

ORDINANCE NO. _____

An ordinance authorizing and providing the sale of certain City-owned real property located at 2949 Edgehill Drive, Los Angeles, CA 90018 to the Housing Authority of the City of Los Angeles.

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

Section 1. Pursuant to Los Angeles Administrative Code Section 7.27, the City Council of the City of Los Angeles hereby finds and determines that the public interest or necessity requires the conveyance of that certain real property owned by the City of Los Angeles and located at the address and/or location set forth hereinafter (the Property) to the Housing Authority of the City of Los Angeles (Buyer) without notice of sale or advertisement of bids because: (1) the Property will be rehabilitated for use as a long-term affordable housing development (Project) subject to a 77-year (75 years, plus 2 years to complete rehabilitation) affordability covenant (City Covenant); (2) priority for the affordable units will be given to Section 8 voucher-holders, many of whom have historically faced difficulties in locating units due to factors including discrimination, resulting in a high number of expired or unused vouchers; and (3) the Property will be conveyed to the Buyer subject to a power of termination clause pursuant to California Civil Code Section 885.010 et seq.

Sec. 2. Pursuant to Los Administrative Code Section 7.27.3, the City Council of the City of Los Angeles approves the sale of the Property to Buyer for the development of the Project at its fair reuse value and finds that: (1) the long-term affordability restrictions to be placed on the Property, prevailing wage, and accessibility requirements results in a residual land value of negative \$233,000; (2) the negative residual land value places the fair reuse value of the Property and purchase price of the Property at \$0.00; and (3) the sale of the Property to Buyer will assist the City with its goal of creating more long-term affordable housing.

Location:

2949 Edgehill Drive, Los Angeles, CA 90018, APN: 5051-025-900, previous APN: 5051-025-026

Legal Description:

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

LOT 21 IN BLOCK "D" OF TRACT NO. 5580, IN THE CITY OF LOS ANGELES, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 62 PAGE 24 AND 25 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 now vested in the City of Los Angeles without, however, the right to use the surface of said land 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 covenants, conditions, restrictions, encroachments, reservations, easements, rights and rights-of-way of record or which are apparent from a 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 parcel of land.

ALSO SUBJECT TO a deed restriction in the form of a condition subsequent requiring that the Property be used as affordable housing as specified in Ordinance Section 1, which shall be subject to a power of termination (POT) pursuant to California Civil Code Section 885.010 et seq. The POT shall be set forth in the City Covenant and the grant deed transferring the Property from the City to Buyer and will preserve the City's interest in the Property in the form of the right to bring a civil action for the return of the Property in the event it ceases to be used for affordable housing purposes in accordance with the City Covenant.

ALSO SUBJECT TO sale in "AS IS" condition, and Buyer purchasing the City-owned property, by such act, expressly agreeing to purchase the property in an "As Is" condition and without any warranty as to fitness for use, fitness for a particular use, or condition of the property, and that the City has no obligation to correct any condition of the property, whether known before or after the date of the sale.

Sec. 3. The General Manager of Los Angeles Housing Department (LAHD) is hereby authorized and directed to execute a Grant Deed to the said real property described in Section 2 of this ordinance to Buyer, and the City Clerk of said City is hereby authorized and directed to attest thereto and to affix the City Seal.

Sec. 4. LAHD, 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 this sale.

