



MOUNTAINS RECREATION & CONSERVATION AUTHORITY

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MEMORANDUM

TO: The Governing Board

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

DATE: July 8, 2015

SUBJECT: **Agenda Item VI(g): Consideration of resolution authorizing the expenditure of Santa Monica Mountains Open Space Preservation Assessment District No.1 (Area B) funds to acquire properties in the Beverly Glen watershed, City of Los Angeles, at the Los Angeles County Tax Collector 2015B public auction.**

Staff Recommendation: That the Governing Board adopt the attached resolution authorizing the expenditure of not more than \$250,000 of Santa Monica Mountains Open Space Preservation Assessment District No.1 (Area B) funds to acquire properties at the Los Angeles County Tax Collector 2015B public auction.

Background: The Mountains Recreation and Conservation Authority (MRCA) has had great success purchasing parcels through the Los Angeles County public auction process. Auction participation since 2010 has resulted in the acquisition of high quality open space purchased at low cost to the MRCA. This August, the County is conducting the auction online for the second time. MRCA staff successfully won six parcels at the 2014 online auction. The MRCA will attempt to purchase target parcels through this process on August 8-11, 2015.

Staff is investigating available parcels in Beverly Glen watershed. 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 Auction Trust 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 Santa Monica Mountains Open Space Preservation Assessment District No.1, Area B funds to purchase properties that are integral to the protection of habitat and view resources in the Beverly Glen or immediately adjacent watersheds.

Agenda Item VI(g)
July 8, 2015
Page 2

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.