

**MOTION BY SUPERVISOR MARK RIDLEY-THOMAS**

**March 27, 2018**

**Execution of the LA BioMed Exclusive Negotiation Agreement**

On April 18, 2017, the Los Angeles County (County) Board of Supervisors (Board) directed the Chief Executive Officer (CEO) to enter into discussions with the Los Angeles Biomedical Research Institute at Harbor-UCLA Medical Center (LA BioMed) through an Exclusive Negotiating Agreement (ENA) between the County and LA BioMed for developing a bioscience tech park on the Harbor-UCLA Medical Center Campus (Campus). The 250,000-square foot biotech park development would occur on the western portion of the Campus and would provide affordable expansion space for early-stage bioscience companies and start-ups graduating from bioscience incubators located in the County (Proposed Project).

After negotiations, the County and LA BioMed have agreed to a proposed ENA that will guide the discussions for a master development agreement that would describe the vision, structure and agreed-upon process, together with one or more Ground Lease(s) and one or more other associated agreements, for the development of the Proposed Project. Pursuant to the ENA, LA Biomed understands these discussions will need to address revenue generation for the County, compliance with County policies including Local Small Business Enterprise; Disabled Veteran-owned Business Enterprise and Social Enterprise Utilization Policy; Local and Targeted Worker Hire Policy; County Construction Careers and

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Economic Development Initiative; and Community Participation Implementation Plan. In addition, the final master development agreement will provide measurable metrics to be used by LA BioMed to assure accountability and a return on the public investment in the proposed biotech development on County property.

The proposed ENA includes the following terms:

1. An exclusive negotiation period of 12 months, which may be extended by the CEO or her designee, during which the County will be negotiating with LA Biomed and will not solicit offers or proposals from other parties concerning potential development of the Proposed Project.
2. The negotiation and preparation of a master development agreement which will include the scope of development for the Proposed Project and each phase thereof, a schedule of performance for each phase of the Proposed Project and the parties' respective rights and obligations with respect to the proposed multi-phased development.
3. The negotiation and preparation of a ground lease for each phase of the Proposed Project which will include, among other things, provisions relating to the lease term, ground rent, construction requirements, operations, transfers and assignments, limitations on encumbrances, and space leases within the completed multi-phased development.
4. LA Biomed will identify a bioscience consultant within 45 days from execution of the ENA for the County's approval; in addition, prior to commencement of any ground lease, LA Biomed must identify a development company for the County's approval.

The Board's approval of the following recommendations will allow the parties to begin negotiating and preparing the master development agreement and long-term ground lease(s), with the goal of having LA BioMed working with various departments within the County to plan the approach, structure, and process for the development of the proposed bioscience tech park. The master development agreement and long-term ground leases will be brought back to the Board for approval.

**I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:**

1. Find that the proposed actions are not subject to the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines sections 15060(c)(3) and 15378 because they do not meet CEQA's definition of a project as the proposed Exclusive Negotiating Agreement (ENA) does not have the potential for causing a significant effect on the environment, in that it does not commit the County of Los Angeles to a particular course of action.
2. Delegate and authorize the Chief Executive Officer, or her designee, to execute the ENA, and to take all further actions necessary and appropriate to implement the terms and conditions of the ENA, including negotiation and preparation of the master development agreement, ground lease(s) and any other ancillary documents, which are subject to subsequent consideration and approval by the Board of Supervisors.

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