

ECONOMIC DEVELOPMENT AND JOBS COMMITTEE REPORT relative to proposed Exclusive Negotiation Agreement (ENA) with The Bakewell Company and Associates to construct a mixed-use project on City-owned parcels located at Slauson Avenue and Wall Street in South Los Angeles.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the General Manager, Economic and Workforce Development Department (EWDD), in consultation with the Los Angeles Housing Department (LAHD), or respective designees, to:
 - a. Negotiate and execute an ENA for a 12-month period with the option to be extended for an additional 12-months, depending on due diligence period findings and the time required for environmental clearances and securing project entitlements, with the following entities to construct a mixed-use residential, recreational, retail, commercial project (Slauson and Wall Development Project), subject to the restrictions set forth in Government Code Section 37364, at 200 East Slauson Avenue, 5828-5936 Wall Street, and 5829-5935 South Los Angeles Street, Los Angeles, CA 90003 (APN 6006-003-900; Properties):
 - i. The Bakewell Company
 - ii. The Michaels Organization
 - iii. Capri Investment Group
 - iv. Brotherhood Crusade
 - b. Prepare any additional documents necessary to effectuate the transaction; and instruct the EWDD and LHD to report to the Municipal Facilities Committee (MFC) on the status of the negotiations prior to finalization of the documents.
 - c. Make technical corrections or adjustments that may be required and are consistent with this action.
2. DECLARE, based on the findings contained in the August 5, 2021 MFC report, attached to the Council File, that the City-owned properties are “exempt surplus land” for the purpose of the Surplus Land Act under Government Code Section 54221(f)(1)(A), which property is to be conveyed for the development of affordable housing subject to and contingent upon compliance with the restrictions set forth at Government Code Section 37364.

3. AUTHORIZE the General Manager, EWDD, or designee, and General Manager, LAHD, or designee, and other collaborating City Departments as necessary, to prepare and enter into a Memorandum of Understanding (MOU), to clarify and define each department's roles and responsibilities.

Fiscal Impact Statement: The MFC reports that there is no anticipated fiscal impact to the General Fund from the approval of the recommendation contained in the August 5, 2021 MFC report, attached to the Council File, or for proceeding with the ENA at this time. The extent of any future impact resulting from the ENA negotiations on the General Fund is intended to be cost-neutral but is unknown at this time.

Financial Policies Statement: The MFC reports that recommendations of the August 5, 2021 MFC report, attached to the Council File, comply with the City's Financial Policies in that no General Fund or other City funding sources are being used to fund the project.

Debt Impact Statement: The MFC reports that there is no anticipated debt impact from approval of the recommendations contained in the August 5, 2021 MFC report, attached to the Council File.

Community Impact Statement: None submitted.

Summary:

On August 10, 2021, your Committee considered August 5, 2021 MFC and July 21, 2021 EWDD reports relative to a proposed ENA with The Bakewell Company and Associates to construct a mixed-use project on City-owned parcels located at Slauson Avenue and Wall Street in South Los Angeles. According to the MFC, on April 5, 2019, Council designated the EWDD (Council File No. 19-0362) as the project manager of the Slauson and Wall Development Project, located at 200 East Slauson Avenue, 5828- 5936 Wall Street, 5829-5935 South Los Angeles Street in South Los Angeles, (APN 6006-003-900) and to be assisted by LAHD and other City departments, prepare a Request for Proposals (RFP) for the development of Slauson and Wall Property and transmit for Council review, considering all opportunities available that are deserving of this valuable community asset.

On May 15, 2020, EWDD issued an RFP for the Slauson and Wall Opportunity Site via its Los Angeles Business Assistance Virtual Network (LA BAVN) to seek qualified and creative development proposals capable of capitalizing on a set of preferred uses and contribute to long-term economic growth in the area. The responses were due on August 27, 2020 and the City received five proposals from the following proposers: The Bakewell Company; Slauson and Square LLC.; Clifford Beers Housing; Sola Impact Opportunity Zone L.P.; and Primestor Development. The Slauson and Wall Opportunity Site RFP review panel, comprised of representatives from various City departments and the business community, evaluated and scored the proposals. The top scored development team is Bakewell & Associates.

The Slauson and Wall Property The Slauson and Wall Property is a seven-acre vacant parcel owned by the City of Los Angeles, located just 2.5 miles from Exposition Park - home to the LA Memorial Coliseum, the California Science Center, future Lucas Museum of Narrative Art and the new Banc of California Stadium. This prime site is conveniently located just steps away from Metro's \$34 million Rail to Rail/River Active Transportation Corridor Project, the first of its class in South Los Angeles. The 5.6-mile path will connect residents to Metro's Crenshaw, Silver and Blue lines, some of the most heavily traversed rail and bus rapid transit lines in the City. The Property is an extremely valuable community asset that presents limitless opportunities for the City and Council District Nine. The City envisions that the development of the Property will help create jobs and address the current housing crisis. Considering the size and the fact that the Property is currently zoned for C2-1-CPIO with a land use designation as Regional Commercial, the RFP was developed to encourage willing adjacent property owners to be included as a participant with the proposer with the aim for a larger development project that is better able to fully realize the catalytic potential of the Property. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendations contained in the MFC report, as detailed above. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Economic Development and Jobs Committee

COUNCILMEMBER	VOTE
PRICE:	YES
KREKORIAN:	YES
BLUMENFIELD:	YES
RAMAN:	ABSENT
HARRIS-DAWSON:	YES

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