



MOUNTAINS RECREATION & CONSERVATION AUTHORITY

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MEMORANDUM

TO: The Governing Board

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

DATE: September 18, 2012

SUBJECT: **Agenda Item VI(I): Consideration of resolution authorizing the expenditure of SMM-0809 funds to acquire properties in the Northeast Los Angeles areas of Glassell Park, Mount Washington, Elephant Hill, City of Los Angeles, at the Los Angeles County Tax Collector 2012A public auction.**

Staff Recommendation: That the Governing Board adopt the attached resolution authorizing the expenditure of SMM-0809 funds in and amount not to exceed \$20,000 to acquire properties at the Los Angeles County Tax Collector 2012A public auction.

Background: Grant SMM-0809 is a Proposition 50 grant awarded to the MRCA from the Santa Monica Mountains Conservancy. SMM-0809 qualifies for the acquisition of tax defaulted parcels in the Northeast Los Angeles hilltop areas of Glassell Park, Mount Washington, and Elephant Hill.

The Mountains Recreation and Conservation Authority (MRCA) has had great success purchasing parcels through the Los Angeles County public auction process. The past two years has resulted in the acquisition of high quality open space purchased at low cost to the MRCA.

Staff is investigating available parcels in the Northeast Los Angeles area. The list of available parcels shrinks as the auction approaches, due to the payment of back taxes by the property owner. For any parcel where staff is the final bidder, a 10 percent deposit is immediately required. Funds from the MRCA's Auction Trust Account will be used to secure this 10 percent deposit for each parcel where MRCA is the winning bidder. The remaining 90 percent needs to be paid within 30 days after the auction.

The proposed action would constitute the approval to use SMM-0809 to purchase properties that are consistent with the scope of SMM-0809.

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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 proposed \$20,000 cap could acquire one parcel or maybe even five. The pool of available parcels is not set until a couple of days before the auction.