



County of Los Angeles CHIEF EXECUTIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION
LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

November 6, 2007

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**TERMINATION OF COUNTY COLLECTIONS AGREEMENT OF MARCH 22, 2000
BETWEEN THE COUNTY OF LOS ANGELES AND THE
PETERSEN AUTOMOTIVE MUSEUM FOUNDATION**

IT IS RECOMMENDED THAT YOUR BOARD:

Approve termination of the County Collections Agreement, dated March 22, 2000, with the Petersen Automotive Museum Foundation, and delegate authority to the Chief Executive Officer to prepare and execute the documents necessary to effectuate such termination, after review and approval as to legal form by County Counsel.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of this recommended action is to relocate the County-owned historic automotive collection of the Research and Collection branch of the Natural History Museum (NHM) from the Petersen Automotive Museum (the Petersen) to a new leased facility. Details of the lease of that facility were provided to your Board on July 31, 2007.

On March 22, 2000, the NHM and the Petersen entered into the County Collections Agreement (Agreement) loaning the County automotive collection for a 35-year term to the Petersen. The Petersen has requested that the loan be terminated, and that most of the historic vehicles be returned to the NHM. The Petersen will retain seven vehicles that are part of its permanent exhibition. New loan agreements will be executed for these vehicles while they remain at the Petersen.

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

The NHM has embarked on a long-term strategic plan for making its collections more accessible for research and educational entities, as well as the general public. The relocation of the collection will ensure the proper safety and preservation of the collection by NHM staff, and provide for the development of public programs related to the NHM automotive collection.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Countywide Strategic Plan directs that we enhance the quality and productivity of the County workforce (Goal 2). The proposed relocation supports this goal by providing a quality and efficient work and storage environment for NHM's staff to maintain the collection. A quality and efficient work environment will support the NHM staff in providing excellent service (Goal 1).

FISCAL IMPACT/FINANCING

The details of the lease of the new space were provided in the July 31, 2007 Board letter. The initial annual rent of the lease is \$169,584. Sufficient funding for the proposed lease is included in the Fiscal Year 2007-08 Rent Expense Budget and will be billed back to the NHM. The NHM has allocated sufficient funds in its Fiscal Year 2007-08 Operating Budget to cover the projected lease costs. The program is funded jointly by County general funds and Museum Foundation operating funds. The Petersen has agreed to pay for the cost of transporting the collection to the new location.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

As noted above, the current Agreement was entered into in 2000. Although both the County and the Petersen have attempted to make the current loan arrangement succeed, it has become apparent to both parties that continuing with the current loan arrangement is not in either party's best interest.

The NHM would like to resume greater control over the vehicles in the collection on loan to the Petersen, some of which have been in storage for years. Termination of the Agreement is necessary to effectuate the relocation of most of the collection from the Petersen to the leased space of the NHM.

The Honorable Board of Supervisors
November 6, 2007
Page 3

The Agreement does not preclude termination upon the mutual consent of both parties. Consistent with Section 10 of the Agreement, following termination, the Petersen will return the loaned vehicles to the County, with the exception of the vehicles which will be loaned to the Petersen pursuant to the NHM's established loan procedures. This Board letter has been reviewed by County Counsel.

CONCLUSION

At such time as the recommendation is approved by your Board, please return one copy of this letter to the Chief Executive Office, Community and Municipal Services, one copy to the Natural History Museum, and one copy to the Petersen Automotive Museum.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "William T. Fujioka". The signature is stylized and includes a horizontal line extending to the right.

WILLIAM T FUJIOKA
Chief Executive Officer

WTF:LS
DSP:RTM:os

c: County Counsel
Natural History Museum