department of economic opportunity
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November 10, 2026

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:

AUTHORIZE THE EXECUTION OF AN OPTION TO LEASE AGREEMENT WITH LINC HOUSING CORPORATION FOR THE POTENTIAL REDEVELOPMENT OF COUNTY PARKING LOT 45 FOR THE NEW HIGH VILLAGE DEVELOPMENT PROJECT
(SUPERVISORIAL DISTRICT 1) (3 VOTES)
FISCAL YEAR 2026-2027

SUBJECT:

This letter recommends approval of an Option to Lease Agreement with Linc Housing Corporation (Developer or Linc) and related actions associated with the development of County of Los Angeles (County) owned property located at 721-755 North Spring Street and 716-740 North New High Street (Assessor's Parcel Numbers 5408-027-902, 5408-026-903, and 5408-025-900), commonly known as Los Angeles County Parking Lot 45, in the Chinatown community of the City of Los Angeles.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed New High Village Development Project is exempt from the California Environmental Quality Act (CEQA), for the reasons stated in this Board letter and in the record of the Project.

2. Authorize the Director of the Department of Economic Opportunity (DEO), or designee, to negotiate and execute the Option to Lease Agreement, between the County and Developer, and the form of Ground Lease, inclusive of an Exhibit of Community Benefits reflective of the consensus of the priorities of the CAC, upon satisfaction of the conditions set forth in the Option to Lease Agreement, and any other transaction documents consistent with, and/or necessary for, the implementation of the foregoing approvals, including execution of any amendments to the foregoing documents for the development of at least 300 mixed-use senior and family affordable housing, accessory on-site supportive services space, and ground floor commercial and community space (Project) on County-owned property located at 721-755 North Spring Street and 716-740 North New High Street (Project Site), upon approval as to form by County Counsel.

3. Delegate authority to the Chief Executive Officer, or designee, in coordination with the Director of DEO, to negotiate and execute a license or other form of legal agreement for up to 119 parking spaces to serve the Project in Lot 58 based on mutually agreeable price and terms, and to execute any related or ancillary documents or amendments necessary to effectuate the license, upon approval as to form by County Counsel.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to authorize the execution and implementation of an Option to Lease Agreement, inclusive of an Exhibit of Community Benefits, and the form of Ground Lease, and any ancillary documentation with the Developer, or their DEO-approved assignees, for the development of the Project.

The Project advances the County's objectives for the Project Site by converting an underutilized surface parking lot into affordable, service-enriched housing for families and seniors, including supportive housing, together with community-oriented commercial and economic opportunity space, community spaces, open space, and parking, in a manner that respects and celebrates the cultural heritage of the Chinatown community.

BACKGROUND

Solicitation and Developer Selection

On January 23, 2024, the Board authorized the release of a Request for Proposals (RFP) for the potential development of Los Angeles County Parking Lot 45 and declared the Project Site exempt surplus land under the Surplus Land Act. The County's goal for the Project Site, determined after a series of listening sessions and surveying of the surrounding community and local stakeholders, was to develop a mixed-use project comprised of affordable housing, community-oriented commercial or economic

opportunity spaces, open space, and adequate parking.

DEO closed the proposal submission period on April 22, 2024. The County received six proposals, which were evaluated based on the following criteria described in the RFP:

- Proposer Qualifications Criteria & Capability to Implement the Project
- Financial Capacity
- Project Design/Concept & Narrative Description
- Project Financing Strategy
- Community Benefits Strategy

An advisory committee of community stakeholders was convened to review the respondents' community benefits strategies and to provide comments and recommendations for reference by the Evaluation Committee. Linc was responsive to the vision and expectations described in the Objectives and Goals of the RFP, and its proposal received the highest score. Over the past 40 years, Linc has developed nearly 10,000 homes across 96 housing communities in California, including 41 completed projects in Los Angeles County.

Exclusive Negotiation Agreement

On September 24, 2024, the Board authorized the Director of DEO, or her designee, to execute an Exclusive Negotiation Agreement (ENA) with Linc for an initial 24-month term, with authority to extend for a maximum of up to two 180-day extension periods.

During the ENA period, DEO managed the predevelopment phase of the Project, including overseeing the entitlement process, reviewing the proposed financing structure and project plans, managing the right of entry agreement, overseeing Linc's outreach plan and participating in outreach activities, and negotiating the terms of the Option to Lease Agreement, consistent with the ENA Schedule of Performance.

Entitlements

Linc was responsible, under the ENA, for securing all site entitlements. On September 28, 2026, the Director of Regional Planning, pursuant to sovereign immunity, approved Project No. PRJ2025-001708, comprising two concurrent approvals that together form the New High Village Community Development: the "South Site," authorized through Administrative Housing Permit RPPL2026000456 and Ministerial Site Plan Review RPPL2026000450 for a 100% affordable mixed-use development with 146 units, 8,653 square feet of commercial space, and a 2,984-square-foot Community Center; and the

"North Site," authorized through Administrative Housing Permit RPPL2026000460 and Ministerial Site Plan Review RPPL2026000459 for a 100% affordable senior mixed-use development with 158 units and 5,533 square feet of commercial space, with each approval referencing the other as part of the overall development.

Community Engagement

Linc was responsible, under the ENA, for deploying a culturally sensitive community outreach plan that included the establishment of a Community Advisory Committee (CAC) which was launched on June 24, 2025, has 20 members, and continues to meet at least six times yearly.

Other outreach activities have included hosting two at-large public meetings with over 130 community members in attendance, small group meetings and listening sessions, and tabling at community events to collect feedback to incorporate into the design and programming of the Project. Members of the CAC have also participated in focus group meetings with the development design team including the architect and general contractor to provide direct feedback on design priorities.

In addition to design-related input, outreach efforts to date have focused on educating and engaging local residents on how to access upcoming construction jobs, apply for commercial tenant placement and future property management and service-related jobs, and provide progress updates. Community engagement efforts, including regular meetings of the CAC, and public events are expected to continue through the construction and lease-up period.

Project Description

The Project Site consists of approximately 73,420 square feet and currently contains 212 parking spaces. The Project consists of the removal of the existing surface parking lot and the construction of two mixed-use buildings:

- North Building (Senior Building): a 15-story, approximately 143,000 square foot mixed-use building with 158 dwelling units, approximately 4,600 square feet of accessory on-site supportive services space, and approximately 5,500 square feet of ground floor commercial space; and

- South Building (Family Building): a 6-story, approximately 161,000 square foot mixed-use building with 146 dwelling units over approximately 12,000 square feet of ground floor commercial and community center space.

Community Benefits

An Exhibit of Community Benefits is being developed in collaboration with the CAC and will be attached as to the Option to Lease Agreement. The CBA remains in development and summarized as follows:

- **Affordable housing and services**: no less than 300 affordable housing units restricted for the term of the Ground Lease in a mix of studio, one-bedroom, two-bedroom, and three-bedroom configurations. Of these, 144 units will be available to families, small households, and individuals earning up to 80% of the Area Median Income (AMI); and 156 units will be designated for low-income senior households earning up to 80% of AMI. Approximately 77 units will be designated as supportive housing, reserved for Special Needs homeless households. Four units will be designated as managers' units and are without income restrictions. There will be a minimum of 4,000 square feet of dedicated on-site supportive services space in each building, staffed by a qualified team providing resident services coordination and case management.

- **Local Leasing and Tenanting:** The Developer will target outreach within the 90012 zip code no less than six months before construction completion, with materials in Simplified or Traditional Chinese, Vietnamese, Spanish, and English. Developer will also establish a residential tenanting strategy that, to the extent permitted by law and supported by a disparate impact analysis, prioritizes eligible applicants domiciled in the 90012 zip code.

- **Public Spaces and Ground Floor Uses**: The Project will include approximately 20,000 square feet of open space, of which at least 3,500 square feet will be open to the public. The Project design and public art will reflect the cultural heritage of Chinatown. There will be approximately 17,000 square feet of ground floor community-serving commercial space, approximately 3,000 square feet of which will be a community center, and a right of first refusal for DEO to master lease the ground floor space and provide favorable lease opportunities spaces for local and culturally relevant small businesses.

- **Project Delivery and Workforce Development Opportunities:** Linc will establish a goal of at least 30% of total construction labor hours will be worked by Local Residents and at least 10% by Targeted Workers, with outreach to residents of William Mead Homes and a partnership with the local WorkSource Center. There will also be apprenticeship opportunities and a Community Workforce Agreement, as well as good-faith efforts to contract with legacy, local, small, and Community Business Enterprise firms. Linc will also convene at least one hiring fair in the 90012 zip code. The Developer will also seek to fill its permanent property management positions, estimated at 2-5 roles, through local hiring efforts.

- **Community Engagement and Safety:** Linc will facilitate continued engagement of the existing Community Advisory Committee (Committee) through the option period and construction and will present a Community Safety Plan to the Committee no less than nine months before construction completion.

Option to Lease Agreement

Consistent with the terms outlined in the solicitation process and the ENA, DEO, on behalf of the County, will enter into an Option to Lease Agreement and subsequent Ground Leases (upon satisfaction of the conditions set forth in the Option to Lease Agreement) for development of the Project. During the term of the Option to Lease Agreement, the County and the Developer will finalize the form of Ground Leases, which will incorporate a lease term not to exceed 75 years, with rent to paid from the Project's residual receipts.

Parking Agreement

Development of the Project Site will occur on Lot 45, which is comprised of 212 parking spaces, and has a utilization rate of approximately 70% (150 spaces). However, Lot 58, which is located directly across the street from the Project Site, is currently not operational, but has the capacity to provide 308 spaces. Once Lot 45 closes, Lot 58 can be reopened to meet the prior demand of Lot 45 and also has capacity to provide parking for the Project. To promote the consolidation of parking facilities and promote Project delivery efficiencies, the recommended actions propose authorizing the Chief Executive Officer, or designee, in coordination with the Director of DEO, to negotiate and execute a license or other legal agreement for parking of up to 119 vehicles in Lot 58, based on mutually agreeable price and terms and approved as to form by County Counsel.

FISCAL IMPACT/FINANCING

In May 2022, at the request of Supervisor Hilda L. Solis, Representative Jimmy Gomez secured $1.5 million in federal HUD funding to study and support the development of the Project site. Initial funds were used to support community engagement and solicitation development costs, and the remaining funds, have been utilized to support continued community engagement and pre-development activities performed by the Developer.

There is no County funding being committed to the Project through the recommended actions. The Developer is solely responsible for securing all financing necessary to construct the Project, which is anticipated to include an allocation of low-income housing tax credits, local and State subsidies, and private construction and permanent financing. Costs to the County associated with activities completed during the option period will be covered by the Developer's deposits.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On January 23, 2024, the Board declared the Project site exempt surplus land under the Surplus Land Act, Government Code section 54200 *et. seq.*, in connection with its authorization of the RFP.

California Government Code sections 25350 *et. seq.* grants the Board the authority to purchase, lease, sell, or otherwise dispose of County-owned real property. Pursuant to Government Code section 25371, the County is authorized to ground lease real property to the Developer to implement the proposed Project in the most timely and cost-effective manner. The recommended authority to execute amendments to the foregoing documents is requested because amendments may be necessary in cases where Project specifics change after execution, including in response to financing, entitlement, or design requirements. All documents will be approved as to form by County Counsel prior to execution.

ENVIRONMENTAL DOCUMENTATION

The proposed Project is exempt from CEQA pursuant to the statutory exemption set forth in section 21080.27 of the California Public Resources Code. As amended by Assembly Bill 785 (Chapter 726, Statutes of 2023), section 21080.27 provides that CEQA does not apply to specified activities undertaken by the County of Los Angeles and other eligible public agencies in furtherance of providing affordable housing, low barrier navigation centers, supportive housing, and transitional housing for youth and young adults within the unincorporated areas of the County and on parcels owned by the County within the City of Los Angeles. The exempt activities include actions taken by the County to lease, convey, or encumber land owned by the County, or to facilitate the lease, conveyance, or encumbrance of County-owned land, for such housing. Section 21080.27 remains in effect until January 1, 2030.

The Project satisfies the requirements of section 21080.27. The Project Site is owned by the County and is located within the City of Los Angeles. The Project will deliver no less than 300 affordable dwelling units restricted for the term of the Ground Lease to lower income households, including approximately 77 units set aside as supportive housing; at least 25% of the affordable units are reserved for Special Needs and homeless households. The recommended actions authorizing execution of the Option to Lease Agreement and the forms of Ground Lease are actions to lease and encumber County-owned land in furtherance of providing affordable and supportive housing. The Project will further comply with the labor standards required as a condition of the exemption, including applicable prevailing wage requirements and skilled and trained workforce or Community Workforce Agreement requirements, consistent with the Community Benefits described above.

Upon the Board's approval of the recommended actions, the County will file a Notice of Exemption with the County Clerk in accordance with section 21152 of the California Public Resources Code.

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 advancing 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.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed actions will increase affordable housing opportunities for low-income families and seniors in the Chinatown community, including supportive housing for special needs and households who have previously experienced or were at risk of homelessness, and will activate an underutilized County-owned surface parking lot with housing, on-site supportive services, community-serving commercial space, and publicly accessible open space. Development of the Project Site will displace the 212 parking spaces currently located at Lot 45, however, the parking demand can be met at County Lot 58, which is directly across the street from the Project Site.

CONCLUSION

Should you have any questions, you or your staff may contact me directly, or Krystin Hence, Assistant Director of Capital Development, at (323) 578-5389 or khence@opportunity.lacounty.gov.

Respectfully submitted,

Kelly LoBianco
Director

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Attachments

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