

AGN. NO.

MOTION BY SUPERVISOR HILDA L. SOLIS

May 4, 2021

Declaration of Surplus Land for the 4th and Hewitt Development Project

In December 2018, Public Works issued a Request for Proposal (RFP) to select a developer for the development of two sites in the Downtown Los Angeles Arts District. The first site is located at 813 East 4th Place and is occupied by the 2-story Department of Public Social Services (DPSS) Civic Center office (DPSS Office). The second site is located at 321 South Hewitt Street and is occupied by a 2-level parking garage (Parking Garage) that serves the DPSS Office. The RFP solicited proposals to develop the site by taking advantage of the highest and best use of the sites' development potential while also providing a new 40,000 square feet DPSS Office with associated 180 parking spaces at no cost to the County. In June 2019, an evaluation committee comprised of staff from Public Works, Chief Executive Officer (CEO), and DPSS determined that Urban Offerings, Inc. (Developer), submitted the most advantageous proposal for the development of the properties.

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On October 1, 2019, The Board delegated authority to the CEO to negotiate, execute, implement, and, if necessary, amend, extend, or terminate the Exclusive Negotiation Agreement (ENA) with the Developer.

On February 13, 2020, the County signed the ENA with the Developer, and on August 13, 2020 amended the ENA by extending the terms by another six months. The ENA between the County and Developer expired on February 13, 2021 and is no longer in place.

The California Surplus Land Act (Act) (Government Code section 54220, et seq.), as amended in October 2019 by California Assembly Bill 1486 (effective January 1, 2020), requires local agencies, prior to disposing of surplus property for commercial or industrial uses or activities, including nongovernmental retail, entertainment, or office development, or for the sole purpose of investment or generation of revenue, to offer to sell or lease that property to certain entities for specified uses, including affordable housing, parks and recreation, and schools uses.

Since the ENA was signed after the effective date of the Act, the County is required to adhere to the Act requirements. In order to comply with the requirements of the Act, the County intends to offer the property to entities desiring to lease the land for the development of affordable housing or other approved purposes under the Act.

I, THEREFORE, MOVE that the Board of Supervisors:

1. Declare the DPSS Office and Parking Garage properties as conditionally surplus land subject to the processes and requirements of the Act, in exchange for a new DPSS Office and associated parking at no cost to the County.

2. Authorize the CEO, or her designee, along with Director of Public Works to issue Notice of Availability in accordance with requirements found in Government Code section 54222 of the Act.
3. Delegate authority to the CEO, or her designee, along with Director of Public Works to enter into good faith negotiations (as required under Government Code section 54223 of the Act) with any respondent who notifies the County in writing of its interest in purchasing or leasing the land within 60 days after the County's issuance of Notice of Availability of the land.
4. Authorize the CEO, or her designee, to take any other actions consistent with and/or necessary for the implementation of the foregoing actions.

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