



MOUNTAINS RECREATION & CONSERVATION AUTHORITY

Los Angeles River Center and Gardens
570 West Avenue 26, Suite 100
Los Angeles, California 90065
Phone (323) 221-9944 Fax (323) 221-9933

MEMORANDUM

TO: The Governing Board

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

DATE: May 7, 2014

SUBJECT: **Agenda Item VI(i): Consideration of resolution authorizing the expenditure of Coastal Habitat Impact Mitigation Fund to acquire properties in the Santa Monica Mountains coastal zone, 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 not more than \$40,000 in Coastal Habitat Impact Mitigation Fund fees to acquire properties 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.

The MRCA is the entity that receives, holds, and expends the Coastal Habitat Impact Mitigation Fund. The proposed action would constitute the Authority's approval to purchase properties that are integral to the protection of the Coastal Zone portion of the Santa Monica Mountains.

Staff is investigating available parcels in the Coastal Zone. 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 deposit account will be used to secure this 10 percent deposit for each parcel for which MRCA is the winning bidder. The remaining 90 percent needs to be paid within 30 days after the auction.

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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 \$40,000 cap could acquire one parcel or many. 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.