



CITY OF GLENDALE, CALIFORNIA
REPORT TO THE:

Joint City Council Housing Authority Successor Agency GEDC

February 23, 2016

AGENDA ITEM

Report: Update on Exclusive Negotiating Agreement with the Armenian Genocide Centennial Committee-Western US

- 1) City Council motion to note and file update from Armenian Genocide Centennial Committee– Western US (“AGCC”) Exclusive Negotiating Agreement for the potential Ground Lease of City-owned property identified as APN’s 5650-004-905 and 5650-004-907, commonly referred to as Parking Lot 31.

ACTION

Public Hearing Ordinance Consent Calendar Action Item Report Only
Approved for February 23, 2016 calendar

ADMINISTRATIVE ACTION

Submitted by:

Philip S. Lanzafame, Director of Community Development

Signature

Prepared by:

Darlene M. Sanchez, Deputy Director of Economic Development

Approved by:

Scott Ochoa, City Manager

Reviewed by:

Michael J. Garcia, City Attorney

RECOMMENDATION

Staff recommends the City Council note and file this report. This report provides an update on the progress of the Exclusive Negotiating Agreement (“ENA”) with the Armenian Genocide Centennial Committee–Western US, a California non-profit corporation (“AGCC”) for the potential ground lease of City-owned property located at the northwest corner of Verdugo Road and Mountain Street, adjacent to the Glendale Civic Auditorium, identified as APN’s (5650-004-905 and 5650-004-907), commonly referred to as Parking Lot 31 (the “Site”).

BACKGROUND/ANALYSIS

On November 4, 2014, the City Council approved an Exclusive Negotiating Agreement with the Armenian Genocide Centennial Committee– Western US (“AGCC”), for the potential ground lease and development of a museum and cultural educational center at the Site. The proposed development is set to consist of a museum facility and education center that would include exhibit galleries, halls, a theater, research space and archive space.

Although the agreement was approved in November 2014, the Effective Date on which the term of the ENA commenced is April 2, 2015 (“Effective Date”), when the Parties executed both the ENA and the right of entry permit. Since the Effective Date, the AGCC has made several strides towards accomplishing the milestones identified in the ENA. This report to City Council summarizes the tasks that the AGCC has accomplished and identifies the additional actions that need to be achieved. The following is a summary of the key milestones that the AGCC has accomplished:

ACCOMPLISHED MILESTONES INCLUDE THE COMPLETION OF :

- Museum Concept Development Plan
 - AGCC commissioned a report by Lord Cultural Resources, a nationally renowned museum-planning firm. The Concept Development Plan articulates the mission, vision and mandate of the proposed Armenian American Museum.
- Concept Design and Rendering
 - Concept design plan has been submitted.
- Community Outreach Plan
 - AGCC developed a Community Outreach Plan which details the manner in which AGCC will obtain community input on the proposed ground lease agreement and Museum concept.
- Transfer of Rights and Responsibilities
 - In August 2015 AGCC transferred the rights and responsibilities for the Armenian American Museum project to nine of its members. The organization established by the AGCC is incorporated as the Armenian American Museum and Cultural Center of California. The organization has 501 (c) 3 non-profit status.
- Phase 1 Environmental Site Investigation
 - A Phase 1 study has been completed.

ITEMS THAT NEED TO BE COMPLETED INCLUDE:

- Community Outreach Activities
- Phase II Environmental Site Investigation
- Economic Feasibility Analysis
- CA Environmental Quality Act Review
- Negotiation of Ground Lease

ANALYSIS

This ENA period provides time to negotiate the terms of and prepare a ground lease agreement in a form ready to be considered for approval by the City Council. There are still some key milestones that need to be completed by the AGCC prior to the end of the term including: AGCC's completion of its community outreach activities, environmental review, economic feasibility study, and the final terms for a ground lease agreement.

The ENA is set to expire on April 1, 2016. Section 1(h) of the ENA permits the City Manager and AGCC to mutually agree to further extend the Initial Negotiating Period of the ENA by written agreement. Section 18 of the ENA grants the City Manager the authority to administratively extend the time to perform. On January 22, 2016, staff received a written request from AGCC to extend the ENA for Lot 31 for an additional six-month period until October 1, 2016. Based on the substantial undertaking this project represents, the extension was granted for an additional six-month period. This extension will allow AGCC additional time to complete its financial and environmental due diligence and provide evidence of same to the City, to continue community outreach, continue to flesh out the Museum conceptual site plans and to commence negotiations regarding the project's business terms for a ground lease. Staff will present these completed items to Council for consideration prior to the approval of a ground lease agreement.

FISCAL IMPACT

There is not a fiscal impact associated with noting and filing an update on the ENA.

ALTERNATIVES

The following alternatives are presented for Council consideration:

Alternative 1: Note and file report.

Alternative 2: Do not note and file report.

Alternative 3: The Council may consider any other alternative not proposed by staff.

CAMPAIGN DISCLOSURE

Not applicable for this report as no contract item is being considered.

M O T I O N

Moved by Council Member _____,
seconded by Council Member _____, that the
report on the update on the Exclusive Negotiating Agreement with the Armenian
Genocide Centennial Committee-Western US for the potential Ground Lease of City
parking lot 31 is hereby deemed noted and filed.

Vote as follows:

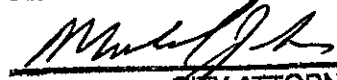
Ayes:

Noes:

Absent:

Abstain:

APPROVED AS TO FORM



CITY ATTORNEY
DATE 2/18/16