

## ORDINANCE NO. 186081

An ordinance authorizing the conveyance of three parcels of City-owned real property consisting of: (1) a parking lot located at 8707-8727 South Menlo Avenue (Menlo); and (2) two vacant parcels located at 8742-8746 and 8750-8752 South Vermont Avenue (Vermont), Los Angeles, CA 90044 (collectively referred to as the Property) at their respective fair re-use values, to 88<sup>th</sup> and Vermont MGP, LLC, a California limited liability company (Buyer) with conditions assuring that City affordable housing 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 7.27.3, hereby determines that the public interest or necessity requires the conveyance of City-owned real Property without notice of sale or advertisement of bids on the basis that: (1) the Property will be used for the development of a 62-unit affordable permanent supportive housing project (the Project) to be built on five contiguous parcels (three of which consist of the Property); (2) Buyer has control of the remaining two adjacent parcels to be a part of the Project; (3) common ownership of the five parcels is more conducive to the development and long-term management of the Project; and (4) the Buyer has secured financing for the Project including a Tax Credit Allocation, HOME funds, Proposition HHH financing, private lender financing and equity investment commitments.

Sec. 2. The Council of the City of Los Angeles, pursuant to Los Angeles Administrative Code Sections 7.27.3 and 22.606.2(c), hereby approves conveyance of the Property to Buyer by the Los Angeles Housing and Community Investment Department (HCIDLA) for the development of the Project and finds that: (1) the financing sources (including the required development restrictions), less development costs for the Project results in residual land values of negative \$238,000 for the Menlo Property and negative \$68,000 for the Vermont Property; (2) the negative residual land values place the fair reuse value of the Property at \$0.00; and (3) the conveyance of the Property will assist the City with its goal of creating more affordable housing.

#### Location and Legal Description of the Property

Location: 8707-8727 Menlo Avenue, Los Angeles, CA 90044

APN: 6038-010-902

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 97 OF TRACT NO. 3354, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGES 99 AND 100 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 2:

LOT 98 OF TRACT NO. 3354, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGES 99 AND 100 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 3:

LOT 99 OF TRACT NO. 3354, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGES 99 AND 100 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 4:

LOT 100 OF TRACT NO. 3354, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGES 99 AND 100 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 5:

LOT 101 OF TRACT NO. 3354, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGES 99 AND 100 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 6:

LOT 102 OF TRACT NO. 3354, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGES 99 AND 100 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

**Location:** 8742-8746 and 8750-8752 South Vermont Avenue, Los Angeles, CA 90044

**APN:** 6038-010-903 and 6038-010-904

**Legal Description:**

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

LOTS 26, 27 AND 28 OF TRACT NO. 3354, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 36, PAGES 99 AND 100 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

**EXCEPTING AND RESERVING** unto the City of Los Angeles all oil, gas, water and mineral rights in the 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 Property, and excepting and reserving to the City of Los Angeles any rights to the fee interest in the streets adjacent to said Property.

**ALSO SUBJECT TO** the Property being conveyed in **"AS IS"** condition and without any warranty as to fitness for use, fitness for a particular use (general or specific) or condition, and that the City has no obligation to correct any condition of Property, whether known or unknown before or after the date of exchange.

Sec. 3. The General Manager of HCIDLA in the name of and on behalf of the City of Los Angeles is hereby authorized and directed to execute a Grant Deed to the Property as described in Section 2 of this ordinance to Buyer (with provisions which require the Property to be used for development and maintenance of the Project for such a period of time determined by HCIDLA) and the City Clerk of the City of Los Angeles is hereby authorized and directed to attest thereto and affix the City Seal.

Sec. 4. The General Manager of HCIDLA in the name of and on behalf of the City of Los Angeles is hereby authorized and directed to execute an Owner's Participation Agreement (OPA) (or similar appropriate document) as to the Property described in Section 2 of this ordinance which requires the Property to be used for the development and maintenance of the Project for such a period of time determined by HCIDLA. Buyer must execute the OPA prior to the City's execution of the Grant Deed.

Sec. 5. HCIDLA in the name of and on behalf of the City of Los Angeles is hereby authorized to open escrow, issue title transfer instructions, execute and deliver deeds and ancillary documents, and complete all necessary processes to effectuate the transfer of the Property to Buyer.

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 MEI/MEI CHENG  
Deputy City Attorney

Date 3-8-19

File No. 17-0539

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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

Holly Lynn Wolcott

E. G. ...

Ordinance Passed 04/16/2019

Approved 04/18/2019

Ordinance Effective Date: 04/29/2019  
Council File No.: 17-0539

# DECLARATION OF POSTING ORDINANCE

I, Ottavia Smith state as follows: I am, and was at all times hereinafter mentioned, a resident of the State of California, over the age of eighteen years, and a Deputy City Clerk of the City of Los Angeles, California.

**Ordinance No.** 186081 - a copy of which is hereto attached, was finally adopted by the Los Angeles City Council on 04/16/2019, and under the direction of said City Council and the City Clerk, pursuant to Section 251 of the Charter of the City of Los Angeles and Ordinance No. 172959, I conspicuously posted a true copy of said ordinance at each of the three public places located in the City of Los Angeles, California, as follows: 1) one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; 2) one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; 3) one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records beginning on 04/19/2019 and will be continuously posted for ten or more days.

I declare under penalty of perjury that the foregoing is true and correct.



Deputy Clerk

Date: 04/19/2019

Ordinance Effective Date: 04/29/2019

Council File No.: 17-0539