CITY OF LOS ANGELES

TONY M. ROYSTER GENERAL MANAGER AND CITY PURCHASING AGENT California



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Agenda Item No. 6

September 24, 2020

Honorable City Council City of Los Angeles c/o City Clerk Room 395, City Hall Los Angeles, California 90012

Attention: Armando Bencomo, Legislative Assistant

REQUEST FOR "EXEMPT SURPLUS LAND" DECLARATION FOR CITY-OWNED PROPERTY IN COMPLIANCE WITH STATE LAW REQUIREMENTS FOR THE SALE OF SURPLUS PROPERTY

The Department of General Services (GSD) in compliance with AB-1486, is requesting to declare as "exempt surplus lands" for the eventual sale of parcels in the vicinity of Flower Street and Martin Luther King Jr. Blvd, Assessor Parcel Numbers 5037-032-900 and 901 ("Property"), depicted in Attachment "A" at the request of Council District Nine.

BACKGROUND

Prior to AB-1486, GSD was processing the sale of subject Property under a Council Motion (Council File 17-1002-S1) which declared the Property "surplus assets" and instructed the City Administrative Officer to evaluate the feasibility of a direct sale to SGRE Fig & Flower Investors 1 LLC ("Buyer") at fair market value. This motion also directed various departments, including GSD to take necessary steps and prepare required documents to effectuate the potential direct sale of the parcels.

On January 1, 2020, AB-1486 took effect and amended the previous process for disposing of City-owned lands. Among other changes, AB 1486 requires that "Land shall be declared either 'surplus land' or 'exempt surplus land,' as supported by written findings, before a local agency may take any action to dispose of it consistent with an agency's policies or procedures."

The fee title interest to the Property was acquired from Caltrans on December 20, 2018 as part of the Relinquishment of Collateral Facilities adjacent to Route 110 Freeway between Martin Luther King, Jr. Avenue and 39th Street (CF 17-1002). The City accepted

the relinquishment upon the completion of Caltran's improvements to the 110 Freeway for the Metro Express Toll Lanes Project. The surplus property was acquired by Caltrans to create a turnaround circle for emergency vehicles. Since Flower Drive will be widened as a condition of a privately-financed development, the City has determined that there is no need for the turnaround and is declaring the Property surplus and will make it available for sale.

PROPERTY DESCRIPTION

ADDRESS/APN	LOT SIZE	CD
5037-032-900, 901	14,000	9

FINDINGS

Under AB1486, specifically Government Code Section 54221(f)(1)(E), "Exempt Surplus Land" includes "surplus land that is a former street, right of way, or easement, and is conveyed to an owner of an adjacent property." The City finds that the Property is a former Caltrans right of way, and Owner is the fee owner of that certain property located at 3965 S. Flower Street, which is adjacent to the Property. City further finds that the Property is not needed for right of way or any other City purpose since the City has determined that there is no need for a turnaround and is therefore declaring the Property surplus and will make it available for sale. The Property has also become a nuisance property for the City as it has been used illegally in the past as a parking lot.

FISCAL IMPACT

City will receive fair market value in the sale of the property. There is currently no fiscal impact to the General Fund.

RECOMMENDATION

That the Los Angeles City Council, subject to the approval of the Mayor:

- 1. Declare that the Property is "Exempt Surplus Land" under AB 1486 based on the findings above; and
- 2. Find and Determine that the Property, as described in this report, is no longer required for use by the City and that the public interest is best served by its disposal.

Tony M. Royster General Manager

Attachments: Exhibit "A" - Plat map

5037-032-900 & 901 SUBJECT AREA SHOWN IN YELLOW

39TH line. FIGUEROA ST. Ś, \mathbf{r} 皖 ZOBELEIN'S GRAND AVENUE AND FIGUEROA STREET TRACT FLOWER Ň 28 ۵ (d) 20 6) M.B. 9-41 80 • ا 8 🛞 ∛ ⊗ HARBOR \odot 80 ŵ 8 P ő 🚱 G TRACT NO. 2411 M.B. 26-77-79 <u>ب</u> NI ARISA ∛ ⊗ ŵ 8 🛞 60 ω_ά, 15 @} 20) 2 2 5 3 FRWY ST -100 å MARTIN LUTHER KING, JR. MCHES

PLAT MAP