

THE CITY COUNCIL OF THE CITY OF LOS ANGELES, CALIFORNIA

ORDINANCE NO. 174978

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS ANGELES, CALIFORNIA, APPROVING AND ADOPTING THE REDEVELOPMENT PLAN FOR THE CENTRAL INDUSTRIAL REDEVELOPMENT PROJECT

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

WHEREAS, the Central Industrial Citizens Advisory Committee (the "CICAC") has advised the Agency in the preparation of the Redevelopment Plan; and

WHEREAS, a Final Environmental Impact Report ("Final EIR") for the 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, on October 3, 2002 the Agency certified that the Final EIR was completed in compliance with CEQA, and State and Agency Guidelines adopted pursuant thereto; and

WHEREAS, the CICAC has consulted with the Agency, reviewed the Redevelopment Plan and related documents and recommended that the Redevelopment Plan be adopted; and

WHEREAS, the Planning Commission on October 24, 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 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 and programs proposed for the first five years of the Redevelopment Plan; a description of the specific projects currently proposed by the Agency 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 increment financing; 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; a description of how the specific projects and programs proposed will improve or alleviate blighting conditions; a Neighborhood Impact Report; a summary record of the CICAC proceedings; an analysis of the Preliminary Plan; the Report and Recommendation of the City Planning Commission, including the report required by Government Code Section 65402; the report of the County Fiscal Officer and the Agency's analysis thereof, including a summary of consultations with affected taxing agencies; 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; and the Final EIR; and

WHEREAS, the City Council and the Agency held a joint public hearing on November 6, 2002 to consider the approval and adoption of the Redevelopment Plan, which joint public hearing was held with the consent of both the Agency and City Council; 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 this 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, CALIFORNIA, DOES ORDAIN AS FOLLOWS:

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

**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. A high quality of life for those who live and work in the Project Area.
- b. Elimination of conditions of blight and deterioration within the Project Area, and prevention of the establishment of new blight through the removal of structures, removal of incompatible uses, rehabilitation of deteriorated structures and structures requiring modernization for appropriate use, and redevelopment of underutilized and vacant parcels, where appropriate.

**Objectives:**

(i) Promote the availability of publicly and privately funded financial and technical assistance for the improvement of the Project Area.

(ii) Acquisition of dilapidated structures and structures in need of extensive rehabilitation.

(iii) Acquisition to facilitate the rehabilitation of historic and significant structures.

(iv) Acquisition of bars and liquor stores, and their licenses, as appropriate, in identified mixed residential/industrial/commercial segments of the project area, to remove those identified as having led to problems of public safety and welfare.

(v) Acquisition of buildings designated by the City of Los Angeles, which require abatement because they are determined to be abandoned, a nuisance as defined by City of Los Angeles Codes, a focal point for criminal activity and/or controlled substance manufacture/distribution/use, and or non-compliant with building codes enforcement programs and/or citations.

(vi) Rehabilitation of buildings and facilities to current building code standards, as defined and redefined by the City of Los Angeles.

(vii) Provision of loans and financing for construction rehabilitation of industrial, commercial, housing, educational and cultural facilities, as allowed by law.

- c. A healthy industrial environment which generates and attracts new private investment to increase job opportunities, property values and tax revenues.

**Objectives:**

(i) Programs to market land and buildings in the project area to encourage the location and relocation of businesses to the area.

(ii) Design of a mini-industrial business park strategy for the project area.

(iii) Development of a circulation plan to integrate business and industrial parks concepts with independent parcel development.

(iv) Development and packaging of promotions for industrial tenant incentives, including loans and other financial assistance, for industrial retention and relocation to the area.

(v) Repair, replacement and provision of public infrastructure, such as water, sewer and electrical lines, fiber optic lines, and similar public improvements, as necessary, to provide for expansion of existing uses and provision of sites for development of facilities of modern standards.

(vi) Establish building rehabilitation and reuse programs to maintain and expand existing industrial uses and jobs.

(vii) Acquisition of structures and land, to create parcels of adequate size and shape given modern standards to assist in the expansion and retention of existing industries.

(viii) Rehabilitation programs for buildings and facilities to allow for use by industrial, commercial and residential users.

d. Sound housing stock, conserved through rehabilitation, and affordable permanent housing with supportive services where necessary and appropriate for residents of all income levels, including artists-in-residence and live-work residents.

Objectives:

(i) Conservation of historic resources and open space, and promotion of rehabilitation and reuse of existing structures of historic and/or architectural significance.

(ii) Rehabilitation of buildings and facilities where appropriate for conversion into permanent housing, live/work spaces, artists' housing, and educational and cultural facilities.

(iii) Provision of assistance to develop affordable, artists-in-residence, live-work and loft housing where appropriate and in the vicinity of the Artists' District by means of sensitive in-fill and mixed use development, with support facilities where necessary.

(iv) Provision of housing choices for all income levels, especially for the Project Area's low and moderate income workforce population.

- e. The provision of community services to meet the needs of stakeholders of the Project Area, and support of the provision of similar services in other parts of the City of Los Angeles which serve and are of benefit to the stakeholders of the Project Area.

Objective:

(i) Support of community based organizations that serve the needs and special needs of all stakeholders of the Project Area.

- f. Maintenance of a thriving commercial environment to serve businesses, employees, residents and visitors.

Objectives:

(i) Development of a thriving commercial environment within the industrial context, including proper circulation and adequate parking.

(ii) Development of a thriving commercial environment to serve residents and visitors to the area.

(iii) Establishment of building rehabilitation and reuse programs to maintain and expand existing commercial uses.

(iv) Promotion of arts-related businesses and galleries to areas near the Arts District.

(v) Provision of shopping amenities to residents and visitors, including a pedestrian friendly environment and security.

(vi) Creation of a "Market District", as described in the Downtown Strategic Plan, to draw visitors and retail patrons to the area.

(vii) Provision of loans and financing for rehabilitation and construction of commercial facilities.

(viii) Formation of assessment associations and districts to maintain public improvements and parking facilities, and provide security to patrons and employees.

- g. A safe and secure environment for businesses, employees, residents and visitors, and which is sustainable by the Central Industrial community as a whole.

Objectives:

(i) Establish environmental mitigation programs promoting the prevention and elimination of noise, air, water and soil pollution, and other environmental hazards.

(ii) Establish brownfields redevelopment programs promoting the cleaning and reuse of contaminated properties.

(iii) Establish programs promoting code enforcement, graffiti abatement, trash removal and removal of evidence of vandalism.

(iv) Minimize the proliferation of businesses that have a detrimental effect on the community, such as liquor stores, bars, adult-oriented businesses and other similar uses.

(v) Develop a police substation in the project area to increase the presence of the Los Angeles Police Department.

(vi) Promote the integration of public and private security through cooperation of building owners and managers, LAPD and other area security entities.

(vii) Reduce crime, graffiti and vandalism, and secure safety and livability for residents, businesses, employees and visitors in the Project Area through such items as environmental prevention techniques, enhanced lighting and landscaping, among others.

(viii) Create programs and projects in coordination with redevelopment project areas which abut or are adjacent to, the Project Area, to enhance the safety and create a positive image of the Area.

h. A modern circulation system which is responsive to the needs of semi-trailer and truck movement and loading operations, and the needs of businesses, employees, residents and visitors.

**Objectives:**

(i) Development of a circulation system to handle modern truck traffic and loading operations, as well as automobile and public transportation traffic within the project area.

(ii) Provision of assistance to industries for upgrading truck loading operations that encourage facility safety, street operations and vehicle operator safety.

(iii) Establish a private-public partnership within industries in the project area to improve rail and truck shipping logistics.

(iv) Development of a circulation system of nodes and connectors that coordinates with land uses and densities, focusing upon prospective concentrations of pedestrian activity and transit services.

(v) Maintenance and upgrading of the area's circulation improvements, including street surfaces and traffic control facilities.

(vi) Acquisition of parcels and portions of parcels to create adequate turning radii and right-of-way widths for delivery and transport vehicles, including semi-trucks and trailers.

(vii) Acquisition of land for staging of semi-trucks and trailers, and other delivery vehicles.

(viii) Acquisition of land and buildings to provide sites for construction of improved access to and egress from key rights-of-way serving the businesses located within the project area, including improved freeway ramps and approaches.

(ix) Installation of needed improvements to Alameda Street to meet the demands of this major north-south transportation corridor.

i. Rail freight operations responsive to modern business needs.

Objectives:

(i) Development of a strategic plan of a desired configuration for local rail freight infrastructures and operation, including the abatement of unnecessary grade-crossing conflicts

j. Appropriately reuse abandoned railroad rights-of-way and tracks.

Objectives:

(i) Development of a circulation system of nodes and connectors that coordinates with land uses and densities, focusing upon prospective concentrations of pedestrian activity and transit services.

(ii) Acquisition of rail spurs, tracks and rights-of-way, especially of abandoned rail property.

(iii) Removal of tracks and remediation of toxics and contaminated soils, and disposition for expansion of adjacent uses, access, parking and right-of-way construction and use.

(iv) Reuse of abandoned rail tracks and rights-of-way as appropriate.

- k. Adequate, convenient and safe parking facilities, in on- and off-street locations.

Objectives:

- (i) Development of parking facilities with affordable rates.

- (ii) Facilitation of formation of assessment associations and districts to maintain public improvements and shared parking facilities.

- (iii) Acquisition of land for construction of shared and public parking facilities for employees, visitors and residents.

- l. Accessible businesses, residences and other land uses via public and semi-public transportation that is affordable to employees, residents and visitors to promote jobs, businesses, and housing opportunities.

Objectives:

- (i) Increase accessibility within the Project Area, and to Union Station, mass transit stations, the rest of the central business district and the region by DASH, jitney services, shuttle, bus, rail and other public and semi-public transportation services.

- (ii) Establishment of a public-private partnership with employers in the Project Area to improve accessibility options for area employees, residents and visitors

- m. Development and rehabilitation of structures meet all code requirements of the City of Los Angeles, guided by urban design, land use and development standards that promote compatibility of industrial, commercial and housing uses, and which preserves historic resources in the community.

Objectives:

- (i) Establish urban design and development standards promoting compatibility among commercial, industrial and housing uses.

- (ii) Establish urban design, land use and development standards to promote historic preservation, pedestrian oriented facilities, and appropriately scaled buildings that reinforce the existing character of the district.

- (iii) Conservation of historic resources and open space, and promotion of the rehabilitation and reuse of existing structures with significant historic and/or architectural value.

- (iv) Acquisition programs to facilitate the rehabilitation of historic and significant structures.

(v) Provision of financing for construction and rehabilitation of buildings and facilities to current building code standards, as defined and redefined by the City of Los Angeles, and modern standards for full use.

(vi) Rehabilitation of building facades, for buildings that meet building code standards as defined and redefined by the City of Los Angeles.

(vii) Provision of appropriate landscaping and urban streetscape improvements on private and public property to create an aesthetically pleasing environment.

- n. Sustainable development that utilizes precepts of energy efficiency, renewable energy, water resource conservation and reuse, and waste/urban runoff management, among other techniques of sustainability.

Objectives:

(i) Establish sustainable development criteria promoting energy efficiency, renewable energy use, water resource conservation and reuse, and waste/urban runoff management.

(ii) Programs to repair, replace and provide public infrastructure, such as water, sewer and electrical lines, fiber optic lines, and similar public improvements, as necessary to provide for expansion of existing uses and provision of sites for development of facilities of modern standards.

(iii) Encourage adherence to the City's Sustainable Building Initiative, including use of the Leadership in Energy and Environmental Design (LEED) rating system.

(iv) Encourage waste – resource matching and recycling.

- o. Land which is free of impediments to development, including, but not limited to, title encumbrances and toxics.

Objectives:

(i) Creation of a site impediments improvement program, including, but not limited to, remediation of toxics and contaminated soils, and removal of old foundations and rail tracks, among other improvements, to provide sites for development.

(ii) Establish environmental mitigation programs promoting the elimination and prevention of noise, air, water and soils pollution, and other environmental hazards.

(iii) Establish brownsfield redevelopment programs to remediate contaminated soils and sites.

(iv) Use of eminent domain proceedings to clear title and lease encumbrances on land and buildings.

- p. Open space, parks, and cultural, recreational and educational facilities for the enjoyment of employees, residents and visitors.

Objectives:

(i) Development and maintenance of areas along the Los Angeles River and near the Artists' District as active open space uses.

(ii) Acquisition of land and buildings to provide open space, parks, and cultural, recreational and educational facilities for the enjoyment of residents, employees and visitors in the project area.

(iii) Provision of programs to rehabilitate structures to provide cultural and educational facilities for the project area.

(iv) Construction and dedication of public open spaces and parks throughout the project area to serve residents, employees, businesses and visitors.

(v) Programs which utilize and leverage local arts and artist resources from the Project Area in providing art and public projects for the enjoyment of all and the beautification of the Project Area.

- q. A project area that projects a positive image to business operators, residents, employees, visitors and investors.

Objectives:

(i) Programs promoting code enforcement, graffiti abatement, trash removal and the removal of evidence of vandalism.

(ii) Programs to abate the negative effect of problem liquor stores, bars, adult-oriented businesses and other similar uses on the project area.

(iii) Programs to promote the integration of public and private security through cooperation of building owners and managers, LAPD and other area security entities.

(iv) Construction of shared and public parking facilities, as allowed by law, to serve businesses, residents and visitors.

(v) Developments that are appropriately landscaped to provide an aesthetically pleasing environment.

(vi) Facilitation of formation of assessment associations and districts to maintain public improvements and shared parking facilities, and to promote the project area.

(vii) Programs to market land and buildings in the project area to encourage the location and relocation of businesses and cultural institutions to the area.

(viii) Programs and projects in coordination with redevelopment project areas which abut or are adjacent to the project area, as well as with empowerment, enterprise, foreign trade and other economic incentive zones to improve the project area.

(ix) Studies to address the needs of the Project Area, including, but not limited to, the extension and/or establishment of adaptive reuse ordinances, parking districts, height districts, traffic management, and appropriate floor area ratio (FAR) designations for development to enhance the desirability of the project area.

SECTION 3. The City Council hereby approves and adopts the proposed Redevelopment Plan for the Central Industrial Redevelopment Project. The Redevelopment Plan, including any amendments thereto as may be adopted 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.*).

This finding is based upon, but not limited to, the following physical and economic conditions, described in the Report to City Council, that were identified within, and characterize, the Project Area: (i) buildings or structures in conditions of either moderate rehabilitation, extensive rehabilitation, or dilapidation, indicating conditions in which it is unsafe or

unhealthy for persons to live or work; (ii) parcels in deferred maintenance or deteriorated condition; (iii) evidence of a large number of violations of the Building Code; (iv) buildings and structures with defective or obsolete design or construction or that have been shifted to uses for which they were not originally designed; (v) incompatible uses, such as residential uses adjacent to or nearby to industrial uses, as well as adult oriented, auto related and yard/storage industrial that are adjacent or nearby to sensitive uses, and that prevent economic development; (vi) parking, vehicular circulation and loading deficiencies; (vii) weeds, debris, abandoned vehicles and vandalism and/or graffiti; (viii) parcels of irregular form and shape or inadequate size that restrict land utilization and efficient economic development; (ix) subdivided lots of irregular form and shape and inadequate size in multiple ownership that diminishes development feasibility and contributes to economic stagnation; (x) major deficiencies in public improvements consisting of badly deteriorated sidewalks, broken curbs and gutters, and impediments to use of alleyways; (xi) generally obsolete building stock, characterized by inadequate size, parking, loading, off-street loading or truck staging, that cannot meet contemporary user needs for retail, industrial or office uses; (xii) a general lack of sites to meet modern construction standards and amenities associated with modern building standards; (xiii) impaired investments reflected in lower than average property sales prices on a per-square-foot basis for retail, office, and multifamily residential and below average lease rates for retail, office and industrial space; (xiv) a low level of new construction and limited reinvestment in existing buildings due to high acquisition costs and low improved property values and achievable rents; and (xv) an extremely high rate of crime per capita as compared to the City as a whole that constitutes a serious threat to the public safety and welfare.

- 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 programs and projects of redevelopment activities as described in the Report to the City Council and proposed by the Agency, that will systematically address the conditions of blight within the Project Area and attain the purposes of the Community Redevelopment Law:

(i) Economic Development Program

The Agency proposes to implement a program for economic development within the Project Area. This program shall include, but not be limited to:

- (a) Rehabilitation of industrial, retail and office structures deemed to be in need of extensive rehabilitation;

- (b) Acquisition of industrial and retail structures deemed to be in dilapidated condition;
- (c) Acquisition of a site appropriate for truck and semi trailer staging area;
- (d) Loans for code compliance rehabilitation for industrial and commercial structures;
- (e) Loans for façade improvements (for buildings brought to code compliance);
- (f) Rehabilitation of historic structures;
- (g) Brownfield and toxic studies of land and structures throughout the Project Area;
- (h) Toxic remediation of land and structures throughout the Project Area.

(ii) Housing Development Program

The Agency proposes the implementation of projects, 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. Rehabilitation of existing deteriorating residential structures, and rehabilitation of commercial, office and industrial space to create housing for extremely low-income households as defined in Health & Safety Code §50106, very low-income households as defined in Health & Safety Code §50105, and low- or moderate-income households as defined in Health & Safety Code §50093.

The Agency's expenditures of housing tax-increment set-aside funds will be established in each five-year implementation plan and will comply with Health & Safety Code §33334.4 requirements that they be spent to:

- (1) provide housing units for very low income and low income households in at least the same proportion as the City's share of regional housing needs for those groups over the duration of the five-year implementation plan; and
- (2) over the duration of the five-year implementation plan, assist housing that is available to families with children in at least the

same proportion as the population under age 65 years bears to the total population of the City.

These projects will include:

- (a) Rehabilitation or conversion of commercial, office and industrial space to create 1,500 units of permanent housing for extremely low, very low, low and moderate income households, with space for supportive services where necessary and appropriate for residents of all income levels, including artists-in-residence and live-work residents;
- (b) Rehabilitation of structures deemed to be severely dilapidated and those in need of extensive rehabilitation, to preserve housing for extremely low, very low, low and moderate income households;
- (c) Acquisition (without the use of eminent domain if the structures are lawfully occupied) of single family structures in dilapidated condition, relocation of occupants to other permanent housing, and demolition of the improvements; and
- (d) Preservation of existing affordable housing (including single room occupancy and other residential hotels) that are threatened with conversion to other uses or conversion to market rate housing.

(iii) Public Infrastructure and Improvements Program

Programs utilizing direct provision and indirect facilitation of public improvements to upgrade those elements which are in unsound condition and to provide for new amenities, as appropriate, to benefit the Central Industrial Redevelopment Project Area, including, but not limited to:

- (a) Construction and reconstruction of sewers, utilities, streets, curbs, gutters, sidewalks, lighting, signalization, informational signage, and other pedestrian and vehicular amenities. Public improvement projects administered by the Agency, Agency administrative and technical support of public improvement programs administered by other public agencies, and input through the establishment of design guidelines for the Project Area and through the execution of Participation Agreements for specific development projects are examples of projects under this program subset. Specific projects could include the provision of special street lighting, street tree planting, street furniture, monument street signage and banner standard

installation to enhance the appearance of and identify commercial and industrial areas;

- (b) Transportation studies to determine: Property acquisition necessary to mitigate environmental impacts to street segments; turning improvements and staging areas for trucks; appropriate improvements to facilitate traffic flow; routing for shuttles, Dash, jitney and other services; and
- (c) Acquisition of land and construction of improved curb radii to facilitate truck movements and acquisition of abandoned rail spurs.

(iv) Community and Public Facilities Program

Programs providing for the acquisition of sites and the construction of improvements to create "pocket parks" for residents and employees, and the acquisition of a site and construction of a 500-stall public parking garage for the benefit of employees, visitors and residents in the Project Area.

(v) Development Compatible With Long-Term Los Angeles River Revitalization

- (a) Participation in the preservation, restoration and/or enhancement of historic *City Beautiful* bridges over the Los Angeles River which are adjacent to the Project Area;
- (b) Encouragement of sustainable building practices for industrial and other allowable uses, especially with regards to stormwater detention, retention and infiltration, especially in areas within ½ mile of the Los Angeles River, such that industrial development enhances water quality and contributes to the prevention of flooding;
- (c) Establishment of desirable views from the Los Angeles River, through articulation and greening of building surfaces visible from the river, greening of river-adjacent sites and right-of-ways, public art, and minimization of above ground infrastructure;
- (d) Provision of access to the Los Angeles River, through long-term planning to evaluate methods for allowing safe passage over or under existing rail;
- (e) Participation by the Agency in exploring the undergrounding of rails and utilities to create access and preserve vistas to the Los Angeles River;

- (f) Development of the Los Angeles River channel right-of-way and appropriate adjacent areas as natural and recreational park amenities;
- (g) Creation of a trail network connecting downtown residents and employees with the Los Angeles River, connecting with the planned 51-mile Los Angeles River Greenway, utilizing abandoned rail spurs as appropriate; and
- (h) Exploration of the acquisition and utilization of any air rights that would accrue over public and rail road right-of-ways and properties adjacent to Los Angeles River to enhance the developable sites towards fostering of economic development.

Riverfront revitalization, in addition to creating open space and recreational amenities, should be a magnet for broader surrounding economic development, as has been shown in river projects in San Antonio and Denver.

(vi) Other Engenderment Programs

- (a) Programs to encourage and facilitate the occupancy of cultural, educational and recreational uses and services and access to employment in the Project Area to support and maintain existing uses, thereby enhancing the quality of life of community residents and the attractiveness of the Project Area to potential clients and customers of industrial, commercial/retail and office enterprises. Assistance with rehabilitation or modernization of facilities for job training and employment resource centers. To the extent permitted by Redevelopment Law, the involvement of local service agencies in the development of programs to train and place low-income persons in jobs within the area. Facilitation of provision of financial and technical assistance to private or non-profit entities. The provision of ancillary improvements such as parking lot expansion and job training centers are examples of projects under this program subset.
- (b) Facilitation of programs to address issues of crime and security within and adjacent to the Central Industrial Redevelopment Project Area. The use of Agency staff time to assist local merchants in creating business improvement districts focusing on safety, clean up and security programs, is an example of a project under this program subset.

(c) A program of planning which involves community and interest groups in the Central Industrial neighborhood in determining the standards, guidelines and specific development activities needed and appropriate to the Central Industrial Redevelopment Project Area. The creation of guidelines to assist potential developers and owners in the design of new facilities and the rehabilitation of existing facilities to enhance the existing resources of the Project Area is an example of projects under this program subset.

- 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 determination of financial feasibility, demonstrated on a cash flow basis, contained in the Agency's Report to Council. Using a cash flow summary, which is a projection of assumed annual resources and expenditures spanning the term of the Redevelopment Plan, this 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 (estimated at three percent per annum throughout the life of the Redevelopment Plan) on the annual program costs to the Agency. Such a cash flow projection shows that implementation of the Redevelopment Plan in the Project Area is feasible and within the general parameters as explained in the Agency's Report to Council. The existence of a cash balance at the termination of the Redevelopment Plan indicates that the Project Area is economically feasible given the assumptions underlying the cash flow. In addition, the considerable amount of revenue stream created by the Project, and available just following the effectiveness period of the Redevelopment Plan, provides a "hedge" against cost increases, default on repayment of loans advanced or other situations that vary from the assumptions used in compiling the cash flow. This indicates that even with adverse adjustments to the assumptions incorporated into the implementation scenario, the Project Area would remain economically feasible.

The financial provisions of the Redevelopment Plan authorize the Agency to finance Redevelopment Plan implementation activities with financial assistance from the City of Los Angeles and other local public entities, the State of California, the Federal government, tax increment funds, special assessment districts, donations, interest income, Agency bonds, 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 and any other legally available means. The Agency is also authorized to obtain advances, borrow funds and create indebtedness in carrying out the Redevelopment Plan. 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, property disposition proceeds and the repayment of loans and advances by the Agency.

- d. The Redevelopment Plan is consistent with the City's General Plan, including, but not limited, to the City's 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 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 Redevelopment 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, if any, 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 land use as provided in the Redevelopment Plan.

- g. The Agency has a feasible method or plan 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 City Center 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.

- h. There are, or shall be provided, in the Project Area, or in 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 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.

These findings are 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, regulations, the Relocation Plan, the Agency Relocation Rules and Regulations, and the Redevelopment Plan.

- i. There are no non-contiguous areas of the Project Area.
- j. 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 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.

- k. 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 assistance of the Agency.

This finding is based upon, but not limited to, the analysis, contained in the Agency's Report to Council, of physical and economic conditions in the Project Area, indicating that redevelopment is needed in order to provide the needed infrastructure, services and blight alleviation, and that private enterprise acting alone cannot accomplish the needed redevelopment given the economic infeasibility of the undertakings necessary to carry out such redevelopment. These undertakings are economically infeasible because current conditions in the Project Area are such that the normal returns sought by investors are not likely to materialize. These conditions include: low lease rates that will not support investment necessary for rehabilitation and high crime levels that discourage investment and require extraordinary costs to mitigate. In addition, modern retail and industrial 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. These additional costs cannot be passed on the tenants, who would simply locate elsewhere rather than pay additional rent. These additional costs further discourage private investment.

- l. 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 and/or is an integral part of an area developed for urban uses.

- m. 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 economic feasibility analysis of the Project Area, which is based upon the time limitations of

the Redevelopment Plan, was determined on a cash flow basis that related annual resources with corresponding expenditures and redevelopment strategies at every stage and throughout the term of the Redevelopment Plan. The analysis projected the actual timing and costs of the various redevelopment activities from inception until termination of the Redevelopment Plan.

- n. 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 and the Agency's Relocation Rules and Regulations.

SECTION 5. The administrative budget for this Project Area shall not exceed fifteen percent (15%) of the program budget in any one year unless specifically approved by the City Council.

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. To the extent the Redevelopment Plan provides for expenditures of any money by the City, the City hereby provides for such expenditure.

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 two (2) 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.

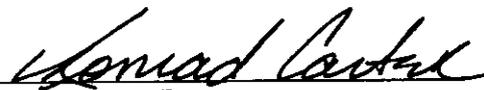
SECTION 11. Within thirty (30) days following the effective date of this Ordinance, the City Clerk is hereby directed to transmit a copy of the description and statement recorded by the City Clerk pursuant to Section 9 of this Ordinance, a copy of this Ordinance, and a map or plat indicating the boundaries 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.

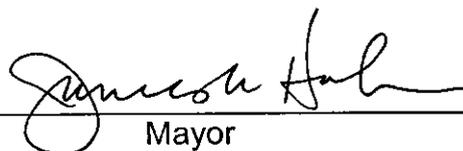
SECTION 13. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located in the Main Street lobby to the City Hall; one copy on the bulletin board located at the ground level at the Los Angeles Street entrance to the Los Angeles Police Department; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that the foregoing ordinance was passed by the Council of the City of Los Angeles, at its meeting of NOV 15 2002, 2002.

City Clerk

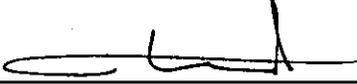
By   
Deputy

Approved NOV 15 2002

  
Mayor

Approved as to Form and Legality

Rockard J. Delgadillo  
City Attorney

By   
Assistant City Attorney

File No. 01-2062-54

**DECLARATION OF POSTING ORDINANCE**

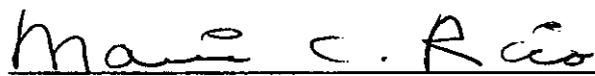
I, MARIA C. RICO, state as follows: I am, and was at all times hereinafter mentioned, a resident of the State of California, over the age of eighteen years, and a Deputy City Clerk of the City of Los Angeles, California.

**Ordinance No. 174978 - Redevelopment Plan for the Central Industrial Redevelopment Project** - a copy of which is hereto attached, was finally adopted by the Council of the City of Los Angeles on 11-15-02, & under direction of said Council & said City Clerk, pursuant to Section 251 of the Charter of the City of Los Angeles, on 11-19-02, I posted a true copy of said ordinance at each of three public places located in the City of Los Angeles, California, as follows: one copy on the bulletin board at the Main Street entrance to City Hall of said City, one copy on the bulletin board on the ground level at the Los Angeles Street entrance to the Los Angeles Police Department in said City, & one copy on the bulletin board at the Temple Street entrance to the Hall of Records of the County of Los Angeles in said City.

The copies of said ordinance posted as aforesaid were kept posted continuously & conspicuously for ten days, or more, beginning 11-19-02 to and including 12-29-02.

I declare under penalty of perjury that the foregoing is true & correct.

Signed this 19th day of November, 2002 at Los Angeles, California.

  
\_\_\_\_\_  
Maria C. Rico, Deputy City Clerk

**Effective Date: Dec. 29, 2002**  
(Rev. 2/95)

**C.F. 01-2062-S4**