

APPROVED
AUG 09 2006

REPORT OF GENERAL MANAGER

NO. 06-221

DATE August 9, 2006

BOARD OF RECREATION
and PARK COMMISSIONERS

C.D. 14

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: EAGLE ROCK RECREATION CENTER – LICENSE AGREEMENT WITH SOUTHERN CALIFORNIA EDISON COMPANY FOR PARKING SPACE

J. Combs _____
H. Fujita _____
S. Huntley _____
B. Jensen _____

J. Kolb _____
F. Mok _____
K. Regan _____
*M. Shull _____

Miss for M.S.

Robert H. Jensen (for)
General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Approve the proposed License Agreement, substantially in the form on file in the Board Office, between the Department and Southern California Edison (SCE) for the use of a 0.4 acre parcel to serve as additional parking space for the Eagle Rock Recreation Center;
2. Direct the Board Secretary to transmit forthwith the proposed License Agreement concurrently to the City Attorney for review as to form and, in accordance with Executive Directive No. 3, to the Mayor for expedited review and approval;
3. Authorize the Board President and Secretary to execute the proposed License Agreement upon receipt of the required approvals; and,
4. Following execution of the License Agreement, authorize the Chief Accounting Employee to pay the annual rent due in August to SCE from Fund 302, Department 88, Account No.6030.

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SUMMARY:

Since 1986 the Department has used a 0.4 acre parcel owned by SCE for added parking space at the Eagle Rock Recreation Center, located at 1100 Eagle Vista Drive. The Agreement has been renewed at five-year intervals with the latest renewal approved on October 3, 2001 (Board Report No. 01-368). The fee for the five-year term that just ended totaled \$5,310. For reference, SCE notes that the Agreement concerns Account No. 1388 and Property No. PLEGG565D54.

On June 22, 2006, the Department was notified that SCE would issue a new Agreement at an increased fee, totaling \$8,730 for the new five-year term. Staff attempted to negotiate a lower fee increase. The SCE contact replied that the new fees reflect a reduction from the market value of the licensed area, granted as a courtesy to a municipality. They also waived any administrative fees. Additionally, SCE normally requires that the full amount be paid upon execution of an Agreement or Amendment. They offered the following payment schedule, extending over the new five-year term:

First year	\$1,295
Second year	1,489
Third year	1,712
Fourth year	1,969
Fifth year	<u>2,265</u>
Total	\$8,730

Because the Department continues to need SCE's parking area for the daily operation of the Eagle Rock Recreation Center, staff requests the Board's approval of the proposed new Agreement. If the document is executed, the new expiration date will be July 31, 2011.

The Office of Council District Fourteen, the Assistant General Manager of Operations East and the Superintendent of Metro Region concur with staff's recommendation.

FISCAL IMPACT STATEMENT:

The impact to the General Fund will be the annual rental fee as listed in this Report.

Report prepared by Jocelino E. Joun, Management Analyst II in Real Estate and Asset Management.