

ECONOMIC DEVELOPMENT COMMITTEE REPORT and ORDINANCE FIRST CONSIDERATION relative to the sale of City-owned property located at 703 and 703 1/2 West 40th Place to Celebrity Realty Holdings for the development of a new car dealership.

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

PRESENT and ADOPT the accompanying Ordinance dated March 1, 2017 authorizing the sale at its fair market value of an approximate 7,830 square foot parcel of City-owned real property located at 703 and 703 1/2 West 40th Place to Celebrity Realty Holdings, a California limited liability company (buyer) with conditions assuring that City economic development purposes are carried out on the property.

Fiscal Impact Statement: None submitted by the City Attorney. Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

Summary:

On March 28, 2017, your Committee considered a March 2, 2017 City Attorney report and Ordinance dated March 1, 2017 relative to the sale of City-owned property located at 703 and 703 1/2 West 40th Place to Celebrity Realty Holdings for the development of a new car dealership. According to the City Attorney, this property was previously owned by the former Community Redevelopment Agency of the City of Los Angeles and had been acquired with low- and moderate- income housing funds.

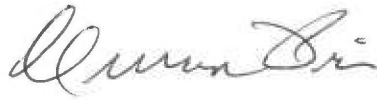
In March 2013, the California Department of Finance approved the transfer of former agency housing assets, including 703 and 703 1/2 West 40th Place to the City. In May 2014, the former agency transferred the property by quit claim deed to the Housing and Community Investment Department of Los Angeles (HCID). The HCID subsequently determined that the property is too small to develop affordable housing by itself and that adjacent parcels would need to be acquired for a housing project.

In December 2015, HCID and the Economic and Workforce Development Department of the City of Los Angeles (EWDD) executed a Memorandum of Understanding thereby allowing EWDD to facilitate the development of the property for economic development purposes and upon sale of the property to deposit the sales proceeds into HCID's Low and Moderate Income Housing Asset Fund. The sale of the City property will allow Celebrity Retail Holdings, which owns two parcels of land adjacent to the property, to develop the combined properties as a new car dealership. Celebrity Retail Holdings has an agreement with Velocity Motors LLC (dba Honda of Downtown Los Angeles) to move from its current operating location in Los Angeles to the new car dealership location and expand its operations.

After further consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendations contained in the March 1, 2017 City Clerk report. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

ECONOMIC DEVELOPMENT COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
PRICE:	YES
CEDILLO:	ABSENT
HARRIS-DAWSON:	YES
KREKORIAN:	ABSENT
O'FARRELL:	YES

ARL  
3/28/17

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**