

MOTION BY SUPERVISOR SHEILA KUEHL

April 23, 2019

Approval of Exercise of Option to Purchase Real Property, Approval of Funding Agreement with the City of Los Angeles and Accept Transfer of Title to Property located at 7621 Canoga Avenue, Canoga Park for the Proposed Canoga Park Bridge Housing Project, and Related Actions

The County of Los Angeles (County) is continuing its commitment to address homelessness and provide interim housing to County residents experiencing homelessness by acquiring a property formerly occupied by the Department of Mental Health and located at 7621 Canoga Avenue (Property).

The Board of Supervisors (Board) adopted a motion on January 3, 2019 which authorized the County to enter into an Option Agreement with Gelb Enterprises for the purchase of the Property and which authorized the County to perform the necessary site assessments and environmental testing. The site and environmental due diligence has since been completed and the County will need to exercise its option to purchase the Property prior to executing the purchase and sale agreement and opening escrow to acquire the property.

In a March 26, 2019 Board motion, the Board made a finding, in accordance with the California Environmental Quality Act (CEQA), that the purchase of the Property for

MOTION

Solis	_____
Ridley-Thomas	_____
Kuehl	_____
Barger	_____
Hahn	_____

\$4,390,000, was categorically and statutorily exempt from CEQA. The motion contemplated that the City of Los Angeles (City) and the County would enter into a funding Agreement whereby the City would contribute \$4.3 million to the County for the acquisition of the Property with certain interim bridge housing conditions placed on the Property's use. Specifically, the Property will be required to be operated as a Bridge Housing site within the County's Department of Health Services (DHS) and the Los Angeles Homeless Services Authority homeless housing system.

Additionally, at the March 26, 2019 Board meeting, the Board approved the publishing of the notice of intention to purchase the Property and ordered the notice to be published as stated in California Government Code Section 6063. The County's notice of intention was published for three weeks, with April 23, 2019 set as the date for the Board to receive comments and consummate the transaction.

Once the County and the City execute the Funding Agreement, the County will exercise the option and consummate the acquisition of the Property. It is anticipated that the City will transfer \$4,300,000 to the County to be deposited into escrow and used as a portion of the purchase price for the Property.

The proposed acquisition project budget is \$4,400,000 and consists of a purchase price not to exceed \$4,390,000, plus title and escrow fees of approximately \$10,000, inclusive of an independent consideration amount of \$100 for the purchase. Upon acquisition of the Property by the County, LA Family Housing (LAFH) will enter into a lease agreement and operating agreement with DHS to operate the Property by providing approximately 100 interim housing beds for individuals experiencing homelessness in the West San Fernando Valley, in addition to providing other homeless support services.

I, THEREFORE, MOVE, in accordance with California government code section 25350, that the Board of Supervisors order the purchase of the Property to be consummated and:

1. Authorize the Chief Executive Officer, and/or her designee, to exercise the option and complete the acquisition.
2. Instruct and authorize the Chief Executive Officer, and/or her designee, to execute the Funding Agreement by and between the County and the City for Interim Homeless Housing at 7621 Canoga Avenue, upon presentation and approval as to form by County Counsel.
3. Concurrent with or after the Funding Agreement is executed, instruct and authorize the Chief Executive Officer, and/or her designee, to execute the Agreement of Purchase and Sale, approved as to form by County Counsel, to purchase the Property from Gelb Enterprises, a California Limited Partnership as set forth in the March 26, 2019 motion.
4. Authorize the Chief Executive Officer, and/or her designee, to take all further actions necessary and appropriate to complete the transaction, including opening and management of escrow, any administrative adjustments to the transfer documents, and execution of all the requisite documentation to receive the funds from the City and for the completion of the transfer and related actions and acceptance of the deed conveying title to the Property to the County.
5. Establish and approve the budget for the proposed 7621 Canoga Park Bridge Housing Acquisition Project, Capital Project No. 70021 (CP No. 70021) in the amount of \$4,400,000.

6. Approve an Appropriation Adjustment to the 7621 Canoga Park Bridge Housing Acquisition Project, CP No. 70021 by \$4,400,000, funded by the City in the amount of \$4,300,000 and \$100,000 from the Interim Housing Capital Improvement Funds.
7. Authorize the Auditor-Controller to issue a warrant in the amount of \$100,000 from CP No. 70021 for the remaining portion of the purchase and required transactional costs upon execution of the funding agreement.
8. Instruct the Assessor's Office to place the Property under the complete ownership of the County and remove the Property from the tax roll effective upon the transfer of title to the County.

I FURTHER MOVE, that the Board of Supervisors, pursuant to Government Code Section 26227:

9. Find that the use of the Property for bridge housing will meet the social needs of the population of the County.
10. Authorize DHS to enter into a gratis lease with LAFH for a five year term with automatic renewals to carry out the program.
11. Authorize DHS to enter into an Operating Agreement with LAFH using existing delegated authority through the Supportive Housing and Services Master Agreement to operate bridge housing at 7621 Canoga Avenue and provide approximately 100 beds for homeless individuals.

S: MR/Approval of Exercise of Option to Purchase Real Property 7621 Canoga Ave. and Related Actions

April 15, 2019

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF CHIEF EXECUTIVE OFFICER

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HER RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFORE

FY 2018-19

4 - VOTES

SOURCES

USES

VARIOUS HS CAPITAL IMPROVEMENTS
7621 CANOGA PARK BRIDGE HOUSING ACQUISITION
 A01-CP-91-R404-64035-70021
 INTERGOVERNMENTAL REVENUE / CAPITAL PROJECTS
INCREASE REVENUE **4,300,000**

VARIOUS HS CAPITAL IMPROVEMENTS
7621 CANOGA PARK BRIDGE HOUSING ACQUISITION
 A01-CP-6006-64035-70021
 CAPITAL ASSETS - LAND
INCREASE APPROPRIATION **1,940,000**

HEALTH SERVICES - HEALTH SERVICES ADMINISTRATION
 A01-HS-2000-20000
 SERVICES & SUPPLIES
DECREASE APPROPRIATION **100,000**


VARIOUS HS CAPITAL IMPROVEMENTS
7621 CANOGA PARK BRIDGE HOUSING ACQUISITION
 A01-CP-6014-64035-70021
 CAPITAL ASSETS - B & I
INCREASE APPROPRIATION **2,460,000**

SOURCES TOTAL **\$ 4,400,000**

USES TOTAL **\$ 4,400,000**

JUSTIFICATION

Adjustment is necessary to fund the 7621 Canoga Park Bridge Housing Acquisition project as follows: \$100,000 of the Interim Capital Housing Pool Funds budgeted under Health Services Administration budget unit and a \$4,300,000 contribution from City of Los Angeles which will be transferred through a funding agreement between the County of Los Angeles and the City of Los Angeles.


AUTHORIZED SIGNATURE

AMIR ALAM, MANAGER CEO

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

REFERRED TO THE CHIEF EXECUTIVE OFFICER FOR---

- ACTION
- RECOMMENDATION

- APPROVED AS REQUESTED
- APPROVED AS REVISED

AUDITOR-CONTROLLER

BY 

CHIEF EXECUTIVE OFFICER

BY 

B.A. NO. 229

DATE April 19, 2019

DATE 4.19.19