LA BioMed Exclusive Negotiation Agreement

The 2014 Battelle Memorial Institute (Battelle) study commissioned by the County of Los Angeles (County) found that the bioscience industry has been, and continues to be, an important economic driver for the Los Angeles region. However, given the size and potential of the region, Battelle found that the County could do more to spur regional bioscience economic development and job growth.

Among other proposed solutions, Battelle recommended exploring the feasibility of using underutilized property on the County hospital campuses to establish three to five “signature bioscience innovation hubs” to serve the needs of start-up and emerging bioscience firms. The study also recommended working with the County’s academic partners and non-hospital sites to make this a reality. A second County-commissioned report and implementation plan by the Los Angeles Economic Development Commission (LAEDC) supported these findings.

Accordingly, on December 20, 2016, the Board of Supervisors (Board) recognized the potential value of its real property assets for achieving the Battelle recommendations by certifying the Harbor-UCLA Medical Center Campus Master Plan Project Final Environmental Impact Report that included approximately 15 acres for the development of a 250,000 square foot bioscience tech park.
The Los Angeles Biomedical Research Institute (LA BioMed) has been located at the Harbor-UCLA Medical Center Campus (Campus) for more than 56 years. While it is a non-profit organization separate from the County, it has worked extensively in partnership with the Harbor-UCLA Medical Center and the County throughout the years. Most recently, in December 2016, the Board approved a $3 million capital investment to house a 20,000 square foot incubator within the new LA BioMed 78,000 square foot research facility that will begin construction in May 2017 on the Campus.

Given its proximity, relationship and expertise, LA BioMed is clearly the best non-profit partner to lead the effort to develop the 250,000 square foot bioscience tech park at the Campus. LA BioMed would work with a highly specialized development team to plan the approach, structure, and process for the development of the proposed bioscience tech park.

The successful implementation of LA BioMed’s proposed development plan of a bioscience tech park would transform the western portion of the Campus that would support a thriving bioscience community and produce the economic, academic, and social benefits that the Battelle and LAEDC studies identified that would accrue to the benefit of the County. Ideally, the bioscience tech park would provide affordable expansion space for early stage bioscience companies and start-ups graduating from bioscience incubators located in the County. This action could produce a bioscience ecosystem development model that could be replicated at the other locations across the County.

WE THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Direct the Chief Executive Officer (CEO) to enter into discussions with the Los Angeles Biomedical Research Institute (LA BioMed) regarding an Exclusive Negotiation Agreement between the County of Los Angeles (County) and LA BioMed that would include a vision, structure, and process for developing a bioscience tech park on the Harbor-UCLA Medical Center Campus. The negotiations should include the terms for a long-term ground lease that
addresses revenue generation for the County and complies with County policies including Local Small Business Enterprise, Disabled Veteran-owned Business Enterprise and Social Enterprise Utilization Policy; Local and Targeted Worker Hire Policy; County Construction Careers and Economic Development Initiative; and Community Participation Implementation Plan. The negotiations should also include recommendations regarding metrics to assure accountability and return on the public investment in this important industry sector.

2. Direct the CEO to provide a written report to the Board of Supervisors on the status of the discussions and negotiations regarding the Exclusive Negotiation Agreement by July 18, 2017, and quarterly written reports thereafter.

    #    #    #

(DR/CT)