

**MOTION**

I HEREBY MOVE that the Council ADOPT the following recommendations in order to effect settlement in connection with the Merrywood Drive Claims, Claim Nos. C24-00030, C24-03172, C24-03069, C24-07008, C24-03071, C24-03072, C24-03004, C24-03073, C24-03076, and C24-03047 (This matter relates to inverse condemnation claims arising from the closure of Merrywood Drive to vehicular access and the claims' potential settlement through the acquisition of certain parcels along Merrywood Drive.), **SUBJECT TO THE APPROVAL OF THE MAYOR:**

1. DETERMINE that the Project is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Article 19, Section 15301 Existing Facilities, and Class 3 New Construction of Small Structures; and, pursuant to Los Angeles City CEQA Guidelines Article III, Section 1, Class 1 Existing Facilities, Class 3 New Construction of Small Structures, and Class 5 Alterations in Land Use Limitations. None of the limitations set forth in State CEQA Guidelines 15300.2 apply.
2. APPROVE the proposed settlement in the amount of **\$5,055,000**.
3. AUTHORIZE the City Attorney, or designee, to execute settlement agreements with each Claimant consistent with the terms described in the confidential City Attorney Report No. R26-0446, dated August 3, 2026, and all other documents necessary to implement the settlement.
4. AUTHORIZE the transfer of title of the subject parcels to the City of Los Angeles (City); and, AUTHORIZE the General Manager, General Services Department, or designee, to accept the deeds on behalf of the City.
5. AUTHORIZE the Controller to transfer **\$5,055,000** from Fund No. 100/59, Account No. 009798, Miscellaneous Liability Payouts, to Fund No. 100/59, Account No. 009793, Public Works, Engineering Liability Payouts.
6. AUTHORIZE the City Attorney to draw a demand from Fund No. 100/59, Account No. 009793, Public Works, Engineering Liability Payouts, as follows: Chicago Title Company, or its designee, in the total amount of up to **\$5,055,000** to fund the escrow account to effectuate the settlement.
7. AUTHORIZE the Controller to appropriate and transfer \$30,000 from Fund No. 100/54 - CTIEP, Appropriation No. 00E068 - Citywide Nuisance Abatement, for the nuisance abatement work performed by the General Services Department (Fund No. 100/40), that includes the immediate boarding up and securing of all structures at the properties along Merrywood Drive being acquired by the City as part of a settlement agreement (2337, 2357, and 2367 Merrywood Drive), into the following accounts:

- a. Account No. 001014, Salaries – Construction: \$25,500
  - b. Account No. 006020, Construction Materials: \$4,500
8. INSTRUCT the Bureau of Engineering, with the assistance of the City Attorney, City Administrative Officer, and General Services Department, to report on any further costs associated with securing all properties along Merrywood Drive acquired by the City as part of a settlement agreement, funding ongoing nuisance abatement at said properties, purchasing any remaining vacant lots along Merrywood Drive along with associated escrow costs, vacating Merrywood Drive, and barricading Merrywood Drive.
9. AUTHORIZE the City Attorney, or designee, to execute any additional or revised documents necessary to carry out the settlement in substantial conformance with the above terms.
10. AUTHORIZE the City Attorney, or designee, to make necessary technical adjustments, subject to the approval of the City Administrative Officer; and, AUTHORIZE the Controller to implement the instructions.

This matter was also recommended for approval by the Budget and Finance Committee (Blumenfield – Hutt – McOske – Hernandez: “Yes”; Yaroslavsky: Absent) at its meeting held on September 1, 2026, in Closed Session as permitted by Government Code Section 54956.9(d)(2).

PRESENTED BY \_\_\_\_\_  
BOB BLUMENFIELD  
Councilmember, 3rd District

SECONDED BY \_\_\_\_\_  
TIM McOSKER  
Councilmember, 15th District