

MOTION BY SUPERVISOR SHEILA KUEHL

June 26, 2018

**Authorization to Negotiate and Enter into a Purchase Option Agreement for the County’s Potential Acquisition of 7621 Canoga Avenue, Canoga Park for Interim Homeless Housing**

The County of Los Angeles (County) previously leased the property located at 7621 Canoga Avenue in Canoga Park (Property) for the County Department of Mental Health ("Mental Health") to provide mental health services to clients in the surrounding vicinity. The County terminated the lease in November 2017 and relocated the County Department of Mental Health to another facility. In an effort to aid in providing interim housing to homeless individuals, the County has identified the Property as a potential location for interim housing. Housing for Health has considered the property and is able to contract with a non-profit homeless service provider to operate the Property once acquired by the County to provide approximately 80 beds of interim housing for homeless individuals. In an effort to complete this endeavor, the County has approached representatives of the ownership of the Property, Gelb Enterprises, expressing our interest in acquiring the Property for this purpose. The Chief Executive Office Real Estate Division and the Department of Public Works have begun coordinating with representatives of the owner, Gelb Enterprises, to allow the County

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RIDLEY-THOMAS	_____
HAHN	_____
BARGER	_____
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onto the Property to perform the required due diligence, in accordance with the County's standard acquisition policy.

In order to allow the County sufficient time to perform the required due diligence, consisting of environmental and structural assessments, and California Environmental Quality Act (CEQA) compliance, the County proposes to enter into a purchase option agreement with Gelb Enterprises for a six-month term to keep the Property off the market. The negotiated option will grant the County sufficient time to complete its due diligence to allow the County to consider acquisition of the Property.

**I, THEREFORE, MOVE** that the Board of Supervisors:

1. Find that the proposed negotiation and execution of a purchase option agreement for the potential acquisition of the Property does not constitute a project under CEQA as it is not an activity which has a potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. The appropriate environmental studies and documentation will be completed prior to returning to the Board for consideration and approval of any discretionary action that may impact the environment, such as consummation of a purchase agreement involving the subject property with Gelb Enterprises.
2. Authorize the Chief Executive Officer or her designee to negotiate a purchase option agreement with Gelb Enterprises for an approximately six-month term.

3. Delegate and authorize the Chief Executive Officer, or her designee, to execute a purchase option agreement, in an amount not to exceed \$100,000 funded with existing appropriation available to the County Department of Health Services, upon approval as to form by County Counsel, and any other ancillary documentation approved as to form by County Counsel, and to take all further actions necessary and appropriate to implement the terms and conditions of the option agreement, including, if applicable, negotiation and preparation of a purchase and sale agreement.

S: MR/County's Potential Acquisition of 7621 Canoga Avenue, Canoga Park for Interim Homeless Housing