

ORDINANCE NO. _____

An ordinance authorizing the sale at its fair market value of an approximate 7,830 square foot parcel of City-owned real property (City Property) to Celebrity Realty Holdings, a California limited liability company (Buyer) with conditions assuring that City economic development purposes are carried out on 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: (i) the property will generate property tax and other taxes as a site of economic activity; (ii) the use of the property as a portion of the land for a new car dealership for a period of at least ten (10) years will retain a Los Angeles based company and allow it to expand its operation to retain living wage jobs and create new living wage jobs; (iii) the sale will generate one-time funds for the City's Low and Moderated Income Housing Asset Fund; and (iv) the sale of the property will eliminate maintenance costs and potential liabilities related to City ownership of the property.

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 \$740,000; (2) the Buyer's purchase price for the City Property is \$740,000; (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 \$740,000; and (5) the sale of the City Property will assist in the City's economic development and affordable housing goals.

Location and Legal Description of City Property

703 & 703 ½ West 40th Place (also known as 704-706 West Martin Luther King, Jr., Boulevard), Los Angeles California 90037, 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.

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 as a part of a new car dealership and that a certain number of living wage jobs be retained and new living wage jobs be created through the operation of the new car dealership.

Sec. 5. The Economic and Workforce Development Department is hereby authorized to open escrow, execute and deliver deeds and ancillary documents, and complete all necessary processes to effect this sale of the City Property to Buyer. As the City sales agreement will require Buyer to pay all escrow, title insurance, and other closing related costs, there is no need to designate a City Fund or Activity Code to pay such expenses.

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.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, at its meeting on _____.

HOLLY L. WOLCOTT, City Clerk


By _____ Deputy

Approved _____

Mayor

Approved as to Form and Legality:

MICHAEL N. FEUER, City Attorney

By:  _____
CURTIS S. KIDDER
Assistant City Attorney

Date: 3-1-17

File No. _____

EXHIBIT "A"

LEGAL DESCRIPTION OF THE SITE

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

PARCEL 1:

THE EASTERLY 60 FEET OF LOT 23 OF FIGUEROA SQUARE, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 6 PAGES 154 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

THAT PORTION OF LOT 4 OF TRACT 2411, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 26 PAGE 77 THROUGH 79, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING BETWEEN THE EAST AND WEST LINES RESPECTIVELY OF THE EAST 60 FEET OF LOT 23 OF FIGUEROA SQUARE, AS PER MAP RECORDED IN BOOK 6 PAGES 154 OF SAID MAP RECORDS, PROLONGED NORTHERLY TO SANTA BARBARA AVENUE.

EXCEPTING AND RESERVING TO THE OWNER THEREOF ALL OIL, GAS MINERAL SUBSTANCE, TOGETHER WITH THE RIGHT TO EXPLORE FOR AND EXTRACT SUCH SUBSTANCES, PROVIDED THAT THE SURFACE OPENING OF ANY WELL, HOLE, SHAFT OR OTHER MEANS OF EXPLORING FOR, REACHING OR EXTRACTING SUCH SUBSTANCES SHALL NOT BE LOCATED WITHIN THE HOOVER REDEVELOPMENT PROJECT AREA AND SHALL NOT PENETRATE ANY PART OR PORTION OF SAID PROJECT AREA WITHIN 500 FEET OF THE SURFACE THEREOF, AS PER DEED RECORDED JULY 21, 1989 AS INSTRUMENT NO. 82-1168210 OF OFFICIAL RECORDS, RECORDS OF LOS ANGELES COUNTY.