

Date: 11/2/11

Submitted in HCED Committee

Council File No: 10-1093

Item No.: 9

~~Report~~ Report from the CLA

REPORT OF THE CHIEF LEGISLATIVE ANALYST

DATE: November 01, 2011

TO: Honorable Members of the Housing, Community
and Economic Development Committee

FROM: Gerry F. Miller *GFM*
Chief Legislative Analyst

Assignment No.: 11-10-0935
Council File No.: 10-1093

ENA WITH FOREST CITY RESIDENTIAL WEST FOR THE BLOSSOM PLAZA PROJECT IN CHINATOWN

SUMMARY

In July 2010, the City Council approved actions (CF# 10-1093) related to the acquisition of property at 900 N. Broadway in the Chinatown community for the development of a mixed-use, intermodal development at the site known as Blossom Plaza. As part of that action, the Council authorized the Community Redevelopment Agency/Los Angeles (CRA/LA) to issue a Request for Proposals (RFP) on behalf of the City to identify a developer able to implement the Blossom Plaza project within approved land use entitlements and able to deliver the parking, intermodal, cultural, and affordable housing elements of the project.

The project site was acquired for use by the Los Angeles Department of Transportation (LADOT) as a parking structure and intermodal transit facility to complement transit services provided by the Metropolitan Transit Authority's Gold Line which has a station stop adjacent to the site. The site is located in the Chinatown Redevelopment Area administered by CRA/LA. The property is currently managed by the City's General Services Department (GSD). To facilitate development of this project, the CRA/LA was authorized to manage the RFP process on behalf of the City and LADOT.

CRA/LA, in cooperation with LADOT, GSD, the Chief Legislative Analyst (CLA), and the City Administrative Officer (CAO), prepared an RFP that was released in December 2010. Submissions were due in March 2011, and the CRA/LA received six proposals. One of the submissions was deemed insufficient and the remaining five were interviewed by a panel that included the CRA/LA, LADOT, GSD, CLA, and CAO. The panel selected Forest City Enterprises based on their experience and their proposed approach to the development of the site.

On October 13, 2011, the Board of Transportation Commissions (Board) was presented with the findings of the RFP review panel and requested to approve actions that would allow the City to enter into an exclusive negotiating agreement with Forest City Enterprises. This will ensure that the City and Forest City Enterprises can develop the definitive agreements necessary to implement the Blossom Plaza project. The Board approved staff recommendations concerning the selection of Forest City Enterprises and has forwarded that action to the Council for final approval. The Board's action is attached to the Council File (CF# 10-1093).

This action includes approvals that allow the City to receive \$100,000 from the developer to support City analytical costs associated with negotiation of the ENA. These costs could include engagement in consulting services such as environmental, traffic and economic studies, and attorneys fees.

RECOMMENDATIONS

That the City Council approve the Board of Transportation Commissioners report and adopt the recommendations of the Department of Transportation to:

1. Approve and authorize the General Manager, LADOT, to execute an Exclusive Negotiation Agreement (ENA) to develop the Blossom Plaza mixed-use development and inter-modal transportation facilities located at 900 N. Broadway, Los Angeles, leading to the execution of a Disposition Development Agreement (DDA) with the selected developer, Forest City Enterprises;
2. Approve the delegation of joint project management and negotiating powers to the Los Angeles Department of Transportation (LADOT), Community Redevelopment Agency/Los Angeles (CRA/LA), and the Office of the Chief Legislative Analyst (CLA);
3. Approve and authorize the General Manager, LADOT, to receive One Hundred Thousand Dollars (\$100,000) from Forest City Residential West, Inc., and to be deposited to a designated account solely for the purpose as contained in the ENA, as a good faith and consultant cost reimbursement deposit, to ensure that the developer will proceed diligently and in good faith to negotiate and perform all of the developer's obligations under the ENA;
4. Approve and authorize the re-appropriation of the One Hundred Thousand Dollars (\$100,000) to pay for costs and expenses associated with negotiating and preparing the DDA and complying with planning and environmental review; and
5. Authorize the General Manager, LADOT, or designee, to prepare Controller instructions and make any necessary technical adjustments consistent with Mayor and Council actions on this matter, subject to approval by the City Administrative Officer, and instruct the Controller to implement these instructions

FISCAL IMPACT

There is no General Fund impact as a result of this action.



Analyst