file with the Secretary of the Board, shall serve as the guiding principles for negotiating land divestment proposals that shall be subject to further review and approval by the Board and City Council.

BE IT FURTHER RESOLVED, that this Resolution shall replace and supersede Resolution No. 179, adopted by the Board on September 29, 1938.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of a Resolution adopted by the Board of Water and Power Commissioners of the City of Los Angeles at its meeting held APR 17 2012

APPROVED AS TO FORM AND LEGALITY
CARMEN A. TRUTANICH, CITY ATTORNEY


Secretary

APR 05 2012

BY TINA SHIM
DEPUTY CITY ATTORNEY

WHEREAS, the "Land Management Guidelines - City Land Acquisition and Divestment Policy for Inyo and Mono Counties" (Policy) approved by the Board of Water and Power Commissioners (Board) on April 17, 2012, by Resolution No. 012 217, sets forth the principles and procedures for divestment of in-town properties located in the Eastern Sierra communities, which are owned by the City of Los Angeles (City) and under the management and control of the Los Angeles Department of Water and Power (LADWP); and

WHEREAS, LADWP proposes to amend the Policy to allow for divestment of properties currently occupied under a business lease in Inyo County, in a manner that is consistent with the City Charter and state law (California Government Code Section 50300-50308, also known as the Charles Brown Act); and

WHEREAS, tenants of LADWP desire to acquire ownership of their leased properties, and LADWP desires to give said tenants the first opportunity to purchase their leased properties at a reasonable price consistent with the City Charter and state law; and

WHEREAS, the divestment of town properties under a business lease that are no longer required for operational purposes will improve economic and social conditions affecting local communities in the Owens Valley, and, particularly, will provide tenants with more stability in their respective tenures and investments in said communities; and

WHEREAS, action by the Board to approve a particular sale is subject to approval by the Los Angeles City Council pursuant to City Charter.

NOW, THEREFORE, BE IT RESOLVED, that said amended Policy, as set forth in the "Amendment to Land Management Guidelines - City Land Acquisition and Divestment Policy for Inyo and Mono Counties" on file with the Secretary of the Board, shall serve as the guiding principles and procedures for offering and negotiating divestment of leased commercial properties located in Inyo County, with each specific sale subject to further review and approval by the Board and City Council.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of the resolution adopted by the Board of Water and Power Commissioners of the City of Los Angeles at its meeting held **MAY 28 2019**


Secretary

APPROVED AS TO FORM AND LEGALITY
MICHAEL N. FEUER, CITY ATTORNEY

MAY 07 2019
BY 
JOHN BEATUM
DEPUTY CITY ATTORNEY

AMENDMENT TO LAND MANAGEMENT GUIDELINES

City Land Acquisition and Divestment Policy For Inyo and Mono Counties

Introduction

The Los Angeles Department of Water and Power (LADWP) is implementing changes to its "Land Management Guidelines - City Land Acquisition and Divestment Policy For Inyo and Mono Counties" (Policy) approved by the Board of Water and Power Commissioners on April 17, 2012, Resolution No. 012 217, to facilitate the sale of certain town properties in Inyo County. The changes to the Policy will affect only the procedures for the sale of City of Los Angeles (City) property in Inyo County currently occupied under a business lease, i.e., rental agreement, lease, license, or permit for commercial purposes (Business Lease).

All contracts that LADWP enters into, including real property purchase and sale agreements, must comply with the Los Angeles City Charter and Administrative Code, which require that contracts be awarded pursuant to open and competitive bidding procedures or submission of proposals, unless an exemption applies. The changes to the Policy will allow LADWP to sell leased property to the existing tenured tenants at a reasonable price without advertising or calling for bids, in accordance with an exemption under California law (California Government Code Sections 50300-50308, also known as the Charles Brown Act) (CBA).

The CBA requires LADWP to first give any person who has occupied or used the property as a lawful tenant for not less than 24 months during the 36 months preceding the sale or lease, an opportunity to buy or lease City property at a reasonable price or rental within a reasonable time after written notice. The CBA also allows LADWP "upon a finding that the public interest will be furthered and with the approval of the legislative body ... [to] sell or lease the property without advertising or calling for bids." LADWP is utilizing this "public interest" exemption provided by the CBA to implement changes to the Policy.

The changes to the Policy will allow LADWP to divest itself of town properties under a Business Lease in Inyo County, by direct sale to the existing tenured tenants, in a manner that is consistent with the Los Angeles City Charter and Administrative Code, and the CBA.

LADWP will benefit from divesting itself of town properties under the changes to the Policy, including realizing cost savings for no longer having to (i) own and manage the properties, and (ii) market or sell the properties at public auction (i.e., elimination of administrative, advertising and transactional costs).

Changes to Guidelines and Procedures for Town Properties in Inyo County

The process for how properties under a Business Lease in Inyo County will be offered for sale are herein refined to give the existing tenured tenants an opportunity to buy the property at a reasonable price in accordance with the CBA. The procedure for divestment of leased property located in towns is as follows:

1. This process applies only to property under a Business Lease that is located in towns or contiguous to towns in Inyo County.
2. No property is to be sold that is not part of a record subdivision with parcels suitable for business use.
3. No water or water rights will be sold with any property. The City will reserve and exclude all water and water rights from the sale of any property as mandated by the Los Angeles City Charter.
4. Appropriate procedures consistent with the Los Angeles City Charter and Administrative Code will be followed to determine that the property is no longer needed for the LADWP's and the City's operational purposes.
5. Environmental assessments will be performed on property prior to all sales.
6. A "reasonable price" will be determined for each property based on an appraisal and consideration of other relevant factors, including the benefits to LADWP. The CBA provides that "[t]he economic utility of the property to the user for the purpose to which it is suited is the prime factor in determining the reasonableness of the charge." A reasonable price will be established as follows:
 - a. LADWP will commission an appraisal of the property to establish the market value of the property, which can be expressed as a range of values.
 - b. LADWP will then consider other relevant factors to determine the reasonable price of the property, including the benefits to LADWP from divesting itself of town properties that are no longer needed for operational purposes.
7. Upon a finding that the property is no longer needed for operational purposes by LADWP and the City and if it is in the best interest of LADWP to divest of such property, LADWP will give the existing tenured tenant an opportunity to buy the property directly from LADWP without a public auction, at a reasonable price within a reasonable time after written notice, subject to the approvals of the LADWP's Board of Water and Power Commissioners and the Los Angeles City Council, in their sole discretion. This will meet the obligation of the laws, rules, and charter provisions applying to the City, and the obligation of the CBA.

The changes to the Policy will further the City's goals and objectives to divest itself of town properties in Inyo County, and promote and foster good mutual relationships with the people of Inyo County. The above guidelines and procedures will be applied to lands that the City finds are no longer needed for operational purposes and can be divested without compromising the City's water rights, resources, environment or operations.