



MOUNTAINS RECREATION & CONSERVATION AUTHORITY

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MEMORANDUM

TO: The Governing Board

FROM:  Joseph T. Edmiston, FAICP, Hon. ASLA, Executive Officer

DATE: May 7, 2014

SUBJECT: **Agenda Item VI(j): Consideration of resolution authorizing the expenditure of Community Facilities District Number 1 funds to acquire properties in the Ballona Creek and Los Angeles River watersheds at the Los Angeles County Tax Collector 2014B online public auction.**

Staff Recommendation: That the Governing Board adopt the attached resolution authorizing the expenditure of Community Facilities District No.1 funds in an amount not to exceed \$20,000 to acquire properties in the Ballona Creek and Los Angeles River watersheds at the Los Angeles County Tax Collector 2014B online public auction.

Background: The Mountains Recreation and Conservation Authority (MRCA) has had great success purchasing parcels through the Los Angeles County public auction process. The past few years has resulted in the acquisition of high quality open space purchased at low cost to the MRCA. This May, the County is conducting the auction online for the first time. The MRCA will attempt to purchase target parcels through this process on May 28-30, 2014.

Staff is investigating available auction parcels in Ballona Creek and Los Angeles River watersheds within the boundary of Community Facilities District No.1. The list of available parcels shrinks as the auction approaches, due to the payment of back taxes by the property owners. For any parcel where staff is the final bidder, a 10 percent deposit is immediately required. Funds from the MRCA's deposit account will be used to secure this 10 percent deposit for each parcel won. The remaining 90 percent needs to be paid within 30 days after the auction.

The proposed action would constitute the Authority's approval to use qualifying Mountains Recreation and Conservation Authority Community Facilities District No.1 funds to purchase properties that are integral to the protection of habitat and watershed resources in the Ballona Creek and Los Angeles River watersheds.

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Fair market value of properties is essentially established at the auction with the bidding process or by sale for just the minimum bid (back taxes). Title is cleared by the auction process. The pool of available parcels is not set until a couple of days before the auction. Each parcel is initially offered at \$1,125 and the final purchase price will be determined by the interest and activity of registered bidders.