

BOARD OF SUPERVISORS

Hilda L. Solis
Holly J. Mitchell
Lindsey P. Horvath
Janice Hahn
Kathryn Barger

EXECUTIVE LEADERSHIP

Kelly LoBianco
Director

Jessica Kim
Chief Deputy

GET IN TOUCH

510 S. Vermont Avenue
Los Angeles, CA 90020
opportunity.lacounty.gov
deo@opportunity.lacounty.gov
844-777-2059

America's Job Centers:
(888) 226-6300
Office of Small Business:
(844) 432-4900



February 29, 2024

TO: Supervisor Lindsey P. Horvath, Chair
Supervisor Hilda L. Solis
Supervisor Holly J. Mitchell
Supervisor Janice Hahn
Supervisor Kathryn Barger

FROM: Kelly LoBianco, Director

SUBJECT: **USE OF CATALYTIC DEVELOPMENT FUNDS TO
SUPPORT RFP FOR DEVELOPER SERVICES FOR
REPURPOSING THE LAC+USC GENERAL HOSPITAL
BUILDING AND WEST CAMPUS FOR HOUSING AND
MIXED-USE PURPOSES (ITEM NO.9, AGENDA OF
FEBRUARY 8, 2022)**

This report provides a biannual status update on the reuse and development of LAC+USC General Hospital Building and West Campus (hereinafter referred to as the "Site").

On February 8th, 2022, the County of Los Angeles (County) Board of Supervisors (Board) approved a motion directing the LA County Department of Economic Opportunity (DEO) to report back in writing on a biannual basis on its progress and timeline for confirming the use of the funds set forth in support of preparing a Request for Proposals (RFP) for the potential development of the Site, in line with the results of a feasibility study conducted by the Chief Executive Office (CEO).

This is the third final report pursuant to the February 2022 Board motion, with the prior reports submitted on March 21, 2023, and September 21, 2022. This report provides the following main updates related to the RFP process:

- On January 24, 2023, the Board declared the Site at 1200 N. State Street, Los Angeles CA 90033 (AIN: 5201-001-901) ("Property") to be exempt surplus property pursuant to Government Code Section 54221(f)(1)(F)(ii). The Property contains the former County General Hospital and the West Campus Area.

- On January 24, 2023, the Board approved the issuance of an RFP to solicit proposals from qualified development teams for the redevelopment of this Site.
- On June 2, 2023, the posting period for the RFP expired. Two (2) responsive proposals were received which initiated a robust evaluation process. The evaluation process involved subject matter expertise from various County departments and community stakeholders and culminated with a highest scoring proposal to advance a recommendation to the Board to authorize an Exclusive Negotiating Agreement (ENA).
- On December 19, 2023, the Board approved the ENA with Centennial Partners (Developer), represented by Primestor Development Inc. and Bay Spring Real Estate Partners, as the selected developer to work with the County and the community in reimagining this historic building and space based on the County's vision and extensive community input.

BACKGROUND

In November 2018, the Board unanimously passed a motion, [linked here](#), which directed CEO to draft the General Hospital Feasibility Study (Feasibility Study) for the adaptive reuse of General Hospital on the County's LAC+USC campus. Following the 1994 Northridge Earthquake, the hospital's structure was damaged and then fell out of compliance with newly issued earthquake and fire safety compliance regulations. Most of General Hospital remains vacant, but the lower floors were recently remodeled and are being used for office space and the Wellness Center. The Wellness Center works in tandem with LAC+USC Medical Center providers to deliver wraparound services and community spaces for patients and local community members.

In April 2022, CEO presented to the Board a report back, [linked here](#), that included the Feasibility Study, which outlined a proposed reuse framework for General Hospital and West Campus that identified community priorities, County requirements, and technical considerations. The reuse framework incorporated community priorities and uses such as affordable housing, community services spaces, a neighborhood grocery store, open space, and parking. During the development of the Feasibility Study, the community was engaged to ensure robust input on the desired utilization and impact of any development on the Site and was provided updates on the RFP process led by DEO. The Feasibility Study also noted that significant structural upgrades, including seismic retrofitting and hazardous material abatement, among other upgrades, will be required to bring the Site into compliance for a mixed-use renovation.

A July 2022 motion, [linked here](#), requested a separate report back from CEO, with a plan detailing the design-build project phasing and a schedule for scoping documents to provide the critical structural upgrades identified in the Feasibility Study. CEO provided a report back on December 7th, 2022, [linked here](#), for methods to finance and a schedule to complete the necessary structural upgrades.

As noted above, on January 24, 2023, the Board approved release of an RFP to solicit proposals from qualified developers for the redevelopment of this Site; received proposals by the deadline of June 2, 2023; and on December 19, 2023, the Board approved the selected Developer. The RFP

built on the Feasibility Study and all prior actions and stakeholder engagement to ensure the identified community uses and perspectives related to the impacts of any development, as well as County requirements and technical considerations, are incorporated into any future development. Stakeholder and community engagement efforts are led in coordination with the Health Innovation Community Partnership, which brings together relevant County departments, schools, community-based organizations, businesses, and other stakeholders to facilitate robust engagement and feedback on the development process at the Los Angeles General Medical Center and other County projects and priorities.

Funding

There are three (3) potential funding sources for this proposed project, all of which are intended for the predevelopment and development related activities. These funding sources identified are: \$50 million from the California State Budget for Fiscal Year (FY) 2022-2023, \$24 million from the County's Supplemental Budget for FY 2022-2023, and \$55 million in American Rescue Plan Act (ARPA) funds. Disbursements to date of approximately \$1 million have serviced predevelopment project related activities incorporating County contracting of consultants to assist with the RFP and community engagement process.

RFP Evaluation and Selection

The County received two (2) qualified proposals on June 2, 2023.

The evaluation process was comprised of a two-step process. The first step was the creation of the Evaluation Advisory Group (EAGs). The EAGs were made up of expert representatives from the County and Community who reviewed the submitted proposals and provided a narrative report to the Evaluation Committee (EC). The second step of the evaluation process was the review of the EC. The EC was the sole scoring committee who reviewed the proposals and the narrative reports from the EAGs.

The Centennial Partners team is comprised of multidisciplinary experts in architecture, master planning, historic preservation, structural engineering, and more, all bringing extensive experience with historic resources and adaptive reuse. Centennial Partners also has over 50 completed projects and over \$1 billion invested in urban impact projects. They are collaborative and hands-on and have been in business for over 30 years.

Developer Proposal Highlights and ENA

As proposed in the RFP submittal, Centennial Partners envisions a Healthy Village at the nexus of the four (4) neighborhoods of Lincoln Heights, Boyle Heights, El Sereno, and East Los Angeles. The proposed design should provide a diverse and vibrant set of pedestrian-scaled environments to draw in the community and support their healing, wellness, and prosperity.

The proposal envisions a total of 885 units of housing that with at least 30% affordable units. The 1,680,000 sq. ft. of potential development space is proposed to entail:

- 778,800 sq. ft of Residence
- 166,000 sq. ft of Hotel
- 168,000 sq. ft of Retail
- 65,000 sq. ft of Laboratory/ Medical Offices
- 80,000 sq. ft of Community/ General Services
- 531,000 sq. ft of Parking

The Site is uniquely situated to tie together the surrounding neighborhoods and create a local force of healing and wellness by harnessing and redirecting regional initiatives to prioritize and serve the needs of the community first. The proposal outlines how they will tap into the Site resources to cultivate a multi-model mixed-use neighborhood that: connects to transit, bike, and pedestrian networks, provides district parking at four locations on Site, has a blend of housing types in multiple buildings (with 30% affordable), provides access to wellness and wrap-around supportive services, is organized around community retail and a central innovation center focused on incubating local businesses and providing an on-ramp to economic opportunities, and includes passive and active use public open spaces that cohesively organize and connect across the broader site.

During the ENA process, the County will negotiate and finalize all elements of the proposed project design. Centennial Partners will provide a community outreach plan, which will include meeting with each of the County departments to identify desired goals, core commitments, programmatic needs and intended outcomes. Centennial Partners will be creating a map identifying key stakeholders to engage throughout the project, including County departments, nonprofit groups, local neighborhood Councils, Cultural and historic groups, block groups, resident associations, local vendors, and service providers.

CONCLUSION

This is the last report back pursuant to the February 8, 2022, Board motion, directing the use of the CDF funds for the RFP process, which is now complete. The next steps for the project are the continuation of established outreach, the planning and design of the site, and the full entitlement to finalize the current ENA phase. DEO will continue to maintain weekly meetings with County partners and provide ongoing updates to the Board offices as this project moves forward. Should you have any questions, you may contact me, or your staff may contact Kevin Anderson at kanderson@opportunity.lacounty.gov.

KL:KA:DC:ag

c: Chief Executive Office
Executive Office, Board of Supervisors
County Counsel
Health Services
Public Works