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VENICE DIVISION 6 JOINT DEVELOPMENT

Planning & Programming Committee

Legistar File# 2024-0281 June 20, 2024

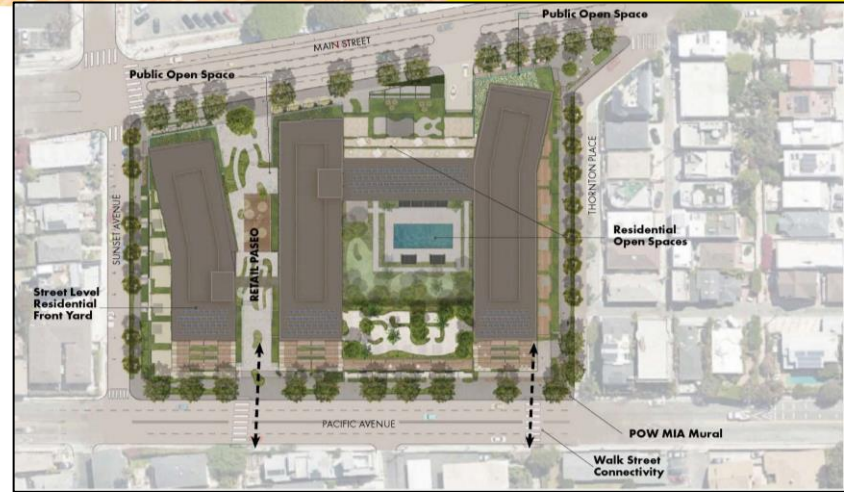


Recommendation

- > **AUTHORIZE** the Chief Executive Officer to execute an 18-month Exclusive Negotiation Agreement and Planning Document (ENA), with the option to extend for an additional three, 12-month periods, with Metro Venice Art Collective, LLC (Developer) for the development of Metro-owned property at the former Division 6 Bus Yard in the Venice Community of the City of Los Angeles (Site), subject to resolution of all properly submitted protest(s), if any.

Venice Division 6 Project Overview

- > **Developer:** Metro Venice Art Collective, LLC
- > **Project Size:** 3.1 Acres
- > **Units:** 341 units, 86 of which are income-restricted not to exceed 80% of AMI
- > **Financing:** Explore options for faster project delivery (T/E Bonds + LIHTCs)
- > **Surplus Land Act:** Coordination to meet and/or exceed affordable housing unit thresholds
- > **Commercial:** 30,000 sq. ft. of commercial retail space spanning Main Street
- > **Parking:** Onsite, subterranean parking dedicated to residents, their guests, commercial patrons, and beachgoers consistent with the JD Policy
- > **Amenities:** 5,400 sq. ft. of ground floor community space



Outreach

- > **2018** Series of community-based visioning exercises and workshops
- > **2019** Two open house events to preview the Development Guidelines
Participation at the Venice Farmers Market
Presence at various Venice community events
Collection of comments through Metro's website
- > **2020** Start of the formal procurement process and notification to interested parties
- > **2023** Post COVID-19 resumption of the outreach and procurement process with further community engagement and updates that preceded the release of the RFP
- > **2024** Community Update Meeting with developer finalists presenting to a virtual audience of over 180 guests



Developer Selection Process

Key Elements of the Developer Selection Process

- > **June 2019** Board approval of the Development Guidelines
- > **December 2019** Release of the RFQ
- > **December 2020** Five teams shortlisted
- > **April 2023** RFP released to all five shortlisted firms
- > **September 2023** Two RFP responses received
- > **March 2024** Metro-hosts community update with developer proposals and Q&A
- > **April 2024** PET recommends developer finalist



Next Steps

Upon Board Approval:

- > Seek developer-led community outreach in conjunction with the Venice community
- > Review program elements – affordable housing mix & number of units, commercial uses, parking, etc.
- > Refine project design and process entitlements
- > Analyze the pro forma to confirm financial feasibility
- > Negotiate a term sheet for the Joint Development Agreement and Ground Lease