

ORDINANCE NO. _____

An ordinance authorizing and providing for the sale of certain City-owned real property located at 1010 East Jefferson Boulevard, Los Angeles, CA 90011 (Property) to Hollywood Community Housing Corporation, a California corporation (Buyer).

WHEREAS, the Property was acquired by Community Enhancement Corporation (CEC), a now defunct California corporation in October of 2007, with \$1,000,000 in Community Development Block Grant (CDBG) funds loaned from the former Los Angeles Community Development Department (CDD) for the provision of various services for low and moderate income households;

WHEREAS, CEC was unable to provide the intended services and the Property was taken back by the former CDD on March 7, 2013;

WHEREAS, in or about June 2013, the Property was transferred to the Los Angeles Housing and Community Investment Department (HCIDLA);

WHEREAS, despite City's best efforts to manage the Property, due to its long-term vacant status, the Property represents a blight to the surrounding community;

WHEREAS, as a result of a U.S. Department of Housing and Urban Development (HUD) audit of the CDBG Program, the City must submit documentation as to the Property evidencing an eligible activity meeting a national objective by December 15, 2015, or risk having to reimburse HUD the \$1,000,000 (using non-federal funds) used to acquire the Property;

WHEREAS, due to the Buyer's ability to quickly and easily merge the Property into one of its neighboring projects which meets a national objective, as well as Buyer's access to additional funding, City Council has determined the sale to the Buyer to be in the public interest and has authorized a sole source sale pursuant to Los Angeles Administrative Code Section 7.27;

WHEREAS, Buyer has agreed to purchase the Property for its full appraised value of \$1,200,000; and

WHEREAS, the sale will be financed by HCIDLA through a loan agreement subject to the review and approval of the City Attorney, which will include a regulatory agreement restricting the use of the Property as affordable housing for a term of 20 years from project completion.

NOW, THEREFORE,

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

Section 1. The Council of the City of Los Angeles hereby confirms that the public interest and necessity requires the sale as indicated herein, because the sale will expedite the beneficial use of the Property and end the City's expenditures associated with its continued ownership of the Property.

It is hereby ordered that the Property be sold to Buyer for its full appraised value of \$1,200,000.

The Property consists of:

Location: 1010 East Jefferson Boulevard, Los Angeles, CA 90011
APN: 5114-015-045, -046, -047, -048, -907, -908, -909, -910

Legal Description:

Lots 1, 2, 3, 4 and 5, Block "B", of the Nadeau Orange Tract, in the City of Los Angeles, County of Los Angeles, State of California, as per map recorded in Book 25, Page 34 of Miscellaneous Records, in the Office of the County Recorder of said County.

Excepting those portions of Lots 1, 2, 3 and 4 within the street right of way of Jefferson Boulevard.

EXCEPTING AND RESERVING unto the City of Los Angeles all oil, gas, water and mineral rights without, however, the right to surface for the extraction of said oil, gas, water or minerals.

SUBJECT TO covenants, conditions and restrictions, reservations, easements, rights and rights-of-way of record or which are apparent from visual inspection of the real property and excepting and reserving to the City of Los Angeles any interest in the fee to the adjacent streets which would otherwise pass with the conveyance of the above described parcels of land.

ALSO SUBJECT TO the properties being sold in "**AS IS**" condition and without any warranty as to fitness for use, fitness for a particular use, or condition of the properties, and the City has no obligation to correct any condition of the properties, whether known before or after the close of escrow.

Sec. 2. The General Manager of HCIDLA is hereby authorized and directed to execute deeds, contracts or other instruments necessary to effect the sale of the City's interest in 1010 East Jefferson Boulevard, Los Angeles, CA 90011, as described in Section 1 of this ordinance to Buyer, and the City Clerk of Los Angeles is hereby authorized and directed to attest thereto and to affix the City Seal.

Sec. 3. HCIDLA is authorized to open escrows, issue title transfer instructions, and deliver deeds.

Sec. 4. The City Clerk shall certify 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 of _____.

HOLLY L. WOLCOTT, City Clerk

By _____
Deputy

Approved _____

Mayor

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

By _____

MEI MEI CHENG
Deputy City Attorney

Date **NOV 25 2015**

File No. CF 15-1183