

GOVERNMENT OPERATIONS COMMITTEE REPORT relative to declaring 92 Own a Piece of Los Angeles (OPLA) properties as “Exempt Surplus Land.”

Recommendation for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. DECLARE that all 92 Properties listed in Exhibit B of the November 5, 2024 Municipal Facilities Committee (MFC) report, attached to the Council File, are “Exempt Surplus Land” under AB-1486, as supported by the findings set forth in said MFC report.
2. FIND and DETERMINE that the Properties, as described in the November 5, 2024 MFC report, attached to the Council File, are no longer required for use by the City and that the public interest is best served by their disposal.

Fiscal Impact Statement: The MFC reports that there is no General Fund impact for the declaration of the 92 OPLA properties detailed in Exhibit B of the November 5, 2024 MFC report, attached to the Council File, as exempt surplus land.

Community Impact Statement: None submitted.

Summary:

On November 22 2024, your Committee considered a November 5, 2024 MFC report relative to declaring 92 Own a Piece of Los Angeles (OPLA) properties as “Exempt Surplus Land.” According to the MFC, 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, the Department of General Services (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 MFC under Council File No. 07-1894, Ordinance No. 180834 to approve the sale of “remnants” under the OPLA Program. On January 30, 2020, the MFC 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, the 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) 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 File No. 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. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendation contained in the MFC report. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Government Operations Committee

COUNCILMEMBER VOTE

PADILLA: YES

HERNANDEZ: YES

HUTT: YES

ARL

11/22/24

-NOT OFFICIAL UNTIL COUNCIL ACTS-