

APPROVED
SEP 05 2012

REPORT OF GENERAL MANAGER

NO. 12-267

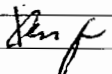
DATE September 5, 2012


C.D. 5

**BOARD OF RECREATION
AND PARK COMMISSIONERS**

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: FRANKLIN CANYON ORANGE GROVE PARK – TWENTY-YEAR LEASE AGREEMENT WITH THE DEPARTMENT OF WATER AND POWER FOR THE USE, OPERATION, AND MAINTENANCE OF A PORTION OF THE LOWER FRANKLIN RESERVOIR

R. Adams	_____	K. Regan	_____
H. Fujita	_____	*M. Shull	
V. Israel	_____	N. Williams	_____


General Manager

Approved Disapproved Withdrawn

RECOMMENDATIONS:

That the Board:

1. Approve a proposed Lease, substantially in the form on file in the Board Office, between the Department of Recreation and Parks (RAP) and the Department of Water and Power (DWP) for the use, operation and maintenance of the orange grove located on a 9.8 acre portion of DWP's Lower Franklin Reservoir for a period of twenty (20) years, as described further in the Summary of this Report, subject to the completion of necessary due diligence work and the approval of the Mayor and the City Attorney as to form;
2. Direct the Board Secretary to transmit the proposed Lease to the Mayor in accordance with Executive Directive No. 3 for approval, and concurrently to the City Attorney for review and approval as to form;
3. Authorize the Board President and Secretary to execute the Lease upon receipt of the necessary approvals; and,
4. Direct the Chief Accounting Employee to make a single \$20 payment to DWP from Fund 302, Department 88, Account No. 006030, Leasing Account, as consideration for the Lease to use the subject property.

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SUMMARY:

The City of Los Angeles, Department of Water and Power (DWP) owns the Lower Franklin Reservoir which measures approximately 168.6 acres. Within this reservoir, there is a vintage orange grove that sits on 9.8 acres (see Exhibit A). The RAP, with the support of the Los Angeles Park Foundation (LAPF), would like to restore and operate the subject orange grove commonly known as Franklin Canyon Orange Grove Park (Orange Grove). The LAPF has a donor who wishes to provide funding for the needed restoration, improvement, and maintenance work for the enjoyment of the space as a natural environment and open space. In addition, the improved and maintained site will have the added benefit of being designated for sustainable food production. The projected use of the site includes working with non-profit organizations to harvest the food and provide food for the needy. The Orange Grove is located on North Beverly Drive.

A complete tree assessment has been completed by LAPF. As a result of the tree assessment and a complete review of the property, the following renovations are being proposed and will be completed within one (1) year of the approval of this agreement:

- Complete upgrade of the irrigation system
- Individual irrigation to each tree well
- Pruning of all existing trees
- New fencing and gate for access by parties to this agreement
- Replacement of trees that have died
- Adding new trees with the actual number of new trees to be determined at a later time
- Mulching the entire property to prevent weed growth
- Possible addition of decomposed granite walking paths as needed
- Possible small structure providing a meeting space with shade
- Placement of two (2) permanent park traditional signs designating the site as a City of Los Angeles Department of Recreation and Parks property and including a sign that indicates the following "Sponsored by David Bohnett Foundation".

In addition to the above, it is understood that the monthly maintenance of the site will be provided by the donor.

As already indicated above, the Orange Grove measures approximately 9.8 acres and is presently part of a large parcel of the Franklin Canyon Reservoir owned by the DWP. Transfer of the use of the property to RAP is proposed through a long-term, intra-departmental lease, a copy of which is on file in the Board Office. The donor will provide adequate insurance for all use of the property and said insurance will remain in full force and effect throughout the term of this agreement. It should be noted that RAP staff have not completed its due diligence work on the subject site. This includes, but is not limited to, Phase I Environmental Site Assessment work. Final approval for the execution

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of the lease, will be dependent upon the results of the Phase I report that indicates that there are no recognized environmental conditions on the site.

In compliance with the California Environmental Quality Act (CEQA), RAP has determined that the proposed project would consist of the transfer of a leasehold interest in the form of a lease agreement to preserve open space, and minor alterations to the land to replace dead and diseased orange trees along with other landscaping improvements for park and community agricultural purposes. Therefore, the project is Categorically Exempt from CEQA, pursuant to Article III, Section 1(d), Class 4(3, 7) and Class 25 of the City CEQA Guidelines.

FISCAL IMPACT STATEMENT:

There is no fiscal impact to the RAP's General Fund associated with this project, except for the \$20 payment to the DWP as consideration in exchange for the RAP's use of the Orange Grove and the cost of maintenance and operations related to operating the to-be-improved Orange Grove. The payment to the DWP will be paid from Fund 302, Department 88, Account No. 006030, Leasing Account. All costs for the development, maintenance and operation of the site will be provided by the LAPF donor.

This report was prepared by Cid Macaraeg, Sr. Management Analyst II, Planning, Construction, and Maintenance Division.