

APPROVED
SEP 05 2007

REPORT OF GENERAL MANAGER

NO. 07-200

DATE September 5, 2007

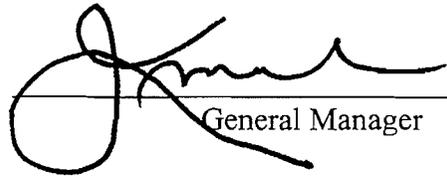
**BOARD OF RECREATION
and PARK COMMISSIONERS**

C.D. 12

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: PORTER BILL LEASE – AMENDMENT TO PORTER BILL LEASE AGREEMENT WITH CALTRANS FOR LEASING OF PROPERTY ADJACENT TO THE 118 FREEWAY IN PORTER RANCH

R. Adams	_____	J. Kolb	_____
H. Fujita	_____	F. Mok	_____
S. Huntley	_____	K. Regan	_____
V. Israel	_____	*M. Shull	<u>NO</u>



General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATION:

That the Board:

1. Approve the proposed Amendment to the Porter Bill Lease, substantially in the form on file in the Board Office, which corrects the beginning and ending term to reflect fifty (50) years;
2. Direct the Board Secretary to transmit the proposed Amendment to the Mayor in accordance with Executive Directive No. 3 and concurrently to the City Attorney for review and approval as to form; and,
3. Authorize the Board President and Secretary to execute the Amendment upon receipt of the necessary approvals.

SUMMARY:

Since 1987, the Department of Recreation and Parks (Department) has been leasing parcels adjacent to the 118 freeway from the State of California Department of Transportation (Caltrans). The Caltrans property has been used by the Department for open space, hiking, and equestrian trail purposes to benefit the community. The 118 freeway property is vital to the preservation of the Rim of the Valley Trail System, of which a portion is located on the Caltrans property. On January 17, 2007, the Board authorized the approval of a fifty (50) year lease through Board Report No. 07-20.

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The Department and Caltrans formalized this agreement by executing the Porter Bill Lease on April 25, 2007.

The current lease and Board Report No. 07-20 erroneously listed the term as beginning on January 1, 1987, and ending on December 31, 2037, which is fifty-one (51) years. The correct beginning and ending term is January 1, 1987, through December 31, 2036, for a total of fifty (50) years.

This amendment will correctly formalize the agreement between the City and Caltrans allowing for continued use of equestrian and other trail facilities involving negligible or no expansion of those uses. Therefore, the project has been determined to be categorically exempt from the provisions of California Environmental Quality Act (CEQA) pursuant Article III, Section 1(a), Class 1(14) of the City CEQA Guidelines.

This project has support from Caltrans, the community, and Councilmember Greig Smith of the Twelfth District. In addition, the Assistant General Manager of Operations West and Superintendent for the Valley Region have been consulted and concur with staff's recommendations.

FISCAL IMPACT STATEMENT:

The Department will pay Caltrans \$4,550 per year in rent from May 1, 2006, through December 31, 2036, which will come from the Real Estate Division's leasing account. Proposed improvements and additional maintenance demands will raise the Department's cost and will require a budget increase which will be requested through the Department's standard budget process.

Prepared by John Barraza, Management Analyst II of Real Estate and Asset Management Unit.