

MOTION BY SUPERVISOR MARK RIDLEY-THOMAS

FEBRUARY 26, 2019

APPROVAL OF AN OPTION TO LEASE AGREEMENT AND PUBLIC TRANSIT PLAZA FUNDING FOR THE FAIRVIEW HEIGHTS MIXED-USE DEVELOPMENT

On November 14, 2017, the Board of Supervisors (Board) authorized the execution of an Exclusive Negotiation Agreement with LINC-CORE Fairview Metro, L.P. (LINC-CORE) through the Community Development Commission of the County of Los Angeles (Commission), whereby the Commission would negotiate the use of a 1.44 acre County of Los Angeles (County)-owned parcel, located at 923 East Redondo Boulevard in the City of Inglewood (Property), for the purposes of developing a new mixed-use project that would include 101 units of affordable housing and complimentary retail and community-serving uses (Fairview Heights Project).

The County’s partners in the Fairview Heights Project have an extensive track record of developing and managing quality affordable housing and mixed-use projects. LINC Housing, founded in 1984, is a non-profit affordable housing developer and operator which has provided housing for people who are underserved by the housing marketplace for over 34 years, helping to create nearly 7,800 affordable homes in 76 communities. National CORE is a non-profit affordable housing developer and operator that was established more than 25 years ago, and now has a portfolio of more than 90,000 residential units in four states, approximately 6,700 of which are in California.

The Fairview Heights Project is envisioned to create 50 low-income family units, 50 units reserved for homeless households and frequent users of the County’s

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Department of Health Services system, and one manager's unit. On February 19, 2019, the Board authorized an allocation of \$9,460,000, comprised of Affordable Housing Trust Funds, Measure H Funds, and Mental Health Housing Program Funds, as part of the Commission's Notice of Funding Availability 24-A, to support the affordable housing component of the development.

In addition to approximately 5,000 square feet of ground floor commercial and retail uses, the Fairview Heights Project will also include bicycle parking along with space for bicycle amenities, multiple courtyards, a public transit plaza, and various public improvements. The Fairview Heights Project is aligned with the City of Inglewood's Transit-Oriented Development Specific Plan, and based upon the combination of features, is anticipated to become a catalytic transit-oriented development at the Fairview Heights Station of the future Crenshaw/LAX Light Rail Line.

Consistent with the terms outlined in the previous solicitation process, the Commission, on behalf of the County, is now prepared to negotiate and execute an Option to Lease Agreement with LINC-CORE to enable the Fairview Heights Project to be constructed on the County Property. The proposed Option to Lease Agreement and subsequent Ground Lease is authorized by Government Code Section 25549.1. The Commission will also negotiate and execute a funding agreement with the County for the transfer of \$2 million of Proposition A Local Return Funds available to the Second Supervisorial District to LINC-CORE to facilitate the development of the public transit plaza element of the Fairview Heights Project.

The proposed Fairview Heights Project has been reviewed by the Commission pursuant to the requirements of the California Environmental Quality Act (CEQA). The Fairview Heights Project was determined to be exempt from the requirements of CEQA by the City of Inglewood in accordance with CEQA Guidelines Section 15332. The Commission's consideration of this determination satisfies the requirements of CEQA.

I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Acting as a responsible agency pursuant to the California Environmental Quality Act (CEQA), certify that the County of Los Angeles (County) has considered the exemption determination for the Fairview Heights Project, which was prepared by the City of Inglewood as lead agency; and find that the Fairview Heights Project will not cause a significant impact on the environment;
2. Approve the Fairview Heights Project;
3. Delegate authority to the Community Development Commission (Commission), and its Executive Director, or her designee, to act on behalf of the County to negotiate, execute, and if necessary, amend, after approval as to form by County Counsel, an Option to Lease Agreement and Ground Lease for the property located at 923 East Redondo Boulevard in the City of Inglewood for the development and operation of 101 residential units, approximately 5,000 square feet of ground floor commercial retail space and other building service amenities, including the construction of a public transit plaza;
4. Authorize the Commission, and its Executive Director, or her designee, to serve as the agent of the County to manage the development of the Fairview Heights Project, including execution of the Ground Lease and any other documents consistent with, and/or necessary for, the implementation of the Fairview Heights Project, upon satisfaction of the conditions set forth in the Option to Lease Agreement, and approval as to form by County Counsel; and
5. Approve and authorize the Chief Executive Officer, or her designee, to execute a Funding Agreement with the Commission to transfer \$2,000,000 in Proposition A Local Return Funds available to the Second Supervisorial District for construction costs related to a public transit plaza at the Fairview Heights Project.

I FURTHER MOVE THAT THE BOARD OF SUPERVISORS, ACTING AS THE BOARD OF COMMISSIONERS OF THE COMMUNITY DEVELOPMENT COMMISSION:

1. Acting as a responsible agency pursuant to the California Environmental Quality Action (CEQA), certify that the Community Development Commission (Commission) has considered the exemption determination for the Fairview Heights Project, which was prepared by the City of Inglewood as lead agency, and find that the Fairview Heights Project will not cause a significant impact on the environment;
2. Approve the designation of the Executive Director of the Commission, or her designee, to serve as the agent of the County of Los Angeles (County) to manage the development of the Fairview Heights Project;
3. Authorize the Executive Director, or her designee, to negotiate, execute, and if necessary, amend, on behalf of the County, the Option to Lease Agreement and Ground Lease, as well as any other documents consistent with, and/or necessary for the implementation of the foregoing approvals, upon satisfaction of the conditions set forth in the Option to Lease Agreement, and after approval as to form by County Counsel, with LINC-CORE Fairview Metro, L.P. to lease property located at 923 East Redondo Boulevard in the City of Inglewood for the development and operation of 101 residential units and approximately 5,000 square feet of ground floor commercial retail space and service amenities, which includes the design and construction of a public transit plaza; and
4. Authorize the Executive Director, or her designee, to execute a Funding Agreement with the County for an amount not to exceed \$2,000,000 in Proposition A Local Return Funds available to the Second Supervisorial District for the Fairview Heights Project, and to accept and incorporate the

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funds, as needed into the Commission's Fiscal Year 2018-2019 and future
Fiscal Year budgets.

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