



MOUNTAINS RECREATION & CONSERVATION AUTHORITY

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MEMORANDUM

TO: The Governing Board

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

DATE: May 3, 2017

SUBJECT: **Agenda Item VII: Consideration of resolution authorizing the expenditure of Community Facilities District No.1 funds, Coastal Habitat Impact Mitigation funds, Santa Monica Mountains Open Space Preservation Assessment District No. 1 and restricted donation funds, to acquire properties in the Hollywood Hills, Malibu Coastal Zone, and Santa Clarita Valley, at the Los Angeles County Tax Collector 2017C sealed bid auction.**

Staff Recommendation: That the Governing Board adopt the attached resolution authorizing the expenditure of not more than \$46,000 in funds from four sources to acquire properties at the Los Angeles County Tax Collector 2017C sealed bid auction.

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

The sealed bid auction works a bit differently than a live auction. All parcels start at a minimum bid of \$100. Staff will determine how much MRCA would be willing to spend on a given parcel. A cashier's check in that amount is then hand delivered to the Los Angeles County Treasurer and Tax Collector Office and placed into a sealed envelope associated with that particular parcel. On May 17, 2017 the envelopes for each parcel will be opened, and the property will be sold to the highest bidder.

For any parcel where staff is the highest bidder, the check will become the purchase price for the parcel, with an invoice for minimal processing fees to follow.

The list of available parcels shrinks as the auction approaches, due to the payment of back taxes by the property owner.

There is a small set of available parcels within the boundary of Community Facilities District No.1 and Santa Monica Mountains Open Space Preservation Assessment District No.1, in the Santa Monica Mountains between I-405 and Griffith Park. Staff is investigating the public benefit of these parcels and working to determine an appropriate bid amount.

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. Any selected properties would have significant habitat value and be connected to a core habitat of the Santa Monica Mountains.

Donation funds to be used come from an individual who donates annually to the MRCA. Specifically, this individual donated \$500 in 2016 to use solely for the acquisition of tax defaulted properties.

Fair market value of properties is essentially established at the auction with the bidding process. Title is cleared by the auction process.