

ORDINANCE NO. _____

An ordinance for the sale of City owned property at 1300 East First Street (City Property) to Self-Help Graphics and Art, Inc., (Buyer) for the provision of community benefits and development of the property.

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. The Council of the City of Los Angeles, pursuant to Los Angeles Administrative Code Section 7.27, hereby determines that the public interest or necessity requires the sale of the City-owned real property without notice of sale or advertisement of bids on the basis that the use and future development of the property will: (i) eliminate physical blight by developing an underutilized parcel; (ii) alleviate economic blight by promoting the conservation, rehabilitation, renewal and redevelopment of the property; (iii) encourage further private investment in and around the community; (iv) promote the development of educational, cultural, entertainment, and recreational facilities that serve the needs of the residents and the community; and (iv) generate new tax revenues for the City and other local governments.

Sec. 2. The Council of the City of Los Angeles, pursuant to Los Angeles Administrative Code at Sections 7.27.2 and 22.1008(c), hereby approves the sale of the City Property to a private party by the Economic and Workforce and Development Department (EWDD) for economic development purposes and finds that: (1) the fair market value of the City Property at its highest and best use is \$3,625,000; (2) the Buyer's purchase price for the City Property is \$3,625,000; (3) the City sales agreement for the City Property has conditions requiring economic and public benefit be provided which will be recorded in a covenant on the land; (4) the fair reuse value of the City Property with such conditions imposed has a value of \$3,625,000; and (5) the sale of the City Property will assist in the City's economic development goals.

Location and Legal Description of City Property

1300 East First Street, Los Angeles California 90033, as more fully described in Exhibit A, which is attached hereto and incorporated herein by this reference.

EXCEPTING AND RESERVING unto the City of Los Angeles all oil, gas, water and mineral rights in the City Property now vested in the City of Los Angeles without, however, the right to use the surface of said City Property or any portion thereof to a depth of 500 feet below the surface, for the extraction of such oil, gas, water and minerals.

SUBJECT TO all covenants, conditions, restrictions, reservations, easements, encroachments, rights and rights-of-way of record or which are apparent from a visual

inspection of the City Property, and excepting and reserving to the City of Los Angeles any rights to the fee interest in the streets adjacent to said City Property.

AND ALSO SUBJECT TO an "As Is" condition set forth in the City sales agreement under which Buyer has expressly agreed to take the City Property in an "As Is" condition and without any warranty as to fitness for use (general or specific) or condition, and that City has no obligation to correct any condition on the City Property whether known or unknown before or after the date of the exchange.

AND ALSO SUBJECT TO the non-discrimination requirements in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the City Property as imposed by the CRA/LA, a Designated Local Authority, under the California Redevelopment Law (California Health & Safety Code Section 33000, *et seq.*).

Sec. 3. The General Manager of EWDD in the name of and on behalf of the City is hereby authorized and directed to execute a Grant Deed to the City Property described in Section 2 of this ordinance to Buyer (or its nominees or lawful successors in interest), and the City Clerk of the City is hereby authorized and directed to attest thereto and affix the City Seal.

Sec. 4. The General Manager of EWDD in the name of and on behalf of the City is hereby authorized and directed to execute an Agreement Containing Covenants Affecting Real Property to be recorded against the City Property described in Section 2 of this ordinance that requires the use of said property for the provision of certain community benefits that annually serves over 26,000 community members and the eventual redevelopment or adaptive reuse of an existing structure on the property for economic development purposes.

Sec. 5. The EWDD is hereby authorized to open escrow, execute and deliver deeds and ancillary documents, pay the City's share of costs and expenses related to the sale transaction, and complete all necessary processes to effect this sale of the City Property to Buyer. The City Fund and Activity Code for the payment of costs and expenses shall be General Fund 100/22, Activity Code 003040.

Sec. 6. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

By 
CURTIS S. KIDDER
Assistant City Attorney

Date Nov. 28, 2017

File No. _____

M:\Econ Dev_Pub Finance\Economic Development\Curtis Kidder\Ordinance re Sale of City Property to Self-Help Graphics & Art

I hereby certify that the foregoing ordinance was passed by the Council of the City of Los Angeles.

CITY CLERK

MAYOR

Ordinance Passed _____

Approved _____

EXHIBIT 1

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

LOT 2 IN BLOCK "E" OF THE CLEMENT TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17 PAGE 41 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT 9/20TH OF ALL CRUDE OIL, PETROLEUM, GAS, BREA, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS BELOW 500 FEET FROM THE SURFACE OF SAID LAND, WITHOUT SURFACE RIGHTS OF ENTRY, AS RESERVED BY I. EDWARD KATZ, IN DEED RECORDED NOVEMBER 12, 1969 AS INSTRUMENT NO. 2994.

PARCEL 2:

LOT 3 IN BLOCK "E" OF THE CLEMENT TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17 PAGE 41 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS, OR RELATED HYDROCARBON SUBSTANCES THEREIN, AS RESERVED BY HYMAN BROWN AND CELIA BROWN, IN DEED RECORDED MARCH 15, 1956 AS INSTRUMENT NO. 540.

PARCEL 3:

LOTS 4 AND 5 OF BLOCK "E" OF THE CLEMENT TRACT, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 17 PAGE 41 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT 9/20TH OF ALL CRUDE OIL, PETROLEUM, GAS, BREA, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS BELOW 500 FEET FROM THE SURFACE OF SAID LAND, WITHOUT SURFACE RIGHT OF ENTRY, AS RESERVED BY I. EDWARD KATZ, IN DEED RECORDED NOVEMBER 12, 1969 AS INSTRUMENT NO. 2993.