

**ORDINANCE NO. \_\_\_\_\_**

An ordinance authorizing the sale of City-owned property located at 801-829 East E Street and 514-530 McFarland Avenue to Konoike-Pacific California, Inc. for the economic 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 Property without notice of sale or advertisement of bids on the basis that the use and development of the property: (i) will eliminate physical blight by developing an underutilized parcel; (ii) will alleviate economic blight by promoting the conservation, rehabilitation, renewal and redevelopment of the property; (iii) will encourage further private investment in and around the community; (iv) will promote the development of industrial integrity and long-term stability within the community; and (v) will 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 Workforce and Development Department for economic development purposes and finds that: (1) the fair market value of the City Property at its highest and best use is \$3,565,000; (2) the Buyer's purchase price for the City Property is \$3,565,000; (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 \$3,565,000; and (5) the sale of the City Property will assist in the City's economic development goals.

Location and Legal Description of City Property

801-829 East E Street and 514-530 McFarland Avenue, Los Angeles, California 90744, 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 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 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).

Sec. 3. The General Manager of the Economic and Workforce Development Department 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 the Economic and Workforce Development Department 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 development and operation of a production-based facility for industrial cold storage for a period of at least five years following the completion of construction.

Sec. 5. The Economic and Workforce Development Department 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 100/22, Account No. 003040.

## **EXHIBIT "A"**

### **Legal Description of the Property**

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

#### **PARCEL 1:**

LOT 9 IN BLOCK "A", OF TRACT NO. 3374, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 37 PAGE 11 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

#### **PARCEL 2:**

LOT 10 IN BLOCK "A", OF TRACT NO. 3374, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 37 PAGE 11 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL MINERALS, GAS, OILS, PETROLEUM, NAPHTHA, HYDROCARBON SUBSTANCES AND OTHER MINERALS IN OR UNDER SAID LAND, LYING 500 FEET OR MORE BELOW THE SURFACE OF SAID LAND, AS EXCEPTED AND RESERVED IN DEED RECORDED JULY 5, 1973 AS INSTRUMENT NO. 4003 IN BOOK D-5935 PAGE 447, OFFICIAL RECORDS.

#### **PARCEL 3:**

LOT 11 IN BLOCK "A", OF TRACT NO. 3374, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 37 PAGE 11 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM; ALL OIL, OIL RIGHTS, NATURAL GAS RIGHTS, MINERAL RIGHTS, ALL OTHER HYDROCARBON SUBSTANCES BY WHATSOEVER NAME KNOWN, AND ALL WATER, CLAIMS OR RIGHTS TO WATER, TOGETHER WITH APPURTENANT RIGHTS THERETO, WITHOUT, HOWEVER, ANY RIGHT TO ENTER UPON THE SURFACE OF SAID LAND NOR ANY PORTION OF THE SUBSURFACE LYING ABOVE A DEPTH OF 500 FEET, AS EXCEPTED OR RESERVED BY DEED RECORDED MARCH 16, 1959 IN BOOK D-399 PAGE 399 OFFICIAL RECORDS.

PARCEL 4:

LOT 12 IN BLOCK "A", OF TRACT NO. 3374, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 37 PAGE 11 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM, ALL OIL, OIL RIGHTS, NATURAL GAS RIGHTS, MINERAL RIGHTS, ALL OTHER HYDROCARBON SUBSTANCES BY WHATSOEVER NAME KNOWN, AND ALL WATER, CLAIMS OR RIGHTS TO WATER, TOGETHER WITH APPURTENANT RIGHTS THERETO, WITHOUT, HOWEVER, ANY RIGHT TO ENTER UPON THE SURFACE OF SAID LAND NOR ANY PORTION OF THE SUBSURFACE LYING ABOVE A DEPTH OF 500 FEET, AS EXCEPTED OR RESERVED IN DEED OF RECORD.

PARCEL 5:

LOT 13 IN BLOCK "A", OF TRACT NO. 3374, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 37 PAGE 11 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN, UNDER, AND/OR THAT MAY BE PRODUCED FROM A DEPTH OF 500 FEET BELOW THE SURFACE OF SAID LAND, BUT WITHOUT ANY USE OF OR RIGHTS IN OR TO ANY PORTION OF THE SURFACE THEREOF TO A DEPTH OF 500 FEET THEREFROM, AS RESERVED BY ANTHONY DEL VAGLIO, AN UNMARRIED MAN IN DEED RECORDED JUNE 4, 1969 AS INSTRUMENT NO. 674. OF OFFICIAL RECORDS.

PARCEL 6:

LOTS 14 AND 15 IN BLOCK "A", OF TRACT NO. 3374, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 37 PAGE 11 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN, UNDER, AND/OR THAT MAY BE PRODUCED FROM A DEPTH OF 500 FEET BELOW THE SURFACE OF SAID LAND, BUT WITHOUT ANY USE OF OR RIGHTS IN OR TO ANY PORTION OF THE SURFACE THEREOF TO A DEPTH OF 500 FEET THEREFROM, AS RESERVED BY ANTHONY DEL VAGLIO, AN UNMARRIED MAN IN DEED RECORDED JUNE 4, 1969 AS INSTRUMENT NO. 674. OF OFFICIAL RECORDS.

PARCEL 7:

LOTS 16 AND 17 IN BLOCK "A", OF TRACT NO. 3374, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 37 PAGE 11 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT ALL MINERAL RIGHTS, IN AND UNDER SAID LAND AND ALL REASONABLE RIGHT OF ENTRY UPON SAID LAND, INCLUDING SUCH REASONABLE RIGHT OF INGRESS AND EGRESS AS MAY BE NECESSARY TO MAINTAIN AND FURTHER EXPLORE THE EXISTING MINERAL RIGHTS INCLUDING THE EXTRACTION OF SAID, AS RESERVED BY JOHN PETER EBAR IN DEED RECORDED APRIL 5, 1974 AS INSTRUMENT NO. 1235.

PARCEL 8:

LOT 18 IN BLOCK "A", OF TRACT NO. 3374, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 37 PAGE 11 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES LYING BELOW THE SURFACE OF SAID LAND, BUT WITH NO RIGHT OF SURFACE ENTRY THERETO, AS PROVIDED IN THE DEED RECORDED SEPTEMBER 29, 1967 AS INSTRUMENT NO. 714, IN BOOK D-3783 PAGE 243, OF OFFICIAL RECORDS.

PARCEL 9:

LOT 19 IN BLOCK "A", OF TRACT NO. 3374, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 37 PAGE 11 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE THEREOF, BUT WITH NO RIGHT OF SURFACE ENTRY, AS PROVIDED IN THE DEED RECORDED NOVEMBER 28, 1967 AS INSTRUMENT NO. 14, IN BOOK D-3841 PAGE 285, OF OFFICIAL RECORDS.

PARCEL 10:

LOTS 20 AND 21 IN BLOCK "A", OF TRACT NO. 3374, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 37 PAGE 11 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT ALL MINERALS, OIL, GAS, WATER, CARBONS, HYDRO-CARBONS AND AIR RIGHTS ON OR UNDER SAID LAND, NOW OF RECORD.

PARCEL 11:

LOTS 22 AND 23 IN BLOCK "A", OF TRACT NO. 3374, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 37 PAGE 11 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 12:

LOTS 24 AND 25 IN BLOCK "A", OF TRACT NO. 3374, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 37 PAGE 11 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL GAS, OIL, MINERALS AND OTHER HYDROCARBON SUBSTANCES LYING 500 FEET BELOW THE SURFACE OF THE LAND, BUT WITHOUT THE RIGHT TO USE THE SURFACE OF THE LAND TO REMOVE, DRILL, OR PROSPECT FOR SAME, AS RESERVED BY EVA P. SALE, WHO ACQUIRED TITLE AS EVA PAULINE SALE, IN DEED RECORDED FEBRUARY 29, 1980 AS INSTRUMENT NO. 80-207269 OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM ALL GAS, OIL, MINERALS AND OTHER HYDROCARBON SUBSTANCES LYING 500 FEET BELOW THE SURFACE OF THE LAND BUT WITHOUT THE RIGHT TO USE THE SURFACE OF THE LAND TO REMOVE, DRILL, OR PROSPECT FOR SAME, AS RESERVED BY MYRTLE E. POLLOCK IN DEED RECORDED FEBRUARY 29, 1980 AS INSTRUMENT NO. 80-207270 OFFICIAL RECORDS.

PARCEL 13:

LOT 26 IN BLOCK "A", OF TRACT NO. 3374, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 37 PAGE 11 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 7424-014-900 thru 917

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 2-25-18

File No. \_\_\_\_\_

M:\Econ Dev\_Pub Finance\Economic Development\Curtis Kidder\Wilmington Sale Ordinance 2-5-19

The Clerk of the City of Los Angeles hereby certifies that the foregoing ordinance was passed by the Council of the City of Los Angeles.

CITY CLERK

MAYOR

\_\_\_\_\_

\_\_\_\_\_

Ordinance Passed \_\_\_\_\_

Approved \_\_\_\_\_