



MICHAEL N. FEUER
CITY ATTORNEY

REPORT NO. R 21-0174
MAY 25 2021

REPORT RE:

**DRAFT ORDINANCE PROVIDING FOR THE SALE OF CITY-OWNED PROPERTY
LOCATED AT 5601 NORTH FIGUEROA STREET TO RICHARD RUTGARD
(COUNCIL DISTRICT 1)**

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, CA 90012

Council File No. 21-0207

Honorable Members:

In accordance with direction given by your Honorable Body on April 7, 2021, and to ensure compliance with the court ruling in *Rutgard v. City of Los Angeles* (Los Angeles Superior Court Case No. BS170286), this Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality, authorizing the sale of City property located at 5601 North Figueroa Street, Los Angeles 90042.

The sale price, as determined by the City's appraiser, is \$2.55 million. Mr. Rutgard has formally accepted the City's offer and will be assigning his right to purchase the Property to 5601 Rutgard, LLC. The proposed terms of the sale include this assignment to 5601 Rutgard, LLC, a 60-day due diligence period, and a 3% earnest money deposit.

Recommendation

It is therefore recommended:

1. That your Honorable Body adopt the enclosed draft Ordinance, approved as to form, providing for the sale of the Property to the prior owner's assignee at the appraised value of \$2.55 million; and
2. That your Honorable Body authorize GSD, with the assistance of the City Attorney, to execute the PSA reflecting the sale of the Property to the prior owner's assignee at the appraised value of \$2.55 million.

Council Rule 38 Referral

Pursuant to Council Rule 38, a copy of the draft ordinance was sent to the General Services Department with a request that all comments, if any, be directed to your Honorable Body or your Committees at the time this matter is considered.

If you have any questions regarding this matter, please contact Deputy City Attorney Pejmon Shemtoob at (213) 978-8120. He or another member of this Office will be present when you consider this matter to answer any questions you may have.

Sincerely,

MICHAEL N. FEUER, City Attorney

By 

DAVID MICHAELSON
Chief Assistant City Attorney

DM/PJ:lc