

ECONOMIC DEVELOPMENT COMMITTEE REPORT relative to the redevelopment of 570 West Avenue 26, the former Lawry's California site.

Recommendations for Council action:

1. INSTRUCT the Chief Legislative Analyst (CLA), with the assistance of the Economic and Workforce Development Department (EWDD), to:
 - a. Hire consultants necessary to evaluate a proposed development located at 570 West Avenue 26 to carry out any necessary predevelopment studies, including but not limited to a Requests for Interest (RFI) and a Request for Proposal (RFP).
 - b. Identify economic development incentives that may be available for the project site, such as Federal Opportunity Zones.
 - c. Report to Council on the results of the feasibility studies, RFI, and/or RFP processes.
 - d. Utilize available EWDD funds to hire a consultant for this purpose.
 - e. Negotiate and execute a Memorandum of Understanding with the Mountains Recreation and Conservation Authority to discuss the terms and conditions of a future economic development project.
2. INSTRUCT the City Administrative Officer to resolve the outstanding request for \$78,000 related to property financing with the Section 108 Loan for the Los Angeles River Center and Gardens Project, pending notification to the U.S. Department of Housing and Urban Development.
3. AUTHORIZE the EWDD, with the assistance of the City Attorney, to take all actions to close the Deed of Trust for the Section 108 Loan (C-95874) for the Los Angeles River Center and Gardens Project, subject to the repayment of the \$78,000 outstanding obligation.
4. INSTRUCT the EWDD to report to Council if additional funds are required to implement the initial feasibility studies for the proposed economic development project at the site.
5. AUTHORIZE the CLA to make any technical corrections, revisions, or clarifications to the above instructions, including new instructions, in order to effectuate the intent of these actions.

Fiscal Impact Statement: The CLA reports that there is a potential \$78,000 impact to the General Fund should the City be required to pay the outstanding obligation on the Section 108 Loan.

Community Impact Statement: None submitted.

(Arts, Entertainment, Parks and River Committee waived consideration of the above matter)

SUMMARY

At the meeting held on December 11, 2018, your Economic Development Committee considered a CLA report relative to the redevelopment of 570 West Avenue 26, the former Lawry's California site. The CLA reports that on August 17, 2018, as initiated by Motion (Cedillo - Buscaino), the Council instructed the CLA, with the assistance of the EWDD, to meet with the Mountains Recreation and Conservation Authority (MRCA) to evaluate options to redevelop the former Lawry's California Site located at 570 West Avenue 26 (Site). Staff was also requested to evaluate options for property ownership and models for project delivery, and seek proposals from the market (Council file No. 17-1201). As requested, the CLA met with representatives of the MRCA, the EWDD, and the City Attorney to discuss options for redevelopment of the Site. The MRCA currently owns the property and has approached the City for assistance to redevelop the Site for economic development purposes. Possible options under discussion include the City taking fee ownership of the Site as part of the development plan or the City simply providing technical assistance to the MRCA for development of the Site in a manner that enables the property to generate sufficient revenue to maintain the property grounds. EWDD has prepared a draft development timeline to guide project delivery. After an opportunity for public comment was held, the Committee moved to approve the CLA's recommendations as amended, as detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

ECONOMIC DEVELOPMENT COMMITTEE

MEMBER VOTE

PRICE: YES

BUSCAINO: YES

ME 12/11/18

-NOT OFFICIAL UNTIL COUNCIL ACTS-