

NOTICE OF SALE OF REAL PROPERTY AT PUBLIC AUCTION

IN ACCORDANCE WITH THE PROVISIONS OF SECTION 385 OF THE CITY CHARTER, AND DIVISION 7, CHAPTER 1, ARTICLE 4, OF THE LOS ANGELES ADMINISTRATIVE CODE

NOTICE IS HEREBY GIVEN that the real property hereinafter described will be offered for sale by the City of Los Angeles to the highest responsible bidder at a public auction by oral bids to be conducted by the Real Estate Division of the Harbor Department ("Harbor Department") of the City of Los Angeles on _____, 20__ at _____.

Said real property is located in San Pedro, California, City and County of Los Angeles, and described in the attached Exhibit 1, "**NOTICE OF SALE PROPERTY DESCRIPTION**".

The auction by oral bids will be held pursuant to Ordinance No. _____ ordering the same, adopted by the City Council of the City of Los Angeles ("City Council") on the _____ day of _____, 20__ and upon the terms and conditions therein and hereinafter specified and in conformity with Section 385 of the City Charter and Division 7, Chapter 1, Article 4, of the Los Angeles Administrative Code, Section 7.24.

The minimum bid that will be accepted for the property shall be in the amount of \$1,218,000. Notwithstanding, the City of Los Angeles through its Board of Harbor Commissioners ("Board") reserve the right to adjust the amount of the minimum bid at any time up to the date of the auction. The General Manager of the Harbor Department or may postpone or continue the sale, and any and all bids may be rejected or the property withdrawn from sale by the Board, until such time as the sale is confirmed by the Board.

Any person wishing to be designated as a qualified bidder must pre-register by placing a deposit in the amount of **\$10,000** by **CASHIER'S CHECK OR CERTIFIED CHECK ONLY** made payable to the City of Los Angeles with the General Manager of the Harbor Department of the City of Los Angeles or his designee no later than 12:00 noon on the day prior to the bidding. No bid shall be considered without said deposit. The deposits made by all unsuccessful bidders shall be returned to such bidders at the completion of the auction.

In the event said offer to purchase (bid) is accepted but not completed and failure in that regard is not caused by any act of or omission of the City or any of its representatives, **said deposit shall be retained by the City as liquidated damages for the failure to complete said purchase** and for all costs and expenses incurred for the necessary

proceedings incidental to acceptance of the offer. A successful bidder (Buyer) who does not complete said purchase will be prohibited from bidding in future auctions for a period of one year.

The winning responsive bid shall be subject to confirmation by the Board in public session at a date to be announced. No sale shall be made or become final unless and until confirmed by the Board to the highest responsible bidder providing that no sale for less than the minimum price shall be confirmed. The Board may reject any and all bids and the Board or General Manager of the Harbor Department may withdraw the property from sale until such time as the sale is confirmed. In the event said offer to purchase the subject parcel is rejected or the property is withdrawn before the confirmation of the bid, the deposit shall be returned to the successful bidder.

THE PROPERTY SHALL BE SUBJECT TO ALL APPLICABLE LAWS AND REGULATIONS WITH RESPECT TO THE DEVELOPMENT OF THE SITE WHICH MAY BE INCLUDE BUT ARE NOT LIMITED TO THE FOLLOWING: STATE TIDELANDS TRUST, COASTAL COMMISSION, HILLSIDE ORDINANCE (168,159), SLOPE/DENSITY ORDINANCE, SUBDIVISION MAP ACT AND/OR ANY PENDING ORDINANCES AFFECTING THE DEVELOPMENT OF THE SITE. POTENTIAL BIDDERS ARE URGED TO INVESTIGATE BUILDING RESTRICTIONS AND GUIDELINES WITH THE APPROPRIATE AGENCIES PRIOR TO THE AUCTION.

POTENTIAL BIDDERS ARE FURTHER URGED TO INVESTIGATE DEVELOPMENT ISSUES ASSOCIATED WITH THE PROPERTY, INCLUDING BUT NOT LIMITED TO CONDITIONS AND RESTRICTIONS, GEOLOGY, SITE GRADING, STREET ACCESS, DRAINAGE, AVAILABILITY OF SEWER AND OTHER PUBLIC FACILITIES.

THE PARCEL SHALL BE SUBJECT TO A COVENANT THAT THE PROPERTY BE RESTRICTED TO STATE TIDELANDS TRUST USES AND THE UNBUILDABLE AREAS OF THE PROPERTY BE PRESERVED AS "OPEN SPACE" FOR NATIVE PLANT SPECIES OR HABITAT AREAS.

The property will be available for a supervised viewing for prospective bidders prior to the auction at a date to be determined which shall be posted on the property. All potential bidders who are interested in attending the supervised viewing should pre-register by sending an email to dcastillo@portla.org

No warranty or representation is made by the City of Los Angeles (which includes the City Council and all of the City's departments and divisions including the Harbor Department and any of its boards or commissions including the Board of Harbor Commissioners) with respect to location, size, description of improvements, or zone set out in the notice of sale and/or description of said property; such data being set forth for information only and is not, and shall not be deemed to be a part of the description by, or conditions of, which such property will be offered for sale or sold. The City makes no representation or warranty whatsoever as to the condition or usability of the property, the

presence of any defects, whether apparent or hidden, or the fitness of the property for use, or its fitness for a particular use.

Said property is offered for sale in an “AS IS” condition, and all bidders, by bidding on the property are, by such act, expressly agreeing to purchase the property in an “AS IS” condition and without any warranty as to fitness for use, fitness for a particular purpose or use, or condition of the property, and that the seller has no obligation to correct any condition of the property, whether known before or after the date of the auction, including but not limited to any environmental contamination or presence of any hazardous materials (“Contamination”). PLEASE TAKE NOTICE THE PROPERTY IS PRONE TO EROSION AND LANDSLIDES ESPECIALLY DURNG HEAVY RAINS; THERE ARE ABANDONED PIPELINES ON THE PROPERTY, POSSIBLITY OF FUTURE CALTRANS EMINENT DOMAIN RELATED TO HARBOR FREEWAY WIDENING AND POTENTIAL CONTAMINATION MIGRATING FROM THE REFINERY AREA ACROSS THE I-110 FREEWAY. PRIVATELY OWNED GROUNDWATER MONITORING WELLS EXIST AT THE FURTHEST NORTHERLY POINT OF THE SITE BY PERMIT. TWO CELL TOWERS ARE LOCATED ON THE PROPERTY PER PERMIT.

DISCLOSURES ABOUT THE PROPERTY CAN BE LOCATED AT https://www.portoflosangeles.org/business/property_auction.asp

Should no acceptable bid be received, or should the sale not be completed for the property described in the Ordinance, the General Manager of the Harbor Department of the City of Los Angeles or his designee, without further order or permission of the Los Angeles City Council or Board, is hereby authorized to:

- a) re-offer said property for sale pursuant to the Ordinance to the second highest bidder, and if the second highest bidder fails to complete the sale and/or comply with the conditions of the sale, to the third, then fourth highest bidders, upon the same terms and conditions specified in the Notice of Sale, or
- b) declare this Notice of Sale immediately invalid for said property and, pursuant to Division 7, Chapter 1, Article 4, Section 7.32 of the Los Angeles Administrative Code, cause one or more other Notice of Sale to be published and to conduct one or more other sale auction under the terms and conditions of the new Notice of Sale until the property authorized for sale under the Ordinance is sold or otherwise disposed. The provisions of this section shall be effective until the expiration of this Ordinance authorization, if specified in the Ordinance, or five years from the Ordinance effective date.

The successful bidder shall pay one-half of all escrow fees and all incidental costs associated with the property purchase transaction including, but not limited to, administration fees, auction fees, survey/environmental disclosure fees, recording fees, documentary transfer taxes, policy of title insurance, messenger service fees, broker’s commission, if any, other real estate transaction taxes, fees, or application, and personal property taxes where applicable. Should a successful bidder desire an independent survey

of the property, and any other type of inspections, the bidder may accomplish this by an independent surveyor and/or inspectors at the bidder's expense. The title company and escrow company used for the sale of all these properties shall be at the sole discretion of the City of Los Angeles Harbor Department.

The full balance of the property purchase price and associated purchase costs shall be paid to the City by the successful bidder on or before a date that is three months after the successful bidder has been notified by the Real Estate Division of the Harbor Department that the sale has been confirmed. Provided that if payment is deferred for more than two months after the notice confirming the sale, interest at one percent (1%) per month or fraction thereof shall be charged for each month or fraction thereof in excess of two months. Payments shall be made to the City prior Upon said payment, the City agrees to deliver said purchaser, his/her nominee or assignee(s), the grant deed to the real property so purchased, together with a standard policy of title insurance issued by a reputable and incorporated title company, showing title to be vested in the purchaser subject to the terms, conditions, and reservations set forth above.

The sale of said property shall except and reserve to the City of Los Angeles all oil, gas, water, and mineral rights now vested in the City of Los Angeles without, however, the right to use the surface of said land or any portion thereof to a depth of 500 feet below the surface, for the extraction of such oil, gas, water and minerals. The sale will further except and reserve to the City of Los Angeles any interest in the fee of any adjacent street which would otherwise pass with the conveyance and shall be subject to covenants, conditions, restrictions, reservations, easements, encroachments, rights, and rights of way of record or which are apparent from a visual inspection of the property, and subject to such other covenants, conditions, restrictions, easements, reservations, encroachments, rights, and rights-of-way.

Please be further advised that in order to complete the purchase, the Buyer will be required to enter into a purchase and sale agreement which may contain, among other provisions, a release and indemnification similar to the following:

RELEASE and INDEMNIFICATION Effective from and after the closing on said property, the buyer (Buyer) of the property shall waive, release, acquit, and forever discharge City (Seller), and Seller's agents, officials, officers, boards, employees, contractors, and agents to the maximum extent permitted by law, of and from any and all claims, actions, causes of action, demands, rights, liabilities, damages, losses, costs, expenses, or compensation whatsoever, direct or indirect, known or unknown, foreseen or unforeseen, that it now has or that may arise in the future because of or in any way growing out of or connected with the property (including) without limitation the condition of the property including Contamination. **It is the parties' intent that Seller shall have no liability whatsoever with respect to the property including but not limited to cleanup of any Contamination. Seller has no obligation to correct any condition of the property, whether known before or after the date of the auction including but not limited to any clean-up of the property. Buyer shall indemnify Seller with respect to any order, judgment, or claim to clean up the property.** This release and indemnification includes all liability under any federal, state, or local statute, ordinance,

rule, or regulation applicable to the property, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (Title 42 United States Code §§9601-9675), the Resource Conservation and Recovery Act of 1976 (title 42 United States Code §§6901-6992k), the Carpenter-Presley-Tanner Hazardous Substance Account Act (Health and Safety Code §§25300-25395.45), and the Hazardous Waste Control Law (Health and Safety Code §§25100-25250.28). **BUYER EXPRESSLY WAIVES ITS RIGHTS GRANTED UNDER CALIFORNIA CIVIL CODE §1542 AND ANY OTHER PROVISION OF LAW THAT PROVIDES A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT BUYER DOES NOT KNOW OR SUSPECT TO EXIST IN ITS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY IT MUST HAVE MATERIALLY AFFECTED ITS AGREEMENT TO RELEASE SELLER.**

APPROVED AS TO FORM AND LEGALITY
MICHAEL N. FEUER, City Attorney

HOLLY L. WOLCOTT, City Clerk

By _____
ESTELLE M. BRAAF, Deputy

By _____
Deputy

Approved _____

Dated _____

ERIC GARCETTI, Mayor

File No. _____

EXHIBIT 1

NOTICE OF SALE PROPERTY DESCRIPTION

Legal Description

Legal description of lands referred to as portions of Assessors Parcels 907 and 911 as shown on Page 16 in Book 7440 and Assessors Parcel 902 as shown on Page 24 in Book 7412 of Assessor's parcel maps in the office of the Los Angeles County Assessor. Said land is located in the City of Los Angeles, County of Los Angeles, State of California.

Parcel 1

That portion of Lot 12, Tract No. 3192, as per map recorded in Book 44, Pages 91 to 94, inclusive, of Maps, in the Office of the County Recorder of Los Angeles County as bounded by the following described lands:

Said land is bounded on the West by the easterly line of the land described in the grant deed to John Gibson Blvd Associates, LLC, recorded September 10, 2004 as Instrument No. 04-2329463, Official Records of said County and by the easterly line of the right of way of State of California Interstate Highway Route 110 as shown on State of California, Transportation Agency, Department of Public Works, Division of Highways, Right of Way Record Map File Nos. F1341-1, F1342-1, F1342-2 and F1342-3; said land is bounded on the North by the northerly line of said Lot 12; said land is bounded on the East by the westerly and northwesterly line of John S. Gibson Boulevard, 96 feet wide, formerly a portion of Wilmington and San Pedro Road, vacated, and the jurisdiction of which was transferred to the Department of Public Works by Ordinance No. 152,076, of the City of Los Angeles, approved March 8, 1979 and recorded March 30, 1979 as Instrument No. 79-0349528, Official Records of said County; and said land is bounded on the South by the following described line: Commencing at a point on the centerline of John S. Gibson Boulevard as shown on Los Angeles City Engineers Field Book 024-197 Page 106, said point is the northeasterly end of a curve having a radius of 2000 feet; thence North 46° 30' 23" East along said centerline a distance of 385.00 feet; thence leaving said centerline North 43° 29' 37" West to the northwesterly line of said John S. Gibson Boulevard, said point being the true point of beginning; thence North 43° 29' 37" West to said easterly line of the land described in the grant deed to John Gibson Blvd Associates, LLC.

Parcel 2

That portion of Lot 8, Tract No. 3192, as per map recorded in Book 44, Pages 91 to 94, inclusive, of Maps, as described in Directors Deed recorded October 9, 1974 in Book D6440, Page 115, Official Records of said County.

Excepting therefrom, that portion lying within the public street; commonly known as John S. Gibson Boulevard.

RESERVATION FOR PUBLIC STREET

Parcel A

That portion of Lot 12, Tract No. 3192, as per map recorded in Book 44, Pages 91 to 94, inclusive, of Maps, in the Office of the County Recorder of Los Angeles County, included within a strip of land 7 feet wide, lying westerly and northwesterly and adjoining the westerly and northwesterly line of John S. Gibson Boulevard, 96 feet wide, formerly a portion of Wilmington and San Pedro Road, vacated, and the jurisdiction of which was transferred to the Department of Public Works by Ordinance No. 152,076, of the City of Los Angeles, approved March 8, 1979 and recorded March 30, 1979 as Instrument No. 79-0349528, Official Records of said County Recorder's Office.

Excepting therefrom, that portion of said land lying southerly of the line described as follows:

Commencing at a point on the centerline of John S. Gibson Boulevard as shown on Los Angeles City Engineers Field Book 024-197, Page 106, on file in the Office of the City Engineer of said City, said point being the northeasterly end of a curve having a radius of 2000 feet; thence North $46^{\circ} 30' 23''$ East along said centerline of said John S. Gibson Boulevard a distance of 385.00 feet; thence leaving said centerline North $43^{\circ} 29' 37''$ West to the northwesterly line of John S. Gibson Boulevard as established by said Ordinance No. 152076, said point being the TRUE POINT OF BEGINNING; thence North $43^{\circ} 29' 37''$ West to the easterly line of the land described in the grant deed to John Gibson Blvd. Associates, LLC, recorded September 10, 2004 as Instrument No. 04-2329463, Official Records of said County.

Parcel B

That portion of Lot 8, Tract No. 3192, as per map recorded in Book 44, Pages 91 to 94, inclusive, of Maps, as described in Directors Deed recorded October 9, 1974 in Book D6440, Page 115, Official Records of said County, included within a strip of land 7 feet wide, lying westerly and northwesterly and adjoining the westerly and northwesterly line of John S. Gibson Boulevard, 96 feet wide, formerly a portion of Wilmington and San Pedro Road, vacated, and the jurisdiction of which was transferred to the Department of Public Works by Ordinance No. 152,076, of the City of Los Angeles, approved March 8, 1979 and recorded March 30, 1979 as Instrument No. 79-0349528, Official Records of said County.

EASEMENT FOR OIL PIPELINE

That portion of Lot 12, Tract No. 3192, as per map recorded in Book 44, Pages 91 to 94, inclusive, of Maps, in the Office of the County Recorder of Los Angeles County, included within a strip of land 3 feet wide, lying 1.5 feet on each side of the following described line:

Commencing at a point on the easterly line of the right of way of State of California Interstate Highway Route 110, said point being an angle point at the southern end of that particular course labeled "South 15° 48' 50" West 151.85 feet" as shown on State of California, Transportation Agency, Department of Public Works, Division of Highways, Right of Way Record Map, File No. F1342-2; thence along said course North 15° 48' 50" East a distance of 55.87 feet to the TRUE POINT OF BEGINNING; thence leaving said line South 63° 46' 43" East to the westerly line of John S. Gibson Boulevard, 96 feet wide, formerly a portion of Wilmington and San Pedro Road, vacated, and the jurisdiction of which was transferred to the Department of Public Works by Ordinance No. 152,076, of the City of Los Angeles, approved March 8, 1979 and recorded March 30, 1979 as Instrument No. 79-0349528, Official Records of said County Recorder's Office.


Eric S. Gilbertsen



exp. 12/31/2017

The sale of said property shall EXCEPT AND RESERVE to the City of Los Angeles all oil, gas, water, and mineral rights now vested in the City of Los Angeles without, however, the right to use the surface of said land or any portion thereof to a depth of 500 feet below the surface, for the extraction of such oil, gas, water and minerals.

The sale of said property shall further EXCEPT AND RESERVE to the City of Los Angeles any interest in the fee of any adjacent street which would otherwise pass with the conveyance and shall be subject to covenants, conditions, restrictions, reservations, easements, encroachments, rights, and rights of way of record or which are apparent from a visual inspection of the property, and subject to such other covenants, conditions, restrictions, easements, reservations, encroachments, rights, and rights-of-way.

The property shall be subject to a covenant that runs with the land that the property be restricted to State Tideland Trust uses.

The property shall be subject to a covenant that runs with the land that the unbuildable areas of the property shall be preserved as "open space" for native plant species or habitat areas.

The property is sold in an "AS-IS" condition without warranty as to fitness for use, fitness for a particular use, or condition of the property and that the seller has no obligation to correct any condition of the property, whether known or unknown, before or after the sale.