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CITY ATTORNEY

REPORT NO. R 17 - 0 2 4 2
JUL 19 2017

REPORT RE:

**DRAFT ORDINANCE FOR THE SALE OF CITY-OWNED PROPERTY AT
6000 JEFFERSON BOULEVARD FOR THE DEVELOPMENT OF THE
COFFEE BEAN AND TEA LEAF HEADQUARTERS PROJECT**

The Honorable City Council
of the City of Los Angeles
Room 395 City Hall
200 North Spring Street
Los Angeles, California 90012

Honorable Members:

Pursuant to the request of the City Council, this Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality. The draft ordinance authorizes the sale of the City-owned real property located at 6000 Jefferson Boulevard to 6000 Jefferson BH, LLC for the development of the Coffee Bean and Tea Leaf Headquarters project.

Background and Summary of Project

In 1996, the Bureau of Sanitation acquired a 5.1-acre property at 6000 Jefferson Boulevard from Chevron for the purpose of constructing a solid resources management facility for the West Los Angeles wasteshed. However, the property was never developed for that purpose. In 2010, a 1.5-acre portion of the parcel was developed as an air treatment facility. The remaining property, measuring approximately 156,816 square feet (3.6 acres), is partially paved with asphalt, but is otherwise unimproved, and is currently used by Bureau of Sanitation for storage of empty containers and vehicles.

The property has been formally subdivided and has been determined by the City Council to have no further use for municipal activity. On December 12, 2014, the City Council authorized the sale of the property at its appraised full market value of \$7,150,000 for the development of a 50,000 square-foot facility, housing office and light manufacturing space for Coffee Bean and Tea Leaf. Escrow closing has been delayed as the developer negotiated with Chevron regarding existing easements that Chevron has on the property. The issues appear to have been resolved.

Council Rule 38 Referral

A copy of the draft ordinance was sent, pursuant to Council Rule 38, to the Economic and Workforce Development Department, and their comments have been incorporated.

If you have any questions regarding this matter, please contact Senior Assistant City Attorney Noreen Vincent at (213)978-7730 or Deputy City Attorney Miguel Dager at (213)978-7740. They or another member of this Office will be present when you consider this matter to answer questions you may have.

Very truly yours,

MICHAEL N. FEUER, City Attorney

By



DAVID MICHAELSON
Chief Assistant City Attorney

DM:NV:vw
Transmittal