

COMMUNITY DEVELOPMENT COMMISSION

County of Los Angeles

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Commissioners

Carlos Jackson *Executive Director*

December 14, 2004

Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Honorable Board of Commissioners Community Development Commission County of Los Angeles 383 West Temple Street Los Angeles, California 90012

Dear Supervisors and Commissioners:

SALE OF REAL PROPERTY FOR THE DEVELOPMENT OF THE MARTIN LUTHER KING JR./CHARLES DREW MEDICAL CENTER OASIS CLINIC IN THE WILLOWBROOK COMMUNITY REDEVELOPMENT PROJECT AREA (2) (3 Vote)

IT IS RECOMMENDED THAT THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES:

Return the following findings in accordance with Section 33445 of the California Health and Safety Code (the Code) that will permit the County of Los Angeles to purchase, for a cost of \$1.00, the vacant Community Development Commission-owned properties located at 11830,11832 11835 and 11839 South Holmes Avenue in unincorporated Los Angeles County, to provide for relocation and expansion of the Martin Luther King Jr./Charles Drew Medical Center Oasis Clinic (Oasis Clinic): the project will benefit the Willowbrook Community Redevelopment Project Area (Project Area) by expanding the availability of HIV/AIDS health care services; there is no other reasonable means of financing the project other than by sale of the named properties at a subsidized cost; the project will reduce blight by removing four vacant properties from the Project Area;



and the project is consistent with the Project Area Five-Year Implementation Plan.

IT IS RECOMMENDED THAT THE BOARD OF COMMISSIONERS OF THE COMMUNITY DEVELOPMENT COMMISSION, AFTER THE PUBLIC HEARING:

- 1. Acting in the role of Responsible Agency for the relocation and expansion of the Martin Luther King Jr./Charles Drew Medical Center Oasis Clinic (Oasis Clinic), an HIV/AIDS health care facility, on the vacant Commission-owned properties located at 11830, 11832, 11835 and 11839 South Holmes Avenue in unincorporated Los Angeles County, certify that the Commission has independently considered and reached its own conclusions regarding the environmental effects of the project and the Initial Study/Mitigated Negative Declaration (IS/MND) and Mitigation Monitoring and Reporting Program (MMP) adopted by the County of Los Angeles, as Lead Agency, and determine that the IS/MND and MMP adequately address the environmental impacts of the project, and adopt by reference the County's environmental findings in connection with approval of the project.
- 2. Authorize the Executive Director to sell to the County of Los Angeles the Commission-owned subject properties, for the purchase price of \$1.00, to provide for relocation and expansion of the Oasis Clinic.
- 3. Authorize the Executive Director, following approval as to form by County Counsel, to execute all necessary documents to complete the transfer of the above properties to the County of Los Angeles.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The Oasis Clinic, operated by the Los Angeles County Department of Health Services (DHS), is the primary provider of HIV/AIDS care in Central Los Angeles County. It currently has insufficient space to meet existing and projected community needs, and relocation to a larger site is being proposed.

FISCAL IMPACT/FINANCING:

There is no impact on the County general fund. The Commission will sell the properties to the County of Los Angeles for \$1.00. The County will pay all costs and expenses related to the property transfer.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

DHS wishes to relocate the Oasis Clinic from 12021 South Wilmington Avenue to the vacant parcels located at 11830, 11832, 11835 and 11839 South Holmes Avenue (see attached site map). The new site is .51 acres in combined area. The property at 11830 South Holmes Avenue was purchased in 1989 for \$66,962, the property at 11832 South Holmes Avenue was purchased in 1987 for \$61,444, the property at 11835 South Holmes Avenue was purchased in 1987 for \$72,666 and the property at 11839 South Holmes Avenue was purchased in 1987 for \$63,084. All properties were purchased using Community Development Block Grant funds.

When DHS initially approached the Commission on the Oasis Clinic project, the Commission notified DHS of an existing Exclusive Right to Negotiate (ERN) between the Commission and the Los Angeles Eye Institute (LAEI), a California non-profit organization, for the development of the Commission-owned properties at 11830 and 11832 South Holmes Avenue, as well as adjacent properties bounded by Wilmington Avenue, Holmes Avenue, 118th and 120th Streets.

On May 1, 2002, DHS submitted a formal proposal to LAEI requesting that the Commission-owned properties at 11830 and 11832 South Holmes Avenue be removed from the ERN to accommodate the proposed Oasis Clinic. On October 14, 2002, the LAEI's Board of Directors agreed to release those properties from the ERN.

On November 3, 2004, the Board of Commissioners of the Community Development Commission approved Amendment No. 4 to the Owner Participation Agreement (OPA) between the Commission and Charles R. Drew Post Graduate Medical School, now known as Charles R. Drew University of Medicine and Science, to remove from the OPA two Commission-owned properties located at 11835 and 11839 South Holmes Avenue for parking for the Oasis Clinic project.

At its current location, the Oasis Clinic serves approximately 1,700 patients each month. The facility is overcrowded and is not large enough to meet current and future needs. As the HIV/AIDS epidemic continues to increase, the need for quality care and adequate facilities will also continue to increase.

Section 33445 of the Code requires that in order to sell the subject properties to construct a publicly-owned building, the Board of Supervisors must make the following findings: the project will benefit the Project Area; there is no other reasonable means of financing the project; the project will reduce a blighting condition in the Project Area; and the project is consistent with the Project Area Five-Year Implementation Plan.

There are sufficient facts to support the required findings. First, the project will benefit the Project Area and immediate neighborhood by providing needed medical services to HIV/AIDS patients. Second, due to the budgetary challenges faced by DHS, there is no

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other reasonable means of financing the project other than by the sale of the Commission-owned properties at a subsidized cost that is below market rate. Third, the project will help to reduce blight, as defined under Section 33031(b)(2) of the Code, by developing four vacant lots in the Project Area. The building currently occupied by the Oasis Clinic will be turned over to the Shields Drug Rehabilitation Program operated by the Martin Luther King Jr. Memorial Hospital. Fourth, the project is consistent with the Project Area Five-Year Implementation Plan, which states that development near Martin Luther King Jr. Memorial Hospital and Charles Drew University should meet the needs of these institutions and the Willowbrook community. No public hearing is required before the Board of Supervisors makes these findings.

Sections 33430 and 33431 of the Code allow the Commission, as a redevelopment agency, to sell Commission-owned properties without public bidding after a noticed public hearing. Following Board of Commissioners approval, the Executive Director of the Commission will execute the documents necessary to transfer the property to DHS, with certain covenants and conditions. Specifically, the properties must only be used for a health services related purpose, otherwise ownership will be returned to the Commission. This public hearing was noticed in accordance with Section 33431 of the Code which states that a public hearing on the sale of properties located within a redevelopment project area must be noticed for two weeks in a newspaper of general circulation.

County Counsel has reviewed this letter. DHS will also present this matter for approval on the current agenda.

ENVIRONMENTAL DOCUMENTATION:

An Environmental Assessment (EA) was prepared for the Oasis Clinic project pursuant to the requirements of the National Environmental Policy Act of 1969. Based on the conclusions and findings of the EA, a Finding of No Significant Impact was adopted by the County of Los Angeles on October 15, 2002.

Pursuant to the requirements of the California Environmental Quality Act (CEQA), and consistent with CEQA Guidelines, an IS/MND was prepared for the Oasis Clinic project. Board of Supervisors adoption of the IS/MND and the MMP on December 14, 2004, and filing of a Notice of Determination, along with the Commission's findings as Responsible Agency, meets the requirements of CEQA.

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IMPACT ON CURRENT PROJECTS:

The findings and approval of the sale of four Commission-owned properties will facilitate the relocation and expansion of the Oasis Clinic project.

Respectfully submitted,

CARLOS JACKSON Executive Director

Attachment

CF:bl-oasis

