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Office of the City Clerk, City of Los Angeles

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**Council File Number**

[07-0332](#)

**Title**

MIXED-USE GRAND AVENUE PROJECT

**Subject**

Communication from the Community Redevelopment Agency 5062, dated February 1, 2007, relative to various actions related to the mixed-use Grand Avenue Project including Environmental Findings; approvals of the Disposition and Development Agreement between the Los Angeles Grand Avenue Authority and Grand Avenue L.A., LLC; ground leases among the County of Los Angeles, the Agency, and Los Angeles Grand Avenue Authority; and agreements to provide \$24,400,000 in Agency Investments, in addition to potential ground lease revenues, for: (1) Development of two County-owned parcels, Parcel Q (100 South Grand Avenue) and Parcels W-2 (440 West First Street) and two agency-owned parcels, Parcel L (220 South Hope Street) and M-2 (236 South Hope Street), in the Bunker Hill Redevelopment Project Area; (2) Redesign of the Grand Avenue Corridor between Fifth Street and Cesar E. Chavez Avenue in the Bunker Hill and amended Central Business District Redevelopment Project areas; and (3) Public Park Improvements for a 16-acre civic park in the amended Central Business District Redevelopment Project area.

**Last Change Date**

02/06/2009

**Expiration Date**

01/28/2011

**Reference Numbers**

City Attorney Report: R09-0016, Related Council Files: 13-1694; 13-1694-S1; 13-1694-S4

**Council District**

9

**Initiated by**

Community Redevelopment Agency

**Action History for Council File [07-0332](#)**

Date	Activity
02/06/2009	File closed.
02/04/2009	Mayor transmitted file to City Clerk. Ordinance effective date: February 6, 2009.
01/30/2009	City Clerk transmitted file to Mayor. Last day for Mayor to act is February 9, 2009. FORTHWITH
01/30/2009	Council adopted Housing, Community and Economic Development Committee report; ordinance adopted.
01/28/2009	City Clerk scheduled item for Council on January 30, 2009.
01/28/2009	Housing, Community and Economic Development Committee approved item(s) .
01/23/2009	City Clerk scheduled item for Council on January 30, 2009.
01/23/2009	Housing, Community and Economic Development Committee scheduled item for committee meeting on January 28, 2009.
01/22/2009	City Attorney document(s) referred to Housing, Community and Economic Development Committee.

01/21/2009 Document(s) submitted by City Attorney, as follows:

City Attorney report, dated January 21, 2009, relative to page substitution correcting the City Clerk address on Section 6 of page 2 of the ordinance calling for Special Election for the community taxing District No. 2 submitted on January 12, 2009 - Page 2 substitution enclosed.

01/13/2009 City Attorney document(s) referred to Housing, Community and Economic Development Committee.

01/12/2009 Document(s) submitted by City Attorney, as follows:

City Attorney report R09-0016, dated January 12, 2009, relative to an ordinance calling for a special election for City of Los Angeles Community Taxing District No. 2 (Grand Avenue Project).

12/16/2008 File closed.

12/05/2008 Mayor transmitted file to City Clerk. Ordinance effective date: January 11, 2009.

12/03/2008 City Clerk transmitted file to Mayor. Last day for Mayor to act is December 15, 2008.

12/02/2008 Council adopted ordinance.

11/25/2008 Council adopted motion to approve Housing, Community, and Economic Development Committee report recommendations; exemption approved; ordinance over to December 2, 2008.

11/21/2008 Document(s) submitted by Chief Legislative Analyst; City Administrative Officer, as follows:

City Administrative Officer and Chief Legislative Analyst report, dated November 17, 2008, relative to the costs by responsible officers for community taxing district for the Grand Avenue Hotel and Parking Project.

11/19/2008 City Clerk scheduled item for Council on November 25, 2008.

11/19/2008 Housing, Community and Economic Development Committee approved item(s) .

10/09/2008 City Attorney document(s) referred to Housing, Community and Economic Development Committee.

10/08/2008 Document(s) submitted by City Attorney, as follows:

City Attorney report, dated October 8, 2008, relative to an ordinance of formation for the City of Los Angeles Community Taxing District No. 2 (Grand Avenue Project).

## Archive History

2-1-07 - For ref

2-2-07 - For ref - Communication from the Chief Legislative Analyst 07-02-0173, dated February 2, 2007, relative to various actions related to the multi-phased Grand Avenue Project mixed-use development located in Bunker Hill Redevelopment Project and the Amended Central Business District Project Areas.

2-6-07 - Ref to Housing, Community and Economic Development and Budget and Finance Committees

2-6-07 - File to Housing, Community and Economic Development Committee Clerk

2-13-07 - Council Action - Housing, Community and Economic Development Committee report ADOPTED to:

1. ADOPT the accompanying Resolution (attached to the Chief Legislative Analyst (CLA) report dated February 2, 2007) certifying that the City Council has independently reviewed and considered the environmental effects of the Grand Avenue Project as shown in the Grand Avenue Project Final Environmental Impact Report ("EIR") prepared and certified by the Los Angeles Grand Avenue Authority ("Authority") and Adopt the Environmental Findings, the Mitigation Monitoring Program, and the Statement of Overriding Considerations.

2. ADOPT the accompanying joint Resolution (attached the Community Redevelopment Agency (Agency) report dated February 1, 2007) making certain findings in accordance with Health & Safety Code Sections 33445 and 33421.1 in support of the use of Agency funds for improvements to the Grand Avenue Project.

3. AUTHORIZE the Chief Executive Officer, CRA, or designee, to:

a. Execute the First Amendment to the Joint Powers Authority (JPA) Agreement by and between the County of Los Angeles (County) and the Agency for the development and construction of certain

properties located in the vicinity of Grand Avenue in Downtown Los Angeles to permit a change in the percentage share of net revenues distribution formula in the event the County or Agency elects to remove any County or Agency-owned parcel from the JPA.

b. Execute the County-Agency Ground Lease to transfer a leasehold interest in the Phase I (Parcel Q) from the County to the Agency.

c. Negotiate and execute a future County-Agency Lease in substantially similar form for Phase II (Parcel W -2) consistent with the Disposition and Development Agreement (DDA) prior to Phase II development.

d. Execute the Agency-Authority Ground Lease to transfer a sub-lease interest in Phase I (Parcel Q) from the Agency to the Authority.

6-17-08 - File in files

e. Negotiate and execute future Agency-Authority Ground Leases in substantially similar form for Phase II (Parcels Land 2) and for Phase II (Parcel W-2) consistent with the DDA and the Conveyance and Funding Agreement (CFA).

f. Execute the Non-Disturbance Agreement (NA) by and among the County, Authority, Agency, and Grand Avenue L.A. LLC (Developer) which provides that the Authority-Developer Lease or an operator's lease will not be terminated in the event the Agency-Authority Ground Lease or Authority-Developer Lease is terminated.

g. Execute the Funding Agreement for Public Space Improvements between the County and Agency.

h. Execute the Conveyance and Funding Agreement between the Agency and the Authority to establish the process for the conveyance of leaseholds interests of Agency-owned parcels and sub leasehold interest of County-owned parcels to the Authority upon execution of the ground lease(s) and to document the Agency's funding commitments toward the Civic Park, affordable housing, Grand Avenue streetscape improvements, on-site public space improvements, and off-site improvements.

i. Execute the Grand Avenue Phase I Incentive Rent Agreement by and among the Agency, City, County, and Authority to provide for the repayment of any City Transient Occupancy Tax from Phase I Hotel and Retail Incentive Rents; and Authorize the President of the Los Angeles City Council to execute the Agreement on behalf of the City.

j. Negotiate a funding agreement with the Developer in which the Developer makes available \$750,000 to \$1,500,000 for a revolving loan program over a ten-year period to finance the development of permanent support for housing projects located within a five-mile radius of the Grand Avenue Project.

4. APPROVE a Third Implementation Agreement to the 1991 Owner Participation Agreement (OPA) by and among the County, Agency and Walt Disney Concert Hall (or its successor interest) to amend said OPA to allow retail and hotel as permissible uses on Parcel Q and W- 2.

5. APPROVE the form and substance of the DDA and contemplated ground leases between the Authority and Developer delineating the terms and conditions for development and lease of Parcels Q, L, 2 and W-2 as part of the Grand Avenue Project.

6. DIRECT the Chief Executive Officer (CEO), Agency, or designee, to:

a. Report back to the Agency Board on the use of Grand Avenue Project related Incentive Rents received by the Agency for all phases to fund job training programs for the Grand Avenue Project; and authorize the CEO to seek County participation for job training programs for the Grand Avenue Project.

b. Negotiate with the Developer a local entry-level apprentice goal whereby a percentage of the construction apprentice workforce shall consist of local low-income residents and to submit a progress report to the Agency Board and the City Council within six-months of this action or 30-days prior to the start of construction, whichever is sooner.

7. AUTHORIZE the CLA, with the assistance and consultation of the City Attorney and other City departments as may be necessary, to negotiate definitive written agreements consistent with the terms and conditions of the Memorandum of Understanding ((MOU) attached to the CLA report dated February 2, 2007) with the Developer, within 90 days of the City Council approval of the MOU, and to submit those agreements to the City Council for approval.

8. REQUEST the City Attorney to prepare and present the necessary documents and actions to initiate the formation of a Community Taxing District or other mechanism to assist in project financing - Resolutions ADOPTED.

2-13-07 - Council Action - Motion ADOPTED to APPROVE Budget and Finance Committee report recommendation to CONCUR with the recommendations of the Housing, Community and Economic Development Committee relative to the Grand Avenue Project.

2-14-07 - File to Housing, Community and Economic Development and Budget and Finance Committee Clerks OK

2-16-07 - File in files

5-24-07 - Communication from the City Attorney, dated May 23, 2007, relative to the Petition from the Grand Avenue L.A., LLC, to establish a community taxing district in connection with the Grand Avenue Project, is attached to Council file.

10-16-07 - For ref - Communication from the City Attorney R07-0374, dated October 16, 2007, relative to a draft ordinance amending the City's Special Tax Improvements ordinance to make certain technical corrections.

10-16-07 - Ref to Housing, Community and Economic Development and Budget and Finance Committees - to Housing, Community and Economic Development Committee Clerk  
11-30-07 - File to Budget and Finance Committee Clerk  
1-15-08 - Council Action - Housing, Community, and Economic Development and Budget and Finance Committees Report ADOPTED - Ordinance ADOPTED  
1-17-08 - File to Mayor for signature  
1-29-08 - File to Council and Legislative Processing Clerk  
2-4-08 - File to Housing, Community and Economic Development and Budget and Finance Committees Clerks OK  
2-5-08 - File in files  
4-10-08 - For ref - Communication from the Chief Legislative Analyst 08-04-3103, dated April 10, 2008, relative to various actions regarding the Grand Avenue Project hotel and parking structure.  
4-10-08 - For ref - Communication from the City Attorney R08-0112, dated April 10, 2008, relative to a draft ordinance amending the Los Angeles Municipal Code (LAMC) to provide an offset of the parking occupancy tax remittance requirement for any parking property operator that has paid special taxes levied by a community taxing district.  
4-11-08 - Ref to Housing, Community and Economic Development and Budget and Finance Committees  
4-11-08 - File to Housing, Community and Economic Development Committee Clerk  
5-7-08 - Council Action - Continued to MAY 21, 2008  
5-21-08 - Council Action - Housing, Community and Economic Development and Budget and Finance Committees report ADOPTED - Resolution ADOPTED - Ordinance over to MAY 28, 2008  
5-28-08 - Council Action - Ordinance ADOPTED  
5-30-08 - File to Mayor for signature  
6-11-08 - File to Council and Legislative Processing Clerk  
6-16-08 - File to Housing, Community and Economic Development and Budget and Finance Committee Clerks OK  
6-17-08 - File in files