

REPORT FROM

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

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Date: March 21, 2018

CAO File No. 0220-01024-2768  
Council File No. 11-0054-S3  
Council District: 8

To: The Council  
The Mayor

From: Richard H. Llewellyn, Jr., City Administrative Officer

Reference: Economic and Workforce Development Department Transmittal dated March 7, 2018; Received by the City Administrative Officer on March 13, 2018; Additional information received through March 16, 2018

Subject: **REQUEST FOR AUTHORITY TO EXECUTE AN EXCLUSIVE NEGOTIATING AGREEMENT WITH 94B, LLC, AND REPORT BACK WITH A DISPOSITION AND DEVELOPMENT AGREEMENT FOR THE CITY-OWNED PROPERTY LOCATED AT 94<sup>TH</sup> STREET AND SOUTH BROADWAY**

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### RECOMMENDATION

That the Council, subject to the approval of the Mayor, adopt Recommendations 1 through 3 of the Economic and Workforce Development Department Transmittal dated March 7, 2018 relative to the request to execute an Exclusive Negotiating Agreement and related actions.

### SUMMARY

In a Transmittal dated March 7, 2018, the Economic and Workforce Development Department (EWDD) requests authority to prepare and execute an Exclusive Negotiating Agreement (ENA) with 94B, LLC, to effectuate the sale of the City-owned property at 9402-9422 South Broadway (Property) with the assistance of the City Attorney, and report to Council for approval of the terms of a Disposition and Development Agreement (DDA) regarding the Property and the terms of any additional necessary documents. The Property was transferred to the City by the Community Redevelopment Agency Los Angeles (CRA/LA) Successor Agency as a housing asset and the Housing and Community Investment Department (HCID) determined that the property was more appropriate as a site for potential economic development. In December 2016, Council approved the request to amend the existing Memorandum of Understanding between HCID and EWDD (C.F. 12-0049-S10) to add the Property to the list of housing properties determined to be more appropriate for economic development as opposed to housing. HCID and EWDD executed an amendment to the MOU to convey the Property to EWDD for economic development on January 27, 2017. As the Property was originally acquired with Low and Moderate Income Housing (LMIH) funds, EWDD states that proceeds from the sale of the Property will be deposited into the City's LMIH Fund in accordance with state law.

The EWDD issued a Request for Proposals (RFP) on August 1, 2017 seeking development proposals for the Property. Upon evaluation of the responses to the RFP, 94B, LLC (94B), comprised of primary owners Datum Development, LLC, and Bollenbach Investments, LP; was selected. 94B's proposal consists of a mixed-use project which includes 160 units of market-rate housing, a full-service grocer, a hydroponic farm, and food-related retail space. Additional information is included in the EWDD Transmittal dated March 7, 2018 (C.F. 11-0054-S3).

This Office recommends approval of EWDD's request for authority to prepare and execute the ENA with 94B, LLC, and report back for Council and Mayor with a request for approval of other documents and transactions necessary to effectuate the sale and development of the Property, including the terms of the DDA.

### **FISCAL IMPACT STATEMENT**

There is no impact to the General Fund. The recommendation in this report is in compliance with the City's Financial Policies in that no funding commitments are being made at this time.

*RHL:SAM:02180088C*