## Agenda Item No. 6

# CITY OF LOS ANGELES

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT



DEPARTMENT OF
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April 15, 2021

Richard H. Llewellyn Jr., Chair Municipal Facilities Committee 200 N. Main Street, Suite 1500 Los Angeles, California 90012

REQUEST FOR "EXEMPT SURPLUS LAND" DECLARATION FOR "OWN A PIECE OF LOS ANGELES" PROPERTIES LOCATED ADJACENT TO 8425/8427 BARNSLEY AVE., LOS ANGELES, CA 91352 AND LOCATED NORTH OF 637 S. CLARENCE ST., LOS ANGELES, CA 90023 IN COMPLIANCE WITH STATE LAW

In accordance with the Own A Piece of Los Angeles (OPLA) Program approved by City Council on July 28, 2009 (C.F. 07-1894, Ordinance No. 180834, attached as Attachment A), the Department of General Services (GSD) is charged with administering the sale of City-owned remnant parcels to adjoining owners. GSD requests that the Municipal Facilities Committee, pursuant to its authority with respect to OPLA properties, declare the OPLA properties listed in the "Property Description" section of this report and depicted in Attachment B as "exempt surplus land" in order to satisfy certain relevant requirements of the new State law promulgated through AB-1486.

#### **BACKGROUND**

On January 1, 2020, AB-1486 took effect and amended the process for disposing of surplus land. 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 OPLA Program, which was established under the previous State law on surplus properties, allows the City to dispose of City-owned "remnant" parcels in accordance with the above-referenced ordinance. "Remnant" properties must be, among other requirements: (A) less than the minimum legal residential building lot size for the jurisdiction in which the parcel is located, or less than 5,000 square feet in area, whichever



is less, or (B) has no record access and is less than 10,000 square feet in area; and is not contiguous to land owned by a state or local agency, that is used for park, recreational, open-space, or low- and moderate-income housing purposes, and is not located within an enterprise zone pursuant to Section 7070 of the California Government Code, nor a designated program area as defined in California Government Code section 7082. Moreover, under the OPLA Program, a remnant property must be sold to an owner of an adjoining property.

Under AB-1486, a property may be declared as "exempt surplus land" if that property is (i) less than 5,000 square feet in area, (ii) less than the minimum legal residential building lot size for the jurisdiction in which the parcel is located, or 5,000 square feet in area, whichever is less, or (iii) has no record access and is less than 10,000 square feet in area; and is not contiguous to land owned by a state or local agency that is used for open-space or low- and moderate-income housing purposes. However, if the surplus land is not sold to an owner of contiguous land, it is not considered exempt surplus land. This exemption is now codified in Government Code Section 54221(f)(1)(B).

In comparison with the "remnant" definition under the OPLA ordinance, the above-referenced exemption under AB-1486 is broader. Accordingly, a "remnant" property that qualifies for sale through the OPLA Program should also fall within the said statutory exemption.

### **FINDINGS**

GSD's records show that the OPLA properties listed in the "Property Description" section of this report and depicted in Attachments B (4125-008-903) and C (5171-005-900) are (i) less than 5,000 square feet in area, (ii) less than the minimum legal residential building lot size for the jurisdiction in which the parcel is located, or 5,000 square feet in area, whichever is less, or (iii) has no record access and is less than 10,000 square feet in area; and is not contiguous to land owned by a state or local agency that is used for open-space or low- and moderate-income housing purposes. In addition, GSD proposes to sell each such property to an owner of contiguous land. Accordingly, all of the OPLA properties listed in the "Property Description" section of this report and depicted in Attachment B qualify as "exempt surplus land" under Government Code Section 54221(f)(1)(B).

#### **PROPERTY DESCRIPTIONS**

ADDRESS/LOCATION	APN	LOT SIZE	CD
Adjacent to 8425/8427 Barnsley Ave.	4125-008-903	600 sq. ft.	11
North of 637 South Clarence St.	5171-005-900	2,302 sq. ft.	14

#### **FISCAL IMPACT**

None.

## **RECOMMENDATION**

That the Municipal Facilities Committee:

1. Declare that all of those OPLA properties listed in the "Property Description" section of this report and depicted in Attachment B are "Exempt Surplus Land", as supported by the findings set forth in this report.

Tony M. Royster General Manager

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Attachments: OPLA Ordinance (Attachment A)

Map of OPLA Properties (Attachment B, C)

OPPINANCE NO	180834
ORDINANCE NO.	· ·

**EXHIBIT A** 

An ordinance amending and adding provisions to Article 4 of Chapter 1 of Division 7 of the Los Angeles Administrative Code to provide for implementation of the "Own a Piece of Los Angeles" (OPLA) Program concerning the sale of City-owned remnant surplus properties.

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

Section 1. The first unnumbered paragraph of Section 7.22 of the Los Angeles Administrative Code is amended to read:

Before the Council, or the Municipal Facilities Committee for the direct sale of "remnant" properties, determines that real property proposed for sale is no longer required for the use of the City and that the public interest or necessity require its sale, the proposed sale shall be considered as follows:

Sec. 2. Subsection (a) of Section 7.22 of the Los Angeles Administrative Code is amended to read:

## Sec. 7.22. Recommendations Required of City Departments.

- (a) The Department of General Services shall determine whether the City owns a salable interest in the real property, shall appraise said real property at its fair market value; and shall recommend a minimum sale price to the Council or the Municipal Facilities Committee, as applicable.
- Sec. 3. Subsection (d) of Section 7.22 of the Los Angeles Administrative Code is amended to read:
  - (d) In cases involving the direct sale of surplus City-owned property, except "remnants" as defined in Section 7.27.1(a), the City Administrative Officer shall review the proposed direct sale and recommend to the Council upon its propriety.
- Sec. 4. Subsection (e) is added to Section 7.22 of the Los Angeles Administrative Code to read:
  - (e) In cases involving direct sales of City-owned "remnants" as defined in Section 7.27.1(a), the Department of General Services shall review the proposed sale, and shall recommend to the Municipal Facilities Committee upon its propriety. Thereafter, the Municipal Facilities Committee may determine that the public interest or necessity require completion of the sale and authorize it, including the immediate opening of

escrow. In the event of such a determination by the Municipal Facilities Committee with respect to the sale of a "remnant" as defined in Section 7.27.1(a), the Municipal Facilities Committee may authorize the execution of a deed or other instrument necessary to effectuate the sale at and for the fair market value of the property as appraised by the Department of General Services, and upon the terms and conditions contained in the document entitled Title Transfer Instructions (Escrow) approved by the City Council and made a part of Council File No. 07-1894. Any substantive deviations from those terms and conditions, as determined by the City Attorney, shall require approval by the City Council by ordinance.

Sec. 5. Section 7.27 of the Los Angeles Administrative Code is amended to read:

#### Sec. 7.27. Private Sale.

The Council, or the Municipal Facilities Committee in cases involving "remnants" as defined in Section 7.27.1(a), may determine that the public interest or necessity require the sale, conveyance or exchange of real property owned by the City or any City department, of the quitclaiming by the City or by any City department, of any interest in real property without notice of sale or advertisement for bids. In the event of this determination, the City Council may, by ordinance authorize the execution of a deed, contract or other instrument necessary to effect the sale, conveyance, exchange or quitclaim at and for a price or consideration and upon the terms and conditions to be specified in the ordinance; provided, however, that the ordinance shall be subject to the provisions of Sections 252 and 461 of the City Charter. In the event of such a determination by the Municipal Facilities Committee with respect to the sale of a "remnant" as defined in Section 7.27.1(a), the Municipal Facilities Committee may authorize the execution of a deed or other instrument necessary to effectuate the sale at and for the fair market value of the property as appraised by the Department of General Services, and upon the terms and conditions contained in the document entitled Title Transfer Instructions (Escrow) approved by the City Council and made a part of Council File No. 07-1894. Any substantive deviations from those terms and conditions, as determined by the City Attorney, shall require approval by the City Council by ordinance.

Sec. 6. Section 7.27.1 of the Los Angeles Administrative Code is added to read:

## Sec. 7.27.1. Sale of Surplus City-Owned Remnant Property.

Notwithstanding any other provision of this Code to the contrary, Cityowned "remnants" under the jurisdiction and control of the Department of General Services may be sold by private sale as authorized by Section 7.27, provided all of the following criteria are met:

- (a) Each property subject to sale must be a surplus City-owned "remnant". "Remnant" means real property meeting the requirements of Section 7.22 of the Los Angeles Administrative Code which (A) has less than the minimum legal residential building lot size for the jurisdiction in which the parcel is located, or less than 5,000 square feet in area, whichever is less, or (B) has no record access and is less than 10,000 square feet in area; and is not contiguous to land owned by a state or local agency, that is used for park, recreational, open-space, or low- and moderate-income housing purposes, and is not located within an enterprise zone pursuant to Section 7070 of the California Government Code, nor a designated program area as defined in California Government Code section 7082;
- (b) The direct sale must be an all cash transaction and the buyer(s) must pay fair market value for the remnant as determined by an appraisal by the Department of General Services;
- (c) The buyer(s) must be owners of an "adjoining property." An "adjoining property" is one which shares a common boundary with the remnant subject to sale:
- (d) The Department of General Services shall offer the remnant for sale to all adjoining property owners, and utilize a competitive process to select the buyer(s) using price as its criteria;
- (e) The terms and conditions of each sale must be those approved by the City Council in the document entitled Title Transfer Instructions (Escrow) and made a part of Council File No. 07-1894, and must be presented by the Department of General Services to the Municipal Facilities Committee for approval, and shall be approved as to form by the City Attorney; and
- (f) Any remnant meeting the criteria set forth in California Government Code section 54221(f) must first be offered for sale to the State in accordance with Government Code section 54220, *et seq.*

Sec. 7. 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.

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		JUNE LAGMAY, City Clerk	
		By Boundary Deput	_ ty
Approved	AUG 072009		
		Mayo	_ or

Approved as to Form and Legality

CARMEN A. TRUTANICH, City Attorney

By Annette R. Bogna ANNETTE R. BOGNA Deputy City Attorney

Date 7/13/09

File No(s). <u>CF No. 07-1894</u>

DECLARATION OF POSTING ORDINANCE

MARIA C. RICO, 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. 180834 - Amending and adding provisions to Article 4 of Chapter 1 of Division

7 of the L.A.A.C. to provide for implementation of the "Own a Piece of Los Angeles" (OPLA)

Program concerning the sale of City-owned remnant surplus properties - a copy of which is

hereto attached, was finally adopted by the Los Angeles City Council on July 28, 2009, 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, on August 11, 2009 I posted a true copy of said

ordinance at each of 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.

Copies of said ordinance were posted conspicuously beginning on August 11, 2009 and will

be continuously posted for ten or more days.

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

Signed this 11th day of August 2009 at Los Angeles, California.

aria C. Rico, Deputy City Clerk

Ordinance Effective Date: September 20, 2009

Council File No. 07-1894

Rev. (2/21/06)

**EXHIBIT B** 

City of Los Angeles



