



**Metro**


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**March 2, 2023**

**TO: BOARD OF DIRECTORS**

**THROUGH: STEPHANIE N. WIGGINS**   
**CHIEF EXECUTIVE OFFICER**

**FROM: JAMES DE LA LOZA**   
**CHIEF PLANNING OFFICER**

**SUBJECT: DIVISION 6 VENICE JOINT DEVELOPMENT REQUEST  
FOR PROPOSAL**

**ISSUE**

In the first quarter of 2023, Metro staff intends to release a Request for Proposals (RFP) for joint development of the 3-acre Metro-owned property located at 100 Sunset Ave (Site) in the community of Venice within the City of Los Angeles. See Attachment A – Site Map. The purpose of this Board Box is to provide an update to the Board on the status of the RFP process.

**BACKGROUND**

On January 28, 2016, the Board of Directors (Board) adopted a motion calling for a community-based process to determine a new use for the Site, a former LACMTA bus yard known as Division 6, through LACMTA's Joint Development (JD) Program. The Site operated as a transit facility for over 100 years before decommissioning in 2016.

In the fall of 2018, LACMTA initiated extensive community outreach to collect input on the Site, which was used to create Development Guidelines (Attachment B) to articulate the community's vision for the Site. The Board approved the Guidelines at its June 2019 meeting, whereupon the Board was also notified that, as a next step, staff would release a Request for Interest and Qualifications (RFIQ). The RFIQ and the Development Guidelines were released to the development community in December 2019 to solicit qualified, interested developers. A proposal evaluation team selected a shortlist of developers to advance to the RFP stage of the solicitation. A series of unforeseen events slowed the advancement of the RFP, including the COVID-19 pandemic and changes in State law.

The City of Los Angeles (City) has leased a portion of the Site to provide temporary housing under its “A Bridge Home” program. “A Bridge Home” was designed to replace concentrations of homeless encampments with temporary, safe, secure, and humane housing and services that provide individuals experiencing homelessness with a bridge to permanent housing. These interim shelter temporary structures owned and operated by the City are in place based on a lease to the City. That lease will terminate, and the City will remove the Bridge Home improvements when the joint development project requires the Site. LACMTA will need to undertake demolition and abatement work on the Site’s remaining structures to ensure that the Site is fully ready for development.

## **DISCUSSION**

The RFIQ returned quality responses from respondents who invested significantly in their proposals and remain very interested in the development opportunity. The delay between the receipt of RFIQs and the planned release of the RFP resulted from COVID-19 and navigating changes in State law pertaining to the disposition of public land, which were unique, one-time challenges.

Although unusual to have a lengthy period of time between RFIQ and RFP, moving forward with the existing RFIQ list best addresses the imminent need for housing and fulfills Metro’s Joint Development Policy Mission Statement to “Create high-quality homes for those who need them most, as soon as possible.” The Site will include at least 300 total units, of which at least 75 will be affordable.

Staff considered re-issuing the RFIQ or opening up the RFP to additional bidders, but the re-procurement process will likely delay the delivery of much needed housing by a year or more. In addition, the RFIQ was issued prior to revisions in state law regarding public agency land use, and reissuing the RFIQ now would require a different and more intensive, process. Finally, it is important that Metro maintain goodwill with development partners to continue to attract the development community to solicitations such as contemplated by the RFIQ. Creating uncertainty weakens the Joint Development Program’s ability to achieve long-term success.

Moving forward with the existing RFIQ shortlist will allow Metro staff resources to better meet the Board’s goal of 10,000 units in ten years. Metro staff will return to the board in Spring 2023 with a strategic plan to deliver on that goal, which will also illustrate the extensive opportunity for developers to propose on new Metro joint development projects.

## **NEXT STEPS**

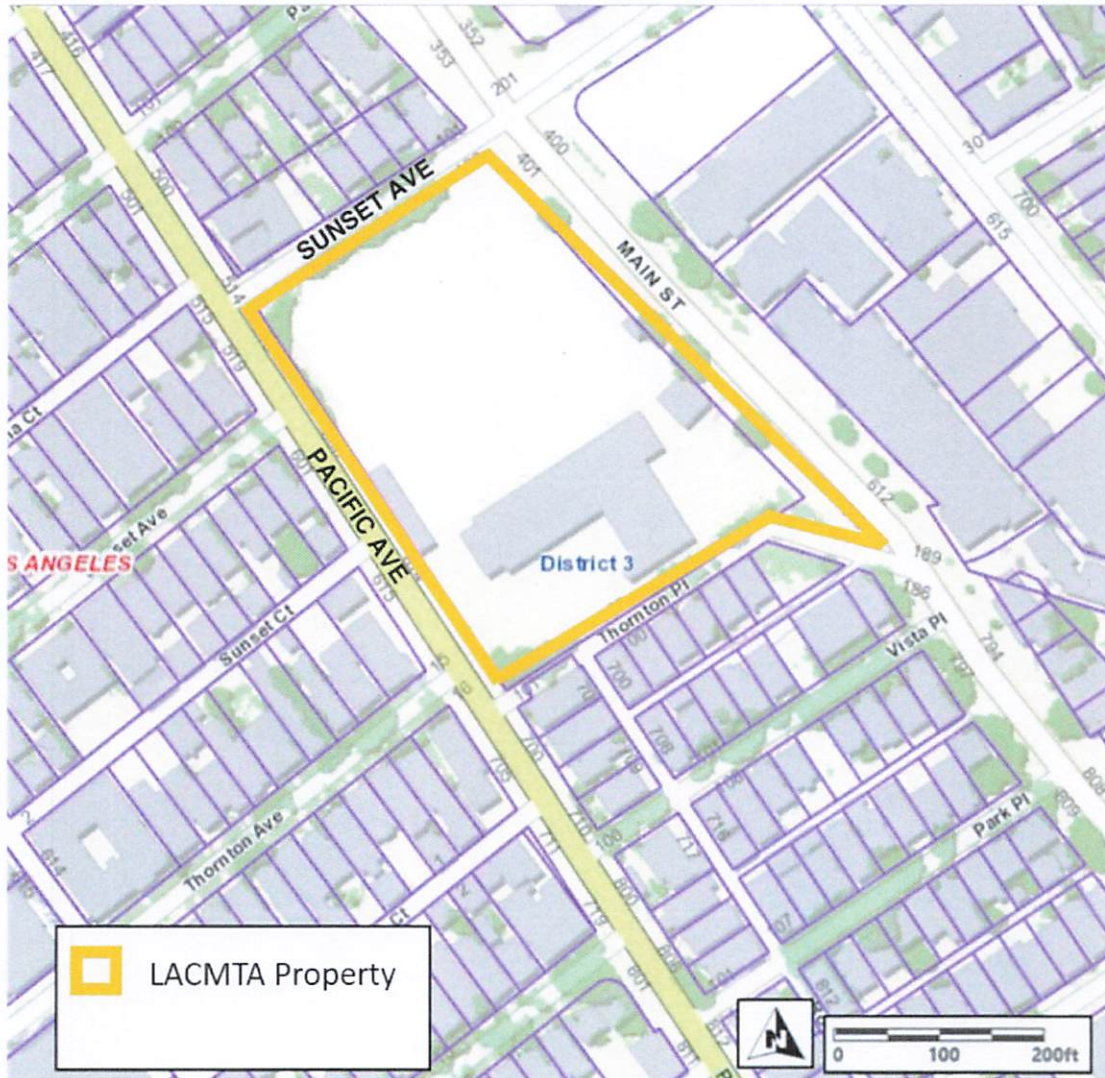
The RFP will be released to the shortlisted developers in the first quarter of 2023. The developers will have two months to respond to the proposal, after which a

proposal evaluation team will select a developer for negotiations on the site's development, based on the community-informed Development Guidelines and evaluation criteria. Staff intends to recommend to the Board to authorize the execution of an Exclusive Negotiations and Planning Agreement (ENA) to the successful bidder in fall 2023. Staff will consider all applicable laws in carrying forth the joint development of the Site, including, but not limited to, any applicable provisions of the Surplus Land Act.

Attachment A – Site Map

Attachment B – Development Guidelines

# Attachment A – Site Map



**Attachment B – Development Guidelines**

[https://www.dropbox.com/sh/ucgp3dju0fvvmyh/AABeqCz1apffKTmtFjsPR9Ba/Project%20Documents?dl=0&preview=d6\\_final\\_guidelines\\_2019-06.pdf&subfolder\\_nav\\_tracking=1](https://www.dropbox.com/sh/ucgp3dju0fvvmyh/AABeqCz1apffKTmtFjsPR9Ba/Project%20Documents?dl=0&preview=d6_final_guidelines_2019-06.pdf&subfolder_nav_tracking=1)