



# 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: August 23, 2010

SUBJECT: **Agenda Item IV(c): Consideration of resolution authorizing the ability to register/vest and purchase properties at the Los Angeles County Treasurer and Tax Collector Public Auction 2010A.**

Staff Recommendation: That the Governing Board adopt the attached resolution authorizing the ability to register/vest and purchase properties at the Los Angeles County Treasurer and Tax Collector Public Auction 2010A.

Background: The Mountains Recreation and Conservation Authority (MRCA) historically has reserved parcels from the public auction lists, prior to the actual auction. This method results in Chapter 8 Agreements with the Los Angeles County Treasurer and Tax Collectors office. The fruition of the Chapter 8 process at a minimum takes over fifteen months. Often the final purchase price is 25-35 percent greater than the back taxes owed at the auction date. An alternative method for the MRCA to secure tax defaulted properties is to compete for the parcels at the open public auction. The advantage of this method is that staff can avoid the case where parcel costs exceed available funding and know the actual date that funding is due. A public auction is scheduled for mid-October this year.

In order to register bidders to represent the MRCA at this auction, a resolution naming the bidders and authorizing the bidders actions must be adopted, sealed, and notarized. Bidder registration for a public entity requires that the Governing Board authorize the bidders by name. The attached resolution names the following staff members as potential bidders: Joseph T. Edmiston, Jeff Jones, Jeff Maloney, Chris Trumpy, Marc Shores, Paul Edelman, and/or Garrett Weinstein as potential bidders. Chris Trumpy with the Natural Resources and Planning Division attended the 2009B auction in August 2009, and purchased five parcels through the auction process.

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Bidder registration requires a \$5,000 registration deposit, in the form of cash, cashiers check, or bank-issued money order, made out to L.A. County Tax Collector. This \$5,000 deposit can be used toward any winning parcel purchase, and any unused amount from the deposit will be refunded to the MRCA within 30 days after the auction. The bidder must register in person at the Tax Collectors office between September 7<sup>th</sup> and October 1<sup>st</sup> 2010.

Agenda Item IV(d) addresses authorization to create an Auction Trust Account, which will be the funds to be used for purchase of parcels won at open auction.

Between now and the September Governing Board meeting, staff will develop a strategy for potential parcels to bid on. At the September meeting, staff will seek authority to use various funds for various parcels or for general areas so as not to totally telegraph the agency's intent.