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August 14, 2018

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

The Honorable Board of Commissioners
Community Development Commission
of the County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors and Commissioners:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

2-D August 14, 2018

CELIA ZAVALA
ACTING EXECUTIVE OFFICER

**APPROVE A MEMORANDUM OF UNDERSTANDING WITH
THE CITY OF DOWNEY FOR THE DEVELOPMENT OF AFFORDABLE HOUSING AT
11269 GARFIELD AVENUE IN THE CITY OF DOWNEY AND
DELEGATE AUTHORITY TO THE COMMUNITY DEVELOPMENT COMMISSION
TO ACT AS AGENT ON BEHALF OF THE COUNTY
(FOURTH DISTRICT)
(3 VOTES)**

SUBJECT

This letter recommends the approval of a Memorandum of Understanding with the City of Downey, presented in substantially final form, between the County of Los Angeles, acting through its agent, the Community Development Commission of the County of Los Angeles, to explore the development of affordable housing targeting homeless veterans at the property located at 11269 Garfield Avenue, in the City of Downey. This letter also recommends that the Board delegate authority to the Commission to act as the agent on behalf of the County with regard to the Memorandum of Understanding and undertake any subsequent actions necessary to identify a qualified developer for the property located at 11269 Garfield Avenue, in the City of Downey.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and delegate authority to the Community Development Commission of the County of Los Angeles to act as the agent on behalf of the County of Los Angeles to execute the Memorandum of Understanding with the City of Downey to explore the development of affordable housing targeting homeless veterans at the property located at 11269 Garfield Avenue, City of Downey, and undertake any subsequent actions necessary to identify a qualified developer for the property located at 11269 Garfield Avenue, City of Downey.
2. Find that approval of these actions, as described herein, is not subject to the provisions of the California Environmental Quality Act, because the actions do not commit the County to a project and will not have the potential for causing a significant effect on the environment.

IT IS RECOMMENDED THAT THE BOARD, ACTING AS THE COMMISSIONERS OF THE COMMUNITY DEVELOPMENT COMMISSION:

1. Approve and authorize the Executive Director of the Community Development Commission of the County of Los Angeles, or her designee, to execute a Memorandum of Understanding with the City of Downey, presented in substantially final form, on behalf of the County of Los Angeles, to explore the potential development of affordable housing targeting homeless veterans at the property located at 11269 Garfield Avenue, City of Downey and undertake any subsequent actions necessary to identify a qualified developer for the property located at 11269 Garfield Avenue, City of Downey.
2. Delegate authority to the Executive Director to execute any extensions to the Memorandum of Understanding.
3. Find that approval of these actions, as described herein, is not subject to the provisions of the California Environmental Quality Act, because the actions do not commit the Community Development Commission of the County of Los Angeles to a project and will not have the potential for causing a significant effect on the environment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to: 1) authorize execution of the Memorandum of Understanding (MOU), presented in substantially final form, between the County of Los Angeles (County) and the City of Downey (City), to explore the potential development of affordable housing targeting homeless veterans at the property located at 11269 Garfield Avenue, City of Downey (Site); and 2) delegate authority to the Community Development Commission of the County of Los Angeles (Commission) to act on behalf of the County with regard to the MOU and undertake any subsequent actions necessary to identify a qualified developer for the Site. Once a qualified developer is identified, the County will return to the Board with an Exclusive Negotiation Agreement (ENA) approved by County Counsel for the Board's consideration.

FISCAL IMPACT/FINANCING

There is no impact on the County General Fund as a result of the actions contemplated in this letter. If the exploration of the potential development of affordable housing on the Site is successful and a qualified applicant for the development of the Site is selected, the Commission will return to the Board for approval of an ENA.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The 2.24-acre County-owned Site is located in a community in great need of affordable housing. The Site is currently underutilized and is improved with a one story 6,840 square foot building currently occupied by Hollydale Post 723 of the American Legion. The Chief Executive Office, with the assistance of County Counsel, is in the process of having the American Legion vacate the building and the property in order to return possession of the Site to the County so that the County and the City can pursue their goal of providing affordable housing to the local community. In pursuit of this endeavor, the County and the City are both interested in entering into an MOU to explore the potential development of affordable housing units for military veterans, including the dedication of some units for homeless veterans, along with units for low-income and special needs veterans, at this Site. The Commission would act as agent on behalf of the County with regard to the MOU, and undertake any subsequent actions necessary to identify a qualified developer for the Site.

ENVIRONMENTAL DOCUMENTATION

The action is not a project pursuant to the California Environmental Quality Act (CEQA) because it is an activity that is excluded from the definition of a project pursuant to Section 15378 (b) of the State CEQA guidelines. The proposed action is an administrative activity of government, which will not result in direct or indirect physical change to the environment. The County is only seeking approval and authority to execute an MOU with the City and delegate authority to the Commission to act on behalf of the County with regard to the MOU, and undertake any subsequent actions necessary to identify a qualified developer for the Site. No commitment to any project is being made at this time. CEQA review and compliance must be completed before any commitment to a project occurs.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed actions will allow the County and the City to explore the potential of increasing affordable housing for homeless veterans within the City of Downey.

The Honorable Board of Supervisors
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CONCLUSION

It is requested that the Executive Office, Board of Supervisors, return two certified copies of the Minute Order, and the adopted, stamped Board letter to the Chief Executive Office, Real Estate Division at 222 South Hill Street, 4th Floor, Los Angeles, CA 90012, for further processing.

Respectfully submitted,


SACHI A. HAMAI
Chief Executive Officer


MONIQUE KING-VIEHLAND
Executive Director

SAH:DPH:DL
JLC:RH:ls

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

Enclosures

BL City of Downey Vet Housing MOU

MEMORANDUM OF UNDERSTANDING

BY AND BETWEEN

THE COUNTY OF LOS ANGELES,
ACTING THROUGH THE COMMUNITY DEVELOPMENT COMMISSION

AND

THE CITY OF DOWNEY

FOR THE POTENTIAL DEVELOPMENT OF THE AMERICAN LEGION SITE

This Memorandum of Understanding ("MOU") is entered into this ____ day of _____, 2018, by and between the County of Los Angeles, a body corporate and politic ("County"), acting through the Community Development Commission of the County of Los Angeles, a public agency activated pursuant to Part 1.7 of Division of the Health and Safety Code ("Commission") and the City of Downey, a municipal corporation and charter city ("City"). The County and City are collectively referred to herein as "Parties" and individually as a "Party."

RECITALS

WHEREAS, the County, acting through the Commission, desires to explore the possibility of developing the County-owned site located at 11269 Garfield Avenue in the City of Downey ("Project Site") as affordable housing, including a minimum of 50% of the units being set aside for homeless households;

WHEREAS, the City is interested in assisting the County in exploring the development of affordable housing, including a minimum of 50% of the units being set aside for homeless households, at the Project Site;

WHEREAS, at the _____ meeting, the Los Angeles County Board of Supervisors ("Board") delegated authority to the Commission to act on County's behalf to explore the potential development of the Project Site for affordable housing and authorized the Commission to enter into this MOU on behalf of County;

WHEREAS, at the _____ meeting, the City's City Council directed the City to assist the County in exploring the potential development of the Project Site for affordable housing and authorized the City Manager to enter into this MOU; and

WHEREAS, the Parties desire to enter into this MOU to define the terms of cooperation and to identify the respective roles and responsibilities of the Parties in collaborating on exploring the development of affordable housing at the Project Site.

NOW, THEREFORE, County and City agree as follows:

1. General Provisions

- a. This MOU shall commence upon the execution of this MOU by all of the Parties hereto, and shall remain in force for three years from the date of last signature, subject to paragraph 2 below, and the next sentence of this section. The Parties may extend or renew this MOU by agreement, confirmed in a written amendment signed by each Party's authorized signatory.

2. Termination

- a. This MOU may be terminated by either Party for the convenience of that Party. This MOU may also be terminated by either Party as a result of default by the other party of its obligations under this MOU.
- b. Notice of termination shall be given, in writing, at least sixty (60) days in advance and shall be complete when delivered to either Party in accordance with Section 6 below.

3. Amendments

- a. Except as otherwise provided herein, any amendment(s) to this MOU shall be in writing and shall be at the mutual consent of the County, and the City, and shall be executed by an authorized designee of the County and of the City.
- b. Such amendment(s) shall be authorized subject to approvals as to form by County Counsel and the City Attorney.

4. County Responsibilities

- a. Prepare and issue the Request for Proposals (RFP) for the potential development of affordable housing at the Project Site, in collaboration with the City as provided in Section 5a below, provided that the RFP remains a document of the County subject to the County's final approval.
- b. Oversee the proposal evaluation and selection of a qualified applicant. As part of this process, County will assemble an RFP evaluation team which will include one City representative.
- c. Prepare the Agreement to Negotiate Exclusively, Right to Enter and, if and when successful negotiations have been completed with the developer and environmental review has been completed, the Development and Disposition Agreement.

5. City Responsibilities

- a. Assist the County with the preparation of the RFP by reviewing and commenting on the RFP in a timely matter.

- b. Assist the County with the proposal evaluation as a member of the RFP evaluation team and selection of a qualified applicant, if any, in response to the RFP by providing one City representative to be a member of the proposal evaluation team.
- c. Assist the County and any selected developer with community outreach with both local officials and residents and with the City of South Gate and its representatives for the potential development of the Project Site in the City.

6. Notices and Approvals

All notices shall be in writing and either (a) personally served at the appropriate address (including by means of professional messenger service or recognized overnight delivery service, provided that any such delivery is confirmed by written receipts signed on behalf of the receiving Party or by adequate proof of service) or (b) deposited in the United States mail, postage prepaid, certified or registered mail, return receipt requested, addressed to the appropriate addressee and shall be deemed received and effective on the day such notice is actually received if received before 5:00 p.m. on a regular business day, or on the following business day if received at any other time. All addresses of the Parties for receipt of any notice to be given pursuant to this Proposed Project are as follows:

A: To the County:

County of Los Angeles
c/o Community Development Commission of the County of Los Angeles
700 West Main Street
Alhambra, CA 91801
Attention: Director, Economic and Housing Development Division

B: To the City:

City of Downey
11111 Brookshire Avenue
Downey, CA 90241
Attention: Director, Community Development Department

7. Severability

If any provision of this MOU, or the application thereof, is held to be invalid, then that invalidity shall not affect other provisions or applications of the MOU that can be given effect without the invalid provision or application, and to this end the provisions of the MOU are severable.

8. Effective Date

After the MOU has been executed by the City's authorized representative, the effective date of the MOU shall be the date that the MOU is fully executed by the Commission.

IN WITNESS WHEREOF, the City of Downey has executed this MOU, or caused it to be duly executed by its authorized representative, and the County of Los Angeles, by order of its Board of Supervisors, has delegated to the Community Development Commission of the County of Los Angeles the authority to execute this MOU on County's behalf on the date and year written below.

COMMUNITY DEVELOPMENT COMMISSION:

By: _____
Monique King-Viehland
Executive Director
Community Development Commission
of the County of Los Angeles

Date: _____

APPROVED AS TO FORM FOR THE COMMISSION:

MARY C. WICKHAM
County Counsel

By: _____
Behnaz Tashakorian
Senior Deputy County Counsel

Date: _____

(Signatures continued on next page)

CITY OF DOWNEY:

By: _____
Gilbert A. Livas
City Manager

Date: _____

APPROVED AS TO FORM FOR THE CITY:

YVETTE M. ABICH GARCIA
City Attorney

By: _____

Date: _____

ATTEST:

By: _____
Maria Alicia Duarte, CMC
City Clerk

Date: _____