

ORDINANCE NO. 174549

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS ANGELES APPROVING AND ADOPTING THE REDEVELOPMENT PLAN FOR THE PACIFIC CORRIDOR REDEVELOPMENT PROJECT AREA

WHEREAS, the Community Redevelopment Agency of the City of Los Angeles, California ("the Agency") has formulated and prepared the proposed Redevelopment Plan for the Pacific Corridor Redevelopment Project Area ("Redevelopment Plan"); and

WHEREAS, the Pacific Corridor Community Advisory Committee (the "CAC") has advised the Agency in the preparation of the Redevelopment Plan; and

WHEREAS, a Final Environmental Impact Report ("Final EIR") for the Redevelopment Project was prepared pursuant to the California Environmental Quality Act ("CEQA") (Public Resources Code Section 21000 *et seq.*), and State and Agency Guidelines implementing CEQA, which includes the Draft Environmental Impact Report ("Draft EIR"), the comments made on the Draft EIR and the Agency's written response to the comments; and

WHEREAS, the Agency at its regularly scheduled meeting on March 21, 2002, adopted Resolution No. 6044 certifying that the Final EIR was completed in compliance with CEQA, and State and Agency guidelines adopted pursuant thereto; and

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

WHEREAS, the City Planning Commission on April 11, 2002 made its Report and Recommendation supporting the Redevelopment Plan and finding that the Redevelopment Plan conforms to the General Plan of the City; and

WHEREAS, the Agency submitted the Redevelopment Plan to the City Council, together with the Report to the City Council which includes: the reasons for selecting the Project Area; a description of the specific projects currently proposed by the Agency in the Project Area, with 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 increment financing; a description of the physical and economic conditions existing in the Project

Area causing blight; the proposed method of financing the redevelopment of the Project Area so that the City Council can determine the economic feasibility of the Redevelopment Plan; an implementation plan that describes the goals and objectives of the Agency, specific projects and programs proposed for the first five years of the Redevelopment Plan, and a description of how these projects and programs will improve or alleviate blighting conditions; a plan and method for the relocation of persons and businesses who may be temporarily or permanently displaced from housing or business facilities as a result of the Redevelopment Plan; a Neighborhood Impact Report; a summary record of the CAC proceedings; an analysis of the Preliminary Plan; the Report and Recommendation of the Planning Commission, including the report required by Government Code Section 65402; the report of the County of Los Angeles fiscal officer and the Agency's analysis thereof, including a summary of consultations with affected taxing agencies; and the Final EIR; and

WHEREAS, the City Council and the Agency held a joint public hearing commencing on April 24, 2002 to consider the approval and adoption of the Redevelopment Plan; 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 Redevelopment Plan; and

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

WHEREAS, the City Council has considered the 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 Redevelopment Plan, and the Final EIR; has provided an opportunity for all persons to be heard, has received and considered all evidence and testimony presented for and against any and all aspects of the Redevelopment Plan, including environmental

impacts, and has responded in writing to all written objections of affected property owners and taxing agencies delivered prior to or at the joint public hearing.

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

SECTION 1. The City Council hereby finds and determines that all of the foregoing recitals are true and correct.

SECTION 2. The purposes and intent of the City Council are the achievement of the following goals and objectives with respect to the Project Area:

- a. Eliminate the conditions of blight existing in the Project Area;
- b. Insure, as far as possible, that the causes of blighting conditions will be either eliminated or protected against;
- c. Provide participation for owners and tenants and a reasonable preference for persons engaged in business in the Project Area;
- d. Encourage and foster the economic revitalization of the Project Area;
- e. Relocate the owners and occupants of the Project Area as needed; and
- f. Redevelop and rebuild public facilities in the Project Area to provide safer and more efficient service for people in the Project Area and the general public as whole.

SECTION 3. The City Council hereby approves and adopts the proposed Redevelopment Plan for the Pacific Corridor Redevelopment Project. The Redevelopment Plan, as amended from time to time, shall collectively be referred to as the Redevelopment Plan. The Redevelopment Plan, the map and legal description contained therein, and such other documents as are incorporated therein by reference, having been duly reviewed and considered, are hereby incorporated in this Ordinance by reference and made a part hereof, and as so incorporated are collectively hereby designated, approved, and adopted as the official Redevelopment Plan for the Project Area.

SECTION 4. 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, oral and written staff reports, evidence and testimony received at the joint public hearing on adoption of the Redevelopment Plan, and written responses to written objections, that:

- a. The Project Area is a blighted area, the redevelopment of which is necessary to effectuate the public purposes declared in the Community

Redevelopment Law (Health and Safety Code Section 33000 *et seq.*), and the blight cannot be reasonably expected to be eliminated without the redevelopment tools afforded under the Redevelopment Plan.

This finding is based upon, but not limited to, the following physical and economic conditions which characterize the Project Area and are contained in the Report to City Council: buildings, structures and properties in varying states of deterioration and dilapidation requiring rehabilitation, along with a consistent pattern of deferred maintenance; parcels in varying degrees of deterioration with regard to physical upkeep and maintenance; code violations with regard to the Planning and Zoning Codes, Department of Building Safety requirements, Housing Code, and Department of Health Services requirements; buildings and structures with defective design or physical construction, and inadequate size given present standards and market conditions; adjacent or nearby uses that are incompatible with each other and which prevent the economic development of those parcels or other portions of the Project Area; commercial and residential parking and circulation problems; the presence of weeds, debris, abandoned vehicles and vandalism/graffiti; subdivided lots of irregular form and shape and inadequate size that are in multiple ownership which impact the economic feasibility of potential development; deficiencies in public improvements; depreciated and stagnant property values as evidenced by low single-family housing sales, multi-family housing sales, commercial property transactions, and development activity; multiple business vacancies and vacant buildings and lots; residential overcrowding and an excess of bars, liquor stores and other businesses that cater exclusively to adults, that has led to problems of public safety and welfare; and a high crime rate as compared to the City, County and State, that constitutes a serious threat to the public safety and welfare.

The redevelopment tools and activities authorized under the Redevelopment Plan need to be implemented in the Project Area, in order to improve and alleviate the blighting conditions described herein and in the Report to Council.

- b. The Redevelopment Plan will redevelop the Project Area in conformity with the 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 which shows 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 the following

programs: commercial area design standards, historic district design standards, residential design standards, and streetscape design standards to guide construction, rehabilitation and preservation of structures and street amenities, and to prevent incompatible uses; a commercial development program to provide for rehabilitation of commercial structures suffering from defective design and inadequate size, to provide for commercial facade and signage design standards to encourage unified building fronts and prevent incompatible uses, and to provide for business incentives to attract new businesses to the Project Area; an economic development program to establish an arts district designation and commercial re-use strategy for conversion of physically blighted structures into live/work or other creative re-use space, and to establish a tourism strategy to generate business and create employment in the Project Area; a parking program to provide public parking facilities to serve businesses, and to establish a residential permit parking zone to address the needs of residents; a transit center to promote accessibility and movement of people to and from Downtown San Pedro, and to promote carpooling and use of mass transit; a community police service center to implement crime prevention measures and improve community relations; a welcome park to improve the community image, attract more visitors, and increase retail patronage; a program to improve housing development opportunities, through a first time homebuyer program to increase homeownership opportunities for residents, and through development of affordable housing to alleviate residential overcrowding and to increase, improve and preserve affordable housing for area residents, financed by housing tax increment set-aside and other housing development and rehabilitation funding sources; and a residential rehabilitation program to increase, improve and preserve the existing housing stock and affordable housing for area residents, financed by housing tax increment set-aside and other housing development and rehabilitation funding sources.

- 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 Redevelopment Plan implementation activities with financial assistance from the City, the State, the 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; proceeds from tax increment bonds; and notes, loans, grants and contributions from the City, the County, the State, the Federal government and project developers.

The financial feasibility is determined on a cash flow basis which is a projection of assumed annual resources and expenditures spanning the effectiveness period of the Redevelopment Plan. The analysis provides a method for determining the economic feasibility or sufficiency of resources to implement the Redevelopment Plan 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 Plan in the Project Area is feasible under the assumptions explained and within the following general parameters: that actual timing and costs of the Redevelopment Plan 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 Area is economically feasible given the assumptions underlying the cash flow, and that even with some adverse adjustments to the assumptions, the Project Area would remain economically feasible.

- d. The Redevelopment Plan is consistent with the General Plan, 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 upon, but not limited to, the Report and Recommendation of the Planning Commission.

- 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 upon, but not limited to, the fact that under the Redevelopment Plan the Agency will be able to address and correct conditions of blight in the Project Area and, by coordinating public and private actions, to stimulate development, contribute toward needed public improvements, improve economic and physical conditions in the Project Area, and increase employment opportunities in the Project Area and the City of Los Angeles.

- f. The condemnation of real property as provided in the Redevelopment Plan 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.
- g. The Agency has a feasible plan and method for the relocation of families and persons displaced from the Project Area.

This finding is based upon, but not limited to, 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, the Plan and Method of Relocation for the Pacific Corridor Redevelopment Project ("Relocation Plan") adopted by the Agency, the Rules and Regulations for Implementation of the California Relocation Assistance and Real Property Acquisition Law adopted by the Agency on November 5, 1998 ("Agency Relocation Rules and Regulations"), and the provisions of the Redevelopment Plan. The Relocation Plan shall be automatically modified from time to time by the State Guidelines or Agency Relocation Rules and Regulations, as same may be adopted, updated, amended, and/or supplemented from time to time.

- 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 reasonably accessible to their places of employment, in accordance with State law and regulations and the Relocation Plan. Families and persons shall not be displaced prior to the adoption of a relocation plan pursuant to Community Redevelopment Law 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 Community Redevelopment Law Sections 33334.5, 33413 and 33413.5.

This finding is based upon, but not limited to, 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 Relocation Plan.

- 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 entire Project Area; and because such properties are part of an area found to be blighted.

- 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, but not limited to, the existence of blighting influences and the inability of individual owners and developers to economically remove these blighting influences without substantial public assistance. Current conditions in the Project Area are such that the normal returns sought by investors are not likely to materialize. Current commercial property transactions and permit activity are low. These facts coupled with low assessed values 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.

- k. The Project Area is predominantly urbanized as defined in subdivision (b) of Section 33320.1 of the Community Redevelopment Law.

This finding is based upon, but not limited to, 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.

- 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 Area was projected on a cash flow basis assuming annual resources and expenditures and redevelopment strategies throughout the term of the Redevelopment Plan. The analysis projects the redevelopment activities, actual timing and costs until termination of the Redevelopment Plan.

- 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 Relocation Plan for the Project Area.

SECTION 5. 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 6. 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 7. The City Clerk is hereby directed to send a certified copy of this Ordinance to the Agency, whereupon the Agency is vested with the continued responsibility for carrying out the Redevelopment Plan.

SECTION 8. 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.

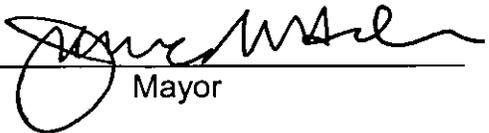
SECTION 9. The City Clerk shall certify to the passage of this Ordinance and cause the same to be published in some daily newspaper printed and published in the City of Los Angeles.

I hereby certify that the foregoing ordinance was passed by the Council of the City of Los Angeles, at its meeting of MAY 01 2002, 2002.

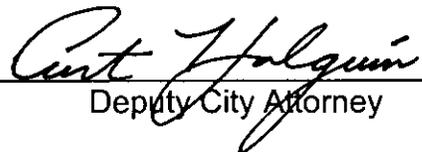
J. MICHAEL CAREY, City Clerk

By Maia Koshenik
Deputy

Approved MAY 09 2002


Mayor

Approved as to Form and Legality:
ROCKARD J. DELGADILLO, City Attorney

By 
Deputy City Attorney

File No. 99-1118