

MOTION BY SUPERVISORS MARK RIDLEY-THOMAS AND
JANICE HAHN

JULY 21, 2020

Bioscience Technology Park at Harbor-UCLA Medical Center Campus

The nonprofit Lundquist Institute for Biomedical Innovation (TLI), formerly known as LA BioMed, has been located at the Los Angeles County (County) Harbor-UCLA Medical Center Campus (Medical Center Campus) for nearly 70 years, and has worked in partnership with the County generating new medical paradigms, diagnostics, therapies, and devices for use all over the world.

TLI and its dedicated team of researchers are at the forefront of efforts to develop vaccines and therapies to treat and eradicate the Novel Coronavirus (COVID-19), including National Institutes of Health-sponsored Phase 3 testing of potential vaccines, collecting hyperimmune serum for testing or as a therapeutic, testing therapeutics from multiple bioscience companies, and assessing issues related to COVID-19's disproportionate effect on minority populations.

TLI currently leases an approximately 11-acre portion of the Medical Center Campus, pursuant to a ground lease with the County. In April 2019, TLI opened its newest addition, a \$63 million, four-story, 78,000 square foot research facility. The County was instrumental in the realization of this major addition with a \$3 million contribution in discretionary funding from the Second Supervisorial District for a 18,000 square foot bioscience start-up incubator in the new research facility. The incubator is fully operational with over 20 companies working on cutting-edge programs.

On April 18, 2017, the Board approved a motion authorizing an Exclusive Negotiating Agreement (ENA) with TLI for the development of a 250,000 square foot

- MORE -

MOTION

SOLIS _____

RIDLEY-THOMAS _____

KUEHL _____

HAHN _____

BARGER _____

**MOTION BY SUPERVISORS RIDLEY-THOMAS AND HAHN
JULY 21, 2020
PAGE 2**

bioscience tech park (Biotech Park Campus) on a 15-acre parcel located on the western portion of the Medical Center Campus.

The successful implementation of the proposed Biotech Park Campus would transform the western portion of the Medical Center Campus to support a thriving bioscience community and produce County-wide economic, academic, and social benefits. The proposed Biotech Park Campus would provide affordable expansion space for early stage bioscience companies and start-ups successfully launched from bioscience incubators located in the County. This would effectively achieve the goal of creating a supportive bioscience ecosystem that would help retain bioscience companies in the region, thereby keeping jobs and tax revenues within the County.

Since entering into the ENA, TLI has conducted tenant and developer searches and explored best practices in biotechnology park development. TLI has consulted with Continental Development Corporation (a leading commercial developer in the South Bay); engaged an international law firm well versed in real estate development; hired an expert consultant in the formation of biotechnology parks; worked with a major real estate broker knowledgeable of the bioscience sector's space needs in the County; and retained a major architectural and planning firm to work on master planning for the proposed Biotech Park Campus. As a result of these efforts, TLI has received significant interest from companies within the TLI bioscience start-up incubator, including: a pharmaceutical company; a contract research organization; a stem cell company; and others regarding taking up significant tenancy within the proposed Biotech Park Campus.

To expedite development of the project, TLI has proposed a unique concept that would begin with an initial phase consisting of two buildings with parking, which would also augment the parking for the Medical Center Campus, within the proposed Biotech Park Campus. The initial phase is designed to create an opportunity for the County to use a portion of one of the buildings for County uses at a time where many of the County's uses on the Medical Center Campus are housed in outdated buildings and structures

**MOTION BY SUPERVISORS RIDLEY-THOMAS AND HAHN
JULY 21, 2020
PAGE 3**

dating back to the 1940's. This initial phase would represent an approximately \$150 million initial investment in the Biotech Park Campus.

WE THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Direct the Chief Executive Officer (CEO) to negotiate an agreement with The Lundquist Institute (TLI), which could be accomplished by amending the existing ground lease with the County of Los Angeles (County), regarding the 15-acre area of the Biotech Park Campus described in the Exclusive Negotiation Agreement (ENA) authorized by the Board of Supervisors (Board) on April 18, 2017, with an initial phase of construction on an approximately 7-acre portion of the Biotech Park Campus with frontage along West Carson Street (Phase 1 Parcel) and consisting of one or more buildings with a combined square footage of approximately 180,000 square feet, with the following terms and conditions:
 - a. Securing and providing in an ongoing manner dedicated space in TLI's new building(s), or alternative space acceptable to the County, at no capital cost to the County (but with the County responsible for the maintenance and operating costs for the new building(s) or alternative space), for the County to perform, in a continuous manner, any and all Department of Health Services' functions currently existing on the Phase I Parcel and displaced as a result of TLI's project.
 - b. The term of 55 years, with two 20-year options, subject to below-market ground lease payments that takes into account the benefits provided to the community and further provided that the remainder of net operating revenues generated by the initial and subsequent phases of development be devoted to County-approved programs that support bioscience start-up companies and workforce training programs in disadvantaged and underserved communities in the County.

**MOTION BY SUPERVISORS RIDLEY-THOMAS AND HAHN
JULY 21, 2020
PAGE 4**

- c. The primary use of the Biotech Park Campus shall be for biotech start-ups and early stage companies; other permitted uses include biomedical development, manufacturing and related office use; medical research and development; wet and dry labs; life science education and training; government uses; code-required parking for uses (including any County uses) constructed on the Biotech Park Campus; and amenity space permitted for use by tenants on the Biotech Park Campus and the Harbor-UCLA Medical Center Campus, such as passive open space, fitness centers, recreation facilities, cafes, and incidental retail uses.
 - d. All other terms to be negotiated in good faith and generally consistent with the existing ground lease.
2. Direct the CEO to submit the draft agreement to the Board within 90 days for consideration and approval by the Board.

###

(DR)