

MOTION BY SUPERVISOR HILDA L. SOLIS

September 10, 2024

MacLaren Esperanza Village Project

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, on May 1, 2021, our Board authorized the County to enter into a partnership with the City of El Monte (City) for a potential affordable housing development opportunity at the site formerly operated as MacLaren Hall, a former Department of Children and Family Services (DCFS) facility, located at 4024 Durfee Avenue in the City of El Monte (the Property).

Through the partnership with the City, and after engaging the surrounding community, three (3) future development areas were identified at the Property. The first development area, consisting of approximately six (6) acres, will be developed as a community park by the County’s Department of Public Works (DPW) and the City. The second development area consists of approximately one (1) acre, and is slated for a future Esperanza Village New Medical Building, which may operate as a community health clinic, a senior care center, and a vocational training center, and bolster

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economic development through the creation of approximately 140 full-time jobs for the local community. This will be developed by the County, through DPW, at a future date.

The last development area on the Property consists of approximately six (6) acres bordered by Durfee Avenue along its frontage to the west, Kerrwood Street to the north, Gilman Road to the east, and a single and multi-family residential area to the south (the Site). Through a partnership between the County, by and through the Chief Executive Officer (CEO), and the City, it was determined that MacLaren Hall Partners, LLC, a California limited liability company (Developer), a joint venture created by Prima Development, a California nonprofit public benefit corporation, together with National Community Renaissance of California, a California nonprofit public benefit corporation, would be best suited to develop and construct the Esperanza Village Affordable Housing Project, an affordable multifamily rental housing development consisting of approximately 202 affordable rental housing units reserved for occupancy by low-income persons/families, seniors, and persons with special needs for a proposed 75-year ground lease term (the Housing Project). The proposed Housing Project will include related site infrastructure including driveways, parking, courtyards, and other common areas. Further, the proposed Housing Project will provide quality affordable housing and deliver meaningful community health and wellness outcomes in one of the most economically underserved cities in California.

I, THEREFORE, MOVE that the Board of Supervisors

- 1) Acting as a responsible agency pursuant to the California Environmental Quality Act (CEQA), for the Esperanza Village Project, certify that the County has considered the Initial Study-Mitigated Negative Declaration (IS/MND), prepared

and adopted by the City of El Monte (City) as the lead agency, on November 15, 2022 and the Addendum to the Adopted IS/MND, which were prepared and adopted by the City as the lead agency, on July 23, 2024; adopt the City's Mitigation Monitoring and Reporting Program to the extent applicable to the County's actions, finding that the Mitigation Monitoring Program is adequately designed to ensure compliance with the mitigation measures that will be implemented for the Project; find that the current actions are within the scope of the previously City's adopted IS/MND and Addendum by the City, and there are no changes to the Project or to the circumstances under which they will be undertaken that require additional findings under CEQA.

The location of the documents and other materials constituting the record of the proceedings upon which the Board's decision is based in this matter is at 500 West Temple Street, Room 754, Los Angeles. The custodian of such documents and materials is the Los Angeles County CEO Asset Management Branch. The environmental documents for the projects can also be located at [Approved Projects | El Monte, CA \(el-monte.ca.us\)](https://www.el-monte.ca.us/Approved-Projects).

Upon the Board's approval of the directives herein, CEO will file a Notice of Determination with the Registrar-Recorder/County Clerk and with the Governor's Office of Planning and Research pursuant to Public Resources Code Section 21152 (a) of the California Public Resources Code and will post the notice to the County's website in accordance with Section 21092.2.

- 2) Establish the proposed Esperanza Village New Medical Building, Capital Project No. 6A024, with an initial budget of \$8,840,000.

- 3) Approve an appropriation adjustment to reflect the transfer of \$8,840,000 net County cost from Committed for Department of Children and Family Services (DCFS) to the Esperanza Village New Medical Building, Capital Project No. 6A024, to fund predevelopment efforts.
- 4) Authorize the Director of Public Works, or his designee, to proceed with the preparation of technical and environmental studies, utilizing an existing Board approved as-needed environmental services contract, and to prepare design-build scoping documents in compliance with standard County contracting requirements, utilizing an existing Board approved as-needed design services contract, for the proposed Esperanza Village New Medical Building project.
- 5) Approve the proposed Esperanza Village Affordable Housing Project, an affordable multifamily rental housing development consisting of approximately 202 affordable rental housing units reserved for occupancy by low-income persons/families, seniors, and persons with special needs for a proposed 75-year ground lease term (Housing Project) located on a portion of the property located at 4024 Durfee Avenue in the City of El Monte (Site).
- 6) Find that the Housing Project Site is exempt surplus land per Government Code section 54221(f)(1)(A). The Housing Project will be used to provide affordable housing to families and senior citizens within the County.
- 7) Authorize the Los Angeles County Development Authority (LACDA), through its Executive Director, or designee, to act on behalf of the County and to negotiate and execute an Option to Lease Agreement between the County and MacLaren Hall Partners, LLC, a California limited liability company, or its County-approved

designee (Developer), to lease the Housing Project Site for the development of the Housing Project.

- 8) Authorize the LACDA, through its Executive Director, or designee, to serve as the agent to the County to manage development of the Housing Project, including execution of the Ground Lease, upon satisfaction of the conditions set forth in the Option to Lease Agreement and approval as to form by County Counsel, and any other additional transaction documents consistent with and/or necessary for, the implementation of the foregoing approvals, including execution of any amendments to the foregoing documents.

I, THEREFORE, MOVE that the Board of Supervisors, acting as the Board of Commissioners of the Los Angeles County Development Authority:

- 1) Approve the designation of LACDA to serve as the agent of the County of Los Angeles (County) to manage the development of the Esperanza Village Affordable Housing Project, an affordable multifamily rental housing development consisting of approximately 202 affordable rental housing units reserved for occupancy by low-income persons/families, seniors, and persons with special needs for a proposed 75-year ground lease term (Housing Project) located on a portion of the property located at 4024 Durfee Avenue in the City of El Monte (Site).
- 2) Authorize the Executive Director, or designee, to negotiate and execute an Option to Lease Agreement between the County and MacLaren Hall Partners, LLC, a California limited liability company, or its County-approved designee (Developer), to lease the Housing Project Site for the development of the

Housing Project.

- 3) Authorize the LACDA, through its Executive Director, or designee, to serve as the agent to the County to manage development of the Housing Project, including execution of the Ground Lease, upon satisfaction of the conditions set forth in the Option to Lease Agreement and approval as to form by County Counsel, and any other additional transaction documents consistent with and/or necessary for, the implementation of the foregoing approvals, including execution of any amendments to the foregoing documents.

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September 10, 2024

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF CHIEF EXECUTIVE OFFICER

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HER RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFORE

FY 2024-25

4 - VOTES

SOURCES

USES

GENERAL FUND

A01-3070

COMMITTED FOR DCFS

DECREASE OBLIGATED FUND BALANCE

8,840,000

VARIOUS CAPITAL PROJECTS

ESPERANZA VILLAGE NEW MEDICAL BUILDING

A01-CP-6014-65099-6A024

CAPITAL ASSETS - B & I

INCREASE APPROPRIATION

8,840,000

SOURCES TOTAL

\$ 8,840,000

USES TOTAL

\$ 8,840,000

JUSTIFICATION

Reflects the cancellation of obligated fund balance Committed for Department of Children and Family Services (DCFS) to fund predevelopment efforts for the Esperanza Village New Medical Building, Capital Project No. 6A024.

**Matthew J.
Diaz**

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Matthew J. Diaz
Date: 2024.09.03
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AUTHORIZED SIGNATURE

Matthew Diaz, Manager, CEO

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

REFERRED TO THE CHIEF
EXECUTIVE OFFICER FOR---

ACTION

RECOMMENDATION

Digitally signed by Andrea
Turner
Date: 2024.09.03 10:11:06
-07'00'

BY **Andrea Turner**

DATE **9/3/24**

AUDITOR-CONTROLLER

B.A. NO. **024**

APPROVED AS REQUESTED

APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

**Yolanda
Reyes**

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Yolanda Reyes
Date: 2024.09.03
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DATE **9/3/24**