

Los Angeles City Council, **Journal/Council Proceedings**

Friday, **August 6, 2010**

John Ferraro Council Chamber, Room 340, City Hall - 10:15 am

- - - SPECIAL COUNCIL MEETING - - -

10:15 A.M. OR AS SOON THEREAFTER
AS COUNCIL RECESSES ITS REGULAR MEETING

ROLL CALL - Members present: Alarcón, Cárdenas, Koretz, Krekorian, LaBonge, Perry, Reyes, Rosendahl, Wesson, Zine and President Garcetti (11); Absent: Hahn, Huizar, Parks and Smith (4)

ROLL CALL NUMBER (#) - INDICATES THE ORDER IN WHICH THE ITEMS WERE ACTED UPON DURING THE COUNCIL MEETING

Item Noticed for Public Hearing - Item 17

ITEM NO. (17) - ADOPTED - FORTHWITH

Roll Call #1 - Adopted, Ayes (14); Absent: Smith (1)

[10-1256](#)
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HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE REPORT and RESOLUTIONS relative to environmental review and Community Redevelopment Agency (CRA) agreements with the Los Angeles Grand Avenue Authority, Grand Avenue L.A., LLC, and The Broad Collection to collectively provide for property dispositions and CRA investment in an amount not to exceed \$30 million towards the development of a museum and parking facility as part of the mixed-use Grand Avenue Project on CRA-owned Parcel L (221 South Grand Avenue) in the Bunker Hill Redevelopment Project Area.

Recommendations for Council action:

1. HOLD a public hearing and ADOPT the accompanying RESOLUTION making certain findings in accordance with Health & Safety Code Section 33433 in support of giving an option to the Los Angeles Grand Avenue Authority (Authority) for the potential lease of the completed Parking Facility to Grand Avenue L.A., LLC (GALA) through the Disposition and Development Agreement (DDA), as amended by the DDA amendment (Attachment A of the Chief Legislative Analyst (CLA) report dated August 4, 2010).
2. ADOPT the accompanying RESOLUTION certifying that the Council has reviewed and considered the environmental effects of the Grand Avenue Project as identified in the Final

Environmental Impact Report (EIR), as supplemented by the 2010 addendum to the final EIR prepared by the CRA (Attachment B of the CLA report dated August 4, 2010).

3. AUTHORIZE the CRA Chief Executive Officer, or designee, to:
 - a. Approve and consent to the First Amendment to the Disposition and Development Agreement (DDA Amendment) and ancillary documents by and among the Authority, Grand Avenue L.A., LLC (a subsidiary of The Related Companies and developer of the Grand Avenue Project), and The Broad Collection revising the Scope of Development and delineating the terms and conditions for development and lease of a portion of Parcel L (the Museum Parcel) as part of the Project consistent with the terms and conditions of the Parking Facility and Museum Development Agreement (PFMDA).
 - b. Negotiate and enter into the Amended and Restated Conveyance and Funding Agreement (Amended CFA) between the CRA and Authority to establish the process for the conveyance of a leasehold interest in the Museum Parcel on Parcel L to The Broad Collection and the potential conveyance of a leasehold interest in the completed Parking Facility to GALA through the Authority and to authorize the application of DDA extension fees paid by GALA towards the CRA's funding obligations for the affordable housing components of the Grand Avenue Project.
 - c. Negotiate and enter into a Reciprocal Easement Agreement, Parking Agreement, Put-Call Option Agreement, and Construction License Agreement, all as described in Attachment G of the CLA report dated August 4, 2010, among the Authority, GALA, The Broad Collection and/or CRA in accordance with the PFMDA.
 - d. Amend and execute ground leases in substantial conformance with the form of ground leases contained in the DDA Amendment and Amended and Restated Conveyance and Funding Agreement (CFA) to reflect the specifics of the transaction, including Museum operating covenants.
 - e. Execute the PFMDA and ancillary documents between the CRA and The Broad Collection for an airspace parcel for the Parking Facility; to establish the terms and conditions for: the development, construction, and future purchase of the completed Parking Facility by the CRA for the lesser of a) the certified construction costs of the Parking Facility, plus interest, or b) a stream of payments in an amount not to exceed \$30 million inclusive of interest and \$8 million initial payment to commence development of the Project; and to establish terms for the development of the Museum in accordance with the DDA Amendment.
4. APPROVE the use of up to \$8 million from the Bunker Hill Redevelopment Project Area, Community Facilities and Programs budget category for costs associated with initial development of the Project.
5. APPROVE and CONSENT to the Assignment and Assumption Agreement (Assignment) between GALA and The Broad Collection to assume a portion of GALA's obligations under the Grand Avenue DDA, subject to amendment of the DDA, as they relate to the Museum Parcel.

6. ADOPT the accompanying JOINT RESOLUTION making certain findings in accordance with Health and Safety Code Sections 33421.1 and 33445 in support of the use of CRA funds for public improvements for the Project.

Fiscal Impact Statement: The CLA reports that there is no impact to the General Fund as a result of this action.

Community Impact Statement: None submitted.

Ayes, Alarcón, Cárdenas, Hahn, Huizar, Koretz, Krekorian, LaBonge, Parks, Perry, Reyes, Rosendahl, Wesson, Zine and President Garcetti (14); Absent: Smith (1)

Whereupon the Special Council meeting did adjourn.

ATTEST: June Lagmay, CITY CLERK

By

Council Clerk

PRESIDENT OF THE CITY COUNCIL