

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: July 30, 2015

To: Municipal Facilities Committee
Attn: Miguel A. Santana, Chair

From: Josh Rohmer, Principal Project Coordinator
Asset Management Strategic Planning Unit



Subject: **LEIMERT PARK ECONOMIC DEVELOPMENT OPPORTUNITY SITES**

This report provides an update regarding the City's activities related to potential re-use and redevelopment of City-owned parking lots in Leimert Park, in the Tenth Council District and requests Council authority to transfer monies to EWDD for the market study.

Background

The City owns several surface parking lots in Leimert Park adjacent to the site of the future Leimert Park station of the Metro Crenshaw light rail line, which is currently under construction. Formally known as Municipal Parking Lots 625, 626, and 764, the lots totaling approximately 3.24 acres are operated by the Department of Transportation (DOT) and the General Services Department (GSD) to provide public parking for the commercial and cultural amenities of Leimert Park, including private businesses and the historic City-owned Vision Theater. A map of the City parking lots is included as Attachment A.

This community is currently experiencing significant public and private investment, including the Metro Crenshaw Line to LAX, Crenshaw Boulevard streetscape improvements funded by State Proposition 1C, the City-supported redevelopment of nearby properties District Square and Marlon Square, and the recent conversion of a portion of 43rd Street into a public plaza as part of the People Street program. In order to build on these improvements, the City is interested in exploring the re-use potential of the Leimert Park parking lots to continue to provide public parking that supports the area's commercial and cultural activities while also taking advantage of the transit-oriented development opportunity. Metro is making a similar effort to understand the development potential of the half-acre property on which the station will be built. Metro will engage an Urban Land Institute (ULI) Technical Assistance Panel (TAP), to assemble development professionals to review site information and market conditions before engaging with multiple community stakeholders to develop recommendations regarding potential development and community benefits.

As directed by Council motion, the Economic and Workforce Development Department (EWDD), working with the Offices of the City Administrative Officer (CAO) and the Chief Legislative Analyst (CLA), has solicited proposals from the Asset Management Strategic

Planning (AMSP) list of prequalified consultants to prepare a market study for the Leimert Park properties (C.F. 15-0640). The market study will provide a professional, third-party analysis of potential development scenarios that could result in both private development and public improvements, evaluate current and future parking needs, and identify alternatives to integrate parking into any development scenario. The scope of the study is included as Attachment B.

The market study will inform the TAP and provide critical information about how the City can best use these public assets to achieve community and City goals. Together, the market study and the TAP will inform the City's evaluation of the Leimert Park properties for re-use potential. AMSP will coordinate the City's evaluation of the properties' development potential with EWDD, CLA, and other City departments as needed, and prepare a report with recommendations for consideration by the Municipal Facilities Committee.

RECOMMENDATIONS

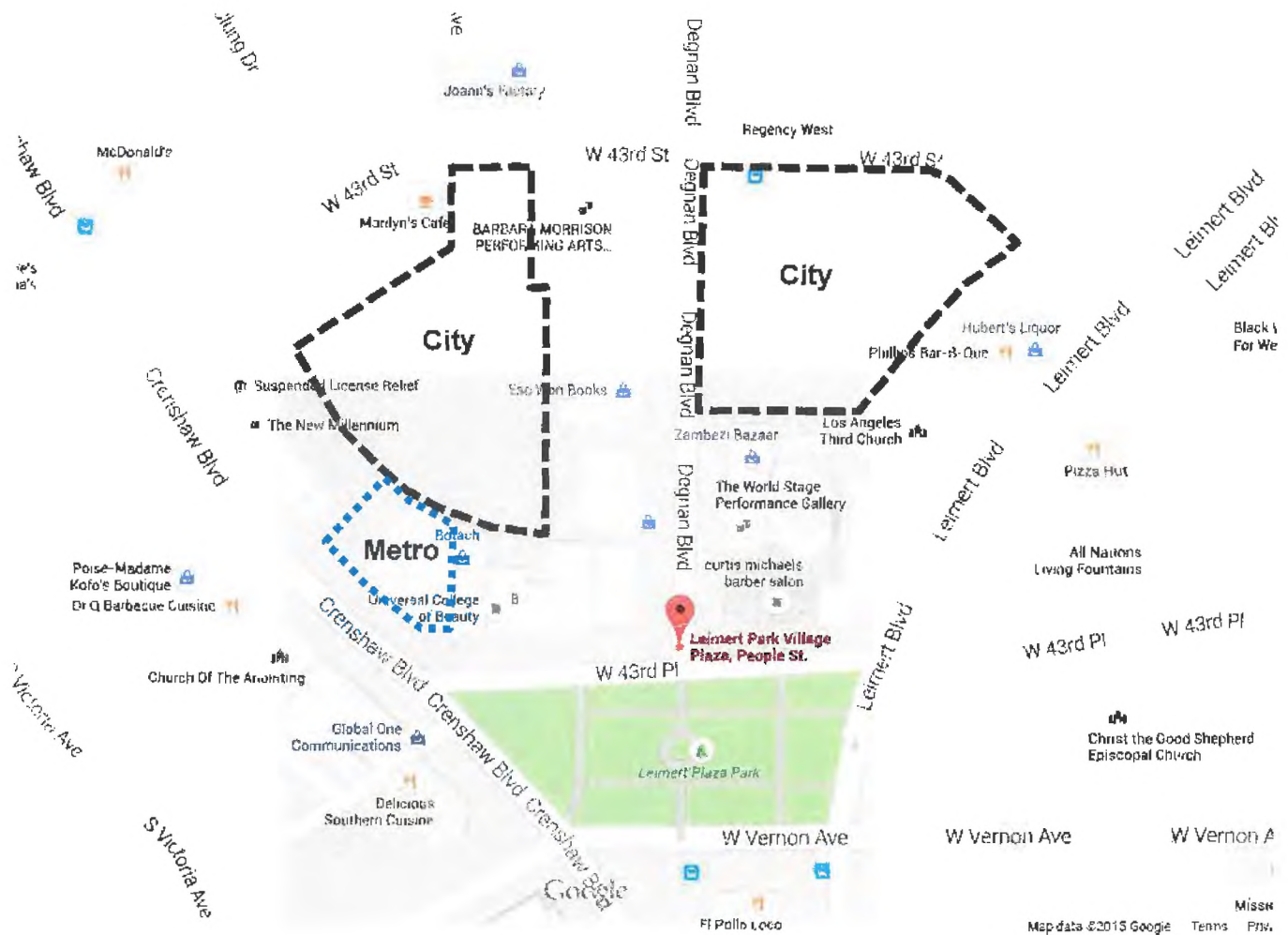
That the Council, subject to the approval of the Mayor:

1. Instruct the Controller to transfer \$100,000 from the City Administrative Officer, Fund 100/10, Contractual Services, Account 3040 to the Economic and Workforce Development Department, Fund 45L, Leimert Park Market Study, Account TBD to fund the Leimert Park Market Study;
2. Instruct the Department of Transportation to work with the CAO to identify \$40,000 in Special Parking Revenue Fund monies to be transferred to the CAO via the City's Financial Status Report in 2015-16 to pay for its pro-rata share of this study; and
3. Authorize the CAO to make technical corrections as necessary to implement Mayor and Council intentions.

FISCAL IMPACT STATEMENT

There is no additional impact on the General Fund as a result of adoption of this report. The market study is expected to cost approximately \$100,000, to be funded with a combination of Special Parking Revenue Funds and General Fund monies budgeted for this purpose in the contractual services budget of the City Administrative Officer

**ATTACHMENT A:
City-Owned Parking Facilities: Leimert Park**



CITY OF LOS ANGELES

CALIFORNIA



ERIC GARCETTI
MAYOR

ATTACHMENT B: Scope of Work

JAN PERRY
GENERAL MANAGER

ECONOMIC AND WORKFORCE
DEVELOPMENT DEPARTMENT

1200 W. 7TH STREET
LOS ANGELES, CA 90017

REQUESTS FOR BIDS

**MARKET STUDY: PUBLICLY-OWNED PROPERTY
AT CRENSHAW/VERNON METRO STATION**

SCOPE OF WORK

Background: The City owns a significant amount of property around Leimert Park, a cultural and commercial center for the Crenshaw Corridor, Baldwin Hills and the surrounding neighborhoods. The City-owned properties include two (2) surface parking lots, the historic Vision Theater and a central public park. The City is making strategic investments along Crenshaw Corridor through implementation of its Proposition 1C Streetscape Project, current Crenshaw Community Plan Update and as a key investor in catalytic projects like Marilton Square and District Square. With the anticipated completion of the Metro Line in 2019 and the opening of the Crenshaw/Vernon Station, the City anticipates an opportunity to partner with Metro to solicit interest in publicly-owned property in the area to maximize community benefits, improve use and operations at Leimert Park and the Vision Theater, provide parking to serve neighborhood commercial and Metro ridership, and build out complimentary development. The City-owned property incorporates 3.24 acres in public parking through two (2) lots, a historic public theater, central park, various right-of-ways that could be considered for partial or total closure and (see Attached Map). Metro's Station Property, which is also incorporated into this market study, is located adjacent to the proposed portal. The property acreage is as follows:

- West Parking Lot: 1.6 acres, 72,000 sf
- East Parking Lot: 1.84 acres, 80,000 sf
- Metro Station portal: .48 acres, 21,000 sf
- Vision Theater: .49 acres, 22,000 sf; building 23,000 sf
Parcel includes lobby on 43rd Place, theater building, and an alley access onto Degnan. The commercial properties surrounding the theater are discrete, privately-owned properties.
- Leimert Park: 1 acre, 44,000 sf
This is just the dedicated park parcel, not including any of the 43rd Place right-of-way that is being converted into a plaza.

The Economic and Workforce Development Department (EWDD) and the Office of the City Administrative Officer (CAO) are in the processing of reviewing these sites for potential designation as intended for economic development use and determination whether the property can be utilized in whole or part for private development. EWDD would like to engage an outside consultant to assist in developing a parking

study, as well as a property-specific study, that will look at the potential for alternative development opportunities that integrate and improve utilization of all publicly-owned assets at the Crenshaw-Vernon Station.

Economic Development Designation Analysis Scope of Work: EWDD is interested in engaging an outside consultant to provide a third party analysis of the following:

- (1) Potential development scenarios for the City- and Metro-owned properties under both a ground lease or for sale structure based in quantitative analysis of the current market for office, commercial, quasi-public and mixed-use development in the surrounding area. Analysis will include depth of study of the market potential for the properties and the potential subsidy/profit opportunities for the City built into various development scenarios. Analysis should consider opportunities for integrating improvements to Leimert Park, integration of the culture and artistic Vision Theater venue and improved pedestrian and vehicular circulation within the two to three blocks which make up this commercial core.
- (2) Additional options should be provided which consider how integrating neighboring privately-owned but underdeveloped properties to create larger development sites might influence size, scope and feasibility of future development scenario.
- (3) Evaluate current and future public parking needs through a Parking Study and multiple scenarios for integrating public parking into any new development scenario.

Analysis and final report should include massing studies and initial conceptual designs. All findings should be submitted in a written report with supporting materials available in an appendix. Proposal should assume that consultant will be asked to attend at least three meetings with various stakeholders during their analysis.

SCHEDULE

EWDD would like to engage a consultant by early June 2015 and have work begin immediately thereafter. Initial findings should be available by the first week of July and a final report submitted in August 2015. Please indicate in your response whether you will be able to meet this timeframe. If not, please provide an alternative timeframe and milestones for consideration.

SUBMITTAL

Please submit a Cover Letter, Proposal Cost by Objective, name and resume of the principal(s) who will be providing the analysis and reports, and a Schedule for starting and completing the Scope of Work. Samples of any similar reports can be provided but are not required. Submittals should be emailed to Jenny Scanlin, Assistant General Manager for EWDD **by Thursday, May 21, 2015 at noon**. If you have any questions about the proposed scope, please contact Ms. Scanlin at jenny.scanlin@lacity.org or (213)744.9723.