

MOTION BY SUPERVISOR HILDA L. SOLIS

May 4, 2021

Maclaren Hall Redevelopment Opportunity

The County of Los Angeles (County) through our Board of Supervisors (Board) is aware of the need for an increase in affordable housing and continuously strives to create affordable housing for our County residents. With this need our Board looks for partnerships with local jurisdictions within the County to provide affordable housing. One potential affordable housing development opportunity is at Maclaren Hall, which is a former Department of Children and Family Services (DCFS) facility, located at 4024 Durfee Avenue in the City of El Monte (Site). On January 5, 2021, this Board authorized the use of Catalytic Development funds (CDF) to explore this Site for potential economic and workforce development opportunities as well as for administrative and community facilities uses and affordable housing. CDF are used for a variety of predevelopment and project feasibility studies such as environmental reports, appraisals, initial architectural site plans and massing studies, market demand studies and geotechnical reports, among other site assessments.

This Board desires to work with the City of El Monte to explore further opportunities

MOTION

MITCHELL _____

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for this Site and desires to participate in a coordinated and efficient effort with the City of El Monte to bring potential development to the Site, which will benefit residents of the surrounding community and potentially provide potential affordable housing and economic and workforce development opportunities.

I, THEREFORE, MOVE that the Board of Supervisors:

1. Find that the execution of the MOU does not constitute a project under Section 21065 of the California Public Resources Code and Section 15378(b)(4) and (5) of the State California Environmental Quality Act (CEQA) Guidelines because it is excluded from the definition of a project and is an organizational or administrative activity of government that will not result in direct or indirect physical changes in the environment and involves government fiscal activities that do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment; any future proposed development of the Site will require prior Board approval and appropriate findings under CEQA.
2. Approve and direct the Chief Executive Officer, or her designee, to execute the attached Memorandum of Understanding with the City of El Monte, in furtherance of the proposed activities for the Site.

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MEMORANDUM OF UNDERSTANDING

BY AND BETWEEN

THE COUNTY OF LOS ANGELES

AND

THE CITY OF EL MONTE

FOR THE POTENTIAL DEVELOPMENT ON THE MACLAREN HALL SITE

This Memorandum of Understanding ("MOU") is entered into this ____ day of _____, 2021 ("**Effective Date**"), by and between the County of Los Angeles ("County"), and the City of El Monte ("City"). The County and City are collectively referred to herein as "Parties" and individually as a "Party", and subject to the following understandings between the Parties.

WHEREAS, the County is seeking to develop County-owned land, located at 4024 Durfee Avenue in the City of El Monte ("**Property**"), also known as the MacLaren Hall Site, that is currently used as administrative offices for County departments, a medical clinic, and Alma Family Services;

WHEREAS, on November 24, 2020, the County Board of Supervisors ("**Board**") authorized the County and City to submit a grant application for Proposition 68 grant funds for the development of a new park, as a stand-alone project including approximately five acres on the Property ("**MacLaren Community Park Project**"), to be operated and maintained by the City through a 30-year lease agreement, to which the Parties signed a Committed Letter for Land Tenure on March 3, 2021;

WHEREAS, on October 1, 2019, the El Monte City Council approved a Letter of Intent to further participate with the County in the preparation and evaluation of the appropriate studies to analyze the feasibility of the MacLaren Community Park Project, including necessary environmental analysis in accordance with the California Environmental Quality Act ("**CEQA**");

WHEREAS, on December 1, 2020, the El Monte City Council adopted Resolution No. 10210 approving a Letter of Commitment by which the City committed to enter into a 30-year gratis ground lease with the County for a portion of MacLaren Hall Site for park and open space purposes by which the City will establish, operate, and maintain a public park on the property, and such Letter of Commitment was approved as a requirement of the County's submittal of Proposition 68 grant funding applications;

WHEREAS, on March 2, 2021, the El Monte City Council adopted Resolution No. 10224 approving an update to its previously-approved Letter of Commitment to authorize submission of updates to the County's submittal of Proposition 68 grant funding applications relating to the MacLaren Community Park Project;

WHEREAS, the County and City wish to continue collaborating on the potential development of affordable housing and other uses consistent with economic development initiatives such as workforce development, job training and employment opportunities in the medical field on the Property as well as a potential County or community building ("**Project Site**") in a manner that aligns with the respective public policy goals of both Parties;

WHEREAS, at the May 4, 2021 meeting, the Los Angeles County Board of Supervisors directed the County to enter into an MOU with the City in the potential development of the Project Site;

WHEREAS, at its April 20, 2021 regular meeting, the City's City Council directed the City to enter into an MOU with the County in the potential development of the Project Site; and

WHEREAS, the Parties desire to participate in a coordinated and efficient effort to bring development to the Project Site, which will benefit residents of the surrounding community and potentially provide potential affordable housing and economic and workforce development opportunities.

NOW THEREFORE, in consideration of the mutual terms and conditions contained herein, County and City hereby agree as follows:

- 1.0 Incorporation of Recitals.** The Recitals are incorporated into and are a part of the MOU.
- 2.0 Term of the MOU.** The term of this MOU shall commence on the Effective Date and shall remain in full force and effect until the earliest of (a) execution by all parties of an agreement or agreements for the development of the Project Site, (b) termination pursuant to Section 9.0, below, and (c) the date that is two (2) years after the Effective Date ("**Term**"). The Term may be extended as an amendment to this MOU pursuant to Section 4.0.
- 3.0 General.**
 - 3.1 At all times during the Term, the County shall retain its full ownership interest in the Property.
 - 3.2 The Parties anticipate that any necessary land use entitlements, specific plan updates, or the like for the Property will be obtained by and from City as the Project Site is currently zoned as Public Facility, and City will

coordinate with the County, where possible and beneficial, in accordance with their respective laws, policies and procedures.

3.3 The proposed development of the Property will be made in accordance with all legal requirements, including without limitation, procurement, environmental and development requirements, such as CEQA, the National Environmental Policy Act (“**NEPA**”), and the State Surplus Property Act.

3.4 This MOU is not intended to bind the Parties to the disposition and/or development of the Property. Any agreements reached by the Parties as to such shall be set forth in a separate agreement or agreements subject to approval from each Party's governing body in accordance with all legal requirements (including CEQA and NEPA).

4.0 Amendments. Except as otherwise provided herein, any amendment(s) to this MOU shall be at the mutual consent of the Parties, and shall be executed by an authorized designee of the County and of the City.

5.0 Predevelopment and Project Feasibility. The County will provide the City a Right of Entry Permit to permit the City to conduct a variety of predevelopment and project feasibility studies such as environmental reports, appraisals, initial architectural site plans and massing studies, market demand studies and geotechnical reports, among other project site assessments, subject to environmental review compliance requirements, if applicable.

6.0 Property Disposition Agreements. If approved by their respective governing body as set forth above, the Parties will enter into a disposition agreement or agreements for the City to take the lead in the proposed procurement of a developer or developers and development of the Project Site, in the form of a ground lease or other necessary agreement(s) for the potential development of the Project Site. The City will act as lead agency for environmental review for the proposed development of the Project Site.

7.0 Indemnification. Pursuant to the provisions of sections 895.4 and 895.6 of the California Government Code and other applicable laws, each party agrees to indemnify and hold the other party, its officials, officers, agents, employees and representatives harmless from any and all claims, demands, damages, costs, expenses, and liability for damage, actual or alleged, to person or property arising out of or resulting from the indemnifying party's negligence, wrongful act or omission in the performance of this MOU. In the event of third-party loss caused by negligence, wrongful act or omission of both parties, each Party shall bear financial responsibility in proportion to its percentage of fault as may be mutually agreed or judicially determined. The provisions of California Civil Code section 2778 regarding interpretation of indemnity agreements are hereby incorporated. This Section 8 shall survive the expiration or termination of this MOU.

8.0 Authorized Representatives. The following individuals and their successors are designated by the County and City as the authorized representatives of the two Parties for implementation of this MOU, and all correspondence and notices relative hereto shall be considered delivered when received by these individuals at the following addresses:

The County: County of Los Angeles
Chief Executive Office
Real Estate Division
Hall of Records
320 West Temple Street, 7th Floor
Los Angeles, CA 90012
Attn: Dean Lehman, Director of Real Estate
(213) 974-4200
DLehman@ceo.lacounty.gov

The City: Betty Donovanik, Community and Economic
Development Director
City of El Monte
City Hall West
11333 Valley Boulevard
El Monte, California 91731
(626) 258-8626
bdonavanik@elmonteca.gov

9.0 Termination. Either Party may terminate this MOU, in whole or part, at any time by written notice to the other Party thirty (30) days in advance of the desired termination date.

10.0 Counterparts. This MOU may be executed by the Parties in counterparts, which counterparts shall be construed together and have the same effect, as if all of the Parties had executed the same instrument.

11.0 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.

12.0 Other Terms and Conditions.

12.1 This MOU constitutes the full and complete understanding between the Parties. This MOU may be modified only through written amendments hereto approved and executed in the same manner as this original MOU. Each and every attachment to this MOU is incorporated by reference and made part of this MOU.

- 12.2 This MOU shall be governed by California law and applicable federal law. If any provision of this MOU is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way, unless doing so would deprive either Party of the material benefit of its bargain.
- 12.3 The terms of this MOU shall inure to the benefit of, and shall be binding upon, each of the Parties and their respective successors and assigns.

[Signatures begin on the following page]

IN WITNESS WHEREOF, the City 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, the authority to execute this MOU on its behalf on the date and year written below.

County of Los Angeles:

By: _____
Fesia Davenport
Chief Executive Officer

Date: _____

APPROVED AS TO FORM FOR THE COUNTY:

RODRIGO A. CASTRO-SILVA
County Counsel

By: _____
Behnaz Tashakorian
Principal Deputy County Counsel

City of El Monte:

By: _____
Alma K. Martinez
City Manager

Date: _____

APPROVED AS TO FORM FOR THE CITY:

RICK R. OLIVAREZ
City Attorney

By: _____
Joaquin Vazquez
Deputy City Attorney