

33 January 23, 2024

**BOARD OF BOARD OF
SUPERVISORS**

Hilda L. Solis

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January 23, 2024



JEFF LEVINSON
INTERIM EXECUTIVE OFFICER

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

Dear Supervisors:

EXECUTIVE LEADERSHIP

Kelly LoBianco
Director

Jessica Kim
Chief Deputy

Bill Evans
Administrative Deputy

**AUTHORIZE THE RELEASE OF THE REQUEST FOR
PROPOSALS FOR THE POTENTIAL DEVELOPMENT OF LOS
ANGELES COUNTY PARKING LOT 45 AND DECLARING IT
EXEMPT SURPLUS LAND UNDER SURPLUS LAND ACT**

(FIRST DISTRICT) (3 VOTES)

GET IN TOUCH

510 S. Vermont Avenue
Los Angeles, CA 90020
opportunity.lacounty.gov
deo@opportunity.lacounty.gov
844-777-2059

America's Job Centers:
(888) 226-6300
Office of Small Business:
(800) 432-4900

SUBJECT

The Department of Economic Opportunity (DEO) is seeking Board approval to authorize the release of the Request for Proposals (RFP) for the potential development of Los Angeles County Parking Lot 45 in the Chinatown community of City of Los Angeles, located at 725 N. Spring Street, Los Angeles CA 90012, and to declare the potential Site exempt surplus land under Surplus Land Act.

IT IS RECOMMENDED THAT THE BOARD:

1. Find the proposed recommendations categorically exempt from the California Environmental Quality Act (CEQA) for the reasons stated in this Board Letter;
2. Adopt the attached Resolution and Notice of Intention to Solicit Proposals for a Mixed-Use Affordable Housing Development for the potential development of Los Angeles County Parking Lot 45 in the Chinatown community of City of Los Angeles, located at 725 N. Spring Street, Los Angeles, CA 90012;
3. Adopt the attached Resolution Declaring Certain Property Exempt Surplus Land.



PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the RFP is to solicit proposals for the potential development of Los Angeles County Parking Lot 45 in the Chinatown community of City of Los Angeles (Site), located at 725 N. Spring Street, Los Angeles, CA 90012 (Property), that would address critical community needs in Chinatown, including affordable housing available to low-income households and community-oriented, commercial or economic opportunity spaces, as well as open space, and adequate parking. This Board would also declare the Property as exempt surplus land pursuant to Government Code section 54220 et seq. (Surplus Land Act), in accordance with Government Code section 54221(f)(1)(G)(i) as further described below.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommended actions support Strategy I.1.5, Increase Affordable Housing Throughout L.A. County; Strategy II.1, Drive Economic and Workforce Development in the County; Strategy II.1.2, Support Small Businesses and Social Enterprises; and Strategy III.3.2, Manage and Maximize County Assets. In this case, the County is supporting these goals by proposing a project that provides affordable housing, seeking to use a local and targeted workforce to construct the project, and developing County assets in a manner that provides local revitalization.

FISCAL IMPACT/FINANCING

Adoption of this Board Letter does not have additional fiscal impact, as the budget for drafting and managing the RFP has already been established.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS/NEXT STEPS

The Site is currently operated as a parking lot with 212 spaces by the County's Internal Services Department (ISD) which offers daily and monthly parking to the public and County employees. The Property is currently underutilized with previous surveys indicating that approximately half of the lot is utilized on a daily basis. The Property is located across the street from Auto Park 58, a County-owned lot with 308 spaces, which closed in August 2020 due to a lack of utilization. A reopening of Auto Park 58, or diversion to other County-owned or operated lots in the surrounding area, could be considered in the event that there is a need, at the time the Property is redeveloped, to identify replacement parking for County employees.

The County's goal for the Site is a potential mixed-use project comprised of affordable housing, community-oriented commercial or economic opportunity spaces, as well as open space, and adequate parking. This is consistent with priorities articulated by community stakeholders after

a series of listening sessions and surveys.

The Department of Economic Opportunity (DEO), in consultation with County Counsel, drafted the RFP, which is intended to solicit proposals for a developer to design, construct, finance, operate, and maintain a mixed-use project on the Site.

Adoption of the recommendations in this Board Letter will authorize the issuance of the RFP for potential development of the Property.

The Board is also declaring that the Property is exempt surplus land pursuant to Government Code section 54221(f)(1)(G)(i) because the RFP requires proposals for a mixed-use development that is more than one (1) acre in area, that includes no less than 300 housing units, and that restricts at least 25 percent of the residential units to lower-income households, as defined in Health and Safety Code Section 50079.5 as affordable housing. However, the County intends to exceed the 25 percent restriction requirement by requiring proposers to submit proposals that restrict all the residential units on the Site to lower income households as well as strongly encouraging proposals that maximize the number of units dedicated to very low, extremely low, and acutely low-income households.

ENVIRONMENTAL DOCUMENTATION

The recommended actions are not considered a project under CEQA because they are excluded from CEQA's definition of a project. The activities are administrative activities of government and an RFP process, which will not result in physical changes to the environment or reasonably foreseeable indirect changes to the environment pursuant to Section 15378(b)(4) and (5) of the State CEQA Guidelines. By authorizing the recommended actions, the County is not approving or committing to the development of any project under CEQA. The County, as lead agency, may modify or decide not to proceed with any project for any reason.

Nothing precludes the County from rejecting any proposed project or from weighing the economic, legal, social, technological, or other benefits of a proposed project against its unavoidable environmental risks when determining whether to grant approval. No activity that would constitute a project under CEQA will be commenced unless the Board takes further action to consider appropriate environmental documentation and make appropriate findings pursuant to CEQA in connection with approval of a project. Upon the Board's approval of the proposed project, DEO will file a Notice of Exemption with the Registrar-Recorder/County Clerk in accordance with Section 15062 of the CEQA Guidelines.

CONTRACTING PROCESS

After completing the RFP process and reviewing all development proposals received, DEO's designee will return to the Board with a recommendation to execute an exclusive negotiation agreement with the selected developer, a proposed project description, and consideration of appropriate CEQA findings.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no additional impact on current County services or projects during the performance of the recommended actions.

CONCLUSION

Should you have any questions, you may contact me directly, or your staff may contact Jessica Kim, Chief Deputy of the Department of Economic Opportunity, at jkim@opportunity.lacounty.gov or (213) 422-4786.

Respectfully submitted,



KELLY LOBIANCO
Director

KL:JK:ag

Attachments

c: Chief Executive Office
Executive Office, Board of Supervisors County
Counsel

RESOLUTION NO. xx

**RESOLUTION AND NOTICE OF INTENTION TO SOLICIT PROPOSALS FOR
LOS ANGELES COUNTY PARKING LOT 45 DEVELOPMENT OPPORTUNITY
PROJECT**

WHEREAS, the County of Los Angeles (“County”) is the owner in fee simple of that certain real property, located at located at 725 N. Spring Street, Los Angeles, California 90012 (comprised of three parcels (AIN #'s 5408-025-900, 5408-026-903, and 5408-027-902)), referred to as the Los Angeles County Parking Lot 45 ("Site"), and desires to solicit proposals for a mixed-use affordable housing development from developers interested in developing the Site;

WHEREAS, the Board has found that the public interest and welfare will be served by the solicitation of proposals for the Site;

WHEREAS, the County desires to allow developers that are determined to have the appropriate qualifications to respond to the Request for Proposals ("RFP"); and

WHEREAS, proposals responsive to the RFP, if received, will be evaluated by the County for possible recommendation to the Board of Supervisors to enter into exclusive negotiations with a proposed developer.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of the County of Los Angeles hereby finds, determines, resolves and orders as follows:

Section 1. It is the intention of the County to consider proposals for the potential mixed-use development of the Site located at 725 N. Spring Street, Los Angeles, California 90012 (AIN #s: 5408-025-900, 5408-026-903, and 5408-027-902) ("Property").

Section 2. By separate resolution, the Board has declared that the Property is exempt surplus land pursuant to Government Code section 54221(f)(1)(G)(i).

Section 3. An RFP has been prepared by the County for the solicitation of responses from interested and qualified developers for the proposed development of a mixed-use affordable housing development on the Property based upon the criteria set forth in the RFP.

Section 4. All proposals must be submitted to the County's Department of Economic Opportunity ("DEO") by no later than the published deadline of 4:00PM on April 22, 2024.

Section 5. The Director of the DEO, or her designee, is authorized to issue the RFP for the proposed development.

Section 6. The RFP documents will be available online at opportunity.lacounty.gov, and a notice of availability of the RFP with an invitation to all entities identified in Government Code section 54222(a), by electronic mail or by certified mail, for a mixed-use development that is more than one acre in area, that includes not less than 300 housing units, restricting at least 25 percent of such

units to lower income households, as defined in section 50079.5 of the Health and Safety Code, with an affordable sales price or an affordable rent, as defined in section 50053 of the Health and Safety Code, for a minimum of 55 years for rental housing.

Section 7. Authority to enter into exclusive negotiations with a proposer or proposers may be made at any subsequent meeting of the Board upon recommendation of the DEO, after receipt of said proposals.

Section 8. No oral responses to the RFP or oral proposals in response to the RFP will be considered by the County.

Section 9. The County reserves the unqualified right, in its sole and absolute discretion at any time: (1) to amend or withdraw the RFP or to withdraw at any time from this process with no recourse for any proposer; (2) to choose or reject any or all proposals received in response to the RFP in its sole and subjective discretion; (3) to modify the response deadlines; (4) to conduct further due diligence with one or more proposers or any third party; (5) to modify County's objectives or the scope of the proposed project; (6) to issue subsequent RFPs for the same property, or variations or components thereof; (7) to disqualify any developer on the basis of any real or perceived conflict of interest that is disclosed or revealed by responses submitted or by any data available to County; (8) to proceed with that proposal modified proposal, if any, which in its judgment will, under the circumstances, best serve County's objectives; (9) to waive minor deficiencies, informalities and/or irregularities in the proposals or compliance by proposers with requirements for submission of proposals; and/or (10) to determine not to proceed with the proposed development, either on the basis of an evaluation of the factors listed in the RFP, including the County's full exercise of its governmental powers in its review of and/ determinations concerning any required entitlements, and the full exercise of its discretion with respect to its compliance with the California Environmental Quality Act prior to its approval of the proposed development, or for another reason, or for no reason, including but not limited to the convenience of the County. Notwithstanding a recommendation of a department, agency, individual, or other, the Board retains the right to exercise its judgment concerning the selection of a proposal and the terms of any resultant agreement, and to determine which proposal best serves the interests of the County. The Board is the ultimate decision-making body that makes the final determination necessary to arrive at a decision to award, or not award, a lease or other agreement.

The foregoing Resolution of the County of Los Angeles was adopted on the 23rd day of January 2024, by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.



Board of Supervisors of
the County of Los Angeles

By 
Chair

APPROVED AS TO FORM:

DAWYN R. HARRISON

County Counsel

By: Behnez Ashkaran
Deputy

**ATTEST: CELIA ZAVALA
EXECUTIVE OFFICER
CLERK OF THE BOARD OF SUPERVISORS**

By Maria Oleida, Deputy

RESOLUTION NO. xx

A RESOLUTION OF THE COUNTY OF LOS ANGELES DECLARING CERTAIN PROPERTY EXEMPT SURPLUS LAND AND FINDING THAT SUCH DECLARATION IS EXEMPT FROM ENVIRONMENTAL REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

WHEREAS, the County of Los Angeles (“County”) is the owner in fee simple of that certain real property, located at 725 N. Spring Street, Los Angeles, California, 90012, AIN #s: 5408-025-900, 5408-026-903, and 5408-027-902 (“Property”);

WHEREAS, pursuant to the Surplus Land Act, Government Code section 54220, et seq. ("Act"), “surplus land” is land owned in fee simple by any local agency for which the local agency’s governing body takes formal action in a regular public meeting declaring that the land is either surplus land or exempt surplus land and is not necessary for the agency’s use;

WHEREAS, pursuant to the Act, land shall be declared either “surplus land” or “exempt surplus land,” as supported by written findings, before a local agency may take any action to dispose of it consistent with an agency’s policies or procedures;

WHEREAS, the County's Board of Supervisors' ("Board") priorities for the potential development of the Property is to advance the County's overall mission to address their current housing crisis needs and need for homeless, low income, and high-need population residential options and that this Property could contribute significantly to addressing that need by providing a number of residential units and related services for future residents and the broader County community;

WHEREAS, the Board hereby declares, pursuant to Government Code section 54221(f)(1)(G)(i), that the Property is exempt surplus land as the County will put the Property out to an open, competitive bid by issuing its Request for Proposals with an invitation to all entities identified in Government Code section 54222(a), for a mixed-use development that is more than one acre in area, that includes not less than 300 housing units, restricting at least 25 percent of such units to lower income households, as defined in section 50079.5 of the Health and Safety Code, with an affordable sales price or an affordable rent, as defined in section 50053 of the Health and Safety Code, for a minimum of 55 years for rental housing;

WHEREAS, the Board's declaration is contingent upon the potential development of the Property in accordance with Government Code section 54221(f)(1)(G)(i); and

WHEREAS, pursuant to Government Code section 54222.3, the Act is inapplicable to the disposal of exempt surplus land by a local agency.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of the County of Los Angeles hereby finds, determines, resolves and orders as follows:

Section 1. The above recitals are true and correct and are incorporated herein.

Section 2. The Board hereby declares that the Property is exempt surplus land pursuant to Government Code section 54221(f)(1)(G)(i).

Section 3. The Director of Department of Economic Opportunity ("DEO"), or designee, is hereby directed to send a notice of availability to the entities designated in Government Code section 54222(a) ("designated entities") by electronic mail or by certified mail and to submit a copy of this Resolution to the California Department of Housing and Community Development in accordance with the Surplus Land Act Guidelines.

Section 4. This Resolution has been reviewed with respect to the applicability of the California Environmental Quality Act ("CEQA") and the State CEQA Guidelines. It has been determined that the adoption of this Resolution will not have a significant environmental impact and is exempt from CEQA pursuant to State CEQA Guidelines section 15060(c)(3) because it is not a "project" as defined by CEQA Guidelines section 15378(b)(5), as it involves organizational or administrative activities of government that will not result in direct or indirect physical changes in the environment. Further, adoption of this Resolution is exempt from CEQA pursuant to State CEQA Guidelines section 15061(b)(3) because it can be seen with certainty that the actions will not have a significant adverse impact on the environment, as no development is authorized by this Resolution, and any future disposition will require separate environmental analysis if and when the details of such disposition are known.

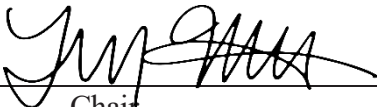
Section 5. The Director of DEO, or designee, is hereby authorized, to do all things which may be deemed necessary or proper to effectuate the purposes of this Resolution, and any such actions previously taken are hereby ratified and confirmed.

Section 6. This Resolution shall become effective immediately upon its adoption.

The foregoing Resolution of the County of Los Angeles declaring certain property exempt surplus land and finding that such declaration is exempt from environmental review under the California Environmental Quality Act was adopted on the 23rd day of January 2024, by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.



Board of Supervisors
of the County of Los
Angeles

By 
Chair

APPROVED AS TO FORM:

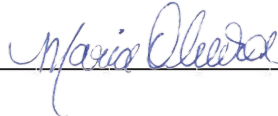
DAWYN R. HARRISON

County Counsel

By: *Behnaz Tashakorian*

Deputy

ATTEST: CELIA ZAVALA
EXECUTIVE OFFICER
CLERK OF THE BOARD OF SUPERVISORS

By , Deputy