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**Council File Number**

[02-0029](#)

**Title**

SANTEE COURT PARKING FACILITY PROJECT / 636 MAPLE AVENUE INTER-MODAL PARKING STRUCTURE

**Subject**

Transmittal from Community Redevelopment Agency (CRA) relative to various actions related to Santee Court Multi-Family Conversion Project - Central Business District Redevelopment Project.

**Last Change Date**

08/16/2019

**Expiration Date**

06/09/2019

**Reference Numbers**

City Administrative Officer Report: 0670-00015-0000

**Council District**

9,14

**Initiated by**

Community Redevelopment Agency

**Action History for Council File [02-0029](#)**

Date	Activity
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08/16/2019	File expired per City Clerk policy, Council file No. 05-0553.
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06/12/2017	City Administrative Officer document(s) referred to Transportation Committee.
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06/09/2017	Document(s) submitted by City Administrative Officer, as follows:
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City Administrative Officer report 0670-00015-0000, dated June 9, 2017, relative to terminating a Parking License Agreement with 636 Maple Avenue Intermodal Parking Structure, LLC for the parking structure at 636 South Maple Avenue.

**Archive History**

1-3-02 - For ref

1-4-02 - Ref to Economic Development and Employment and Housing and Community Development Committees

1-4-02 - File to Economic Development and Employment Committee Clerk

3-6-02 - For ref - Transmittal from Community Redevelopment Agency relative to Resolution approving the issuance of Multifamily Housing Revenue Bonds for the purpose of financing the acquisition and rehabilitation of the Santee Court Apartments.

3-6-02 - Ref to Economic Development and Employment and Housing and Community Development Committees

3-7-02 - File to Economic Development and Employment Committee Clerk

4-16-02 - For ref - Transmittal from the Community Redevelopment Agency relative to the Issuance of Multi-Family Housing Revenue Bonds for the Santee Court Project.

4-16-02 - For ref - REVISED transmittal from the Community Redevelopment Agency relative to the Santee Court Apartments Project.

4-16-02 - For ref - Transmittal from the City Administrative Officer 0220-00013-1834 relative to various actions relating to the Santee Court Multi-Family Conversion Project.

4-16-02 - Ref to Economic Development and Employment and Housing and Community Development Committees - to Economic Development and Employment Committee Clerk

4-17-02 - Council Action - Economic Development and Employment Committee report ADOPTED to:

1. ADOPT the accompanying Resolution relative to approving the Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing for purposes only of Section 147(f) of the Internal Revenue Code for Multi-Family Housing Revenue Bonds on the Santee Court Apartments.
2. INSTRUCT the City Administrative Officer (CAO), the Community Development Department (CDD), and the Community Redevelopment Agency (CRA) to report relative to the proposed financing of the Santee Court Multi-Family Conversion Project (Project).
3. REQUEST the City Attorney, the Housing Department, and the Community Development Department to report relative to the City's role as it relates to third party bond issuances as non-City issuers. (The Housing and Community Development Committee waived consideration of the above matter) - Resolution ADOPTED.

4-19-02 - File to Economic Development and Employment Committee Clerk OK

4-19-02 - File in files

3-21-03 - This day's Council session - Motion - Perry Mover 2003 / Pacheco - MJW Investments is the developer of the Santee Court project in the heart of downtown's Fashion District. The project will involve adaptive re-use of nine buildings and will ultimately provide 460 market rate housing units priced for "workforce affordability" and 118 affordable units. The project also includes more than 200,000 square feet of commercial and retail space, outdoor dining and public gathering spaces, pedestrian enhancements and public gathering spaces, pedestrian enhancements and public parking. Santee Court provides some exciting opportunities for an area in significant need of revitalization. The developer is restoring the buildings and preserving the character of the area, while providing unique and affordable housing opportunities that currently do not exist. The project provides the opportunity to link areas such as the loft district, the historic core and South Park and will, in combination with other existing and planned housing conversion projects, create a vibrant residential community in downtown.

Impressive progress on the project has already been made. One of the building conversions, the 1940's Gerry Building on 9th and Los Angeles Streets, has already been renovated. Demolition and construction of Phase I of the Santee Court housing projects has already begun. All of this has so far been accomplished with out public money.

Although progress has been made, a key component of the project is the parking structure as 626 Maple. Since the project is almost all adaptive re-use, code required parking is minimal. However, lenders do not view the housing units as marketable without nearby available parking. To date, the parking structure is not funded, and unless those funding issues are resolved quickly, continued development of the project will not be possible.

The developer, in an attempt to identify funding for the parking garage, has been meeting with City staff for an extended period of time, but no solutions have been proposed. Therefore, at my request, the Chief Legislative Analyst has been meeting with the developer to identify potential solutions. The funding issues on the garage appear to be resolvable, and the Chief Legislative Analyst has prepared the attached report identifying several options. It is essential that this issue be resolved immediately. THEREFORE MOVE, that the Council, adopt the recommendations in the attached report from the Chief Legislative Analyst.

3-21-03 - Ref to Economic Development and Employment Committee

3-21-03 - File to Economic Development and Employment Committee Clerk

4-25-03 - This day's Council session - Communication recommendations from Economic Development and Employment Committee, subject to the approval of the Mayor to:

1. DESIGNATE the Chief Legislative Analyst (CLA) as the lead negotiator for the Santee Court Mixed-use Development Project (SCP).
2. INSTRUCT the Chief Legislative Analyst, with the assistance of the Community Redevelopment Agency, the Community Development Department (CDD), the Department of Transportation, and other departments and agencies as appropriate, to enter into negotiations with MJW Investments and the Metropolitan Transportation Authority (MTA) to finalize the financing for the 636 Maple Avenue Multi-Modal Parking Garage and to report back in 30 days with final recommended actions.
3. ALLOCATE \$3 million in the Special Parking Revenue Fund for the 636 Maple Avenue Multi-Modal Parking Garage.
4. REQUEST the Controller to establish new accounts and transfer funds as necessary.
5. AUTHORIZE the Chief Legislative Analyst, with the assistance of the Community Development Department, to submit an application to the Department of Housing and Urban Development to allocate up to \$1.5 million in Economic Development Administration funds for this project.

4-25-03 - File to Calendar Clerk for placement on next available Council agenda

5-2-03 - Council Action - Motion ADOPTED to APPROVE Communication recommendations from Economic Development and Employment Committee

5-5-03 - File to Mayor FORTHWITH

5-14-03 - Mayor's message concurred in Council Action of May 2, 2003.

5-14-03 - File to Calendar Clerk

5-22-03 - File to Economic Development and Employment Committee Clerk OK

5-23-03 - File in files

7-25-03 - This day's Council session - Motion - Cardenas Mover 2003 / Parks / Padilla - On June 10, 2003, the City Council adopted Ordinance No. 175302 authorizing the sale of certain real property owned by the City of Los Angeles to the Los Angeles Wholesale Produce Market LLC, located in Council District Fourteen (Council File 01-0240). Based on the City's appraised value on the property the market will sell for approximately \$18 million. As part of the 2003 -2004 Budget process, the Council approved approximately \$16 million of the proceeds from the sale to be allocated to various projects including: \$7.5 million to Boyle Heights Youth Opportunities Movement, \$2.4 million for the expansion of the Bulky Item Center project to Hollywood, South Los Angeles and the Valley, \$1.58 million for the Fire Departments' 10th Member Task Force, \$1 million for the City Attorney's Worker Compensation Fraud Investigation and Gang Unit; \$1 million for Sheldon-Arleta and \$2 million for the Highland Park Revitalization Project. As part of the approval, the City Council instructed the offices of the Chief Legislative Analyst to report to Council with recommendations on expending the remaining balance of approximately \$2 million.

On May 5, 2003 (Council File 02-0029) the City Council approved a Communication from Economic Development and Employment Committee which authorized the Chief Legislative Analyst, with the assistance of Community Development Department, to submit an application to Economic Development Administration for approximately \$1.5 million from the City's \$2.8 million unallocated Economic Development Administration funds. Subsequently, the Mayor's Office released recommendations for the use of the \$2.8 million Economic Development Administration funds that did not include the Santee project in the allocation. There are insufficient funds from the Economic Development Administration unallocated funds for all projects including Santee.

On July 14, 2003 the City Council approved Motion (Parks - Garcetti - Ludlow - Villaraigosa - Cardenas - Hahn - Perry) requesting the Chief Legislative Analyst and City Administrative Officer to identify \$1 million to augment the LA Bridges II program (Council File 03-1473) and report within 30 days. The unallocated balance from the produce market sale may be used to provide funds to the Santee Court project and augment the LA Bridges II program. As such the City Council should instruct the Chief Legislative Analyst and City Administrative Officer to report on the feasibility of utilizing these funds to assist the Santee Court project and LA Bridges II program and report to Council within the allocated time period.

THEREFORE MOVE that the Council instruct the Office of the Chief Legislative Analyst and the City Administrative Officer to report to Council in the feasibility of utilizing the unallocated balance from the sale of the Produce Market to: (1) fund the Santee Court project (\$1 million) and an additional \$500,000 for Mayor's Urban Development Agency Grant; and (2) augment the LA Bridges II program (\$1 million); and report back at the next Housing, Community and Economic Development Committee meeting.

7-25-03 Refer to Housing, Community and Economic Development Committee

7-25-03 - File to Housing, Community and Economic Development Committee Clerk

8-15-03 - Council Action - Housing, Community and Economic Development Committee report

ADOPTED \*AS AMENDED (see attached motion), subject to the approval of the Mayor to REQUEST the Mayor's Office to authorize the utilization of the unallocated balance from the sale of the Produce Market to fund the Santee Court project in the amount of \$1 million, with an additional \$500,000, from Mayor's Urban Development Agency Grant (UDAG) and augment the LA Bridges II program by \$1 million

8-15-03 - Council Action - \*Amending Motion - Perry Mover 2003 / Parks - ADOPTED - Item 17 on today's agenda (Council File 03-1473) is a Housing, Community and Economic Development Committee report relative to authority for funds for the Santee Court Project (\$1 million) and LA Bridges II (\$1 million) Program from the sale of the Produce Market. The Housing, Community and Economic Development Committee instructed the Office of the Chief Legislative Analyst and requested the Mayor's Office to meet and report to Council on the available Mayor's Urban Development Agency Grant funds that may be used to fully fund the Santee Court Project (\$500,000). Due to end of year close out, at this time the offices are unable to obtain the most current accounting reconciliation of various accounts. To date, a balance of \$191,000 remains in this account in addition to recent Produce Market rent and interest revenue. In that Santee Court is in immediate need of a City commitment of funds and LA Brides has been allocated other sources of funds, \$1.5 million should be allocated to the Santee Project and \$500,000 to LA Bridges from the proceeds of the Produce Market sale.

On July 8, 2003 (Council File 03-1425) the City Council adopted Motion (Greuel-Garcetti) accepting an additional allocation of 1995 Community Services Block Grant funds in the amount of \$765,376 and requested the Community Development Department to report back with recommendations on how to allocate the funds. The Community Development Department is recommending an additional \$225,000 for LA Bridges II from this source for a total of \$725,000. The balance of \$275,000 will be identified and allocated from either the Mayor's Urban Development Agency Grant, Community Development Block Grant, 1995 CSBG or other sources in order to meet the LA Bridges needs in a timely manner.

Additionally, the City Administrative Officer and Chief Legislative Analyst should be instructed to review the current allocations (projects and programs) recommended for funding within the 1995 Community Services Block Grant (CSBG) funds Community Development Department transmittal dated August 2, 2003 (Council File 03-1425) and report to Committee relative to immediate need for program funds,

program budget and expenditure schedule, other funding sources and stated priorities including LA Bridges II.

Further, in order to ensure the additional funds are programmed in a timely manner, the Community Development Department should be instructed to report to Council with an expenditure plan and policies for expending the additional funds for LA Bridges II at the next Housing, Community and Economic Development Committee.

MOVE that the Council amend Item No. 17 on today's agenda (Council File 03-1473) relative to a Housing, Community and Economic Development Committee report relative to authority for funds for the Santee Court project (\$1 million) and LA Bridges II (\$1 million) program from the sale of the Produce Market be Amended to:

1. Utilize the unallocated Produce Market proceeds as follows: \$1.5 million Santee Court Project and \$500,000 to augment the LA Bridges II Program; Allocated \$225,000 in 1995 Community Services Block Grant (CSBG) to LA Bridges II for a current total of \$725,000.
2. Request that the Mayor's Office with the assistance of the Chief Legislative Analyst and City Administrative Officer report to Council on the identified \$275,000 from the following sources Mayor's Urban Development Agency Grant (current and future), Community Development Block Grant, 1995 Community Services Block Grant (CSBG) or other sources in order to meet the LA Bridges needs in a timely manner.
3. Instruct the City Administrative Officer and Chief Legislative Analyst to review the current allocations (projects and programs) recommended for funding within the 1995 CSBG funds Community Development Department transmittal dated August 1, 2003 (Council File 03-1425) and report to Committee relative to immediate need for additional program funds, current program budget and expenditure schedule, other funding sources and stated Council and Mayor priorities, including LA Bridges II.
4. Instruct the General Manager to report to Council with an expenditure plan and policies for expending the additional for LA Bridges II funds at the next Housing, Community and Economic Development Committee; and prepare the necessary Controllers actions needed to effectuate the transfer of funds.

5. Instruct Controller upon sale of the Wholesale Produce Market, to deposit revenues to Fund No. 356 Urban Development Agency Grant (UDAG) Miscellaneous Revenue.

8-20-03 - File to Mayor FORTHWITH

8-21-03 - Acting Mayor's message concurred in Council Action of August 15, 2003.

8-22-03 - File to Calendar Clerk

9-4-03 - File to Housing, Community and Economic Development Committee Clerk OK

9-9-03 - File in files

11-18-03 - This day's Council session - Motion - Greuel Mover 2003 / Padilla / Cardenas / Hahn - On August 15, 2003 the Council adopted Motion (Perry-Parks) instructing the Controller to deposit a portion of the proceeds from the sale of the Wholesale Produce Market into Fund No. 356 Urban Development Action Grant (UDAG) Miscellaneous Revenue (Council File: 02-0029). Fund No. 356 is used to capture all activity of Urban Development Action Grant Miscellaneous Program Income. The Community Development Department (CDD) administers the fund and ensures that the funds are spent in accordance with United States Department of Housing and Urban Development (HUD) eligibility requirements. The Bureau of Sanitation has been provided \$2.4 million to establish bulky item drop-off centers in various parts of the City. The East Valley Pendelton Bulky-Item and Recycling Center, which will service Council District Two (2), Six (6) and Seven (7), is ready to begin operations. The Watts Bulky Item and Recycling Center will be ready to operate within 90 days. Controller instructions are needed in order to expedite operations as these sites. As such, the City Council should approve the following Controller instructions and Employment Authorities relative to the bulky item and recycling centers.

THEREFORE MOVE that the City Council, subject to the approval of the Mayor;

1. Authorize the Controller to transfer appropriations from within Fund 100 Department 82 as follows:

ACCOUNT

FROM: 1090 - Overtime 2,400,000

TO: 1010 - Salaries General 900,000

2120 - Printing and Binding 138,000

3040 - Contractual Services 1,265,000

6010 - Office and Admin. 6,600

6020 - Operating Supplies 12,400

7300 - Equipment 78,000

7340 - Transportation Equipment

2. Authorize the General Manager, Community Development Department (CDD) or designee to prepare Controller instructions for any technical corrections that may be necessary subject to the approval of City Administrative Officer (CAO) and instruct Controller to implement these instructions.

3. Unfreeze and Authorize by resolution authority the employment of the following positions in the

Bureau of Sanitation, subject to review and approval by the Personnel Department as to Civil Service classification and paygrade determination by City Administrative Officer Employee Relations Division:

8 Maintenance Laborers Class Code 3112

2 Refuse Collection Truck

Operator IIs Class Code 3580-2

11-18-03 - Ref to Housing, Community and Economic Development Committee

11-18-03 - File to Housing, Community and Economic Development Committee Clerk

3-23-05 - Council Action - Motion ADOPTED to APPROVE Housing, Community and Economic Development Committee communication recommendation to NOTE and FILE Motion (Greuel - Padilla - Cardenas - Hahn) relative to employment authorities for Bureau of Sanitation's bulky items and recycling centers to be funded by proceeds from the sale of the Wholesale Produce Market inasmuch as this matter has been addressed and no Council action is required.

3-29-05 - File to Housing, Community and Economic Development Committee Clerk OK

3-30-05 - File in files

9-14-05 - For ref - Communication from the Chief Legislative Analyst, dated September 13, 2005, relative to a Resolution and various actions relating to a Parking Licensing Agreement with 636 Maple Avenue Inter-Modal Parking Structure, LLC, to lease 140 parking spaces for public usage for a 30 year term.

9-14-05 - For ref - Communication from the Community Development Department, dated September 13, 2005, relative to Resolutions and various actions relating to financing, through the issuance of bonds, grants, and loans, for the 636 Maple Avenue Inter-Modal Parking Structure project.

9-15-05 - Ref to Transportation and Housing, Community and Economic Development Committees

9-15-05 - File to Transportation Committee Clerk (Chief Legislative Analyst's communication)

9-15-05 - Ref to Transportation Committee - to Committee Clerk (Community Development Department communication)

9-20-05 - Council Action - Transportation Committee report ADOPTED \*AS AMENDED (see amending motion), subject to the approval of the Mayor, to:

1. FIND that the 636 Maple Avenue Inter-Modal Parking Structure Project has been reviewed for environmental records in this matter and FIND that said Project will have no significant impact on the environment.

2. FIND that the 636 Maple Avenue Inter-Modal Parking Structure Project is necessary and appropriate to accomplish the City's community and economic development objectives.

3. FIND that the 636 Maple Avenue Inter-Modal Parking Structure Project meets a National Objective of the Housing and Community Development Act and is necessary and appropriate to accomplish the City's economic development objectives.

4. CONCUR with the recommendations of the Board of Transportation Commissioners, as adopted with modifications on October 14, 2004, AUTHORIZE the General Manager of the Department of Transportation (LADOT) to execute a Parking Licensing Agreement with the Developer, 636 Maple Avenue Intermodal Parking Structure, LLC (a subsidiary of MJW Investments), to lease 140 parking spaces in the 636 Maple Avenue Intermodal Structure for a term of 30 years and AUTHORIZE the LADOT to use monies from the Special Parking Revenue Fund to make annual lease payments for 20 years to said Developer for the use of the 140 parking spaces over a term of 30 years as described in the Parking Licensing Agreement as attached to the Council file (Council file No. 03-1223).

5. ADOPT the accompanying RESOLUTION approving the issuance of tax-exempt and taxable Empowerment Zone (EZ) Facility Revenue Bonds by the Los Angeles Industrial Development Authority in an amount not to exceed \$11,000,000 for the benefit of the 636 Maple Avenue Intermodal Parking Structure Project and INSTRUCT the staff of the Los Angeles Industrial Development Authority, Community Development Department (CDD), Chief Legislative Analyst (CLA) and other relevant agencies to not proceed with the issuance of said EZ Revenue Bonds until the City is in receipt of final approval of the Small Business Administration (SBA) budget.

6. AUTHORIZE the:

a. Transfer of \$11,000,000 of the City's \$230,000,000 Empowerment Zone allocation to the Industrial Development Authority (IDA).

b. Use of previously awarded grant funds, \$1,092,850 SBA grant and \$49,500 grant from the State Pollution Control Authority.

c. Use of \$1,500,000 in previously approved Urban Development Action Grant (UDAG) and a \$500,000 Block Grant Investment Fund (BGIF) loan within the Community Development Block Grant to assist the 636 Maple Avenue Intermodal Parking Structure, LLC or a related entity.

7. AUTHORIZE the General Manager, CDD, to:

a. Prepare and submit an application to the California Industrial Development Finance Advisory Commission for its review.

b. Negotiate and execute all Empowerment Zone Bonds, SBA, UDAG and BGIF/Loan documents and any other ancillary agreements required for issuance of the said Bonds and extension of the grants and loan, subject to the review of the City Attorney and Bond Counsel to the IDA as to form and legality.

c. Prepare Controller instructions and/or make any technical adjustments that may be required and are

consistent with this action subject to the approval of the City Administrative Officer (CAO) and authorize the Controller to implement these instructions.

8. AUTHORIZE the Controller to:

a. Establish new account Y701 636 Maple Street and appropriate \$1,500,000 within UDAG Miscellaneous Revenue Fund No. 356 and expend said funds upon proper demand of the CDD General Manager.

b. Expend funds in an amount not to exceed \$500,000 from account W245 Block Investment Fund within the Community Development Block Grant No. 424.

c. Establish an interest-bearing fund titled SBA CDD Programs to be administered by CDD.

d. Establish a new account Y701 636 Maple Street and appropriate \$1,092,850 within the newly established Fund and expend funds upon proper demand of the CDD General Manager.

9. AUTHORIZE the CDD and the CLA to make technical changes relative to the current sources and uses, as necessary, of SBA grant funds, subject to the SBA approval on final budget.

10. REQUEST the Mayor to negotiate with the Developer, 636 Maple Avenue Intermodal Parking Structure, LLC, relative to the California Pollution Control Grant, to determine the options available for installation of solar panels for the 636 Maple Avenue Inter-Modal Parking Structure Project and INSTRUCT the CDD and CLA to make the necessary technical amendments to the Source and Uses once a determination has been made.

11. AUTHORIZE the CLA, CDD and other relevant agencies, relative to UDAG funds in the event that the 636 Maple Avenue Inter-Modal Parking Structure Project is ineligible to identify an alternate source of funds that may be used or exchanged, prepare Controller instructions and request the Controller to implement the instructions to meet the intent of this action. (Housing, Community and Economic Development Committee waived consideration of the above matter).

9-20-05 - Council Action - \*Amending Motion - Perry Mover 2005 / Parks - ADOPTED - MOVE that the matter of a Transportation Committee Report and Resolution relative to the 636 Maple Avenue Inter-Modal Parking Structure Item No. 56 (Council File 03-1223; 02-0029) on Today's Agenda, be amended as follows: (1) approve Recommendation No. 9 in the Community Development Department's Transmittal dated September 13, 2005, relative to the authorization to exchange funds; and (2) adopt the Controller's Instructions with (Recommendation No. 12) in the Community Development Department's Transmittal dated September 13, 2005, in lieu of Recommendation No. 8 of the Committee report.

9-21-05 - File to Mayor

10-3-05 - Mayor's message concurred in Council action of September 20, 2005.

10-4-05 - File to Calendar Clerk

10-6-05 - File to Transportation Committee Clerk OK

10-6-05 - File in files

11-2-05 - This day's Council session - Motion - Perry Mover 2005 / Parks - MOVE that the Council action of September 21, 2005 relative to the 636 Maple Avenue Inter-Modal Parking Structure Project (Council File 02-0029) BE AMENDED, in the interest of expediting the project and avoiding further delays in securing and processing the SBA grant component of this project, as follows:

Authorize 636 Maple Avenue Intermodal Parking Structure, LLC (LLC) to advance an amount equal to the SBA grant, \$1,092,850, to cover the MTA's Ground Lease Payment with the balance for the City's monitoring fees and soft costs. If the SBA's final approval is not obtained, LLC agrees that this advance will be treated as an additional developer investment in the Project with the following understandings:

1. The City will authorize the immediate release of the Preliminary Offering Statement for pricing of the Bonds and will allow the Bonds to be issued at closing;

2. The City will continue to pursue the entire \$1,092,850 SBA grant and will apply all proceeds received from SBA for the Project to the Project. LLC can make application to the City for replacement funds to the extent that SBA approval is not obtained for the Project;

3. The City will allow LLC to maximize the principal amount of the Bonds within the pro-forma limits to reduce the amount of the shortfall.

11-2-05 - File to Calendar Clerk for placement on next available Council agenda

11-8-05 - Council Action - Motion ADOPTED

11-9-05 - File to Mayor

11-21-05 - Mayor's message concurred in Council action of November 8, 2005

11-21-05 - File to Calendar Clerk

12-2-05 - File in files