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AUTHORITY'S REPORT DATED AUGUST 14, 2019](#)



SACHI A. HAMAI  
Chief Executive Officer

## County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration  
500 West Temple Street, Room 713, Los Angeles, California 90012  
(213) 974-1101  
<http://ceo.lacounty.gov>

December 23, 2015

To: Supervisor Hilda L. Solis, Chair  
Supervisor Mark Ridley-Thomas  
Supervisor Sheila Kuehl  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

From: Sachi A. Hamai   
Chief Executive Officer

Board of Supervisors  
HILDA L. SOLIS  
First District

MARK RIDLEY-THOMAS  
Second District

SHEILA KUEHL  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

### **REPORT BACK ON THE COUNTYWIDE ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM – FUNDING THE BIOSCIENCE REVOLVING LOAN FUND AND THE CATALYTIC DEVELOPMENT FUND (ITEM NO. SEVEN, AGENDA OF OCTOBER 20, 2015)**

On October 20, 2015, Supervisors Ridley-Thomas and Solis introduced a series of directives under an economic development motion. One of the directives requested the Chief Executive Officer (CEO), in collaboration with the Treasurer and Tax Collector (TTC), to report back to the Board in writing in 90 days on the feasibility of utilizing the one-time revenues received from redevelopment asset sale or disposition for the capitalization of a Bioscience Revolving Loan Fund (BRLF) and a Catalytic Development Fund (CDF). This is one of multiple items related to the economic development Board motion from October 20, 2015. Other items will be reported under separate cover by the Community Development Commission (CDC) and our office.

The use of one-time revenues received from redevelopment asset sales or dispositions for the capitalization of the Bioscience Revolving Loan Fund and the Catalytic Development Fund is consistent with the Board of Supervisor's Budget Policies and Priorities. Pursuant to Section 4.030(17) of the Board Budget Policies and Priorities revenue received from the disposition of redevelopment agencies' fixed assets received beginning in fiscal year 2014-15 can be used for economic development. We believe that a BRLF and CDF should be viewed as economic development initiatives. The budget policy also allows this revenue to be used for County capital projects, deferred maintenance and/or low- to-moderate housing.

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It is important to note that revenues from the sale(s) of redevelopment assets are one-time in nature and are difficult to forecast due to a variety of variables associated with disposing a large number of assets by the dozens of Successor Agencies throughout the County. In addition, state law governing this process does not have set time periods as to when the assets must be sold and proceeds to be submitted to the County Auditor-Controller for distribution to various taxing entities.

If you have any questions, please let me know, or your staff may contact Sid Kikkawa at [skikkawa@ceo.lacounty.gov](mailto:skikkawa@ceo.lacounty.gov), or at 213-974-6872.

SAH:JJ:SK  
MM:GS: kd

c:     Executive Office, Board of Supervisors  
       Community Development Commission  
       County Counsel  
       Auditor-Controller  
       Treasurer and Tax Collector

U::\chron2015\Budget\Countywide Economic and Community Development Program



# County of Los Angeles CHIEF EXECUTIVE OFFICE

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SACHI A. HAMAI  
Chief Executive Officer

May 10, 2016

To: Supervisor Hilda L. Solis, Chair  
Supervisor Mark Ridley-Thomas  
Supervisor Sheila Kuehl  
Supervisor Don Knabe  
Supervisor Michael D. Antonovich

From: Sachi A. Hamai  
Chief Executive Officer

Board of Supervisors  
HILDA L. SOLIS  
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Fifth District

## **REVIEW OF A TARGETED FEE WAIVER PROGRAM FOR SMALL BUSINESS IN RELATION TO A COUNTYWIDE ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAM (ITEM NOS. 1-D AND 7, AGENDA OF OCTOBER 20, 2015)**

On October 20, 2015, the Board adopted a motion by Supervisors Ridley-Thomas and Solis (Motion) regarding a Countywide Economic and Community Development Program (Program). On January 25, 2016, the Chief Executive Officer (CEO) and Executive Director of the Community Development Commission responded to the Motion with recommended actions in relation to the establishment of a County Economic Development Trust Fund to support the Program. In that report back, the CEO indicated that it would return to the Board within 90 days with an update on the definition of a small business, and the impact to the County of a possible fee waiver program. The fees that could potentially be included in such a waiver program relate to zoning, permitting, licensing, code enforcement, entitlement, and other programs. These fees are administered primarily in the County unincorporated areas by the Departments of Public Works, Regional Planning, Fire, and Public Health.

The evaluation of any fee waiver program for small business will be dependent on the creation of a countywide definition for local small businesses. In a January 12, 2016 motion by Supervisors Ridley-Thomas and Solis, the Director of the Department of Consumer and Business Affairs (DCBA) was authorized to secure a consultant to "assess the State's definition of a small business," and determine its applicability to the County. The CEO will evaluate the results of this assessment and incorporate any new definition into a cost analysis of a potential fee waiver program. The results of this analysis will then be reviewed by the DCBA as part of their Small Business Initiative to assist small businesses with the transition to a higher minimum wage.

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The fee waiver analysis will also be presented to the Economic Development Policy Committee that is being formed pursuant to a January 5, 2016 motion, by Supervisors Solis and Ridley-Thomas, to implement a Los Angeles County Strategic Plan for Economic Development.

If you have any questions, please contact David Howard, Assistant Chief Executive Officer, at (213) 893-2477, or [dhoward@ceo.lacounty.gov](mailto:dhoward@ceo.lacounty.gov); or Doug Baron, Interim Senior Manager, at (213) 974-8355, or [dbaron@ceo.lacounty.gov](mailto:dbaron@ceo.lacounty.gov).

SAH:JJ:DPH  
DSB:acn

c: Executive Office, Board of Supervisors  
County Counsel  
Community Development Commission  
Consumer and Business Affairs  
Fire  
Public Health  
Public Works  
Regional Planning



August 14, 2019

TO: Each Supervisor

FROM: Monique King-Viehlend, Executive Director

A handwritten signature in blue ink, appearing to read "Monique King-Viehlend", is written over the "FROM:" line.

SUBJECT: **REPORT BACK ON CATALYTIC DEVELOPMENT FUND**

### **Overview**

Originally established as a part of the Economic Development Trust Fund by the Board of Supervisors (Board) in a motion dated October 20, 2015, the Catalytic Development Fund (CDF) provides initial feasibility and predevelopment funds to determine if potential sites are appropriate for redevelopment opportunities. Though its primary focus is on County-owned land, the CDF can be used as a predevelopment resource to assist other landowners such as public agencies, nonprofits, and private owners who may not have the capacity to develop on their own. The CDF targets specific project outcomes such as mixed-use, transit-oriented development (TOD), and job generating economic development opportunities. To date, the administrator of this Fund, the Los Angeles County Development Authority (LACDA), has received \$2,400,000 in County funds to initiate program activities. As of June 30, 2019, the CDF had expended \$123,408.92.

As part of the original Economic Development Trust Fund motion and further instructions provided through subsequent funding agreements with the Office of the Chief Executive Officer (CEO), the LACDA was instructed to design, develop, and report back on its accomplishments concerning the CDF. On July 12, 2018, this culminated in an implementation presentation to the Economic Development Policy Committee (EDPC). The CDF has been operational under its current format since the date of that meeting.

### **Current Status**

As of the date of this report, the CDF is actively pursuing five (5) development projects with a tentative commitment of \$468,525. Projects span multiple activities and are located across several Supervisorial Districts. A summary of current projects is provided below.

#### **Willowbrook/Compton Unified School District/Lincoln Elementary (Second District)**

On August 14, 2018, the Board directed the LACDA to enter into a Memorandum of Understanding (MOU) with the Compton Unified School District (CUSD) for the joint development of the LACDA-owned properties located at 1655 East 117<sup>th</sup> Street, and the CUSD-owned Lincoln Elementary School site located at 1667 East 118<sup>th</sup> Street.

Since that time, the LACDA has engaged the services of a third-party consultant to conduct a market feasibility analysis that is in the process of being finalized and presented



to CUSD and LACDA for consideration. Key milestones that are being addressed include the completion of several stakeholder meetings, which have been occurring since late July 2019 and will conclude by mid-August 2019. The overall outreach process, feasibility study, massing, and financial pro forma review should be completed by late summer 2019 and will culminate in a final study with a series of recommendations in October 2019. Upon the concurrence of both LACDA and CUSD, this would be followed by the release of an RFP for the development of the site in the fall of 2019.

### **Third and Dangler (First District)**

This project consists of six (6) parcels located at the northeast corner of 3<sup>rd</sup> Street and Dangler Avenue in the unincorporated area of East Los Angeles. The parcels were acquired through the former redevelopment project area that was discontinued in 2012. Combined, the parcels comprise 25,693 square feet or 0.59 acres and have gone through an extensive procurement process. An Exclusive Negotiation Agreement (ENA) has been negotiated with National CORE, the selected developer. This item will be presented to the Board for consideration upon review and approval of deal terms by the District Office. Note, this project was initiated prior to the start of the CDF but is being managed under the same program and staffing structure as other CDF funded projects.

### **Vermont Manchester (Second District)**

On September 11, 2018, the Board authorized the LACDA to enter into an Exclusive Negotiation Agreement (ENA) with BRIDGE Housing Corp. (BRIDGE), the designated master developer of the project which consists of 62 permanent supportive housing units for seniors; 118 units of affordable family housing; approximately 70,000 square feet of commercial retail space that is expected to include a full-service grocer; a METRO job training center; a parking structure with up to 499 parking stalls; and a public transit plaza of up to 21,500 square feet. Primestor Development serves as a sub-developer under BRIDGE and is focused on the commercial phase of the development.

To date, the project team has been moving forward on several pre-development milestones. This includes identifying financing options for the street vacation that needs to occur in advance of project construction. Significant effort has also been completed on negotiating the option to ground lease which will contain specific deal points that will serve to further formalize the project and allow the developer to seek additional financing from the California Department of Housing and Community Development (HDC). A motion concerning the option to ground lease was presented to the Board and approved on August 13, 2019.

### **West Los Angeles Courthouse (Third District)**

The State of California Judicial Council presently owns a property in the City of Los Angeles bounded by Santa Monica Boulevard to the north; Purdue Avenue to the east; Iowa Avenue to the south; and Butler Avenue to the west. This is a site of approximately three (3) acres and is commonly referred to as the West Los Angeles Courthouse. With its closure in 2013, operations ceased at the Courthouse.



On November 15, 2018, the LACDA staff was asked to work with the Third District to analyze the site for possible development opportunities. This included the creation of an architectural massing study, current environmental site assessment, and a financial feasibility analysis. On May 31, 2019, a Request for Information (RFI) was also issued to the development community asking specific questions relative to the site and its possible acquisition, financing and recommended uses.

Purchase negotiations with the State Judicial Council are ongoing. To the extent a purchase option agreement can be executed, the issuance of a Request for Proposals (RFP) for the development of the site would follow immediately thereafter.

#### **West Altadena Scattered Sites (Fifth District)**

After the dissolution of redevelopment agencies in 2012, the LACDA was unable to further its redevelopment plan that included development of a series of commercial parcels along Lincoln Avenue from Crosby Street to Woodbury Road, in the unincorporated area of Altadena. With upward momentum in the local real estate market and renewed interest in attempting to further certain elements of the former redevelopment plan, a decision was made to dispose of a series of seven (7) separate parcels along Lincoln Avenue through a formal solicitation to real estate developers.

To maximize community support for the project, a two-step solicitation process is occurring that includes the issuance of a Request for Statement of Qualifications (RFSQ) followed by a Request for Proposals (RFP) from the development community. In between these two-steps of the developer procurement process, a broad-based community input meeting was held on July 13, 2019. The results of the community outreach will be summarized and placed in the RFP for developer consideration. It is expected the RFP will be issued in September 2019 with the recommendation of a developer sometime in January 2020.

#### **Early Stage Projects**

In addition to the five (5) active projects that are in various stages of the predevelopment process, there are seven (7) more projects that are being reviewed and are currently at the initial feasibility stage of assessment. The CDF funds are being deployed to determine the ability to develop these sites relative to several mixed-use and/or commercial options. The results of a highest and best use analysis will determine if a site is optimal for development or whether it needs to await improved market conditions.

Site	District	Current Use	Current Ownership	Proposed Reuse
3 <sup>rd</sup> and Ford	First	Parking and Vacant lot	Private and County	Commercial and/or market rate housing
3 <sup>rd</sup> and La Verne	First	Vacant Lot	County	Commercial or public purpose



Whittier and La Verne	First	Parking lot	County	Mixed-use or enhanced parking opportunity
Whittier and Fetterly	First	Parking lot	County	Mixed-use or enhanced parking opportunity
Anthony Quinn Library	First	Public library	County	Mixed-use
Whiteman Airport	Third	Local general aviation airport	County	Conversion of some airport space to non-airport, commercial and industrial use
YMCA Santa Clarita	Fifth	Vacant lot	YMCA	Mixed-use YMCA facility and affordable housing

### Next Steps

For the remainder of FY 2019-20, staff will continue to work with the associated Supervisorial District offices to confirm the overall feasibility of currently identified projects and seek to obtain developer interest for possible redevelopment of these sites. The LACDA Staff will also seek to identify additional projects through contacts with other public agencies and private property owners, when applicable.

MV:DB:cj

c: Sachi A. Hamai, Chief Executive Officer  
Celia Zavala, Executive Officer  
Each Deputy