ECONOMIC DEVELOPMENT

MOTION

In 1994, the City of Los Angeles (City) acquired a 10-acre parcel of industrially zoned land located at 10901 S. Clovis Avenue in South Los Angeles with the intention of generating an economic development project that would benefit the needs of the local community (C.F. 88-2251-S4). The City-owned site, commonly referred to as the Lanzit Industrial Site, is one of the largest unoccupied parcels of industrially zoned land in the Watts community and is bounded by 108th Street, Lanzit Avenue, Central Avenue, and the Compton Creek. Over the years, the City has explored various development proposals and allocated millions of federal dollars towards furthering development of the site but those efforts have not been successful and the site remains vacant.

Jobsite Steel Manufacturing, LLC (JSM) is a limited liability corporation headquartered in Lenoir City, Tennessee, that specializes in light gauge steel building products, prefabricated walls, and prefabricated floors for the construction industry. By building these products in advance before they are needed onsite, JSM has helped contractors reduce their construction schedules, thereby allowing them to complete their projects ahead of schedule and save on construction financing. JSM has completed over 150 projects nationwide and is currently fabricating eight projects with 15 to 20 additional projects in the pipeline for 2017. JSM also prides itself in continuously training and investing in its workforce by ensuring their plant employees maintain the most applicable certifications and training requirements to ensure refinement of existing skills and the development of new ones.

JSM is interested in expanding their operations to the west coast and they are focusing their efforts on the Los Angeles area and the Lanzit Industrial Site. The demand for light gauge steel construction methods and materials is very high on the west coast since light gauge steel performs exceptionally well in high seismic zones, and the non-flammable nature of steel makes it a safe and effective building material for all types of commercial and residential construction projects. JSM's expansion plans also include a training facility for the United Brotherhood of Carpenters, one of North America's largest building-trades unions, to attract and maintain an effective workforce. The Lanzit Industrial Site is well suited to accommodate JSM's manufacturing operations and the training facility for the United Brotherhood of Carpenters. JSM's expansion would also help meet the goals and objectives of the City by creating permanent living wage jobs and business opportunities. In order to facilitate this effort, the City will need to enter into an Exclusive Negotiating Agreement with the development team representing JSM and the United Brotherhood of Carpenters to evaluate the terms and details of a future Development Agreement that would include the sale and development of the Lanzit Industrial Site for industrial and training purposes.

I THEREFORE MOVE that the Economic and Workforce Development Department, with the assistance of the Chief Legislative Analyst and Office of the Mayor, be instructed to serve as the lead City Department in negotiating an Exclusive Negotiation Agreement (ENA) with the development team representing Jobsite Steel Manufacturing and United Brotherhood of Carpenters, be authorized to execute said ENA, complete execution of said ENA within 30 days of Council's adoption of this Motion, subject to the review and approval of Council District 8 and review of the City Attorney as to form, and manage the ENA in pursuit of achieving a project feasibility report with recommendations to Council concerning a potential future Development Agreement for Cityowned real property located at 10901 S. Clovis Avenue in Council District 8 commonly referred to as the Lanzit Industrial Site.

PRESENTED BY:

MARQUEECE HARRIS-DAWSON Councilmember, 89 District

2017

SECONDED BY:

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