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June 4, 2024

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

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

Dear Supervisors/ Commissioners:

**AUTHORITY TO EXTEND THE TERM OF THE EXCLUSIVE
NEGOTIATING AGREEMENT AMONG COMPTON
UNIFIED SCHOOL DISTRICT, LOS ANGELES COUNTY
DEVELOPMENT AUTHORITY, AND CHARLES DREW
UNIVERSITY/MARTIN LUTHER KING WELLNESS
COLLABORATIVE, LLC., AND EXTENSION OF THE
MEMORANDUM OF UNDERSTANDING BETWEEN THE
LOS ANGELES COUNTY DEVELOPMENT AUTHORITY
AND COMPTON UNIFIED SCHOOL DISTRICT**

(SECOND DISTRICT) 3 VOTES

SUBJECT

Extension of an Exclusive Negotiating Agreement (ENA) among Compton Unified School District (CUSD), Los Angeles County Development Authority (LACDA) and Charles Drew University (CDU)/Martin Luther King (MLK) Wellness Collaborative, LLC (collectively, Developer) to negotiate the terms to develop CUSD and LACDA-owned property with a potential mixed-use development until June 30, 2025. This letter also recommends the extension of a Memorandum of Understanding (MOU) between LACDA and CUSD for development of the properties. The County of Los Angeles (County), through its Department of Economic Opportunity (DEO), is acting as the agent of the LACDA for the development of the LACDA-owned property.

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

1-D June 11, 2024

Handwritten signature of Edward Yen in black ink.

EDWARD YEN
EXECUTIVE OFFICER

IT IS RECOMMENDED THAT THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES:

1. Find that the recommended actions do not constitute a project under Section 21065 of the Public Resources Code and/ Section 15378(b)(5) of the California Environmental Quality Act (CEQA) Guidelines because the recommended actions are organizational or administrative activities of government that will not result in direct or indirect physical changes in the environment; any future development of the Willowbrook Wellness Campus will be conditioned on compliance with all applicable CEQA requirements.
2. Authorize and delegate authority to the Director of Department of Economic Opportunity (DEO), or her designee, on behalf of LACDA, to:
 - a. Extend the term of the ENA among CUSD, LACDA, and CDU/MLK Wellness Collaborative through June 30, 2025, in order to negotiate the potential development of properties located along 117th Street (Assessor's Parcel No. 6149- 014-90, the LACDA Property) and 1667 E. 118th Street (Assessor's Parcel Nos. 6149-012-901, 6149-014-900, -903 and -904, the CUSD Properties, formerly known as the Lincoln Elementary School site) (collectively, Project Site) in unincorporated Willowbrook.
 - b. Extend the term of the Memorandum of Understanding (MOU) between LACDA and CUSD to extend the term through June 30, 2025.
 - c. Extend the term of the ENA and MOU extend the term for an additional 180 days, if needed.
 - d. Execute any and all related or ancillary documents or amendments to the ENA and MOU necessary to effectuate the action authorized hereby.
 - e. Collect deposits and fees in connection with the terms of the amended ENA and MOU, and to administer the expenses and accounting associated with the amended ENA and MOU.

IT IS RECOMMENDED THAT THE BOARD OF COMMISSIONERS OF THE LOS ANGELES COUNTY DEVELOPMENT AUTHORITY:

1. Find that the recommended actions do not constitute a project under Section 21065 of the Public Resources Code and/ Section 15378(b)(5) of the California Environmental Quality Act (CEQA) Guidelines because the recommended actions are organizational or administrative activities of government that will not result in direct or indirect physical changes in the environment; any future development of the Willowbrook Wellness Campus will be conditioned on compliance with all applicable CEQA requirements.
2. Authorize and delegate authority to the County, through its Director of Economic Opportunity, or her designee, on behalf of LACDA, to:

- a. Extend the term of the ENA among CUSD, LACDA, and CDU/MLK Wellness Collaborative through June 30, 2025, in order to negotiate the potential development of properties located along 117th Street (Assessor's Parcel No. 6149- 014-90, the LACDA Property) and 1667 E. 118th Street (Assessor's Parcel Nos. 6149-012-901, 6149-014-900, -903 and -904, the CUSD Properties, formerly known as the Lincoln Elementary School site) (collectively, Project Site) in unincorporated Willowbrook.
- b. Execute the term of the Memorandum of Understanding (MOU) between LACDA and CUSD to extend the term through June 30, 2025.
- c. Extend the term of the ENA and MOU for an additional 180 days, if needed.
- d. Execute any and all related or ancillary documents or amendments to the ENA and MOU necessary to effectuate the action authorized hereby.
- e. Collect deposits and fees in connection with the terms of the amended ENA and MOU, and to administer the expenses and accounting associated with the amended ENA and MOU.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The primary purpose of the recommended actions is to continue the negotiations with the selected development team for the potential development of the Project Site, which is generally bounded by E 117th Street to the north, E 118th Street to the south, Compton Avenue to the west and Holmes Avenue to the east. The CUSD Property consists of approximately 11.4 acres and is home to Lincoln Elementary School which permanently closed operations in 2015. The LACDA Property is an elongated triangular shaped site of 1.3 acres that sits adjacent to the 105 Freeway. The two (2) properties that comprise the Project Site sit across the street from one another along E 117th Street.

On February 11, 2019, the LACDA entered into a MOU with CUSD to explore the feasibility of redeveloping the Project Site. An initial allocation of Catalytic Development Funds was provided to hire the necessary consultants to obtain required studies and confirm the feasibility of a larger mixed-use development on the Project Site.

On November 24, 2020, the County Board of Commissioners of the Los Angeles County Development Authority (Board of Commissioners) approved an Exclusive Negotiating Agreement (ENA) among Compton Unified School District (CUSD), Los Angeles County Development Authority (LACDA) and Charles Drew University (CDU)/Martin Luther King (MLK) Wellness Collaborative, LLC (Developer) to negotiate the terms to develop CUSD and LACDA owned property with a potential mixed-use development. On April 7, 2021, the ENA was fully executed.

In January 2022, the Economic Development unit at LACDA that had been leading the negotiations was transferred to the County into what became DEO. On June 28, 2022, the Board

of Commissioners designated the County, by and through the DEO, to act as the agent of LACDA for the negotiation and potential development of the LACDA Property.

The Parties agreed to two (2) additional amendments which extended the period of exclusive negotiations and its related document, the MOU, through June 30, 2024 with an additional 180 day extension if needed, at the sole discretion of the LACDA.

DEO, CUSD and the developer have made significant progress to advance the proposed project, which is anticipated to include 254 units of affordable housing (54 units for seniors), 333 units of workforce and student housing, 116,000 SF of office, CUSD/CDU joint use, possible research, and clinical space, a sports complex with basketball and aquatic facilities, and an outdoor multi-purpose soccer field, as well as a multi-story parking lot.

The Parties have drafted and are finalizing negotiations related to Option and Ground Lease Agreements, and a Development Agreement. In parallel, the Developer is advancing through the entitlement and environmental clearance process. The entitlement and environmental review process is anticipated to be complete within the next year, which are anticipated to align with final negotiations of the associated development agreements. Therefore, LACDA, through the County, recommends extending the period for exclusive negotiations through June 30, 2025, with an additional 180-day extension if needed, at the sole discretion of the LACDA.

FISCAL IMPACT/FINANCING

There is no impact on the County General Fund as a result of the recommended actions. If negotiations with the Developer are successful, the DEO will return to the Board with negotiated agreements for review and approval and will provide the fiscal impact and financial analysis at that time.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The amendment to the ENA will include the following terms:

- The term will be extended from June 30, 2024 through June 30, 2025, with delegated authority to the Director of DEO to extend the term administratively for another 180 days, if needed, at the sole discretion of the LACDA.
- Developer is solely responsible for any expenses it incurs to assess the feasibility of the proposed project.

The MOU between LACDA and CUSD will also be extended to June 30, 2025, in line with the ENA.

If negotiations with the Developer are successful, the DEO will return to the Board with negotiated development agreements reviewed by County Counsel and ready for approval.

The potential development and extension of the ENA and MOU is pursuant to the authority set

forth in the inter-agency exemption at Government Code Section 54221(f)(1)(D) and pursuant to the open and competitive bid exemption for surplus land at Government Code Section 54221(f)(1)(F).

ENVIRONMENTAL DOCUMENTATION

This action is exempt from the provisions of the National Environmental Policy Act (NEPA) pursuant to 24 Code of Federal Regulations, Part 58, Section 58.34(a)(3) because it involves administrative activities that will not have a physical impact on, or result in any physical changes to, the environment. The action is not a project pursuant to 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 DEO is seeking authority to continue the negotiation of potential development agreements under the ENA and MOU. No commitment to any project is being made at this time. NEPA and CEQA review requirements must be completed before any commitment to a project occurs.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed actions will allow the DEO to continue to negotiate the terms to potentially develop the CUSD and LACDA owned property at the Project Site.

CONCLUSION

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

Respectfully submitted,



Kelly LoBianco, Director of Los Angeles County Department of
Economic Opportunity



Emilio Salas, Director of Los Angeles County Development
Authority

KL:JK:DC:ag

c: Executive Office, Board of Supervisors
Chief Executive Office
County Counsel
Los Angeles County Development Authority



Willowbrook Wellness Campus

EDPC Meeting

May 16, 2024

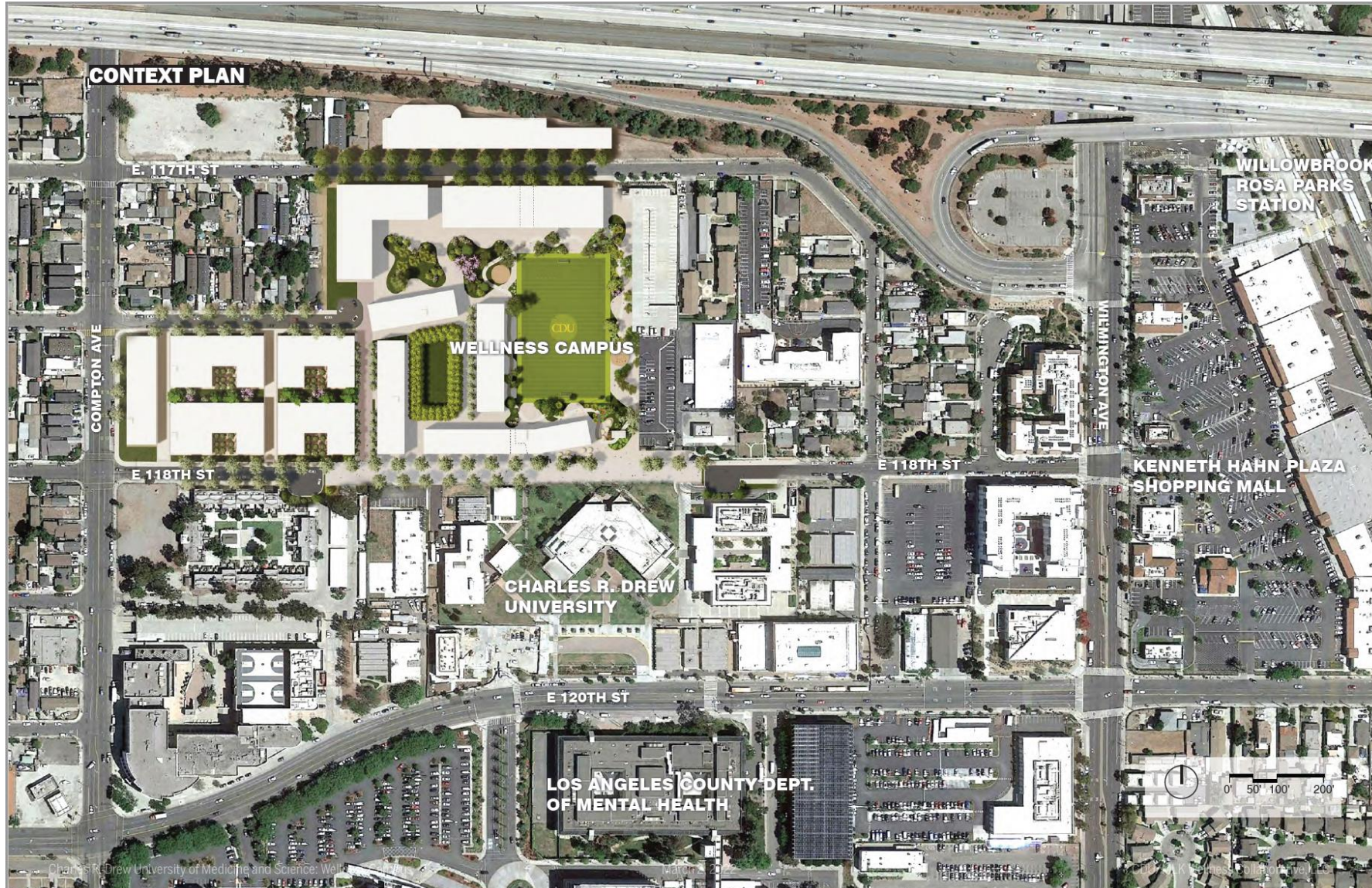


**department
of economic
opportunity**
COUNTY OF LOS ANGELES

Background + Purpose

- **Redevelopment of the former Lincoln Elementary School site (Compton Unified owned) and LACDA lot**
- **11/15/2019** - RFP was jointly issued by CUSD and LACDA
- **07/14/2020** - CDU/MLK Wellness Collaborative, LLC was selected
 - Charles R. Drew University of Medicine and Science
 - Thomas Safran and Associates, Inc.
 - Century Housing Corp.
- **04/07/2021** - Start of Exclusive Negotiation Agreement (ENA)
 - ENA amendments 1-3 extended expiration to June 30, 2024
- **Request:** Extend the ENA and MOU to June 30, 2025.

Property Location and Context



Project Benefits



- Redevelopment of the former 12.8-acre Lincoln Elementary School into a campus that would provide housing, open space, and campus-related uses to serve Charles R. Drew University and the broader Willowbrook/Compton community.
- The **Wellness Campus** includes:
 - ✓ 254 units of affordable housing (54 units for seniors).
 - ✓ 333 units of workforce and student housing.
 - ✓ 116,000 SF of office, CUSD/CDU joint use, possible research, and clinical space.
 - ✓ Sports complex with basketball and aquatic facilities, and an outdoor multi-purpose soccer field.
 - ✓ Multi-story parking lot.

Wellness Campus



Project Accomplishments

WORK EFFORT	STATUS
Exclusive Negotiation Agreement	✓ Complete
Due Diligence	✓ Complete
Site Plan	✓ Complete
Demolition of Existing Structures	✓ Complete
Entitlements and Environmental Clearances	✓ Submittal occurred at the end of June 2023 ✓ Application was deemed complete at the beginning of August 2023 ✓ Anticipate consideration by the BOS of Specific Plan Amendment, development agreement and environmental document in Spring 2025.
Development Agreements	✓ CUSD, County and Developer finalizing option agreement (for 5 affordable housing leases), lease agreements and the Development Agreement.

Next Steps

- Extend ENA through June 30, 2025**
- Continue to negotiate and finalize negotiations related to Option, Ground Lease and Development Agreement**
- Complete entitlement and environmental clearance process**



Thank you!

Avelina Rodriguez (DEO)

Karly Katona (Trifiletti Consulting)



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