

AB 179 Project Plan

04-03-2024

Title: Plan for Proposed Redevelopment of General Hospital and West Campus

On December 19, 2023 the Los Angeles County (County) Board of Supervisors approved the execution of an Exclusive Negotiation Agreement (ENA) with Centennial Partners for the Los Angeles County General Hospital Campus: Centennial Development Project (Project). This action followed the County's issuance of a Request for Proposals (RFP) on January 24, 2023 for a master Proposer to design, construct, finance, operate, and maintain a proposed mixed-use development project.

Proposed Project Site:

The County of Los Angeles owns the Los Angeles County General Hospital building and vacant and underutilized areas to the west of it on the campus. Following the 1994 Northridge earthquake, the County constructed a replacement hospital, and upon the 2008 opening of the County's new flagship Los Angeles General Medical Center (Medical Center), the General Hospital building became largely vacant. West of General Hospital and State Street is an underutilized area known as West Campus. Together, the General Hospital site and West Campus areas make up the Project Site of approximately 25 acres.

Proposed Project Scope:

The Developer has proposed a project that is consistent with the County and community's vision for the Project Site – namely a mixed-use, mixed-income development with affordable and market rate housing, commercial spaces, office and economic opportunity spaces, community-oriented space, open space, adequate parking, and other infrastructure.

The Project is expected to include a minimum of 600 residential housing units across the Project Site, with at least 25% of all units as affordable housing. The envisioned Project will include affordable units to lower income households with incomes below 50% of the AMI and Very Low Income (31-50% of AMI), with administrative space for wraparound services. Residential facilities shall include all appropriate management and wraparound services for the ongoing operations of the development for the life of the ground lease.

The Project furthers Supervisor Hilda L. Solis's vision for a "Healthy Village," a vision which is centered on the Medical Center and focuses on supporting the most vulnerable populations and addressing critical community needs such as a mission-aligned reuse of the historic General Hospital building; a revitalization and optimization of the entirety of the area comprising the Project Site; and the creation of low-income and high-need population affordable housing with and wrap-around community services informed by the Whole Person Care concept.

As proposed in the RFP submittal, the Developer envisions furthering this vision for a Healthy Village at this nexus of the four neighborhoods of Lincoln Heights, Boyle Heights, El Sereno, and East Los Angeles. The Developer proposes the design should provide a diverse and vibrant set of pedestrian-scaled environments to draw in the community and support their healing, wellness, and prosperity.

AB 179 Project Plan

04-03-2024

The Developer seeks to cultivate a multi-model mixed-use neighborhood that connects to transit, bike, and pedestrian networks, provides parking, has a blend of housing types, provides access to wellness and wrap-around supportive services, is organized around community retail and a central innovation center focused on incubating local businesses and providing an on-ramp to economic opportunities, and includes passive and active use public open spaces that cohesively organize and connect across the broader site.

The Developer's proposal envisions a total of 885 units of housing that with at least 30% affordable units. The 1,680,000 sq. ft. of potential development space is proposed to entail:

- 778,800 sq. ft of Residence
- 166,000 sq. ft of Hotel
- 168,000 sq. ft of Retail
- 65,000 sq. ft of Laboratory/ Medical Offices
- 80,000 sq. ft of Community/ General Services
- 531,000 sq. ft of Parking

During the ENA period, the County's Department of Economic Opportunity's project management team will work with the Developer, and in consultation with various County Departments, to finalize the project description, and complete all aspects of the predevelopment process, including ongoing community outreach, as well as coordinate with the Developer as entitlements and environmental clearances are pursued.

Proposed Project Milestones (to date):

The Board of Supervisors (the Board) approved the execution of the ENA with Centennial Partners on December 19, 2023.

Key Milestones include:

- Project Description Development including Extensive Site Investigation and Preliminary Architecture and Engineering Studies: April 2024 – February 2025
 - Supporting milestones include:
 - Comprehensive Project Requirements Assessment (outlining and summarizing community, stakeholder and physical constraints and opportunities)
 - Developer recommendations on Master Development and Business plan (including phasing of scope)
 - Developer submittal of Project Agreements Term Sheet and Key Terms to County
- Completion of Project Agreements Term Sheet: February 2025
- Completion of initial technical studies, surveys and assessments required for land use and related entitlements: April 2025
- Submission of land use application (zoning/specific plan outline) and environmental scope (project description) for master plan to County: July 2025

AB 179 Project Plan

04-03-2024

- Environmental Clearances and Development Agreement Execution: Fall 2026
 - Supporting milestones include:
 - Notice of Preparation & Initial Study for EIR
 - Draft Specific Plan & Related Entitlements Submitted to County
 - Publication of Draft and then Final EIR
 - Regional Planning Commission and Board of Supervisors Hearings

Capital Costs of Proposed Project:

The County has completed 14 studies and activities on a range of topics including environmental, building envelope, utility capacity, architect’s measured drawings, geotechnical, land survey, building clean-out, and move management to advance the proposed projects. The approximate cost of these studies is \$7 million.

It is anticipated that the developer will identify additional funding and financing sources to match the commitment of public funding.

Estimated Project Budget:

The Developer has proposed the following proposed project budget. The final budget is subject to further refinements and validation during the predevelopment phase.

- Project Description Development including Extensive Site Investigation and Preliminary Architecture and Engineering Studies: \$2.5 million
- Environmental Clearances and Pre-Development Activities: \$40 million
- Construction: \$834 million

	Phase 1		Phase 2		Phase 3		
Construction Costs	General Hospital	West Campus	General Hospital	West Campus	General Hospital	West Campus	Total Estimated Project Cost
Hard Costs	\$62,790,977	\$250,282,914	\$126,222,679	\$141,760,242	\$66,475,142	\$26,029,423	\$673,561,378
Hard Costs Contingency	\$6,279,098	\$25,028,291	\$12,622,268	\$14,176,024	\$6,647,514	\$2,602,942	\$67,356,138
Soft Costs	\$7,953,600	\$31,702,805	\$15,988,359	\$17,956,469	\$8,420,265	\$3,297,092	\$85,318,588
Soft Costs Contingency	\$795,360	\$3,170,280	\$1,598,836	\$1,795,647	\$842,026	\$329,709	\$8,531,859
Total	\$77,819,035	\$310,184,290	\$156,432,142	\$175,688,382	\$82,384,947	\$32,259,166	\$834,767,963

Proposed Funding Sources:

In addition to match the State appropriation of \$50 million, the County has committed \$79 million towards the proposed project, including \$24 million in a capital project established

AB 179 Project Plan

04-03-2024

by the FY 2022-2023 Supplemental Budget and \$55 million in American Rescue Plan Act funds.

The remaining funding sources necessary to execute the project are anticipated to be comprised of developer financing and other secured grant sources.

Proposed Use of HCD Funding:

The HCD funds are anticipated to be used to complete extensive site investigation, architecture and engineering activities, entitlement efforts, environmental clearances, project management and outreach activities, followed by construction activities, specifically focused on infrastructure activities.

Conclusion:

By posting this document, the County is fulfilling its obligation under AB 179 to provide a plan for the proposed project.