

CITY OF LOS ANGELES

CALIFORNIA



KAREN BASS
MAYOR

Agenda Item No. 4

TONY M. ROYSTER
GENERAL MANAGER
AND
CITY PURCHASING AGENT

DEPARTMENT OF
GENERAL SERVICES
ROOM 701
CITY HALL SOUTH
111 EAST FIRST STREET
LOS ANGELES, CA 90012
(213) 928-9555
FAX No. (213) 928-9515

October 31, 2024

Honorable City Council
City of Los Angeles
c/o City Clerk
Room 395, City Hall
Los Angeles, CA 90012

Attention: Adam Lid, Legislative Assistant

REQUEST FOR “EXEMPT SURPLUS LAND” DECLARATION FOR VARIOUS “OWN A PIECE OF LOS ANGELES” PROPERTIES IN COMPLIANCE WITH STATE LAW

In accordance with the Own a Piece of Los Angeles (OPLA) Program approved by City Council on July 28, 2009 (C.F. 07-1894, Ordinance No. 180834, attached as Exhibit A), the Department of General Services (GSD) is charged with administering the sale of City-owned remnant parcels to adjoining owners. GSD requests that City Council declare each of those OPLA properties listed in Exhibit B, a total of 92 Assessor Parcels, as “Exempt Surplus Land” in order to satisfy certain relevant requirements of the new State law promulgated through AB-1486 (“Surplus Land Act”). Such declaration will allow the City to continue selling these OPLA properties directly to an owner of an adjacent property.

BACKGROUND

On January 1, 2020, AB-1486 took effect and amended the process for disposing of surplus land. Among other changes, AB 1486 requires that “land shall be declared either ‘surplus land’ or ‘exempt surplus land,’ as supported by written findings, before a local agency may take any action to dispose of it consistent with an agency’s policies or procedures.”

The OPLA Program, which was established under the previous State law on surplus property, allows the City to dispose of City-owned “remnant” parcels in accordance with the above-referenced ordinance. “Remnant” properties must be, among other requirements: (A) less than the minimum legal residential building lot size for the jurisdiction in which the parcel is located, or less than 5,000 square feet in area, whichever is less, or (B) has no record access and is less than 10,000 square feet in area; and is not contiguous to land owned by a state or local agency, that is used for park, recreational, open-space, or low- and moderate-income housing purposes, and is not located within



an enterprise zone pursuant to Section 7070 of the California Government Code, nor a designated program area as defined in California Government Code section 7082. Moreover, under the OPLA Program, a remnant property must be sold to an owner of an adjoining property. Since its inception in 2009, GSD has sold 55 OPLA Properties for a total of \$1,566,735.00.

The definition of “Exempt Surplus Land” under the Surplus Land Act includes all properties subject to the OPLA Program. A “remnant” property that qualifies for sale through the OPLA Program can be declared “Exempt Surplus Land” and sold directly to the adjoining property owner.

On September 20, 2009, Council delegated authority to the Municipal Facilities Committee (MFC) under Council Action 07-1894, Ordinance No. 180834 to approve the sale of “remnants” under the “Own a Piece of L.A.” (OPLA). On January 30, 2020, the Municipal Facilities Committee declared and approved the attached OPLA properties as “Exempt Surplus Land.” Until recently, the California Department of Housing and Community Development (HCD) had consistently approved the MFC’s approval and declaration of property as “Exempt Surplus Land”. However, per correspondence received from HCD on April 18, 2024, HCD’s newest interpretation of the Surplus Land Act is that MFC does not have the authority to declare property “Exempt Surplus Land”. The Housing Policy Development Division of HCD has determined that moving forward, property may only be declared as Exempt Surplus Land through one of two pathways:

1. The City Council adopts a resolution declaring the property “Exempt Surplus Land”, or
2. The City issues a public notice regarding the property for select exemptions.

As a matter of process, the City will not process “Exempt Surplus Land” under pathway two above, since that process would still require, at a minimum, MFC approval. Therefore, the City elects to meet the requirement under pathway one above which is the purpose of this report.

Approval of OPLA sales, under Council Action 07-1894 will not be impacted by HCD’s newest interpretation of the recently revised State Law AB-480 effective January 1, 2024 and the MFC will still retain its authority to approve OPLA sales to adjoining property owners. Once property is declared “Exempt Surplus Land” and approved by HCD, there are no additional HCD requirements or approvals needed to complete the transfer of properties sold under the OPLA Program.

FINDINGS

GSD’s records show that each of those 92 OPLA properties listed in Exhibit B is (i) less than 5,000 square feet in area, (ii) less than the minimum legal residential building lot size for the jurisdiction in which the parcel is located, or 5,000 square feet in area, whichever is less, or (iii) has no record access and is less than 10,000 square feet in area; and is not contiguous to land owned by a state or local agency that is used for open-space or low- and moderate-income housing purposes. In addition, GSD proposes to sell each of such properties to an owner of contiguous land. Accordingly, all of the properties listed in

Exhibit B will be sold under the Own a Piece of LA (OPLA) program qualify as “exempt surplus land” under Government Code §, 54221(f)(1)(B) which exempts, “[s]urplus land that is less than one-half acre in area and is not contiguous to land owned by a state or local agency that is used for open-space or low- and moderate-income housing purposes.” Notwithstanding § 54221(f)(2), under Government Code §, 54221(f)(2), the Property cannot qualify as exempt surplus land if it is:

1. Within a coastal zone.
2. Adjacent to a historical unit of the State Parks System.
3. Listed on, or determined by the State Office of Historic Preservation to be eligible for, the National Register of Historic Places.
4. Within the Lake Tahoe region as defined in Section 66905.5.

Because none of these characteristics apply to the Properties listed in Exhibit B, they qualify as “Exempt Surplus Land” under the Surplus Land Act.

FISCAL IMPACT

None.

RECOMMENDATION

That the City Council, subject to Mayoral approval:

1. Declare that all 92 Properties listed in Exhibit B are “Exempt Surplus Land” under AB-1486, as supported by the findings set forth in this report; and
2. Find and determine that the Properties, as described in this report, are no longer required for use by the City and that the public interest is best served by their disposal.



Tony M. Royster
General Manager

Attachments: OPLA Ordinance (Exhibit A)
List of OPLA Properties (Exhibit B)

ORDINANCE NO. 180834

An ordinance amending and adding provisions to Article 4 of Chapter 1 of Division 7 of the Los Angeles Administrative Code to provide for implementation of the "Own a Piece of Los Angeles" (OPLA) Program concerning the sale of City-owned remnant surplus properties.

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. The first unnumbered paragraph of Section 7.22 of the Los Angeles Administrative Code is amended to read:

Before the Council, or the Municipal Facilities Committee for the direct sale of "remnant" properties, determines that real property proposed for sale is no longer required for the use of the City and that the public interest or necessity require its sale, the proposed sale shall be considered as follows:

Sec. 2. Subsection (a) of Section 7.22 of the Los Angeles Administrative Code is amended to read:

Sec. 7.22. Recommendations Required of City Departments.

(a) The Department of General Services shall determine whether the City owns a salable interest in the real property, shall appraise said real property at its fair market value; and shall recommend a minimum sale price to the Council or the Municipal Facilities Committee, as applicable.

Sec. 3. Subsection (d) of Section 7.22 of the Los Angeles Administrative Code is amended to read:

(d) In cases involving the direct sale of surplus City-owned property, except "remnants" as defined in Section 7.27.1(a), the City Administrative Officer shall review the proposed direct sale and recommend to the Council upon its propriety.

Sec. 4. Subsection (e) is added to Section 7.22 of the Los Angeles Administrative Code to read:

(e) In cases involving direct sales of City-owned "remnants" as defined in Section 7.27.1(a), the Department of General Services shall review the proposed sale, and shall recommend to the Municipal Facilities Committee upon its propriety. Thereafter, the Municipal Facilities Committee may determine that the public interest or necessity require completion of the sale and authorize it, including the immediate opening of

escrow. In the event of such a determination by the Municipal Facilities Committee with respect to the sale of a "remnant" as defined in Section 7.27.1(a), the Municipal Facilities Committee may authorize the execution of a deed or other instrument necessary to effectuate the sale at and for the fair market value of the property as appraised by the Department of General Services, and upon the terms and conditions contained in the document entitled Title Transfer Instructions (Escrow) approved by the City Council and made a part of Council File No. 07-1894. Any substantive deviations from those terms and conditions, as determined by the City Attorney, shall require approval by the City Council by ordinance.

Sec. 5. Section 7.27 of the Los Angeles Administrative Code is amended to read:

Sec. 7.27. Private Sale.

The Council, or the Municipal Facilities Committee in cases involving "remnants" as defined in Section 7.27.1(a), may determine that the public interest or necessity require the sale, conveyance or exchange of real property owned by the City or any City department, of the quitclaiming by the City or by any City department, of any interest in real property without notice of sale or advertisement for bids. In the event of this determination, the City Council may, by ordinance authorize the execution of a deed, contract or other instrument necessary to effect the sale, conveyance, exchange or quitclaim at and for a price or consideration and upon the terms and conditions to be specified in the ordinance; provided, however, that the ordinance shall be subject to the provisions of Sections 252 and 461 of the City Charter. In the event of such a determination by the Municipal Facilities Committee with respect to the sale of a "remnant" as defined in Section 7.27.1(a), the Municipal Facilities Committee may authorize the execution of a deed or other instrument necessary to effectuate the sale at and for the fair market value of the property as appraised by the Department of General Services, and upon the terms and conditions contained in the document entitled Title Transfer Instructions (Escrow) approved by the City Council and made a part of Council File No. 07-1894. Any substantive deviations from those terms and conditions, as determined by the City Attorney, shall require approval by the City Council by ordinance.

Sec. 6. Section 7.27.1 of the Los Angeles Administrative Code is added to read:

Sec. 7.27.1. Sale of Surplus City-Owned Remnant Property.

Notwithstanding any other provision of this Code to the contrary, City-owned "remnants" under the jurisdiction and control of the Department of General Services may be sold by private sale as authorized by Section 7.27, provided all of the following criteria are met:

(a) Each property subject to sale must be a surplus City-owned "remnant". "Remnant" means real property meeting the requirements of Section 7.22 of the Los Angeles Administrative Code which (A) has less than the minimum legal residential building lot size for the jurisdiction in which the parcel is located, or less than 5,000 square feet in area, whichever is less, or (B) has no record access and is less than 10,000 square feet in area; and is not contiguous to land owned by a state or local agency, that is used for park, recreational, open-space, or low- and moderate-income housing purposes, and is not located within an enterprise zone pursuant to Section 7070 of the California Government Code, nor a designated program area as defined in California Government Code section 7082;

(b) The direct sale must be an all cash transaction and the buyer(s) must pay fair market value for the remnant as determined by an appraisal by the Department of General Services;

(c) The buyer(s) must be owners of an "adjoining property." An "adjoining property" is one which shares a common boundary with the remnant subject to sale;

(d) The Department of General Services shall offer the remnant for sale to all adjoining property owners, and utilize a competitive process to select the buyer(s) using price as its criteria;


(e) The terms and conditions of each sale must be those approved by the City Council in the document entitled Title Transfer Instructions (Escrow) and made a part of Council File No. 07-1894, and must be presented by the Department of General Services to the Municipal Facilities Committee for approval, and shall be approved as to form by the City Attorney; and

(f) Any remnant meeting the criteria set forth in California Government Code section 54221(f) must first be offered for sale to the State in accordance with Government Code section 54220, *et seq.*

Sec. 7. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, at its meeting of JUL 28 2009.

JUNE LAGMAY, City Clerk

By  Deputy

Approved AUG 07 2009

 Mayor

Approved as to Form and Legality

CARMEN A. TRUTANICH, City Attorney

By 
ANNETTE R. BOGNA
Deputy City Attorney

Date 7/13/09

File No(s). CF No. 07-1894

DECLARATION OF POSTING ORDINANCE

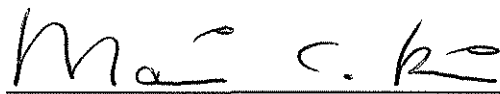
I, MARIA C. RICO, state as follows: I am, and was at all times hereinafter mentioned, a resident of the State of California, over the age of eighteen years, and a Deputy City Clerk of the City of Los Angeles, California.

Ordinance No. 180834 – Amending and adding provisions to Article 4 of Chapter 1 of Division 7 of the L.A.C. to provide for implementation of the “Own a Piece of Los Angeles” (OPLA) Program concerning the sale of City-owned remnant surplus properties - a copy of which is hereto attached, was finally adopted by the Los Angeles City Council on **July 28, 2009**, and under the direction of said City Council and the City Clerk, pursuant to Section 251 of the Charter of the City of Los Angeles and Ordinance No. 172959, on **August 11, 2009** I posted a true copy of said ordinance at each of three public places located in the City of Los Angeles, California, as follows: 1) one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; 2) one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; 3) one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

Copies of said ordinance were posted conspicuously beginning on **August 11, 2009** and will be continuously posted for ten or more days.

I declare under penalty of perjury that the foregoing is true and correct.

Signed this **11th** day of **August 2009** at Los Angeles, California.



Maria C. Rico, Deputy City Clerk

Ordinance Effective Date: **September 20, 2009**

Council File No. **07-1894**

OWN A PIECE OF L.A. (OPLA) 92 Properties

| | | | | | | | | | | | | |
|-----|----|------------|---|--|--------------------------------|----------|-----|-------------|--------|----------|----|------------------------------------|
| 161 | | REMOVED | | | | | | | | | | |
| 162 | | REMOVED | | | | | | | | | | |
| 163 | | REMOVED | | | | | | | | | | |
| 164 | | REMOVED | | | | | | | | | | |
| 165 | | REMOVED | | | | | | | | | | |
| 166 | 14 | 5213037901 | 1 | 4827 Converse Street | Converse St./Eastern Ave. | 2,100.00 | Yes | R1-1 | 595-E6 | Hillside | SF | Entire side yard |
| 167 | | REMOVED | | | | | | | | | | |
| 168 | | REMOVED | | | | | | | | | | |
| 169 | | REMOVED | | | | | | | | | | |
| 170 | | REMOVED | | | | | | | | | | |
| 171 | | REMOVED | | | | | | | | | | |
| 172 | | REMOVED | | | | | | | | | | |
| 173 | 15 | 6070008900 | 1 | 1551 E. 111th Street | 111th St./Compton Ave. | 749.85 | Yes | R2-1 | 704-F5 | Level | SF | Entire side yard |
| 174 | 15 | 6108007900 | 1 | 1526 184th Street | 184th St./Dalton Ave. | 15.00 | Yes | R1-1 | 763-J2 | Level | SF | Sliver at front of property |
| 175 | 15 | 6121003901 | 1 | | 169th St./Figueroa St. | 13.63 | Yes | R1-1 | 734-B7 | Level | SF | Sliver at front of property |
| 176 | 15 | 7416001900 | 1 | | Figueroa St./Arabic St. | 405.41 | Yes | R1-1XL-O | 794-C6 | Level | SF | Entire side yard |
| 177 | 15 | 7418013900 | 1 | 545 Broad | E St./Avalon Blvd. | 467.05 | Yes | [Q]CM-1VL-O | 794-E7 | Level | SF | Entire side yard |
| 178 | 15 | 7424005901 | 1 | 444 N. Lecouvreur Ave. Los Angeles, CA 90744 | Lecouvreur Ave./E St. | 1,884.92 | Yes | M2-1VL-O | 794-E7 | Level | SF | Entire side yard |
| 179 | | REMOVED | | | | | | | | | | |
| 180 | 15 | 7426002900 | 1 | | Pacific Coast Hwy./Eubank Ave. | 381.34 | Yes | [Q]R2-1XL-O | 794-E5 | Level | SF | Entire side yard |
| 181 | 15 | 7447028900 | 1 | 720 Summerland Pl | Marshall/Summerland Pl. | 2.49 | Yes | R1-1XL | 824-A4 | Hillside | SF | Sliver at corner of property |
| 182 | 15 | 7448008900 | 1 | | Elberon Ave./Gaffey St. | 541.17 | Yes | C1-1XL | 824-A4 | Hillside | SR | Sliver at rear of property |
| 183 | | REMOVED | | | | | | | | | | |
| 184 | 15 | 7562002901 | 1 | | Cumbre Dr./Mermaid Dr. | 1,869.60 | Yes | R1-1XL | 823-H6 | Level | SR | Sliver of land at rear of property |