

Office of the Los Angeles City Attorney
Hydee Feldstein Soto

REPORT NO. R 24-0110
MAR 08 2024

REPORT RE:

**DRAFT ORDINANCE AUTHORIZING THE EXECUTION OF
A DEVELOPMENT AGREEMENT BY AND BETWEEN
THE CITY OF LOS ANGELES AND NOHO DEVELOPMENT, LLC**

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

Honorable Members:

On December 8, 2023, the City Council requested that the Office of the Los Angeles City Attorney prepare and present a draft ordinance authorizing the execution of a development agreement by and between the City of Los Angeles and NoHo Development, LLC, relating to real property located at 11163-11347 and 11264-11280 West Chandler Boulevard, 11204-11270 West Cumpston Street, 5300-5320 North Bakman Avenue, and 5311-5373 and 5356-5430 North Lankershim Boulevard (Development Agreement). This Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality, and the Development Agreement, in a form that our Office can approve.

Background

The Development Agreement is proposed in conjunction with a transit-oriented development with up to 2,209,027 square feet of total floor area, including up to 1,527 multifamily residential units comprising up to 1,216 market rate units and 311 affordable units; up to 105,125 square feet of retail and restaurant space; up to 580,374 square feet of office space; vehicular and bicycle parking; the creation of three public transit and event plazas that create a new amenity and gathering place for North Hollywood; a

redeveloped and expanded Metro Red Line portal entry, which reinforces the connection of the Project to Metro's Red and Orange lines; and a redeveloped and consolidated transit center, including a bus terminal for the Metro Orange Line, future Bus Rapid Transit, and other local and regional bus lines, with integration of retail within the historic Lankershim Depot.

The Development Agreement has a 15-year term and is generally consistent with the City's prior development agreements. Under the Development Agreement, the developer has agreed to provide the following public benefits:

- The developer shall provide and fit out 2,300 square feet of floor area of interior space for occupation and use as an art gallery. For a period of 10 years, the developer shall make the space available to the operator of the art gallery rent-free and without charge for janitorial services, property management, utilities, and property taxes.
- In addition to the 311 affordable housing units within the property that shall be restricted at rents affordable to low-income households, the developer shall provide 55 affordable housing units restricted at rents affordable to moderate income households.
- The developer shall complete a two-way Class IV bicycle facility on the west side of Fair Avenue from Chandler Boulevard to District Way.
- The developer shall make commercially reasonable efforts to offer leases of retail and restaurant floor area within the project to local retailers and eateries to achieve a tenant mix that reflects the character of the North Hollywood Arts District and that supports a vibrant mixed-use destination.
- The developer shall provide public art contributions that exceed the Arts Development Fee required for the development project under the Los Angeles Municipal Code.
- The developer shall organize and hold at least three community events, such as a farmers' market, concert in the park, arts fair, or similar event, within the property that are open to the public at no charge. The developer shall incur at least \$50,000 in total to organize and hold such events.
- The developer shall contribute \$75,000 for the funding and installation of three historical plaques within the sidewalks adjacent to the property commemorating the history of the North Hollywood area.

The Development Agreement is substantively identical to the draft approved by the City Planning Commission with respect to the material terms, including its term and the public benefits to be provided by the developer.

City Planning Commission Action

Pursuant to Charter Section 559, the Planning Director, on behalf of the City Planning Commission, approved the Development Agreement and recommended that it be adopted by the City Council. On September 28, 2023, the City Planning Commission adopted the required Charter and Government Code findings set forth in the Planning Department's staff report to the City Planning Commission. Should the City Council adopt the draft ordinance, it may comply with the provisions of Charter Section 558 and the Government Code either by adopting the September 28, 2023, findings of the City Planning Commission or by making its own findings.

California Environmental Quality Act (CEQA)

If the City Council wishes to adopt the draft ordinance authorizing the execution of the Development Agreement, it must first comply with CEQA. City Council may comply with CEQA in connection with the Development Agreement by making the CEQA findings set forth below under Recommended Actions.

Government Code Requirements for Notice and Hearing

Before taking any action on either the draft ordinance or the Development Agreement, the City must comply with the provisions of Government Code Sections 65867, 65090 and 65091. Those sections require, among other things, notice and a public hearing. In addition, the City's Development Agreement Procedures provide that the City Council shall not take any action on any development agreement before the expiration of a 24-day notice period.

Recommended Actions

If the City Council wishes to approve the draft Development Agreement, it may take the following actions:

1. Previously have approved all of the related entitlements;
2. Find, based on the independent judgment of the City Council and after consideration of the whole of the administrative record, the project was assessed in Environmental Impact Report (EIR) No. ENV-2019-7241-EIR, certified on August 22, 2023, and pursuant to CEQA Guidelines Sections 15162 and 15164, no subsequent EIR, negative declaration, or addendum is required for approval of the project;

3. Adopt the September 28, 2023, findings of the City Planning Commission, including the Development Agreement findings, or adopt City Council's own findings; and
4. Adopt the enclosed draft ordinance authorizing the execution of the Development Agreement.

Council Rule 38 Referral

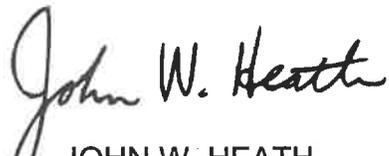
Pursuant to Council Rule 38, copies of the draft ordinance and the Development Agreement were sent to the Department of Building and Safety, the Housing Department, and the Department of Transportation, along with a request that all comments, if any, be directed to the City Council when this matter is considered.

If you have any questions regarding this matter, please contact Deputy City Attorney Saro Balian at (213) 574-6972. A member of this Office will be available when you consider this matter to answer any questions you may have.

Sincerely,

HYDEE FELDSTEIN SOTO, City Attorney

By:


JOHN W. HEATH
Chief Assistant City Attorney

JWH:SB:sa
Transmittal