



Office of the Los Angeles City Attorney
Hydee Feldstein Soto

REPORT NO. **R 24 - 0635**
DEC 09 2024

REPORT RE:

**DRAFT ORDINANCE APPROVING RESOLUTION 025-092
OF THE BOARD OF WATER AND POWER COMMISSIONERS AUTHORIZING
THE SALE OF REAL PROPERTY INTERESTS TO
THE STATE OF CALIFORNIA, DEPARTMENT OF TRANSPORTATION FOR ITS
NORTH SEE VEE SIGNAL PROJECT**

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 025-092, dated November 19, 2024, authorizing the Los Angeles Department of Water and Power (LADWP) to sell certain real property interests owned by the City of Los Angeles and under the management and control of LADWP, located in Inyo County, California to the State of California, Department of Transportation (State).

Background

The State is requesting to purchase fee and easement interests from LADWP for the State's North See Vee Signal Project (Project) to improve public safety along U.S. Route 395. As part of the Project, the State will install a traffic signal and sidewalks at the intersection of North See Vee Lane and U.S. Route 395 in the City of Bishop, County of Inyo, California. Were the City to decline the State's purchase offer, the State could acquire the property through eminent domain. The City of Los Angeles originally acquired the real property to obtain the underlying water rights, and will not transfer any

water rights in the proposed transaction. Therefore, LADWP believes that the proposed transfer of real property interests to the State will not impact LADWP's operational purposes of generating water or power, and the protection or conservation of water and power resources.

LADWP and the State have negotiated a Right of Way Contract-State Highway (Agreement) for the sale of the following real property interests to the State for its Project, for a total amount of \$54,551.73¹:

- Fee interest in Parcel Nos. 4067-1, 4067-2, and 4068-1
- Underlying fee interest in an existing right-of-way easement
- An aerial easement over Parcel No. 4067-5

LADWP and the State entered into a Right of Entry Agreement on May 4, 2017, permitting the State to commence the Project on City property, with the understanding that LADWP may convey an interest in real estate only with the express written permission of its Board and the Los Angeles City Council. Under the Right of Entry Agreement, the State assumes all risks associated with such advance entry, including that it may be required to remove all improvements and restore the property to its original condition if the Agreement is not approved by the Board and the Los Angeles City Council.

Charter Requirements

The enclosed draft ordinance is transmitted for your approval pursuant to Charter Section 675(d)(2), after approval by the Board of Water and Power Commissioners of the Department of Water and Power.

CEQA Findings

Determine item is exempt pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15060(c)(3). In accordance with this section, an activity is not subject to CEQA if it does not meet the definition of a project. Section 15378(b)(4) states that government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment do not meet that definition. Therefore, the sale of property and easement is not subject to CEQA.

¹ The State originally offered a purchase price of \$17,800. A City-commissioned appraisal valued the property at \$67,400. The parties settled on the purchase price of \$54,551.73 to enable the public safety improvements.

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. A member of this Office will be available when you consider this matter to answer questions you may have.

Sincerely,

HYDEE FELDSTEIN SOTO, City Attorney

By



MICHAEL J. DUNDAS
Senior Assistant City Attorney

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Transmittal