



MOUNTAINS RECREATION & CONSERVATION AUTHORITY

Los Angeles River Center & Gardens
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MEMORANDUM

TO: The Governing Board

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

DATE: April 6, 2011

SUBJECT: **Agenda Item XI: Consideration of resolution amending Resolution No. 10-106 and authorizing acquisition of APNs 5576-009-055, 056, 057, 058, 059, 060, 061, 062, 063, and 064, Hollywood Knolls, South of Lake Hollywood.**

Staff Recommendation: That the Governing Board adopt the attached resolution amending Resolution No. 10-106 and authorizing acquisition of APNs 5576-009-055, 056, 057, 058, 059, 060, 061, 062, 063, and 064, Hollywood Knolls, South of Lake Hollywood subject to the following conditions: 1) prior to entering into a purchase agreement with the seller that the Community promoting the acquisition deliver to the Mountains Recreation and Conservation Authority (MRCA) the sum of \$6,000 to cover staff time, the sum of \$25,000 for the maintenance endowment, and the sum of \$75,000 for the negotiated deposit; 2) prior to close of the escrow the Community must fund the remainder of the purchase price including all costs of the sale; and, 3) the MRCA obtaining an appraisal pursuant to its appraisal policy substantiating the negotiated price.

Background: On August 23, 2010, the Governing Board adopted Resolution No. 10-106, authorizing entering into an option agreement for the acquisition of the listed parcels in the Hollywood Knolls area. Some of the neighbors of the subject property (the Community) approached the MRCA regarding making an acquisition of the property funded by donations. The property is approximately one acre in size and has limited public access. The Governing Board approved acquiring an option but agreement could not be reached and work on the project was suspended.

In the interim, Community members advocating for this acquisition continued to raise funds and remained in contact with the property owner. Recently, staff was approached to revisit the acquisition under revised terms.

The resolution before the Governing Board would authorize acquisition of fee title to all 10 parcels, utilizing private donations only. In addition to being solely responsible for raising the balance of the purchase price, the Community has agreed

to contribute funding for closing costs, a \$25,000 endowment for ongoing maintenance and brushing, and for MRCA staff time. The purchase agreement will provide that in the event the Community is not able to fund the remainder of the purchase price that seller's sole remedy will be liquidated damages which the Community has offered to pay and which will be deducted from the \$75,000 deposit.

The Community has requested that the MRCA secure payment of the remainder of the purchase price with a note and deed of trust. Staff advises against same as a foreclosure would be detrimental to the finances of the MRCA.

Please see attached maps for reference.