

ORDINANCE NO. 172597

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS ANGELES APPROVING AND ADOPTING THE REDEVELOPMENT PLAN FOR THE WESTLAKE RECOVERY REDEVELOPMENT PROJECT

WHEREAS, the Los Angeles City Council on April 2, 1993 directed The Community Redevelopment Agency of the City of Los Angeles, California (the "Agency") to prepare recovery and revitalization strategies for areas affected by the civil disturbance that began April 29, 1992, which culminated in the recommendation that redevelopment be formally considered to promote the economic recovery and revitalization of a portion of the Westlake Community Plan area; and

WHEREAS, on July 27, 1995, the Planning Commission of the City of Los Angeles (the "Planning Commission") in cooperation with the Agency approved a Preliminary Plan selecting the boundaries of the proposed Westlake Recovery Redevelopment Project (the "Project" or "Project Area"); and

WHEREAS, in August, 1995 a Project Area Committee (the "PAC") was elected to represent the community and advise the Agency in the preparation of the redevelopment plan for the proposed Project; and

WHEREAS, the Agency has formulated and prepared the proposed Redevelopment Plan for the Westlake Recovery Redevelopment Project (the "Redevelopment Plan"); and

WHEREAS, in accordance with the California Environmental Quality Act, Public Resources Code Section 21000 *et seq.*, ("CEQA"), the Guidelines for Implementation of the California Environmental Quality Act and environmental procedures adopted by the Agency pursuant thereto, the Agency prepared and circulated for public review and comment a Draft Environmental Impact Report, (the "Draft EIR") for the proposed Project Area; and

WHEREAS, after a duly noticed public hearing on the Draft EIR and the incorporation of comments and recommendations received and Agency responses thereto into a Final Environmental Impact Report (the "Final EIR"), the Agency by Resolution certified that the Final EIR was prepared and completed in compliance with CEQA and State and local guidelines and procedures adopted pursuant thereto; and

WHEREAS, the PAC for the Project Area has consulted with the Agency, reviewed the proposed Redevelopment Plan and related documents and recommended that the proposed Redevelopment Plan be adopted; and

WHEREAS, the Planning Commission made its Report and Recommendation supporting the proposed Redevelopment Plan and finding that the proposed Redevelopment Plan conforms to the General Plan of the City; and

WHEREAS, the Agency submitted the proposed Redevelopment Plan, to the City Council, together with the Report to the City Council which includes: the reasons for selecting the proposed Project Area; a description of the physical and economic conditions existing in the Project Area causing blight; an implementation plan that describes the goals and objectives of the Agency, specific projects then proposed, including a program of actions and expenditures proposed for the

first five years of the Redevelopment Plan and a description of how these projects will improve or alleviate blighting conditions; an explanation of why the elimination of blight and redevelopment of the Project Area cannot reasonably be expected to be accomplished by private enterprise acting alone or by the use of financing alternatives other than tax incrementing financing; the proposed method of financing the redevelopment of the Project Area so that the City Council can determine the economic feasibility of the Plan; a method and plan for the relocation of families and persons who may be temporarily or permanently displaced from housing facilities as a result of the proposed Redevelopment Plan; an analysis of the Preliminary Plan; the Report and Recommendation of the Planning Commission; a summary record of the PAC proceedings; the Final EIR; the report of the County Fiscal Officer and the Agency's analysis thereof; a summary of consultations with affected taxing agencies; and a Neighborhood Impact Report; and

WHEREAS, the City Council and the Agency held a joint public hearing commencing on May 5, 1999 to consider the approval and adoption of the proposed Redevelopment Plan for the Project Area; and

WHEREAS, notice of said hearing was published in a newspaper of general circulation in the City of Los Angeles, and a copy of said notice and affidavit of publication are on file with the City Clerk and at the office of the Agency; and

WHEREAS, copies of the notice of joint public hearing were mailed to residents and businesses and to the last known assessee of each parcel of land in the Project Area by first class mail; and

WHEREAS, copies of the notice of joint public hearing were mailed by certified mail with return receipt requested to the governing body of each taxing agency which levies taxes upon property in the Project Area; and

WHEREAS, the Agency adopted a resolution recommending that the City Council approve and adopt the proposed Redevelopment Plan; and

WHEREAS, by separate Resolutions, the Agency and this City Council certified that the information contained in the Final EIR had been reviewed and considered, made all necessary findings and determinations, adopted a Statement of Overriding Considerations and a Reporting and Monitoring Program for Implementation of Mitigation Measures, pursuant to the requirements of CEQA; and

WHEREAS, the City Council has considered the proposed Redevelopment Plan, the Agency's Report to the City Council, other recommendations of the Agency, the Report and Recommendation of the Planning Commission, the economic feasibility of the proposed Redevelopment Plan, and the Final EIR; has provided an opportunity for all persons to be heard and has received and considered all evidence and testimony presented for and against any and all aspects of the proposed Redevelopment Plan, including environmental impacts; and has responded in writing to each written objection, if any, of each affected property owner or taxing entity.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LOS ANGELES DOES ORDAIN AS FOLLOWS:

SECTION 1. The purposes and intent of the City Council are to achieve the following goals and objectives with respect to the Project Area:

Commercial

1. To promote the economic well being of Westlake through the encouragement of the revitalization of viable commercial areas.
2. To rebuild appropriate new business where commercial facilities were damaged or destroyed and to promote new investment through new development.
3. To control street vending through establishment of off-street markets and/or the creation and enforcement of regulations.

Safety

4. To enhance the safety of residents, business owners, employees and visitors, and their property.
5. To encourage increased Los Angeles Police Department (LAPD) deployment including foot and bicycle patrols, and a police substation.
6. To establish neighborhood and business watch groups throughout the community.
7. To promote the integration of public and private security through cooperation of building owners and managers, institutions, LAPD, Metropolitan Transportation Authority (MTA), and others.

Housing

8. To make provisions for housing as is required to satisfy the needs and desires of the various age, income, and disabled groups of the community, maximizing the opportunity for individual choice.
9. To encourage the preservation and enhancement of the varied and distinctive residential character of the community.
10. To provide housing choices and to increase the supply and improve the quality of housing for all income and age groups, especially affordable housing including housing for very low, low and moderate income large families and individuals. To eliminate overcrowding in individual units, and to provide home ownership opportunities, and other housing choices which meet the needs of the community.
11. To provide housing related services in the Project Area.

12. To assure fair distribution of housing throughout the community, avoiding concentrations by status or income.
13. To balance the affordable housing objective with that of the economic viability of private ownership.

Public

14. To provide a basis for the location and programming of public service facilities and utilities including, but not limited to, libraries, senior citizen centers, child care facilities, youth centers, parks, recreation facilities and street lighting and to coordinate the phasing of public facilities with private development.
15. To encourage meeting the open space, recreational and cultural needs of the community for the enjoyment of both local residents and persons throughout the Los Angeles region.
16. To coordinate the revitalization effort with other public programs of the City of Los Angeles and the metropolitan area.
17. To encourage active and passive recreational opportunities in MacArthur Park.

Transportation and Traffic

18. To make provision for a circulation system coordinated with land uses and densities and adequate to accommodate traffic; and to encourage the expansion and improvement of public transportation in coordination with other public improvement projects.
19. To support and encourage a circulation system which will improve the quality of life in Westlake, including pedestrian, automobile, bus connections, parking and mass transit systems with an emphasis serving existing facilities, and meeting future needs, such as extending DASH service, improvements of north/south bus service and connection lines, etc.

Services

20. To encourage and create opportunities for job training for employment of Project Area residents including employment for the youth, liveable wages, health benefits and job security.
21. To reduce crime, the fear of crime, graffiti and vandalism in the community to enhance livability for residents and businesses and to encourage visitors.
22. To encourage programs that provide social services for all residents of the community including the homeless, immigrants and senior citizens.
23. To encourage programs to provide for basic home skills, social skills and job skills.

24. To provide affordable child care including infants, toddlers, before and after school care, jobs for youth in the community, and elderly care.
25. To encourage health care services by private and public health care providers.

General

26. To enhance and promote the Westlake community as a place to live, shop and work, and to create a safe 24-hour viable city.
27. To promote activities which recognize and support the diverse cultures that exist in the community.

Public Art

28. To develop a unique public art and culture program, with prioritized project goals for the area, which is responsive to the character of the community.
29. To assure that artists affect the visual and aesthetic quality of the Project Area by being involved in the planning stage as well as the implementation stage of a project.
30. To include artists in the redevelopment planning process to assure consideration of the needs of cultural institutions, art organizations, and artists and to confirm the role of the arts in revitalization efforts.

Redev. Plan, § 105.

SECTION 2. That certain document entitled "Redevelopment Plan for the Westlake Recovery Redevelopment Project," the map and legal description contained therein, and such other documents as are incorporated therein by reference, having been duly reviewed and considered, is hereby incorporated in this Ordinance by reference and made a part hereof, and as so incorporated is hereby designated, approved, and adopted as the official redevelopment plan for the Project Area.

SECTION 3. The City Council hereby finds and determines, based on substantial evidence in the record including, but not limited to, the Agency's Report to Council, and all documents referenced therein, and evidence and testimony received at the joint public hearing on adoption of the Redevelopment Plan that:

- a. The Project Area is a blighted area, the redevelopment of which is necessary to effectuate the public purposes declared in the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*).

This finding is based upon, but not limited to, the following physical and economic conditions which characterize the Project Area contained in the Report to City Council ("Report"): The existence of buildings, structures and properties in varying states of deterioration requiring moderate rehabilitation, extensive rehabilitation or which are dilapidated and require almost total rehabilitation, along with an intermittent pattern of deferred maintenance; The existence of varying degrees of deterioration in regard to

physical upkeep and maintenance of parcels, which include deferred maintenance parcels which appear to need minor treatment such as clean-up, de-weeding, minor repairs to fences, etc., and deteriorated parcels which appear to be in need of extensive improvement, have broken walkways or driveways, have deteriorated ground cover, or other attributes that need replacement; The existence of buildings and structures with obsolete and defective design or physical construction, which includes shifting of uses from the original to other uses and uses which are incompatible with the predominantly commercial/retail and residential uses and located in close proximity to sensitive uses; The existence of inadequate parking, deficiencies in circulation and loading and inconvenient access to and from commercial parcels making it difficult for area residents and others to obtain services, shop or work in the Project Area, and which discourages sound economic growth and is detrimental to the economic base; The presence of litter, weeds, debris, abandoned vehicles, and vandalism; The existence of lots of irregular form, shape and inadequate size that are in multiple ownership which impact the economic feasibility of potential development; The deterioration of public improvements, including inadequate and substandard street surfaces, curbs, sidewalks, alleys, gutters, street trees, street lighting and utility lines; The existence of depreciated and stagnant property values discouraging reinvestment; The existence of impaired investments including, declining property transfers at declining prices, low level of building permit activity, and potential risks of hazardous waste contamination; The existence of a high level of business vacancies and abnormally low rental and lease rates and a number of vacant lots; The existence of residential overcrowding; The existence of an excess of liquor stores, bars and other businesses that cater to adults; The existence of high crime rates in and around the Project Area.

Report, Parts II, III and IV.

- b. The Redevelopment Plan will redevelop the Project Area in conformity with the California Community Redevelopment Law and in the interests of the public peace, health, safety and welfare.

This finding is based upon, but not limited to, the following facts which show that the purposes of the Community Redevelopment Law would be attained by programs and projects of redevelopment activities proposed by the Agency that will systematically address the conditions of blight within the Project Area.

The Agency proposes to implement a Commercial Development Program which includes, but is not limited to, the rehabilitation of structures utilized for commercial/retail and office purposes for the private, semi-public and public sectors, including the renovation of facades, and structural and mechanical renovation and remodeling to bring facilities to sound conditions and allow them to meet present day standards in terms of size and configuration.

An Economic Development Program will be implemented which will consist of programs facilitating entrepreneurial development and assistance services, to utilize available commercial, retail and office space to provide employment opportunities for area residents. This program entails promoting entrepreneurial development training and job training services for area residents, and providing assistance to developers of

commercial and office space which meet modern-day standards in size and configuration and which will provide appropriate facilities for new and expanding job providers, and promotion of a marketing program and tourism strategy and establishment of business improvement districts.

The Agency will implement a Public Improvements Program which will indirectly facilitate or directly provide public improvements to upgrade those elements which are in unsound condition and to provide for new amenities as appropriate to benefit the Project Area. Specific activities may include, but are not limited to, the construction and/or reconstruction of sewers, utilities, streets, alleys, curbs, gutters, sidewalks, lighting, traffic signalization, monument street signage, and other pedestrian and vehicular amenities; planning, design and/or construction support of transportation-related improvements of benefit to the Project Area.

The Project includes a Housing Development Program which consists of programs, financed through the mandatory housing tax increment set-aside and other housing development and rehabilitation funding sources, to increase, improve and preserve affordable housing for area residents both within and adjacent to the Project Area.

Other Engenderment Programs will be undertaken which will stimulate the revitalization of the Project Area, including, but not limited to: A program of encouragement and facilitation of the occupancy of cultural, education and recreational uses and services in the Project Area; Facilitation of programs to address issues of crime and security within and adjacent to the Project Area; A program of planning which involves community and interest groups in determining the standards, guidelines and specific development activities needed and appropriate to the Project Area; A development impediments alleviation program which will identify, ease and remove impediments to development, including, but not limited to, unnecessary procedural reviews, guidelines and standards which inhibit or unduly burden potential development, toxins and hazardous wastes, ownership and leasehold entanglements and other impediments.

Report, Part VI.C.

- c. The adoption and carrying out of the Redevelopment Plan is economically sound and feasible.

This finding is based upon, but not limited to, the financial provisions of the Redevelopment Plan authorizing the Agency to finance Project implementation activities with financial assistance from the City, State, Federal government, tax increment funds, interest income, Agency bonds, donations, loans from private financial institutions, the lease or sale of Agency-owned property, participation in development or any other available sources, both public or private. Potential revenue sources include tax increment revenues; sales tax revenues; proceeds from tax increment bonds; and notes, loans, grants and contributions from the City, County, State, Federal government and project developers. Redev. Plan, § 600.

The financial feasibility is determined on a cash flow basis which is a projection of assumed annual resources and expenditures spanning the 30-year period of effectiveness of the Redevelopment Plan. The analysis provides a method for

determining the economic feasibility or sufficiency of resources to implement the redevelopment program on an annual as well as an aggregate basis, and a determination of the potential effects of inflation on the annual program costs to the Agency. The cash flow projection shows that implementation of the redevelopment program in the Project Area is feasible under the assumptions explained and within the following general parameters; that actual timing and costs of the redevelopment program are as projected; and, that new development activities will occur as projected assuming the continuation of necessary Agency assistance. The existence of the cash balance at the termination of the Redevelopment Plan indicates that the Project is economically feasible given the assumptions underlying the cash flow, and that even with some adverse adjustments to the assumptions, the Project would remain economically feasible. Report, Part V.C.

- d. The Redevelopment Plan is consistent with the General Plan and the Westlake Community Plan of the City, including, but not limited, to the Housing Element, which substantially complies with applicable legal requirements of Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code.

This finding is based on the Report and Recommendation of the Planning Commission, and the fact that the land use and land use controls of the Redevelopment Plan and the General Plan are consistent. Report, Part XI.

- e. The carrying out of the Redevelopment Plan will promote the public peace, health, safety and welfare of the City, and will effectuate the purposes and policies of the Community Redevelopment Law.

This finding is based in part upon the fact that redevelopment will benefit the Project Area by correcting conditions of blight and by coordinating public and private actions to stimulate development and improve the economic and physical conditions of the Project Area, and by increasing employment opportunities. Report, Parts II, III & IV.

- f. The condemnation of real property is necessary to the execution of the Redevelopment Plan, and adequate provisions have been made for payment for property to be acquired as provided by law.

This finding is based upon, but not limited to, the need to ensure that the provisions of the Redevelopment Plan will be carried out to eliminate and prevent the recurrence of blight subject to the limitations contained in the Plan, and the fact that no property will be acquired unless adequate funds are available to pay full compensation therefor in accordance with law; and the need to ensure that the provisions of the Redevelopment Plan will be carried out to remove substandard structures requiring clearance, to provide land for needed public facilities, to eliminate impediments to land development through assembly of land into parcels of reasonable size and shape and to effect a change in the land use as provided in the Redevelopment Plan. Eminent domain shall only be used in specific cases where the intended use of the site has been identified by the Agency, or where necessary to eliminate public nuisances, hazards and other manifestations of blight. Redev. Plan, § 403.1.

- g. The Agency has a feasible method and plan for the relocation of families and persons displaced from the Project Area. Families and persons shall not be displaced prior to the adoption of a relocation plan pursuant to the Community Redevelopment Law.

This finding is based upon the Agency's comprehensive program for the relocation of persons, families, businesses or tenants displaced by Agency project activities. When such displacement occurs, the Agency will provide persons, families, business owners and tenants displaced by Agency activities with monetary and advisory relocation assistance consistent with the California Relocation Assistance Law (Government Code Section 7260 *et seq.*), the State Guidelines adopted and promulgated pursuant thereto, Relocation Assistance Rules adopted by the Agency and the provisions of the Redevelopment Plan. Report, Part VII.

- h. There are, or shall be provided, within the Project Area, or other areas not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the families and persons displaced from the Project Area, decent, safe and sanitary dwellings equal in number to the number of and available to the displaced families and persons and reasonably accessible to their places of employment. Families and persons shall not be displaced prior to the adoption of a relocation plan pursuant to Health and Safety Code Sections 33411 and 33411.1. Dwelling units housing persons and families of low or moderate income shall not be removed or destroyed prior to the adoption of a replacement housing plan pursuant to provisions of Health and Safety Code Sections 33334.5, 33413 and 33413.5.

This finding is based in part upon the fact that no person or family will be required to move from any dwelling unit until suitable relocation housing is available for occupancy, and that such housing must meet the standards established in State law and regulations and the Redevelopment Plan. Redev. Plan, §§ 405, 409.3.

- i. Inclusion of any lands, buildings, or improvements which are not detrimental to public health, safety or welfare is necessary for the effective redevelopment of the area of which they are a part, and any such area included is necessary for effective redevelopment and is not included solely for the purpose of obtaining the allocation of tax increment revenues from the area pursuant to Section 33670 of the Community Redevelopment Law without other substantial justification for its inclusion.

The justification in part for inclusion of any such properties is that they are necessary: to plan and carry out redevelopment of the Project Area as a uniform whole in order to effectuate redevelopment of the Project Area; to impose uniform requirements over geographically defined and identified areas of the City; because such properties are impacted by the substandard conditions existing on surrounding properties, and correction of such conditions may require the imposition of design, development, or use requirements on the standard properties in the event they are rehabilitated or redeveloped by their owners; because such properties will share in the physical, social and economic benefits which accrue to the area through the elimination of substandard conditions, including the replacement or provision of new public improvements and facilities within or serving the Project Area; and because such properties are part of an area found to be blighted. Report, Parts II., III. & IV.

- j. The elimination of blight and the redevelopment of the Project Area could not reasonably be expected to be accomplished by private enterprise acting alone without the aid and assistance of the Agency.

This finding is based upon the existence of blighting influences, including the lack of adequate public improvements and facilities, and the inability of individual owners and developers to economically remove these blighting influences without substantial public assistance. Analysis of physical and economic conditions in the Project Area indicate that redevelopment is needed in order to provide needed infrastructure, services and blight alleviation. Current conditions in the Project Area are such that the normal returns sought by investors are not likely to materialize. Current rent levels are low and many properties are in need of some level of rehabilitation. Low levels of building permit activity, limited number of property transfers, and the presence of hazardous waste are indicators of conditions where financial returns are not sufficient to encourage new investment or rehabilitation of properties. Modern retail and commercial development standards require larger parcels than those prevalent in the Project Area. Investors would have to acquire multiple properties in order to create developable parcels of sufficient size. However, the additional costs of acquiring parcels of varying ownership and costs of demolition increase the costs of development and further reduce the potential returns to investors. The high crime rate and fear of crime prevalent in the Project Area have discouraged investment and require extraordinary costs to mitigate. These additional costs cannot be passed on to tenants and further discourage private investment. Report, Part II.B.

- k. The Project Area is predominantly urbanized as defined in the Community Redevelopment Law.

This finding is based upon the fact that all property in the Project Area has been developed for urban uses, is characterized by physical and economic blight conditions and is an integral part of an area developed for urban uses. Report, Part II.C.

- l. The time limitations that are contained in the Redevelopment Plan are reasonably related to the proposed projects to be implemented in the Project Area and to the ability of the Agency to eliminate blight within the Project Area.

This finding is based in part upon the fact that the analysis to determine the economic feasibility of the Project was projected on a cash flow basis assuming annual resources and expenditures and redevelopment strategies throughout the term of the Project. The analysis projects the redevelopment activities, actual timing and costs until termination of the Redevelopment Plan. Report, Part V.

- m. The City Council is satisfied that permanent housing facilities will be available within three (3) years from the time occupants of the Project Area are displaced and that, pending the development of the facilities, there will be available to the displaced occupants adequate temporary housing facilities at rents comparable to those in the community at the time of their displacement.

This finding is based in part upon the Agency's assurances regarding displaced residents and relocation housing and the procedures involved in implementing the Agency's Plan and Method of Relocation. Report, Part VII.

SECTION 4. The administrative budget for this Project shall not exceed fifteen percent (15%) of the program budget in any one year unless specifically approved by the City Council.

SECTION 5. Decisions to use eminent domain shall come to the City Council for its review and approval prior to Agency action.

SECTION 6. All written and oral objections to the Redevelopment Plan, if any, filed with and presented to the City Council and any written responses thereto, have been considered by the City Council at the time and in the manner required by law, and such written and oral objections are hereby overruled.

SECTION 7. In order to implement and facilitate the implementation of the Redevelopment Plan hereby approved, this City Council hereby declares its intention to undertake and complete any proceeding necessary to be carried out by the City of Los Angeles under the provisions of the Redevelopment Plan.

SECTION 8. The City Clerk is hereby directed to send a certified copy of this Ordinance to the Agency, whereupon the Agency is vested with the responsibility for carrying out the Redevelopment Plan.

SECTION 9. The City Clerk is hereby directed to record with the County Recorder of Los Angeles County a description of the land within the Project Area and a statement that proceedings for the redevelopment of the Project Area have been instituted under the Community Redevelopment Law.

SECTION 10. The Department of Building and Safety of the City of Los Angeles is hereby directed for a period of thirty (30) years after the effective date of this Ordinance to advise all applicants for building permits within the Project Area that the site for which a building permit is sought for the construction of buildings or for other improvements is within a redevelopment project area.

SECTION 11. The City Clerk is hereby directed to transmit a copy of the description and statement recorded by the City Clerk pursuant to Section 9 of this Ordinance, and a map or plat indicating the boundaries of the Project Area, to the Auditor and Tax Assessor of Los Angeles County, to the governing body of each of the taxing agencies which levies taxes upon any property in the Project Area, and to the State Board of Equalization.

SECTION 12. If any part of this Ordinance or the Redevelopment Plan which it approves is held to be invalid for any reason, such decision shall not affect the validity of the remaining portion of this Ordinance or of the Redevelopment Plan, and this Council hereby declares that it would have passed the remainder of the Ordinance or approved the remainder of the Redevelopment Plan as if such invalid portion thereof had been deleted.

SECTION 13. The City Clerk shall certify to the passage of this Ordinance and cause the same to be published in some daily newspaper printed and published in the City of Los Angeles.

I hereby certify that the foregoing ordinance was passed by the Council of the City of Los Angeles, at its meeting of MAY 12, 1999.

J. MICHAEL CAREY, City Clerk

By Marie Kostanina
Deputy

Approved MAY 18 1999

[Signature]
Mayor

Approved as to Form and Legality

JAMES K. HAHN, City Attorney

By Marvin Gough-Kubik
Deputy City Attorney

File No. 95-1315