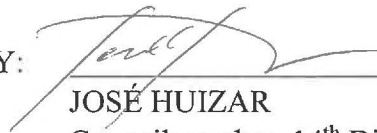


MOTION

On December 8, 2017, the City Council took various actions related to the City's acquisition and subsequent direct sale of real property owned by CRA/LA, A Designated Local Authority (CRA/LA), located at 1300 E. First Street, Los Angeles, CA 90033, the Ocean Queen property, to Self Help Graphics and Art, Inc. (Self-Help Graphics) (C.F. 14-0425-S11). The recommendations considered by Council were contained in a report from the Economic and Workforce Development Department (EWDD) dated December 7, 2017. The City is in the process of effectuating the purchase and sale of the property but has learned that California Community Foundation (CCF), a financial lender to Self-Help Graphics, is requiring as a condition to their loan that the City enter into a subordination agreement with CCF and Self-Help Graphics to subordinate the Agreement Containing Covenants Affecting Real Property between the City and Self-Help Graphics. The subordination agreement would be for a term of four years which is consistent with the term of CCF's loan to Self-Help Graphics. The Agreement Containing Covenants Affecting Real Property between the City and Self-Help Graphics is for a ten-year term.

I THEREFORE MOVE that Council authorize the General Manager of the Economic and Workforce Development Department, or designee, to negotiate and execute a subordination agreement with California Community Foundation (CCF) and Self-Help Graphics and Art, Inc. (Self-Help Graphics), to subordinate the Agreement Containing Covenants Affecting Real Property located at 1300 East First Street, Los Angeles, California 90033, to CCF's Deed of Trust for a term not to exceed four (4) years, subject to the review and approval as to form by the City Attorney.

PRESENTED BY:



JOSÉ HUIZAR
Councilmember, 14th District

SECONDED BY:



ORIGINAL

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MAR 02 2018

