

0220-05247-0000

**TRANSMITTAL**

To: Council	DATE 08-25-16	COUNCIL FILE NO. 14-0425
From: Municipal Facilities Committee		COUNCIL DISTRICT 14

At its meeting of August 25, 2016, the Municipal Facilities Committee (MFC) adopted the recommendations of the attached Office of the City Administrative Officer and Economic Workforce Development Department report, which is hereby transmitted for Council consideration. Adoption of the report recommendations are consistent with the Community Redevelopment Agency of Los Angeles (CRA/LA) Long Range Property Management Plan for the 10 Future Development Properties and will authorize the City to purchase the former CRA/LA property at 1300 East First Street from CRA/LA for sale to Self Help Graphics & Art, Inc. at fair market value for provision of community services as detailed in the report.

The proposed purchase and sale is not anticipated to have any immediate impact on the General Fund and acquisition funds will flow from the Buyer to CRA/LA. As an Affected Taxing Entity under the Dissolution Statute, the City will receive a portion of the sales proceeds in the future as property tax income. The amount of the unanticipated income is unknown at this time.

  
Miguel A. Santana  
City Administrative Officer  
Chair, Municipal Facilities Committee

**CITY OF LOS ANGELES**  
INTER-DEPARTMENTAL CORRESPONDENCE

Date: August 25, 2016

CAO File No. 0220-05247-0000  
Council File No. 14-0425  
Council District: 14

To: The Council

From: Miguel A. Santana *Yolanda Chavis*  
City Administrative Officer, Office of the City Administrative Officer

Jan Perry  
General Manager, Economic and Workforce Development Department

Subject: **DEAL TERMS FOR ACQUISITION OF 1300 EAST FIRST STREET FROM CRA/LA AND SALE TO SELF HELP GRAPHICS & ART, INC. AT FAIR MARKET VALUE FOR PROVISION OF COMMUNITY SERVICES**

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## RECOMMENDATIONS

That the City Council:

1. Authorize the Mayor to submit a Disposition Plan for 1300 East First Street to CRA/LA for review and approval, as provided here in substantial form as Attachment B; and

That the City Council, subject to the approval of the Mayor:

1. Determine that the sale of the City-optioned property at 1300 East First Street to Self Help Graphics & Art, Inc. (Buyer) will assist in the economic development of the City and that the public interest is best served by the direct sale of the property;
2. Instruct conflict counsel to prepare a Purchase and Sale Agreement and related documents to effectuate the City's purchase of the Property from CRA/LA, based on the terms specified in Attachment A to this report for the sale of the property at 1300 East First Street, for the fair market value to be determined by a third party appraisal;
3. Instruct City Attorney to draft a Purchase and Sale Agreement, Grant Deed, Covenant Agreement and Sale Ordinance to effectuate the City's sale of 1300 East First Street to Buyer under the terms described in this report for the fair market value;
4. Upon CRA/LA approval of the Disposition Plan, instruct the General Manager, Economic and Workforce Development Department (EWDD) to request authority from Council and Mayor to execute the Purchase and Sale Agreement and to complete the transaction once all contingencies are met, and process the necessary documents to execute the purchase from CRA/LA and sale to SHG, as directed in the Option Agreement and as approved to form and substance by the City Attorney; and

5. Determine that the sale of the property to Buyer is not a "project" under the California Environmental Quality Act (CEQA) since, after taking title to the property, Buyer's use of the property will remain unchanged until a plan for redevelopment of the property is subsequently approved by the City, which subsequent approval will be subject to CEQA.
6. Authorize EWDD to make technical corrections or adjustments that may be required and are consistent with this action, subject to the approval of the City Administrative Officer (CAO).

## **SUMMARY**

In January 2015, the City entered into an Option Agreement to purchase 1300 East First Street, a 20,564 square foot property improved with a 10,400 square foot industrial building and a surface parking lot (Property). The Property is currently owned by the CRA/LA, successor to the Community Redevelopment Agency of the City of Los Angeles, and is categorized as a Future Development property in CRA/LA's Long Range Property Management Plan. Through the term of the Option Agreement, the City has the right to acquire the Property for the appraised Fair Market Value, as well as the right to solicit and sell the Property to a buyer that will use the Property to provide community benefits in alignment with the redevelopment plan.

This report recommends approval of the deal terms for the City to acquire the Property from CRA/LA for the Fair Market Value (FMV), and for the preparation of transactional documents to effectuate the sale of the Property to Self Help Graphics & Art, Inc, a 501(c)3 non-profit organization (Buyer), for the same FMV, to provide community benefits. The Buyer is currently a tenant in the facility, with a lease that extends through 2020. As a condition of the sale, to be memorialized in a restrictive covenant on the grant deed, the Buyer will commit to provide a slate of community services and benefits at the location over a service period of ten years. The Buyer will also submit a redevelopment plan for the Property within two years of closing escrow, proposing a redevelopment or adaptive re-use plan. Future approvals by Council and Mayor will be required to authorize the execution of the transactional documents and adoption of the sale ordinance.

The proposed purchase and sale of the Property is not anticipated to have any impact on the General fund.

## **BACKGROUND**

CRA/LA acquired the Property in 2009 in a voluntary purchase from Ocean Seafood, a seafood export/import wholesale processing plant. The acquisition was part of a strategy for a 10-acre district in Boyle Heights near the newly-opened Pico Aliso Gold Line Station to transition properties from low-density industrial uses to commercial, public, and residential uses that are more directly beneficial to and benefitted by access to high quality transit service. This strategy was crafted in alignment with the City's Industrial Land Use Study as well as the Boyle Heights Community Plan update. However, the CRA/LA was unable to acquire adjacent



parcels to effectuate transition in the larger area. In 2011, as the CRA/LA faced dissolution, the Agency entered into a lease agreement allowing the Buyer to occupy the Property so that the organization could operate and provide public-serving programs, and complete some necessary remediation and improvements to the facility.

In March 2013, the Council and Mayor requested that CRA/LA include the Property as a Future Development property on the CRA/LA Long Range Property Management Plan (CF# 14-0425). By doing so and entering into an Option Agreement for the property, the City secured the opportunity to ensure ongoing community benefits, rather than being sold at auction to the highest bidder, as otherwise required in the State Dissolution statute.

#### Option Agreement Requirements

On December 8, 2014, Council authorized the Mayor to execute the Option Agreement for the First/Mission TOD property (also known as 1300 East First Street and CRA/LA Asset #325) and authorized the Economic and Workforce Development Department (EWDD) to identify development opportunities, solicit development proposals, and to return to Council with a proposed Disposition Plan. As the current occupant of the property, Self Help Graphics, Inc. formally proposed to acquire the property in a September 2015 letter. EWDD and the Office of the City Administrative Officer (CAO) subsequently negotiated the terms of the proposed sale, in coordination with Council District 14 and the City's CRA/LA dissolution working group as described below and summarized in Attachment A.

The Option Agreement requires the City to submit for CRA/LA's approval a Disposition Plan, as provided here in substantial form in Attachment B, containing the information required for CRA/LA to approve the Plan, including:

- i. An anticipated schedule for the date of the city's proposed acquisition of the Property from CRA/LA
- ii. A detailed plan for the development of the Property
- iii. Evidence that the proposed use of the Property is consistent with the Redevelopment Plan, the Five Year Implementation Plan, and the Community Plan.

#### *Anticipated Schedule for Acquisition*

The City anticipates acquiring the property from the CRA/LA and conveying to the Buyer in a double escrow into which the Buyer will submit the purchase price and CRA/LA will submit the grant deed to convey the property. Although the City will be a party to the escrow and the transaction, the City will not utilize any General Funds for acquisition nor receive any of the initial sale proceeds. The acquisition is expected to be finalized by the end of the year.

#### *Development Plan*

Self Help Graphics & Art, Inc. proposes to acquire and improve the facility. The Buyer has operated in the community for over 40 years, and has long been an anchor in the cultural identity of Boyle Heights and East Los Angeles, with a reputation as a locus for Chicano and Latino artists and cultural movements. The organization also plays an active role in providing arts educational programming, and in cultivating arts-based entrepreneurs. Programs operated at the facility will include community workshops in professional printmaking, an artist-in-residence program, gallery exhibitions, and artist marketplace events. The Buyer, for a period



of at least 10 years after acquisition, will also operate youth programs, artists development, and arts education and engagement. The Buyer's annual programming will serve over 26,000 community members, including:

- At least 20 programs and cultural events, drawing over 17,000 attendees
- Arts Engagement and Education Programs serving 8,000 youth and families
- Professional Printmaking Studio serving 175 artists
- Art exhibitions that draw over 1000 visitors

Within two years of acquisition, the Buyer will submit a redevelopment plan including repurposing of the building to accommodate a mix of uses that may include artists' studio space, creative office, light assembly and production workshop space for artists, gallery and retail.

#### *Consistency with Applicable Plans*

The Buyer's proposed project to acquire and operate from the facility conforms with the stated objectives of the Adelante Eastside Redevelopment Plan. Applicable objectives identified in Plan Section 106 include: promoting the development of educational and cultural facilities; promoting and supporting the conservation, rehabilitation or reuse of existing buildings; improving the quality of life for those who live and work in the Project Area through enhancing entertainment, educational opportunities; promoting the development of community services; promoting the renewal of the Project Area; and focusing improvements in alignment with pedestrian and mass transit accessibility. The proposed acquisition, operation, and improvements to the Property align with each of these Redevelopment Plan objectives.

The project is also congruent with the Adelante Eastside Implementation Plan (2010-2014), Section II.A.1 of which identifies acquisition of the First/Mission property as a CRA/LA accomplishment for a future mixed-use, transit oriented development. Section III.2 recommends soliciting for a Buyer to acquire and improve the facility for a future use that is public-oriented and complementary to adjacent uses including the LAUSD Mendez Learning Center and the Pueblo del Sol housing development. With a focus on community events, youth programs, and arts education, the Buyer's programming efforts fulfill these goals of the Implementation Plan.

The project is also consistent with the Community Plan Community Plan land use designation of Limited Commercial, and the Industrial Land Use Study recommendation to transition toward land uses that are more directly beneficial to and benefitted by access to high quality transit service.

#### *Fair Market Value*

Option Agreement Section 12 defines the method to derive the Fair Market Value of the Property. Accordingly, both CRA/LA and the City engaged separate appraisal firms to estimate the fair market value of the Property supported by an analysis of its highest and best use consistent with the Redevelopment Plan, Five Year Implementation Plan, Community Plan, the physical condition of the property, and all matters of public record pertaining to the property, including the existing lease. The Fair Market Value is determined by averaging the two values if they are within 10%, or by hiring a third appraiser if the two indicated values are more than 10% apart. The City appraisal and CRA/LA conducted appraisal are more than 10% apart and

will require a determination of fair market value as prescribed above by a third party appraisal and agreed to by the Buyer. The EWDD requested third party appraisal is in progress and should be completed and included in the record by the time Council approves this report.

#### Direct Sale for Economic Development

In May 2016, the Council and Mayor adopted the Asset Management Strategic Planning Framework for the evaluation of City properties for economic development uses (Framework, CF #12-1549-S3). In the Framework, CRA/LA Future Development properties are included as a separate category of properties, for which EWDD will manage solicitation and disposition. Such properties are not subject to the Administrative Code provisions for surplus properties.

The proposed sale of the Property to the Buyer will further the goals of the Redevelopment Plan and serve the economic development goals of the City by alleviating blight and providing educational, cultural, and community-serving programs to a location that is well served by transit and proximate to educational facilities. Provision of these community benefits for a period of 10 years will be secured by a covenant recorded on the Property through the transaction. The sale will be at Fair Market Value, and will require no public subsidy to accomplish significant public benefit. Although sale proceeds will initially go to CRA/LA, the City as a taxing entity will receive approximately 26% of the proceeds as future property tax receipts.

#### Current and Future Council/Mayor Actions

Because of the unusual circumstances related to redevelopment's dissolution in Los Angeles, the Option Agreement sets forth a series of actions and approvals between the CRA/LA and the City, in which the parties agree upon the purchase price and the City exercises the option to acquire the property, and between the City and the Buyer, through which the City sells the property to the Buyer for the same purchase price and memorializes the conditions of sale through recordation of a covenant.

The actions currently proposed will authorize the submission of the Disposition Plan to CRA/LA, establish the terms of the City's eventual sale of the property to the Buyer, and direct counsel to prepare the transactional documents for the City to acquire from CRA/LA and sell to the Buyer. After approval of the Disposition Plan by CRA/LA, a future report will request authority from Council and Mayor to execute the transactional documents between CRA/LA and the City, and between City and Buyer. The City will not execute the purchase agreement from CRA/LA unless and until the Buyer has executed the agreement to purchase the Property from the City.

#### City Attorney and Conflict Counsel

The Office of the City Attorney, due to its former role as legal counsel to the Community Redevelopment Agency, currently has a conflict on many matters concerning CRA/LA and dissolution. Accordingly, the City, under the management of the Mayor's Office, has engaged Richards, Watson & Gershon as conflict counsel for matters in which City Attorney has a conflict. For Future Development properties including 1300 E. First Street, conflict counsel will advise the City on the transaction between the City and CRA/LA. City Attorney will advise the City on issues related to the City's sale of the Property to the Buyer.

The Buyer: Self Help Graphics and Art, Inc.

Established over 40 years ago in Boyle Heights, Self Help Graphics and Art is a 501(c)3 non-profit organization with a mission to foster new work by Chicano and Latino artists through fine art printmaking and multiple visual art forms through a focused set of programming geared towards profession, emerging, and beginner artists, including a 12-year partnership with Cal Arts in digital media workshops for high school students. The Buyer's signature community celebration, Day of the Dead, was introduced in 1974 and remains the longest-running public celebration of Day of the Dead in the country.

Since 2012, the Buyer has embarked on a fundraising program with the goal of acquiring and improving their current leased location at 1300 East First Street. To date, funding and financing commitments to purchase the building include grant commitments from the Weingart Foundation, the California Community Foundation, the County of Los Angeles, and Mr. Zac Guevara. The Buyer also has a commitment from the California Community Foundation for a Program-related Investment (PRI) loan. The Buyer intends to solicit further funding through active capital campaign efforts. The Buyer recently secured grant funding through Bloomberg Philanthropies to work with the DeVos Institute, an Arts Management consulting firm, to support this ongoing capital campaign effort to purchase the building. The funds raised through this campaign are intended to supplement the aforementioned existing commitments and service the PRI loan. While the capital campaign is specifically focused on the purchase of the building, the Buyer is also including fundraising for the implementation of the Redevelopment Plan and long-term property management. Also, through the partnership with DeVos, the Buyer is working with national peer arts organizations who are expert in the renovation and activation of spaces in urban cores serving primarily communities of color.

**FISCAL IMPACT STATEMENT**

The proposed purchase and sale of 1300 East First Street is not anticipated to have any impact on the general fund. Although the City will be a party to the escrow, acquisition funds will flow from the Buyer to CRA/LA. As an Affected Taxing Entity under the Dissolution Statute, the City will receive a portion of the sales proceeds in the future as property tax income. The amount of the unanticipated property tax income is unknown at this time.

Attachment A – Term Sheet  
Attachment B – Disposition Plan

MAS:JP/JR/JLVW:SH  
16170011



**TERM SHEET**  
**1300 FIRST STREET AND SELF HELP GRAPHICS & ART, INC**

**Property:**

1300 East First Street, formerly known as the Ocean Queen building or First/Mission site.

**Seller:**

City of Los Angeles, subsequent to purchase from CRA/LA per Future Development Property Option Agreement executed January 9, 2015

**Buyer:**

Self Help Graphics & Art, Inc.

**Purchase Price:**

Fair Market Value as determined by appraisal process described in CRA/LA option agreement

**Community Benefits:**

Buyer will occupy and operate the facility as an educational and cultural facility that serves over 26,000 community members annually with programming including:

- At least 20 programs and cultural events, drawing over 17,000 attendees
- Arts Engagement and Education Programs serving 8,000 youth and families
- Professional Printmaking Studio serving 175 artists
- Art exhibitions that draw over 1000 visitors

**Redevelopment Option:**

Within two years of close, Buyer will submit a Property Redevelopment Plan to the City for a proposed adaptive reuse or redevelopment of the property as a mixed-use facility that may include artists' studio space, creative office, light assembly and production workshop space for artists, gallery and retail

**Security for the City:**

Restrictive covenant will require Buyer to operate the facility as a cultural facility providing community benefits as described above for 10 years

If Buyer opts to sell the property within the first 10 years (or in the event of foreclosure), Seller has right of first refusal to repurchase the property at Fair Market Value.

**CITY OF LOS ANGELES**

**Ocean Queen**

**PROPOSED DISPOSITION PLAN**

**1300 East First Street**

**Los Angeles, California**

**OPTION AGREEMENT**

**Agreement between CRA/LA, A Designated Local Authority and City of Los Angeles**

**January 8, 2015**

**City Contract C-125712**

## **DISPOSITION PLAN**

### **OCEAN QUEEN**

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## **1. EXECUTIVE SUMMARY**

### **1.1 Plan Objective**

The City of Los Angeles Economic and Workforce Development Department (EWDD) has developed the Disposition Plan in accordance with the Option Agreement from Council File C-125172 with regards to the property at 1300 E 1<sup>st</sup> Street, Los Angeles, CA. The objective of the Disposition Plan is to address and expound upon the requirements set forth in Section 6A of the aforementioned Agreement:

- An anticipated schedule for the date of the city's proposed acquisition of the Property from CRA/LA
- A detailed plan for the development of the Property
- Evidence that the proposed use of the Property is consistent with the Redevelopment Plan, the Five Year Implementation Plan, and the Community Plan.

The Redevelopment and City Plans referenced in this Disposition Plan can be found online as follows:

- [Adelante Eastside Redevelopment Project - Redevelopment Plan](#)
- [Adelante Eastside Redevelopment Project - 5-Year Implementation Plan](#)
- [Boyle Heights Community Plan](#)

### **1.2 Property Overview**

An overview of the parcels and history of the Site is necessary to provide context for the Disposition Plan.

The Site is situated at the corner of 1<sup>st</sup> St and Anderson St. It consists of four (4) parcels that total 20,564 sq. ft. Comprised of an industrial building and parking lot, the Site has been occupied by Self-Help Graphics & Arts, Inc., a non-profit, since their lease took effect on February 11, 2011. Having previously elected to extend the lease till February 1, 2020, Self-Help Graphics is interested in purchasing the Site. 1300 E 1<sup>st</sup> St, Los Angeles, CA 90033 is the address. Its corresponding APN's are 5172-008-900 through -902.

The property was built in 1910 and originally functioned as a sea urchin processing plant. Eventually, when the property endured a vacancy of almost 10 years, it fell into a state of disrepair. The subject property has been significantly renovated by the current tenant with \$482,116 funded by the Lessor (CRA/LA). Renovations included partial roof replacement, mold remediation, drywall, paint, parking lot surface and exterior repairs. Two ADA compliant restrooms were also added. Notable features of the building are a production area, community room, and second level storage.

The Disposition Plan is for a direct purchase by Self-Help Graphics, with the stipulations that a redevelopment plan is submitted within 2 years of closing.

## **2. DISPOSITION PLAN**

### **2.1 Non-Profit Visual Arts Center**

Self-Help Graphics is a community arts center with a mission to drive the creation of new work by Chicano and Latino artists through fine art printmaking and multiple visual art forms. Incorporated in 1973, the organization is focused primarily on training and giving exposure to young and new artists, a number of which have gone on to national and international prominence.

The programs organized by Self-Help Graphics serve to nurture emerging artists and present Latino art to a broad audience. For example, the Barrio Mobile Art Studio aids artists' professional development by providing both youth and multi-generational workshops that include printmaking, digital art, and stencil work. The Professional Printmaking Program offers artists of various experiences the opportunity to create limited edition silkscreen serigraphs and monoprints through a peer-led approach. Since moving to Boyle Heights, Self-Help Graphics has provided residencies and small business incubation spaces for artists. A newly structured Artist in Residence program that includes project-based, short-term, and long-term residencies is to be piloted from 2016-2017.

Self-Help Graphics has played an integral role in the revival of the Day of the Dead holiday in Los Angeles. Their Dia de los Muertos program provides the community with a season of activities from August to November to celebrate and prepare for the holiday. Participation is significant, with 50 community organizations, 150 plus volunteers and over 15,000 attendees. In 2009, when the Day of the Dead Celebration had grown too large to be held in the Self-Help Graphics parking lot, the event was moved to its current location at East Los Angeles Civic Center.

With a rich history of community involvement, the purchase of the Ocean Queen property by Self-Help Graphics will further contribute to the fulfillment of the neighborhood Community Plan and Redevelopment Plan.

### 3. ANTICIPATED SCHEDULE

#### 3.1 Project Timeline

The City holds the Option Agreement with the CRA/LA for the Site and will engage in the process of obtaining the property in order to ensure the viability of any proposal. The Option Agreement requires the City to pay Fair Market Value to the CRA/LA at the time of acting on the Option.

Below is the anticipated schedule.

<b>DEVELOPMENT SCHEDULE: ACQUISITION OF OPTION PARCELS</b>	
<b>SELF-HELP GRAPHICS PROJECT</b>	
<b>MILESTONES</b>	<b>SCHEDULE</b>
<b>SELECTION OF PROJECT DEVELOPMENT TEAM</b>	Completed
<b>NEGOTIATE MAJOR DEAL POINTS, INCLUDING EXCLUSIVE NEGOTIATING AGREEMENT (ENA) IF APPROPRIATE</b> <ul style="list-style-type: none"> <li>Determine project scope and major deal points</li> <li>Selected developer to initiate entitlement and CEQA actions, as required</li> <li>City prepares Disposition Plan for submission to CRA/LA</li> </ul>	TBD
<b>APPRAISALS</b> <ul style="list-style-type: none"> <li>City and CRA/LA agreement on Joint Appraisal Instructions and commencement of FMV appraisals</li> <li>Completion of appraisals and agreement on FMV Purchase Price (including third appraisal if required)</li> </ul>	Under Review
<b>COUNCIL/MAYORAL ACTIONS 1</b> <ul style="list-style-type: none"> <li>Approve Major Deal Points/ENA with Developer <i>(to be subject to future CEQA documentation/Determination as required)</i></li> <li>Instruct City Attorney to draft Development Agreement (DA), and City-Developer Sale Ordinance</li> <li>Authorize Mayor to submit Disposition Plan to CRA/LA</li> </ul>	30 days, assuming referral only to ED Committee
<b>PROJECT DISPOSITION PLAN</b> <ul style="list-style-type: none"> <li>City submits Disposition Plan to CRA/LA</li> <li>CRA/LA review and approval of Disposition Plan by Governing Board and Oversight Board</li> <li>Initiate preparation of City-CRA/LA Purchase Agreement (Conflict Counsel Richards Watson Gershon)</li> </ul>	30-45 days (CRA/LA Notice to City on Disposition Plan w/in 90 days or automatic Option extension triggered)
<b>COUNCIL/MAYORAL ACTIONS 2</b> <ul style="list-style-type: none"> <li>Authorize execution of City-CRA/LA Purchase Agreement (PA) to acquire CRA/LA parcel(s)</li> <li>Authorize execution of City-Developer DA (subject to completion of CEQA)</li> <li>Authorize Mayor to execute Option and submit acquisition documents to CRA/LA</li> <li><i>NOTE: if CEQA review is completed, Council could take the actions shown at Council/Mayoral Actions 3, below, at this time, including CEQA Determination and adoption of the City-Developer Sale Ordinance</i></li> </ul>	45 days
<b>PREPARATION OF CEQA ANALYSIS AND REPORTS, AS REQUIRED</b>	



<b>CITY SUBMITS TO CRA/LA:</b> <ul style="list-style-type: none"> <li>• Notice to Exercise Option (by Mayor letter)</li> <li>• City – CRA/LA Purchase Agreement, executed by City</li> <li>• Development Agreement, executed by Developer and City</li> <li>• City Documentation confirming opening of escrow</li> </ul>	10 days
<b>CRA/LA APPROVAL</b> <ul style="list-style-type: none"> <li>• CRA/LA review and approval by Governing Board, Oversight Board, and Department of Finance</li> </ul>	30-45 days, plus DOF approval (+30 days?)
<b>COUNCIL/MAYORAL ACTION 3</b> <ul style="list-style-type: none"> <li>• Conduct noticed Public Hearing, adopt Findings and Resolution per Govt. Code Sections 53083 , 52201 and City Ord. 182500, as applicable</li> <li>• Adopt City-Developer Sale Ordinance with CEQA Determination</li> <li>• <i>NOTE: These actions could be taken at Council Action 2, above, if CEQA documentation is completed by that time.</i></li> </ul>	30 days +
<b>CLOSING</b> <ul style="list-style-type: none"> <li>• Developer/City deposit of Purchase Price in escrow two days prior to closing</li> <li>• Closing – to be w/in 60 days following date of DOF approval of City-CRA/LA Purchase Agreement.</li> </ul>	60 days maximum
Initial Term Expires:  Extended Term Expires: Note: If required, the City must request an Extension of the Initial Term pursuant to Section 7 of the Option Agreement, no earlier than 120 days and no less than 45 days prior to the expiration of the Initial Term.	03/01/15-
	03/01/17
	03/01/18

## **4. COMPLIANCE WITH PRE-EXISTING PLANS**

### **4.1 Adelante Eastside Redevelopment Project - Redevelopment Plan**

The proposed project is consistent with the provisions of the Adelante Eastside Redevelopment Project - Redevelopment Plan as follows:

It is consistent with the relevant Project Objectives of Section 106.

1. "Improve the quality of life for those who live and work in and visit the Project Area through enhanced business, employment, housing, shopping, entertainment, recreational, and educational opportunities".
  - o The programs at Self-Help Graphics improve the quality of life in the Project Area through several of the above categories, including recreational and educational opportunities. Educational opportunities include the Arts Engagement & Education program, which includes ongoing workshops in aerosol art and ceramics. Recreational opportunities include the season of activities from August to November to celebrate and prepare for the Day of the Dead.
2. "Promote the elimination and prevention of the spread of blight and deterioration, and promote the conservation, rehabilitation, renewal and redevelopment of the Project Area".
  - o With a vision to be the pre-eminent center for Latino art in printmaking, exhibition and training, and a slogan of "Art Transforms Communities", Self-Help Graphics contributes to redevelopment of the Project area through art related gatherings and activities.
3. "Encourage the involvement and participation of residents, business owners, property owners and community organizations from the Project Area in the redevelopment of the Project Area".
  - o In addition to residents participating in programs at Self-Help Graphics, various community organizations have been involved. For example, in partnership with Social and Public Art Resource Center (SPARC), the Center for the Study of Political Graphics (CSPG), and Art Division – all Los Angeles-based organizations, Self-Help Graphics in 2016 brought the exhibition Ayotzinapa: A Roar of Silence to the United States for the first time.
9. "Promote the development of educational, cultural, entertainment and recreational facilities that serve the needs of residents of the Project Area and reflect the ethnicities and cultures of the Project Area".
  - o The Site is situated in Boyle Heights, which is 94.0% Latino. Since Self-Help Graphics is the leading non-profit visual arts center serving the predominantly Latino community of Los Angeles, it at a minimum partially reflects the ethnicities and cultures of Boyle Heights. Self-Help Graphics has Cultural & Annual Events that include Dia de los Muertos Community Art Workshops, and the Annual Print Fair & Exhibition, which takes place at the Site.

## 4.2 Adelante Eastside Redevelopment Project - 5-Year Implementation Plan

The proposed project is consistent with the provisions of the Adelante Eastside Redevelopment Project - 5-Year Implementation Plan as follows:

It is consistent with the relevant goals of Section 1A.

- “Provide for the conservation of existing commercial and industrial uses through rehabilitation, revitalization and expansion”.
  - As previously mentioned, the property was significantly renovated by the tenant, Self-Help Graphics. No observable deferred maintenance exists. The renovation allows for some exposure of the historic charm of the building.
- “Encourage the development of an industrial environment that positively relates to adjacent land uses, including an emphasis on the development of industrial parks and industrial operations that are environmentally safe and that expand employment opportunities for residents of the Project Area and adjacent neighborhoods”.
  - A significant number of nearby parcels along 1<sup>st</sup> St are zoned C1-1-RIO (Limited Commercial/Light Manufacturing), which is the same as the Site. Development in the immediate area consists of retail, industrial and mixed-use along major arterials that are interspersed with multi-family complexes and single-family residential development removed from arterials. Several structures away, the exterior of Purgatory Pizza has murals with a similar art style to those present at the Site.
  - Self-Help Graphics has an impact on employment not only through its own hiring of employees, but through young and emerging artists that have attended workshops and received the support required to expand their employment opportunities.



### 4.3 Boyle Heights Community Plan

The proposed project is consistent with the provisions of the Boyle Heights Community Plan as follows:

It is consistent with the relevant provisions of the "Purpose of the Community Plan" section.

- "Improving the function, design and economic vitality of the commercial corridors".
  - The Site is part of a small commercial area that includes various local businesses and restaurants. The exterior of the Self-Help Graphics building consists of murals with a design that contributes to the overarching aesthetic of Boyle Heights. Economic vitality and function are improved through programs related to Artist Engagement & Education, as well as Printmaking community workshops that assist in professional development.
- "Preserving and enhancing the positive characteristics of existing uses which provided the foundation for community identity, such as scale, height, bulk, setbacks and appearance".
  - The property is consistent with the low-scale physical character of Boyle Heights. It has a clear height of 16', existing improvements that represent a conforming use within this zone, and murals that help preserve the identity of the community.

It addresses the issues contained in the "Community Issues and Opportunities" section pertaining to industrial development properties (which is what the proposed project is classified as).

- "Need for rehabilitation and retrofitting of existing industrial buildings".
  - Rehabilitation to the property was performed. The renovations included partial roof replacement, mold remediation, drywall, paint, parking lot surface and exterior repairs, and the addition of two ADA compliant restrooms. No observable deferred maintenance exists. As such, rehabilitation to the property is not an immediate concern.
- "Substandard parcels that do not facilitate assemblage and redevelopment".
  - The property is 20,563 square feet, with features that support the numerous regularly occurring art related activities at Self-Help Graphics. These features include a large community room, production area, and ample on-site parking.
- "Inadequate off-street parking for industrial tenants and delivery trucks".
  - In addition to the 24 parking spaces that are part of the concrete paved parking lot on the property, there is additional street parking to serve the needs of the patrons.

It is consistent with the relevant provisions of the "Neighborhood Character" section.

- "Preserve the continuity of the streetscape and enhance community identity".
  - The core Values of Self-Help Graphics are in alignment with the sentiment above. One of these Values is Social Consciousness, to promote socially engaging art with a conscience in service to the Latino community and diverse audiences through artistic freedom and cultural affirmation. Boyle Heights, the predominately Latino community in which the site is situated, is a beneficiary of the various programs and events that Self-Help Graphics produces.