



**MEMORANDUM OF UNDERSTANDING BY AND BETWEEN
THE LOS ANGELES DEPARTMENT OF WATER AND POWER AND
THE LOS ANGELES HARBOR DEPARTMENT
LADWP File No. P-102086**

Presented by: Adriana Rubalcava, Director of Real Estate

February 27, 2024

Summary

Purpose: Memorandum of Understanding (MOU) for License with the City of Los Angeles Harbor Department, Port of Los Angeles (POLA), to use LADWP property as a public park.

- Location: 103 and 105 South Avalon Boulevard, Wilmington, CA 90744.
- Term: Five years.
- Subject property is generally referred to as Parcels B and C.
- The public park is part of a broader project commonly referred to as the “Wilmington Land Swap.”
- MOU is temporary until completion of the transfer of jurisdiction of Parcels B and C to POLA, as part of the Wilmington Land Swap.
- MOU follows a related MOU that allows POLA to use LADWP’s Parcel A property, which is now developed as the first phase of the public park.

Wilmington Land Swap Map



Background

On January 19, 2019, LADWP and POLA entered into a non-binding Term Sheet to exchange property to facilitate POLA's Wilmington Waterfront Promenade project and LADWP's electrification expansion at POLA.

The property exchange consists of the following:

- Transfer of a combined 7.389 acres from LADWP to POLA, and 7.321 acres from POLA to LADWP (including street vacations).
- LADWP's Parcels B and C are included in the proposed property exchange.
- Parties to perform environmental testing and remediation of properties before transfer of jurisdiction.
- Parties to transfer all properties on the mutually agreed date.

In February 2019, LADWP & POLA entered into a Right of Entry Permit for POLA to access and commence construction activities on Parcels B and C.

Purpose of MOU

- MOU permits POLA to operate a public park for general use by the public on LADWP property.
- Right of Entry Permit for Parcels B and C expires in February 2024.
- MOU to form a bridge between Right-of-Entry Permit & and final transfer of jurisdiction of property to POLA as part of Wilmington Land Swap.
- MOU memorializes a scope of work, environmental standards, and reimbursement costs for LADWP & POLA.
- POLA assumes all responsibility for the operation of the public park on the property.

Financial Information – Parcel B

- LADWP undertook responsibility for the demolition of a large fuel storage tank (Tank 450.002) for \$ 140,000.
- LADWP removed heat exchangers, boiler units, and pipelines, and drained/cleaned a large (Tank 450.001) and small (Tank 30.001) fuel storage tank. Estimated total cost of \$4,300,000 (budgeted).
- POLA to undertake soil remediation, and demolition of a two-story building and electrical station, estimated at \$5,237,000, to be reimbursed by LADWP.
- POLA assumes all costs and liability associated with developing, improving, maintaining, and operating the public park on LADWP's property.
- There will be no rental rates associated with POLA's use of property. MOU is of mutual benefit to LADWP & POLA.

Financial Information – Parcel C

- LADWP will undertake soil remediation estimated at \$168,336.
- POLA assumes all costs and liability associated with developing, improving, maintaining, and operating the public park on LADWP's property.
- There will be no rental rates associated with POLA's use of property. MOU is of mutual benefit to LADWP & POLA.

