

NOTICE

The Urban Community Development Commission (UCDC) was established by Ordinance August 15, 1975 to function as the governing body of the Community Redevelopment Agency. Its purpose is to aid in planning and implementing projects in the City of Compton. Pursuant to Section 54957.5 of the California Government Code, Any writings (Except for those writings which are exempt from disclosure) which are distributed to all or a majority of the members of the City Council are available for public inspection in the lobby of the City Council Chambers and in the office of the City Clerk during regular business hours.

URBAN COMMUNITY DEVELOPMENT COMMISSION AGENDA

**Tuesday, January 27, 2009
2:50 PM**

WORKSHOP(S)

HEARING(S)

OPENING

ROLL CALL

APPROVAL OF MINUTES

ORAL AND WRITTEN COMMUNICATION

EXECUTIVE SECRETARY'S REPORT

1. CLOSED SESSION - DISCUSS PENDING LITIGATION
Cal. Gov't Code 54956.9

1. Redevelopment Agency of the City of Compton v. County of Los Angeles,
LASC Case No. BS 110978
Consideration of Appeal

UNFINISHED BUSINESS

NEW BUSINESS

2. AUTHORIZING THE EXECUTIVE SECRETARY TO ENTER INTO AN EXCLUSIVE NEGOTIATION AGREEMENT BETWEEN THE COMMUNITY REDEVELOPMENT AGENCY AND PRISM-IQ PARTNERS LLC TO WORK OUT THE TERMS AND CONDITIONS OF A DISPOSITION AND DEVELOPMENT AGREEMENT FOR THE ACQUISITION AND DEVELOPMENT OF CERTAIN PARCEL IN THE REDEVELOPMENT PROJECT AREA.
3. A RESOLUTION OF THE URBAN COMMUNITY DEVELOPMENT COMMISSION, ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON, AUTHORIZING THE EXECUTIVE SECRETARY TO ENTER INTO AN EXCLUSIVE NEGOTIATION AGREEMENT BETWEEN THE COMMUNITY REDEVELOPMENT AGENCY AND META HOUSING CORPORATION TO WORK OUT THE TERMS AND CONDITIONS OF A DISPOSITION AND DEVELOPMENT AGREEMENT FOR THE ACQUISITION AND DEVELOPMENT OF CERTAIN PARCEL IN THE REDEVELOPMENT PROJECT AREA

AUDIENCE COMMENTS

COMMISSION COMMENTS

ADJOURNMENT

January 27, 2009

TO: CHAIRMAN AND COMMISSIONERS

FROM: EXECUTIVE SECRETARY

SUBJECT: AUTHORIZING THE EXECUTIVE SECRETARY TO ENTER INTO AN EXCLUSIVE NEGOTIATION AGREEMENT BETWEEN THE COMMUNITY REDEVELOPMENT AGENCY AND PRISM-IQ PARTNERS LLC TO WORK OUT THE TERMS AND CONDITIONS OF A DISPOSITION AND DEVELOPMENT AGREEMENT FOR THE ACQUISITION AND DEVELOPMENT OF CERTAIN PARCEL IN THE REDEVELOPMENT PROJECT AREA.

SUMMARY

Requesting the Commission to authorize the Executive Secretary to enter into an Exclusive Negotiation Agreement (ENA) between the Community Redevelopment Agency (Agency) and Prism-IQ Partners, LLC to work out the terms of a public/private partnership arrangement culminating in a Disposition and Development Agreement for the -acquisition of Agency/City owned properties within the Redevelopment Project Area.

BACKGROUND

The Agency is spearheading the formulation of a Smart Growth Implementation Plan as a blueprint and mechanism to achieving and implementing the City's vision of "Birthing a New Compton." As part of this strategy, the Agency is also aggressively seeking out prestigious developers/investors for a public/private partnership arrangement to facilitate preferred developments in strategic areas of the community in accordance with Smart Growth Implementation Plan and the North Downtown Compton Specific Plan.

STATEMENT OF THE ISSUE

The Agency is in receipt of a proposal from Prism-IQ, a recognized leader in the development of high quality retail commercial projects, requesting an exclusive right negotiate with the Agency for acquisition and development of certain Agency/City owned property in the Redevelopment Project Area. The project to be located at 458 Alameda is approximately 5.7 acre site, currently being utilized as the City's Maintenance yard will be developed a Class "A" multi-tenant light industrial business park comprising of 110,000 and 125,000 square feet of light industrial space. Prism-IQ, a leader in infill development has just completed the first phase of the Gateway Towne Center, a very successful Class "A" the multi-tenant retail power center. The first phase of the Gateway Towne Center features First-tier and National Credit tenants such as: Target, Home Depot, Best Buy, Staple and Ross. The Gateway Towne Center has been instrumental in rejuvenating the tax base of this previously underutilized vacant site. With a portfolio of over 3.2 million square feet of retail centers and 2.5 million square of industrial space, Prism-IQ has demonstrated competency in acquisition, entitlement, financing, construction and operations of retail and industrial projects spanning over 23 years.

ANALYSIS

The subject property is located on Alameda Street, a major arterial thoroughfare in the City. In addition, the development of a Class “A” multi-tenant light industrial business park comprising of 110,000 and 125,000 square feet of light industrial space at the site would offer significant economic benefits for the community for several reasons:

1. The aforementioned site is located within the prime South Bay Light Industrial market, which has approximately 218 million square feet usage; and convenient access to the 710, 91, 110 and 105 freeways including accessibility to LAX and the ports of Los Angeles and Long Beach. The proposed development usage will transform the current underutilized site and serve a flexible user base for potential new users and clients. Furthermore, this potential new development will significant increase in the City’s Property Tax base and create job opportunities for local residents.
2. The City of Compton’s light industrial market submarket, which totals approximately 21.3 million square feet, currently does not have an adequate list of Class ‘A’ products for small to mid size users. As a result, the implementation of the proposed project will fill this void and hence attract small to mid size users into the community.
3. The City’s Enterprise Zone designation will serve as catalyst to attract light industrial users with a broad spectrum of job opportunities to the proposed site.

On the basis of the aforementioned benefits associated with the proposed development, the Agency has deemed it advantageous to enter into a one hundred and twenty day (120) Exclusive Negotiation Agreement (ENA) with the Redeveloper in connection with the proposed development. During the period, the Redeveloper and the Agency will negotiate the acquisition and development of the subject property resulting in a mutually beneficial agreement.

RECOMMENDATION

Staff recommends that the Commission approve the attached resolution authorizing an Exclusive Negotiation Agreement between Prism-IQ Partners to work out the terms and conditions of a financing arrangement for acquisition of Agency/City owned parcel within the Redevelopment Project Area.

KOFI SEFA-BOAKYE
DIRECTOR OF REDEVELOPMENT

CHARLES EVANS
EXECUTIVE SECRETARY

RESOLUTION NO. _____

A RESOLUTION OF THE URBAN COMMUNITY DEVELOPMENT COMMISSION, ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON, AUTHORIZING THE EXECUTIVE SECRETARY TO ENTER INTO AN EXCLUSIVE NEGOTIATION AGREEMENT BETWEEN THE COMMUNITY REDEVELOPMENT AGENCY AND PRISM-IQ PARTNERS TO WORK OUT THE TERMS AND CONDITIONS OF A DISPOSITION AND DEVELOPMENT AGREEMENT FOR THE ACQUISITION AND DEVELOPMENT OF CERTAIN PARCEL IN THE REDEVELOPMENT PROJECT AREA.

WHEREAS, the Community Redevelopment Agency of the City of Compton (the "Agency") is carrying out the Redevelopment Plan for the Compton Redevelopment Project Area, as merged and amended by Ordinance No. 2,114 adopted by the City Council on November 16, 2004; and

WHEREAS, the Agency is spearheading a Smart Growth Implementation Plan as a road map to guide the implementation of the City's vision of "Birthing a New Compton;" and

WHEREAS, the Agency is in receipt of a proposal from Prism-IQ Partners LLC requesting an exclusive right to negotiate with Agency for acquisition and development of certain Agency/City owned property located in the Redevelopment Project Area for the development of a Class "A" multi-tenant light industrial uses business park; and

WHEREAS, the Agency has determined that an Exclusive Negotiation Agreement with Prism-IQ for acquisition of certain Agency/City owned property located at 458 Alameda Street would complement the economic development objectives outlined in the Smart Growth Implementation Plan and the North Downtown Compton Specific Plan.

NOW, THEREFORE, THE URBAN COMMUNITY DEVELOPMENT COMMISSION, ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. That the Executive Secretary is hereby authorized to enter into Exclusive Negotiation Agreement with the Prism-IQ Partners for acquisition and development of certain Agency/City owned parcel in the Redevelopment Project Area.

Section 2. That the Executive Secretary is hereby authorized to execute the necessary agreements to finalize contract execution.

Section 3. That a certified copy of this resolution shall be filed in the offices of the Executive Secretary, City Attorney, City Controller, Community Redevelopment Agency, and Clerk.

Section 4. That the Chairman shall sign and the Clerk shall attest to the adoption of this resolution.



Resolution No. _____
Page 2

ADOPTED this _____ day of _____, 2009.

**CHAIRMAN OF THE URBAN COMMUNITY
DEVELOPMENT COMMISSION**

ATTEST:

**CLERK OF THE URBAN COMMUNITY
DEVELOPMENT COMMISSION**

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON: ss

I, Alita Godwin, Clerk of the Urban Community Development Commission of the City of Compton, hereby certify that the foregoing resolution was adopted by the Commission, signed by the Chairman, and attested by the Clerk at the regular meeting thereof held on the _____ day of _____, 2009.

That said resolution was adopted by the following vote, to wit:

AYES: COMMISSIONERS -
NOES: COMMISSIONERS -
ABSENT: COMMISSIONERS -

**CLERK OF THE URBAN COMMUNITY
DEVELOPMENT COMMISSION**

**Proposal for ENA and Qualifications
City of Compton Maintenance Yard
Compton Redevelopment Agency
December 22, 2008**

Prism – IQ Partners, LLC (Developer) is pleased to present our Qualifications and Project Concept for the proposed redevelopment of the City of Compton Maintenance Yard into a Class “A” multi-tenant light industrial business park.

Project Description

The proposed project will be a Class “A” multi-tenant light industrial business park. There are several factors that make the subject property attractive for this project.

First, the site is located in the well established 218 million SF South Bay light industrial market with convenient access to the 710, 91, 110 and 105 freeways as well as LAX and the ports of Los Angeles and Long Beach. Access to these major freeways, the ports and LAX is enhanced by the subject property’s location on Alameda Street, a major arterial thoroughfare.

Second, the Compton light industrial submarket, which totals approximately 21.3 million SF, has very little Class “A” product built in the last 10 years which is designed for small to mid-size users. The proposed project will be designed with features that are superior to its competition: clear heights of 24 to 30 feet, column spacing of 50’ x 52’, dock-high loading, ample power for manufacturers, sprinkler density sufficient for a broad range of commodities, screened truck yards, extensive landscaping, attractive exterior elevations and office storefronts.

Lastly, the recent Enterprise Zone designation for the City of Compton will help attract light industrial users with a broad spectrum of jobs to the proposed project. These companies can be attracted by the wide variety of Enterprise Zone incentives and tax credits for local hiring, new capital investments and business expansion.

Project Scope

The 5.7 acre site is configured in an awkward “L” shape which makes site planning challenging. However, it should be able to accommodate between 110,000 and 125,000 square feet of light industrial space assuming 45% to 50% coverage.

The site plan will be designed consistent with the following principals:

- one or more light industrial buildings divisible for multiple tenants of varying sizes
- loading areas fully screened with site walls featuring attractive architectural elements and extensive landscaping
- parking per code of approximately 1 space per 850 per square feet of floor area assuming a maximum office build-out of 20%
- extensive landscaping within the property and along the Alameda Street and Myrhh Street frontages

Project Value

The completed project will not only result in a significant increase in the property tax base of the City (as the subject property currently generates none), it will also create jobs and replace an underutilized site with Class “A” light industrial buildings designed to serve a flexible user base for many years to come. It will also make more jobs “local” to Compton reducing commute times.

The improvement value of the project is anticipated to be \$11,000,000 to \$13,000,000 excluding land depending on the cost of site work, infrastructure, tenant improvements, etc. The land value shall be confirmed by appraisal subject to adjustment for conversion costs such as environmental clean up, site demolition, relocation of facilities or utilities etc. to get the site to a usable condition. Conservatively, the developed project would have a total value approximating \$15,000,000 to \$17,000,000 in assessed valuation.

A project of this size typically generates approximately 150 to 200 construction jobs and 100 to 150 fulltime and part-time jobs. The spectrum of employment runs from highly skilled managerial positions to entry-level positions, which will serve the broad skill set of the community. The Developer proposes to collaborate with CareerLink Business Services to link the employment needs of the users in the proposed project and job seekers residing in Compton.

Developer Qualifications

Similar to Prism-IQ Partners, LLC, development of the subject property would be completed by a partnership of Inside Quarters Enterprises and Prism Realty Corporation. This team just completed the first phase of Gateway Towne Center, a very successful class "A" retail power center redevelopment project in Compton featuring first-tier tenants such as Target, Home Depot, Best Buy, Staples and Ross. Gateway Towne Center is the latest in a series of successful redevelopment projects completed by the Developer all of which demonstrates a continuing commitment to public/private partnerships with redevelopment agencies in Southern California.

Inside Quarters Enterprises is headed by Vince Evans, President, whose vision and focus is to provide professional development for urban ethnic consumers. Prior to transitioning to commercial development, Mr. Evans has had a long and distinguished career in the National Football League totaling 16 years. Mr. Evans was also captain of University of Southern California's football team, was 1977 Rose Bowl MVP and has worked with the Coliseum Commission and Commissioner Paul Tagliabue of the N.F.L. to bring football to Los Angeles. His leadership skills and ability to forge alliances and motivate team members to achieve common goals is noteworthy and is a skill he brings to his commercial ventures as well. Mr. Evans has been co-partner with American Golf Corp and was a principal with Majestic Realty from 1998 to 2002 and focused Majestic's development group toward urban inner-city projects. In addition, Mr. Evans is a principal in the resort development, Pacific Palms Resort, which are 292 rooms on 650 acres including 2 championship golf courses and 17 lighted tennis courts.

Mr. Brook Morris heads Prism Realty Corporation as President. Mr. Morris has been involved as a professional in commercial development for 23 years and prior to founding Prism Realty Corporation in 2001 served as Executive Vice President at Majestic Realty Co. and Principal at Trammell Crow Company. Mr. Morris has developed over 3.2 million square feet of retail centers and 2.5 million square feet of industrial space. In addition, Mr. Morris has had extensive experience with industrial and commercial redevelopment sites and successfully completed 12 of these projects having a value at completion of approximately \$350 million.

Mr. Eric Eklund is Vice President of Prism Realty Corporation. Mr. Eklund has been involved in commercial real estate for 13 years and prior to joining Prism Realty in 2003 served as Vice President of Acquisitions for PM Realty Advisors in Newport Beach and AEW Capital Management in Los Angeles.

Development Proforma

At this early stage of the proposed project it is not possible to develop a precise development proforma except in terms of the gross cost/valuation described above. Until further project due diligence and entitlements are known and the final site plan and design details are established, a final picture of cost and income cannot be accurately forecast. The foregoing estimates should be a reasonable approximation of project value.

As was the case with Gateway Towne Center, the Developer will work as a team member with Staff and the Policy Makers during negotiation of the ENA and DDA as well as the entitlement process. In this collaborative process, an optimum design for the project can be developed and against those costs and associated revenues, a proforma that establishes a market return on cost for the Developer shall be arrived at and approved with the DDA. This will be a true public/private collaboration to optimize the projects value to both the community of Compton and the future light industrial users.

Summary of Financial Commitments and Capabilities

The partnership has sufficient cash on hand for all predevelopment, entitlement and design costs. In addition, both Inside Quarters' and Prism Realty's projects are funded with owner and partner equity and construction financing from standing relationships. The Developer can provide references for construction lenders and equity investors upon request. Underwriting is assumed to be a construction loan at 65% loan to value, which is consistent with current financial market conditions.

Location

The location of the project is the approximately 5.7 acre site currently used as the City's Maintenance Yard, bordered on the West by Alameda Street, to the North by Laurel Street, to the East by South Willow Avenue and to the South by Myrhh Street. An aerial of the site is contained in **Exhibit "A"** hereto.

The site is roughly an "L" shape and poses some layout challenges. However, we may be able to take advantage of this shape by developing more than one well designed light industrial building each with separate screened loading areas.

Project Design

We have attached as **Exhibit "B"** examples of other light industrial projects that illustrate several important design features which would be incorporated into the proposed project. Primary among these are modern architecture, attractive and extensive landscaping and screen walls and well designed office storefronts and building elevations.

Participation Requested from Agency

The proposed project is not anticipating any financial assistance from the City or Agency. The Developer believes that if the Land is acquired from the City for the appraised value that: a) the City will have a net profit on the land transfer; b) the redeveloped Property will generate significant tax increment for the City and Agency; c) the Developer will be able to offer the light industrial users an attractive economic package, therefore securing the long-term success of the project; and d) Developer should be able to achieve a market return on cost.

ENA Scope and Timing

Developer is requesting the Exclusive Negotiation Period (“ENA”) with the City run for 180 days with three (3) 90-day extensions. The 180-day initial ENA term is necessary to provide sufficient time for securing entitlements, completing the DDA and, most importantly, relocating the existing maintenance yard operations to another property. Each extension will be available to Developer for completing certain critical tasks by providing an additional \$25,000 deposit.

The proposed length of time for the ENA is necessary for a project of this size and complexity for several reasons. First, the City with the Developer’s assistance must identify and acquire a replacement property to relocate the City’s existing maintenance yard operations. Second, a DDA needs to be finalized with the Agency which will set forth the project milestones, layout, etc. for the project. Third, to satisfy construction current lender requirements we will need to obtain all applicable entitlements (CEQA compliance, site plan approvals by Planning Commission/ARB, tract map approvals by Planning Commission and City Council, etc.) and complete preliminary construction drawings. Lastly, in today’s economic environment, construction lenders will very likely require a portion of the project be pre-leased prior to closing.

During the initial ENA period, the Developer will diligently pursue several milestones necessary to determine the project's feasibility and finalize the DDA.

Developer will pursue the following in cooperation with the City and Agency.

- DDA – Negotiate and finalize a DDA including any public hearings required prior to approval by the City Council and UCDC.
- Project Entitlements – Commence approval of site layout, design, landscape plan, signage, elevations, etc by ARB and the Planning Commission; tentative and final tract map approvals from Planning Commission and the City Council including the final conditions of approval, and any CEQA reviews. If entitlements are not completed, the extensions may be exercised.
- Project Studies and Reports – including Traffic Study, Geotechnical report, Phase I Environmental Review, assessment of drainage, utility evaluation including water and sewer facilities, gas and electricity, ALTA survey, qualification of site demolition and development costs, feasibility of utility relocation and Title review.
- Construction Lender Commitments – solicitation and negotiation for a binding term sheet with a construction lender to provide a sufficient loan. Any commitment will likely require a portion of the project to be pre-leased prior to closing. If lender commitments are not obtained, the extensions may be exercised.
- Replacement Property for City Maintenance Yard – work with City staff to identify a smaller replacement property for the City's Maintenance Yard and secure a binding agreement for same.
- Construction Drawings and Permits – The extensions may be exercised as needed to complete plan check and obtain all necessary permits for construction of on- and off-site work as well as the building(s).

Summary of General Terms

The initial ENA exclusive period is proposed for 180 days. The Developer may extend this exclusive period for three (3) additional 90 day periods to complete certain critical tasks by providing twenty (20) days notice and an additional \$25,000 deposit for each extension all of which are applicable to the purchase price.

The land would be acquired for the value based upon an “as-is” appraisal commissioned by the CRA.

The Developer initial deposit is proposed to be \$50,000. The Deposit will be held in an interest bearing escrow account as a good faith deposit. None of the Deposit shall be spent by the Agency for out-of-pocket transaction expenses such as legal or consulting services, relocation or environmental services, or City in-house expenses such as staff and legal time. However, any appraisal fees, reports or studies, entitlement processing (including required application fees) and title reports in connection with the proposed redevelopment of the Site shall be paid separately by the Developer. In addition, Developer shall pay the necessary feasibility and development costs for the project.

If the City is unable to identify and close upon a replacement property for the Maintenance Yard during the initial ENA exclusive period or any extension periods, the Developer’s initial and extension deposits would be refundable to the Developer.



Project Team

Developer has retained the following consultants for the project.

Architect:	Lee & Sakahara Architects 16842 Von Karman Ave., Suite 300 Irvine CA 92606-4927 and RGA Architects 15231 Alton Parkway, Suite 100 Irvine, California 92618
Civil Engineer:	Pardue Cornwell & Associates Hayward Pardue, President 18551 Von Karman Avenue, Suite 140 Irvine, CA 92612
Landscape Architect:	Environs, Inc. Mr. Brett French, President 1746 N. Bridgeport Avenue Claremont, CA 91711
Geotechnical:	Kleinfelder Engineering Eric Noel, Geotechnical Group Manager 1370 Valley Vista Drive, Suite 150 Diamond Bar, CA 91765
Environmental:	URS Corporation Mr. Scot Allin, Sr. Project Manager 10235 Systems Parkway, Suite A Sacramento, CA 95827

Traffic Engineer: Kunzman Associates
Mr. Bill Kunzman
1111 Town & Country Road, Suite 34
Orange, CA 92868

CEQA: Blodgett Baylosis Associates, Inc.
Marc Blodgett, Principal
6709 Greenleaf Avenue, Suite 314
Whittier, CA 90601

Recent Projects

Developer has been involved in a wide range of light industrial projects. Featured in Exhibit "B" photographs are two representative projects located within the general project area which are identified below.

Pico Rivera Business Center: 42 acres, 890,000 square feet
Location: Rex Road, Pico Rivera, CA
Major Tenants: Boise Cascade, BabyPhat, Lagasse
Brothers, Pacific Coast Feather
Completed Value: \$68,000,000

Pico Rivera Industrial Center: 5.6 acres, 126,207 square feet
Location: Loch Lomond Drive, Pico Rivera, CA
Major Tenants: Safelite AutoGlass, Studio Design,
APAC, and India Tea Importers
Completed Value: \$12,600,000

Exhibit “A”

Site Aerial Photo

[See following page(s).]

Exhibit “B”

Photographs of Industrial Project Examples

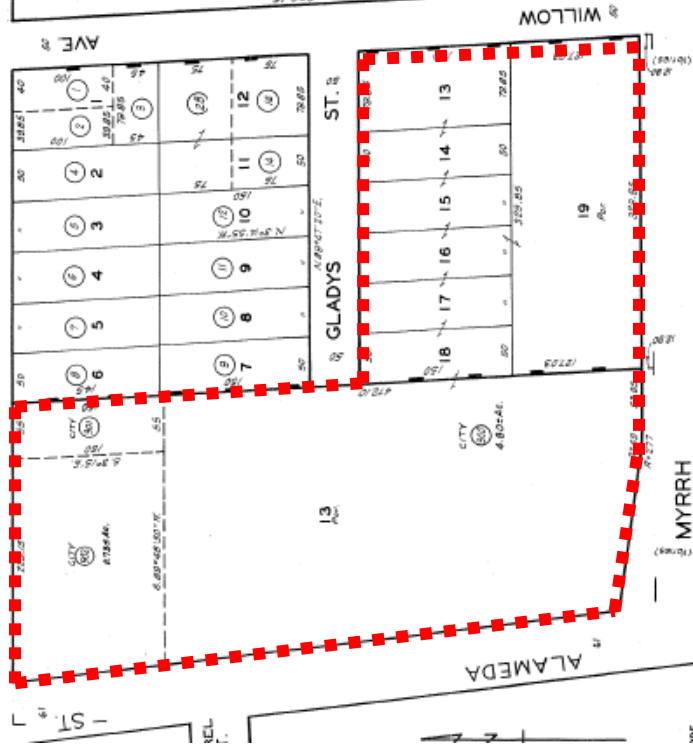
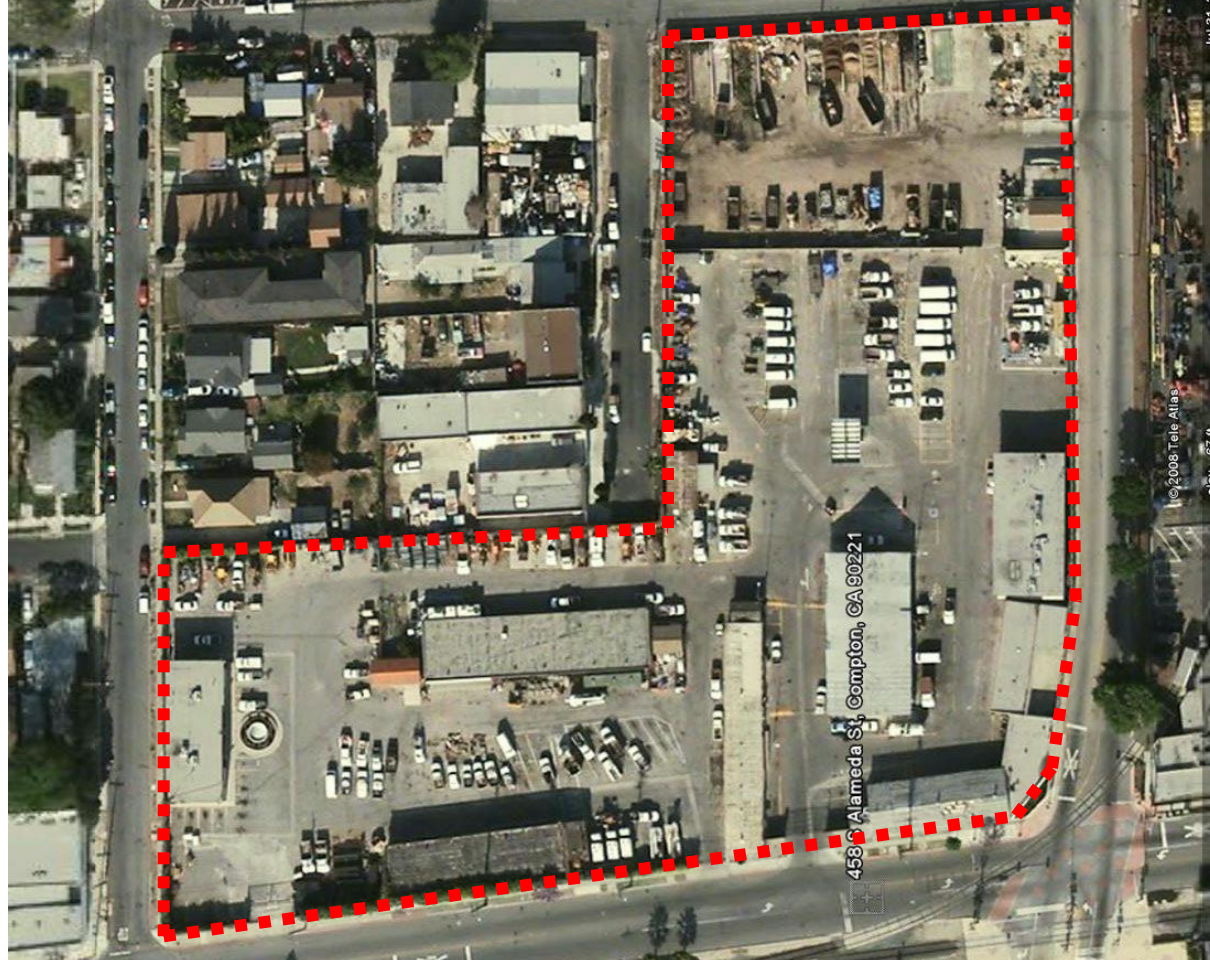
[See following page(s).]

SITE INFORMATION

General Plan Land Use: Mixed-Use
 Zoning Designation: Light Manufacturing
 Land Area: 5.72 Acres
 Assessor Parcel Number: 6179-004-900
 Address: 458 S. Alameda

POTENTIAL DEVELOPMENT OPPORTUNITIES

Principally Permitted Uses
 Light Industrial



RESOLUTION SIGN-OFF FORM

DEPARTMENT: Community Redevelopment

RESOLUTION TITLE: AUTHORIZING THE EXECUTIVE SECRETARY TO ENTER INTO AN EXCLUSIVE NEGOTIATION AGREEMENT BETWEEN THE COMMUNITY REDEVELOPMENT AGENCY AND PRISM-IQ PARTNERS LLC TO WORK OUT THE TERMS AND CONDITIONS OF A DISPOSITION AND DEVELOPOMENT AGREEMENT FOR THE ACQUISITION AND DEVELOPMENT OF CERTAIN PARCEL IN THE REDEVELOPMENT PROJECT AREA.

<ManagersName>
DEPARTMENT MANAGER’S SIGNATURE

<ManagersDate>
DATE

REVIEW / APPROVAL

<LegalName>
CITY ATTORNEY

<LegalDate>
DATE

<ControllerName>
CITY CONTROLLER

<ControllerDate>
DATE

<CityManager>
CITY MANAGER

<CityManagerDate>
DATE

Use when:	
Public Works:	When contracting for Engineering Services.
City Attorney:	When contracting for legal services; contracts that require City Attorney’s review.
Controller/Budget Officer:	Amending Budget; appropriating and/or transferring funds; adding and/or deleting positions; any resolution having account numbers.
Asst. City Manager/OAS:	All personnel actions.

January 27, 2009

TO: CHAIRMAN AND COMMISSIONERS

FROM: EXECUTIVE SECRETARY

SUBJECT: AUTHORIZING THE EXECUTIVE SECRETARY TO ENTER INTO AN EXCLUSIVE NEGOTIATION AGREEMENT BETWEEN THE COMMUNITY REDEVELOPMENT AGENCY AND META HOUSING CORPORATION TO WORK OUT THE TERMS AND CONDITIONS OF A DISPOSITION AND DEVELOPMENT AGREEMENT FOR THE ACQUISITION AND DEVELOPMENT OF CERTAIN PARCELS IN THE REDEVELOPMENT PROJECT AREA

SUMMARY

Requesting the Commission to authorize the Executive Secretary to enter into an Exclusive Negotiation Agreement (ENA) between the Community Redevelopment Agency (Agency) and Meta Housing Corporation (Redeveloper), to work out the terms of a public/private partnership arrangement culminating in a Disposition and Development Agreement for the acquisition of Agency/City owned properties within the Redevelopment Project Area.

BACKGROUND

In the spirit of "Birthing a New Compton," the Agency is spearheading a Smart Growth Implementation Plan for North Downtown Compton. The intent is to transform the City's historic core into an economically vibrant, pedestrian-oriented and multi-cultural destination for entertainment, shopping and dining. As part of this strategy, the Agency is also aggressively seeking out prestigious investors for a public/private partnership arrangement for implementation of preferred development projects in the North Downtown.

STATEMENT OF THE ISSUE

Currently, the Agency is in receipt of a proposal from Meta Housing Corporation, a recognized leader in the design and development of high quality senior housing, requesting an exclusive right to acquire and develop certain City/Agency owned property for a proposed development. The senior residential development to be located within the North Downtown Specific Plan at Tamarind Avenue and Carson Place (see attached) will consist of 75 rental units with 40 parking spaces at development cost of \$21million. Meta Housing Corporation a leader in infill development has been instrumental for strengthening Southern California communities for over twenty years by creating affordable homes for seniors. With a portfolio of over 3,100 deed-restricted housing units, Meta Housing has demonstrated competency in acquisition, entitlement, financing, construction and operations of affordable housing communities.



The Agency proposes to enter into a one hundred and twenty day (120) Exclusive Negotiation Agreement (ENA) with the Redeveloper in connection with the proposed development. During the period, the Redeveloper and the Agency will negotiate the acquisition and development of the subject property resulting in mutually beneficial agreement.

ANALYSIS

The vision for the North Downtown Specific Plan entails creation of secondary civic pedestrian-friendly hub infused with regional transportation services including the Blue Line light-rail station, transit-oriented retail (such as a coffee shop, café, breakfast and lunch eateries, a newsstand, etc.). The proposed senior residential development would complement the proposed on-going developments for transformation of North Downtown Specific Plan.

RECOMMENDATION

Staff recommends that the Commission approve the attached resolution authorizing an Exclusive Negotiation Agreement between Meta Housing Corporation to work out the terms and conditions of a financing arrangement for acquisition of Agency/City owned parcel within the Redevelopment Project Area.

KOFI SEFA-BOAKYE
DIRECTOR OF REDEVELOPMENT

CHARLES EVANS
EXECUTIVE SECRETARY

RESOLUTION NO. _____

A RESOLUTION OF THE URBAN COMMUNITY DEVELOPMENT COMMISSION, ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON, AUTHORIZING THE EXECUTIVE SECRETARY TO ENTER INTO AN EXCLUSIVE NEGOTIATION AGREEMENT BETWEEN THE COMMUNITY REDEVELOPMENT AGENCY AND META HOUSING CORPORATION TO WORK OUT THE TERMS AND CONDITIONS OF A DISPOSITION AND DEVELOPMENT AGREEMENT FOR THE ACQUISITION AND DEVELOPMENT OF CERTAIN PARCEL IN THE REDEVELOPMENT PROJECT AREA

WHEREAS, the Community Redevelopment Agency of the City of Compton (the "Agency") is carrying out the Redevelopment Plan for the Compton Redevelopment Project Area, as merged and amended by Ordinance No. 2,114 adopted by the City Council on November 16, 2004; and

WHEREAS, the Agency has formulated a Draft North Downtown Specific Plan as a frame work to guide the implementation of transit oriented developments and mixed-use development in the North Downtown Compton Specific Plan area; and

WHEREAS, the Agency is in receipt of a proposal from Meta Housing Corporation requesting an exclusive right to negotiate with Agency for acquisition and development of certain City/Agency owned property located in the North Compton Down Specific Plan area for a proposed senior housing development; and

WHEREAS, the Agency has determined that an Exclusive Negotiation Agreement with Meta Housing Corporation for acquisition of certain Agency owned property located in the North Downtown would complement proposed transit oriented and mixed-use developments in furtherance of smart growth objectives in the area.

NOW, THEREFORE, THE URBAN COMMUNITY DEVELOPMENT COMMISSION, ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. That the Executive Secretary is hereby authorized to enter into Exclusive Negotiation Agreement with the Meta Housing for acquisition and development of certain Agency/City owned parcel in the North Downtown Compton Specific Plan.

Section2. That the Executive Secretary is hereby authorized to execute the necessary agreements to finalize contract execution.

Section 3. That a certified copy of this resolution shall be filed in the offices of the Executive Secretary, City Attorney, City Controller, Community Redevelopment Agency, and Clerk.

Section 4. That the Chairman shall sign and the Clerk shall attest to the adoption of this resolution.



Resolution No. _____
Page 2

ADOPTED this _____ day of _____, 2009.

**CHAIRMAN OF THE URBAN COMMUNITY
DEVELOPMENT COMMISSION**

ATTEST:

**CLERK OF THE URBAN COMMUNITY
DEVELOPMENT COMMISSION**

**STATE OF CALIFORNIA
COUNTY OF LOS ANGELES
CITY OF COMPTON: ss**

I, Alita Godwin, Clerk of the Urban Community Development Commission of the City of Compton, hereby certify that the foregoing resolution was adopted by the Commission, signed by the Chairman, and attested by the Clerk at the regular meeting thereof held on the _____ day of _____, 2009.

That said resolution was adopted by the following vote, to wit:

**AYES: COMMISSIONERS -
NOES: COMMISSIONERS -
ABSENT: COMMISSIONERS -**

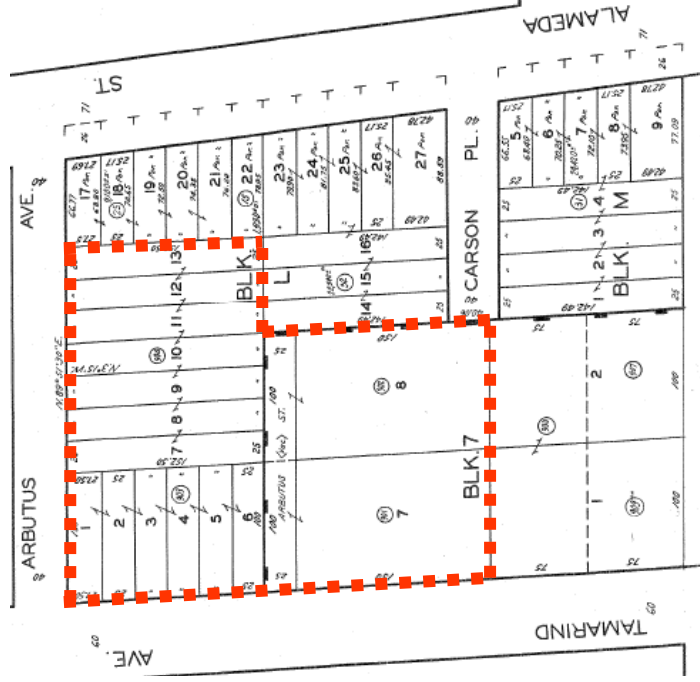
**CLERK OF THE URBAN COMMUNITY
DEVELOPMENT COMMISSION**

SITE INFORMATION

General Plan Land Use: Mixed-Use
 Zoning Designation: North Downtown Specific Plan
 Land Area: 1.94 Acres
 Assessor Parcel Number: 6166-010-900, 901, 902, 903, 904, 907 and 909
 Address: 201, 209 and 302 N. Tamarind
 212 N. Arbutus

POTENTIAL DEVELOPMENT OPPORTUNITIES

Principally Permitted Uses
 Multi-Family Residential
 Senior Citizen Housing
 Community Recreation





RESOLUTION SIGN-OFF FORM

DEPARTMENT: Community Redevelopment

RESOLUTION TITLE: A RESOLUTION OF THE URBAN COMMUNITY DEVELOPMENT COMMISSION, ACTING AS THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF COMPTON, AUTHORIZING THE EXECUTIVE SECRETARY TO ENTER INTO AN EXCLUSIVE NEGOTIATION AGREEMENT BETWEEN THE COMMUNITY REDEVELOPMENT AGENCY AND META HOUSING CORPORATION TO WORK OUT THE TERMS AND CONDITIONS OF A DISPOSITION AND DEVELOPMENT AGREEMENT FOR THE ACQUISITION AND DEVELOPMENT OF CERTAIN PARCEL IN THE REDEVELOPMENT PROJECT AREA

<ManagersName>
DEPARTMENT MANAGER’S SIGNATURE

<ManagersDate>
DATE

REVIEW / APPROVAL

<LegalName>
CITY ATTORNEY

<LegalDate>
DATE

<ControllerName>
CITY CONTROLLER

<ControllerDate>
DATE

<CityManager>
CITY MANAGER

<CityManagerDate>
DATE

Use when:	
Public Works:	When contracting for Engineering Services.
City Attorney:	When contracting for legal services; contracts that require City Attorney’s review.
Controller/Budget Officer:	Amending Budget; appropriating and/or transferring funds; adding and/or deleting positions; any resolution having account numbers.
Asst. City Manager/OAS:	All personnel actions.