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**Greater Griffith Park
Neighborhood Council**
*Your Neighborhood. Your Voice.
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October 6, 2008

Jon Kirk Mukri
General Manager
Department of Recreation and Parks
1200 West 7th Street
Suite 700
Los Angeles, California 90071

Autry National Center Griffith Park
Proposed Amendment to Land Lease No. 209

Dear Mr. Mukri:

The purpose of this letter is to advise you of the position of the Greater Griffith Park Neighborhood Council on the proposed Autry National Center Lease amendment, and to request that the Department consider our comments in connection with any proceedings on the amendment.

The GGPNC Board considered this matter at its regular public meeting on September 16, 2008, at which time it voted to request that any amendment to the Lease reflect all of the conditions and limitations which the GGPNC requested be imposed by the City Planning Department, and also provide that: (a) the Autry shall use the premises solely as a museum with, however, the right to have a café and bookstore (taking up no more square footage than at present), and shall not be allowed to rent out any of its facilities except to non-profit entities having either a direct relationship with the museum and its mission or of a community nature, (b) the Autry shall provide a full completion bond guarantying completion of the project, and (c) the Autry shall reimburse the City for any costs accruing by reason of the presence of the Autry in Griffith Park as additional rent (in addition to the \$1 a year now provided), such costs to be determined and paid on an annual basis.

We add the following background and supplemental information.

We wrote you, by email, on March 11, 2008, among other things requesting a copy of the then current draft of an amendment to the lease between the City and the Autry National Center (the "Autry"). We also asked the President of your commission for your staff's analysis of the benefits, if any, to the City from the presence of the Autry in Griffith Park.

We have received no response to either request.

We have, however, received from the Autry an undated two page, 4 numbered paragraph draft of a Third Amendment to Land Lease No. 209, without however Exhibit C. This draft does not include an extension of the term of the lease but does authorize the construction of improvements as shown on the missing Exhibit C.

We are not otherwise advised of the status of negotiations of any amendment so we give you our advice based on general principles and the original lease.

We base our comments on the following overriding principles:

- A. Any relationship between the City and a lessee should be at arm's length and should be beneficial to the City.
- B. As a general proposition no economic relationship by the City with others should be entered into without competitive bidding, or if that is not practical, the analysis of the relationship should be especially rigorous to ensure that the City gets full value for what it gives.

With these principles in mind we give you our advice with respect to any revision of the current lease:

1. Rent. The current rent is \$1 per year. Your department has represented to us that this is both a normal rent charged by your department to non-profit entities using land administered by it and that it has studies showing that the total benefit to the City from this lease provides the City with full value for the land leased. (In this regard we note that the Autry carries the value of its rights under the lease at approximately \$10,000,000.) Although we have not been provided with any of these studies, we are prepared to accept your department's representations. However, the essentially free rent coupled with the failure to justify publicly total benefits to the City has caused some unease among our stakeholders.

We also note that the presence in Griffith Park of the Autry clearly increases the cost to your department for regular maintenance and staffing. Therefore, we believe, at a minimum, the rent under the lease should provide that there be an annual analysis of the incremental costs to your department arising from the presence and activities of the Autry, and those incremental costs be paid to the City as additional rent.

2. Use. The only possible justification for taking open space intended to be free to the public and dedicating it to a non-City entity which charges admission and thus forecloses public access to public property is that the use will be for a first-class museum, which could not be available to the citizens without this location. The lease should protect the City from any deviation from such use. There are many safeguards which should be considered to preserve the value to the City of having a museum at this location.

One specific provision we recommend arises from recent acts of the Autry in letting others use the site for commercial activities, such as the NetFlix event on August 9, 2008 (see, e.g., http://www.videobusiness.com/article_/CA6583323.html?rssid=207), and the "1st annual Brew Haw Haw" on August 2, 2008, a beer tasting event sponsored by another nonprofit organization (see, e.g., <http://beeradvocate.com/events/info/19570>). We are concerned whether such activities are consistent with the public's right to access to Griffith Park or the nature of park use generally.


We believe the lease amendment should contain provisions restricting the use of the leased premises to museum use only, i.e., exhibition, education and incidental matters such as bookstore and café (taking up no greater space than at present) and the Autry should be specifically prohibited from renting out any of the leased area except to nonprofit entities having either a direct relationship with the museum and its mission or which are of a community nature.

3. Guaranty of the Integrity of the Premises. The expansion proposed is very expensive. There should be no modification of the lease allowing the expansion until there is a showing of the Autry's ability to complete the project. A construction bond from a secure insurance company is the minimum protection the City should demand before any modification of the existing facility is allowed. A failure to guarantee completion of the project exposes the City to the severe risk of being required to take over the project and expending hundreds of millions of dollars on construction.

4. Restriction on the extent of Expansion. We attach a copy of our comments to the City Planning Department regarding our Board's proposed limitation on the expansion. These include a physical limitation on Phase 1, a prohibition of Phase 2, requirements regarding parking and means of reduction of parking demands and the commitment to preserve the Southwest Museum as an expanded and operating museum. We ask that any amendment to the lease with the Autry conform to these conditions.

Very truly yours,

Philip Gasteier, President



By Kenneth E. Owen
Chair, Planning, Zoning and Historic Preservation Committee

Enclosure

Cc: Board of Referred Powers
Kurt Rademaekers, Secretary