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CRA File No. 9231  
Council District: 14  
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Honorable Council of the City of Los Angeles  
John Ferraro Council Chamber  
200 N. Spring Street  
Room 340, City Hall  
Los Angeles, CA. 90012

Attention: Sharon Gin, Office of the City Clerk

**COUNCIL TRANSMITTAL:**

Transmitted herewith, is a Board Memorandum adopted by the Agency Board on July 15, 2010 City Council review and approval in accordance with the "Community Redevelopment Agency Oversight Ordinance" entitled:

**VARIOUS ACTIONS RELATED TO:**

BROADWAY STREETScape ACTIONS TO AMEND AND ENTER INTO CDBG CONTRACTS WITH THE COMMUNITY DEVELOPMENT DEPARTMENT (CDD) TO ACCEPT \$1,000,000 FROM CONSOLIDATED PLAN PROGRAM YEAR 35 AND EXTEND CONSOLIDATED PLAN YEARS 34 AND 35 TIME FOR PERFORMANCE; AMEND AND INCREASE THE BROADWAY STREETScape DESIGN CONTRACT WITH MELENDREZ AND ASSOCIATES BY \$50,000; ENTER INTO A \$60,000 CONTRACT WITH THE RUZIKA COMPANY FOR ARCHITECTURAL LIGHTING PLANS; AND RELATED PROGRAMMATIC ACTIONS  
CITY CENTER REDEVELOPMENT PROJECT AREA  
DOWNTOWN REGION (CD 14)

**RECOMMENDATION**

That City Council approves recommendations on the attached Board Memorandum.

**ENVIRONMENTAL REVIEW**

Recommended actions one, two, three and five are not a project as defined by the California Environmental Quality Act (CEQA). Recommended actions four, six, and seven implement a project that was determined categorically exempt from CEQA and approved by the Board of Commissioners on May 21, 2009.

**FISCAL IMPACT STATEMENT**

There is no fiscal impact to the City's General Fund, as a result of this action.

  
\_\_\_\_\_  
Christine Essel, Chief Executive Officer

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Council Transmittal

cc: Sharon Gin, Office of the City Clerk (Original & 3 Copies on 3-hole punch)  
Lisa Johnson Smith, Office of the CAO  
Ivania Sobalvarro, Office of the CLA  
Steve Ongele, Office of the Mayor  
Noreen Vincent, City Attorney's Office  
Jose Huizar, CD14

MEMORANDUM

DATE: JULY 15, 2010 CT2020

TO: CRA/LA BOARD OF COMMISSIONERS

FROM: CHRISTINE ESSEL, CHIEF EXECUTIVE OFFICER

RESPONSIBLE PARTIES: DAVID M. RICCITIELLO, REGIONAL ADMINISTRATOR  
LILLIAN BURKENHEIM, PROJECT MANAGER  
CURT GIBBS, SENIOR RESOURCE DEVELOPMENT OFFICER

SUBJECT: BROADWAY STREETSCAPE ACTIONS TO AMEND AND ENTER INTO CDBG CONTRACTS WITH THE COMMUNITY DEVELOPMENT DEPARTMENT (CDD) TO ACCEPT \$1,000,000 FROM CONSOLIDATED PLAN PROGRAM YEAR 35 AND EXTEND CONSOLIDATED PLAN YEARS 34 AND 35 TIME FOR PERFORMANCE; AMEND AND INCREASE THE BROADWAY STREETSCAPE DESIGN CONTRACT WITH MELENDREZ AND ASSOCIATES BY \$50,000; ENTER INTO A \$60,000 CONTRACT WITH THE RUZIKA COMPANY FOR ARCHITECTURAL LIGHTING PLANS; AND RELATED PROGRAMMATIC ACTIONS CITY CENTER REDEVELOPMENT PROJECT AREA DOWNTOWN REGION (CD 14)

RECOMMENDATION

That CRA/LA Board of Commissioners, subject to City Council review and approval, authorize the Chief Executive Officer or designee, to:

- (1) Amend the \$550,000 CDBG Contract (C-115257) with the City of Los Angeles Community Development Department (CDD) for Consolidated Plan Year 34 to extend the Contract's time of performance from March 31, 2010 to March 31, 2011 in connection with the Broadway Streetscape Project;
- (2) Enter into a new CDBG Contract with CDD or amend the \$550,000 CDBG CDD Contract for the total amount of \$1,550,000, accepting \$1,000,000 from Consolidated Plan Program Year 35, and upon execution amend the CRA/LA FY 2011 Budget to recognize \$1,000,00 in CDBG funds;
- (3) Request that City Council authorize CDD to have the option to extend the CDBG Broadway Streetscape Contract(s) from March 31, 2011 to March 31, 2012 as may be required to complete program implementation;
- (4) Adopt and transmit to City Council the Broadway Streetscape Health and Safety Code 33445 Resolution to provide for up to \$200,000 in public improvements using CDBG

funds for the Broadway Corridor from 2<sup>nd</sup> to Olympic for historic glass block repair and installation.

- (5) Amend Contract Number 503340 with Melendrez and Associates, to increase the amount by \$50,000 using CDBG funds from \$400,000 to \$450,000 for the final adoption process of the Broadway Streetscape Master Plan, including additional public meetings and reproduction costs for the project.
- (6) Amend the City Center Commercial Incentive Program, which already includes the authorization to enter into individual contracts with property owners and tenants along with the Historic Downtown Center BID (HCBID) and other Business Improvement Districts, for property owners and tenants on Broadway (from 2<sup>nd</sup> Street. to Olympic Boulevard) using CDBG funds to provide up to \$200,000 for historic glass block repair and replacement under the Commercial Building Façade Grant Program (increasing such program to a maximum of \$95,000 per building if historic glass blocks are included) and up to \$600,000 for Architectural Lighting Restoration/Installation Program, including up to \$100,000 for Neon Signage Restoration in the total amount of up to \$800,000; and
- (7) Execute a sole source contract with The Ruzika Company in an amount not to exceed \$60,000 using City Center funds to prepare lighting installation plans, obtain the necessary City of Los Angeles permits, and provide oversight of the contractors selected to perform such work for Broadway historic building locations participating in the Commercial Incentive Program

#### SUMMARY

Approval of the recommended actions will amend the Consolidated Plan Program Year 34 \$550,000 CDBG CDD Contract No. 503357 (City Contract No. C-115257) to extend the time of performance from March 31, 2010 to March 31, 2011 and for CRA/LA to accept and enter into a contract with CDD (or amend existing Broadway Streetscape Contract) for \$1,000,000 from Consolidated Plan Program Year 35 and to request that City Council provide authorization to CDD to extend the subject contracts by one additional year as may be required to complete program implementation. Previously using these CDBG funds, CRA/LA entered into a contract with Melendrez and Associates in the amount of \$400,000 for the project area as shown in the Location Map (Attachment A) for the preparation of the Broadway Streetscape Master Plan, including the future accommodation of streetcar service, for design-related services, traffic analysis, community outreach, and development of the Broadway Streetscape Plan ordinance. The recommended action provides for an additional \$50,000 as an amendment to the Melendrez and Associates contract for more public meetings during the environmental document preparation and the plan adoption process, and production costs for printing the final Broadway Streetscape Plan after review and approval by City Council. Note that in addition to the \$450,000 that would be for design-related expenditures, the budget presented to CDD also includes \$100,000 to help fund the preparation of CEQA and NEPA documents for the Broadway Streetscape. CRA/LA intends to issue a request for proposals from the Board and City Council approved list of environmental consultants. Attachment B describes the Broadway Streetscape Plan and its current status.

Using the CRA/LA Board and City Council approved City Center Commercial Incentive and Façade Improvement Program (Attachment C), a recommended action provides for up to \$900,000 of the available Broadway Streetscape Master Plan CDBG funding be used for making grants for glass block repair and restoration, historic neon signage restoration and installation, and architectural lighting program for Broadway property owners and tenants under the previously adopted City Center Commercial Incentive Program. CRA/LA will use a portion

of the glass block funds to obtain the various approval required by the City of Los Angeles for the repair of historic glass block or installation of new glass block that would benefit all interested property owners in receiving up to \$25,000 in grant funds. In addition, CRA/LA will prepare permit drawings for the re-installation of glass blocks, including installation costs, at 345 S. Broadway as part of the \$4.8 million Broadway Sidewalk Reconstruction Project for the remaining work on Broadway between 2<sup>nd</sup> and 4<sup>th</sup> Streets.

The CRA/LA Board of Commissioners is also being asked to consider, adopt, and transmit to City Council for their adoption of a 33445 Resolution (Attachment D) that authorizes the expenditure of up to \$300,000 of CDBG funds for public improvements (historic glass block repair and installation) in accordance with California Redevelopment law as provided for in California Health and Safety Code Section 33445. These expenditures must be of benefit to the project area by helping to eliminate blight; that there are no other reasonable means of financing the installation or construction of the improvements by the City of Los Angeles, and that the expenditure of such funds is consistent with the City Center Five Year Implementation Plan.

The recommendation provides for up to \$800,000 of the CDBG funding to be used for the City Center Commercial Incentive Program for Broadway projects, with a remaining \$100,000 available for future CRA/LA Board and City Council actions relative to the installation of other program elements such as street furniture, trees in planters, wayfinding signage, and other streetscape elements previously approved by CDD and HUD under the subject CDBG contracts.

In order to provide consistency for the use of architectural lighting within the Broadway Historic District, it is recommended that a contract for construction drawings, permitting, and project oversight in an amount not to exceed \$60,000 be executed with The Ruzika Company on a sole source basis. The Ruzika Company, selected through a competitive process by the Historic Downtown Business Improvement District (HDBID), was retained under a \$25,000 contract (with funding provided by the Los Angeles Department of Water and Power) to prepare an Architectural Lighting Assessment Report and Master Plan for the Old Bank District and Broadway. This work was the basis of several grant applications that CRA/LA submitted, along with the language included in the official CDBG project description for the expenditure of CDBG funds on Broadway. The Ruzika Company retained as its intellectual property, the detailed design, engineering, and specifications for individual building architectural lighting plans for historic buildings on Main Street and Broadway. The Ruzika Company will use the materials they prepared for the HDBID studies in their work for CRA/LA.

## RE

March 12, 2008, April 27, 2009, and March 18, 2010 - City Council approvals, respectively, for CDBG Consolidated Plan Program Years 34, 45, and 36.

May 21, 2009 and July 29, 2009 - CRA/LA Board and City Council, respectively, approved the City Center Commercial Incentive Program, and authorized conditional loan and grant agreements, and contracts with local Business Improvement Districts to implement the program.

## SOURCE OF FUNDS

Community Development Block Grant  
City Center Tax Increment

### PROGRAM AND BUDGET IMPACT

The proposed actions are consistent with the FY11 Budget and Work Program relating to the City Center Project Area. Receipt of CDBG funds in the amount of \$1,000,000, subject to the amendment of the existing or new contract with CDD, will amend the FY11 Budget for the City Center Project Area. The approved FY11 budget for the City Center Project area includes \$2,727,500 for Economic Development Opportunities. With the approval of this item, \$60,000 (or 2%) will be committed. Sufficient funds exist to make any legally-required State ERAF payments in FY11. There is no impact on the City's General Fund.

### ENVIRONMENTAL REVIEW

Recommended actions one, two, three and five are not a project as defined by the California Environmental Quality Act (CEQA). Recommended actions four, six, and seven implement a project that was determined categorically exempt from CEQA and approved by the Board of Commissioners on May 21, 2009.

### BACKGROUND

Bringing Back Broadway is a public-private partnership between the City of Los Angeles and Broadway property owners which was officially announced on January 28, 2008. Councilmember José Huizar's (City Council District 14) vision has been working collaboratively with property owners to make the Broadway Historic District a vibrant Downtown area that provides entertainment, restaurants, cultural and retail options for increasing numbers of people living Downtown as well as those visiting to see one of Los Angeles' most remarkable pieces of history. As a link between the past and the future, the revitalized Broadway corridor would complement and connect new large-scale Downtown development projects, such as the Convention Center/L.A. Live and Bunker Hill/Grand Avenue Project. An important component of this linkage would be a Downtown Streetcar integrated on Broadway as part of a Broadway Streetscape Master Plan.

Beginning with the 34<sup>th</sup> Program Year, a \$550,000 CDBG grant was secured for the development and adoption of a Broadway Streetscape Plan to be followed by implementation elements within the existing sidewalk right of way. Through a competitive process, Melendrez and Associates (along with subconsultants IBI Group and Selbert Perkins Associates) began work on a \$350,000 contract on March 6, 2009. The contract was previously amended by \$50,000 to include additional out of pocket costs, additional traffic analysis requested by LADOT, and to prepare the future recommended plan into the required City of Los Angeles format for adoption of an ordinance. The recommended increase of another \$50,000 is to provide for additional design support and document preparation for required public meetings during the environmental document preparation and the process for requesting approval of the plan as well as for out of pocket costs in publishing the final plan. Attachment C provides a summary of the Broadway Streetscape Master Plan that is in the process of getting prepared to engage the stakeholders for a final workshop of the recommended plan, once LADOT completes its review of the traffic impacts of the plan options.

With regard to \$1,000,000 Broadway Streetscape implementation and installation elements (\$100,000 from the 34<sup>th</sup> Program Year and \$900,000 from Program Year 35, the following project description was approved by CDD and the US Department of Housing and Urban Development:

"Making use of streetscape elements within the current street configuration, installation of elements from the CDBG funded proposed Broadway Streetscape Plan developed for Bringing Back Broadway, a pedestrian-oriented streetscape plan has been designed is awaiting final review and environmental processing and implementation for Broadway from 2nd to Olympic, and integrated with adjacent arterials. Project provides for re-establishing sidewalk edge bands; the design and installation of bump-outs in coordination with the separately funded CRA Streetcar study; additional pedestrian lighting in the public right of way; up and down pedestrian lighting, including the necessary conduit and electrical work, installed on Broadway buildings (exact locations to be determined in partnership with the Council Office and the Historic Downtown Business Improvement District); new or replacement street furniture to be installed per the following: benches, transit shelters, new trees in new planters, new trees in existing empty tree planters, trash receptacles, crosswalks, permanent artistic bike racks, additional wayfinding signage, kiosks, consolidation of existing signage and coordination of the replacement of the wooden newsstands where possible under the City of LA agreement with CBS Decaux, and coordination with Metro on upgrading all Metro bus stops including shade, pedestrian countdown signals, crosswalks, benches, and new pedestrian safety lighting. Opportunities for installing LED lights on trees and under selected glass block sections for pedestrian lighting, including the replacement of broken or missing historic glass block replacement for selected cost effective locations. Based upon the subject CDBG funds and other funds that might be identified at a later date, project elements would be approved for design, installation and construction in the public right-of-way and on building facades."

Under California Redevelopment Law, the legislative body is required to adopt a 33445 Resolution with regard to the use of public funds for public improvements within redevelopment project areas of which only the funding for the historic glass block repair and installation would be needed. The following is a summary of how the CDBG Broadway Streetscape funds would be used as per the recommended actions:

Broadway Streetscape Design Plan and Adoption	\$450,000
Broadway Streetscape Plan Environmental Review	\$100,000
Broadway Historic Glass Block Repair and Installation	\$300,000
Broadway Commercial Incentive Program	\$600,000
Broadway Street Furniture, Branding, and Potted Trees	\$100,000 (future approvals required)
<b>Total</b>	<b>\$1,550,000</b>

On May 21, 2009 and July 29, 2009, the CRA/LA Board of Commissioners and City Council, respectively, approved the establishment of the City Center Commercial Incentive Program for property owners and long term tenants. The recommended action for the inclusion of CDBG funds along Broadway from 2<sup>nd</sup> Street to Olympic Boulevard is consistent with the prior actions, and is being augmented by providing for the historic glass block repair, restoration, and installation as an eligible component of a Façade Grant and to provide for Architectural Lighting Program to occur whether or not LADWP funds are obtained. As also previously provided, CRA/LA has the option to retain the Historic Downtown Business Improvement District and/or other local BIDs to hire the firm(s) to undertake the installation work. CRA/LA will enter into necessary contracts for the replacement of historic glass block on the 300 block of South Broadway.

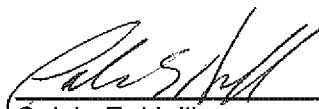
In 2004, approximately 100 buildings on Broadway and Spring Streets were surveyed and assessed by the Ruzika Company for the potential of illuminating the historic architectural facades. A 25 page Assessment Report with digital lighting concept sketches was presented and submitted to the HDBID in December 2004. The HDBID requested that the Lighting Master Plan address 19 historic buildings. Detailed lighting concept renderings and probable cost opinions were submitted for the 19 buildings in February 2005. In addition, lighting design criteria standards and guidelines were submitted with the Master Plan.

The recommended action provides for a sole source contract in an amount not to exceed \$60,000 with The Ruzika Company that developed and is implementing the Architectural Lighting Master Plan for the Historic Downtown in collaboration with the HDBID and related installation work on select buildings within Historic Downtown Los Angeles. A sole source contract with the Ruzika Company will expedite the process to design, permit, and install architectural lighting under the City Center Commercial Incentive Program so as to meet the CDBG contract deadline for Program Year 36.

The Ruzika Company led by Tom Ruzika features a team of lighting designers and theatre planning consultants who specialize in providing creative ideas for architectural lighting, themed entertainment lighting, show lighting, and performing arts facilities. The Company was formed in 1985 based upon Tom Ruzika's life-long love of lighting, architecture, education, and theatre. As principal design consultant, Tom Ruzika works closely with owners, developers, architects, interior designers, art directors, educators, administrators, engineers, and contractors at the initial stages of conceptual planning to develop a thorough understanding of the goals and restrictions of every project. Strong guidance develops a realistic conceptual vision for the project team or production staff. Ruzika's team of designers and technical specialists carefully plan for the most innovative and efficient use of materials and space providing imaginative, cost-effective solutions to the most demanding design and construction challenges.

Christine Essel  
Chief Executive Officer

By

  
\_\_\_\_\_  
Calvin E. Hollis  
Chief Operating Officer  
Real Estate and Economic Development

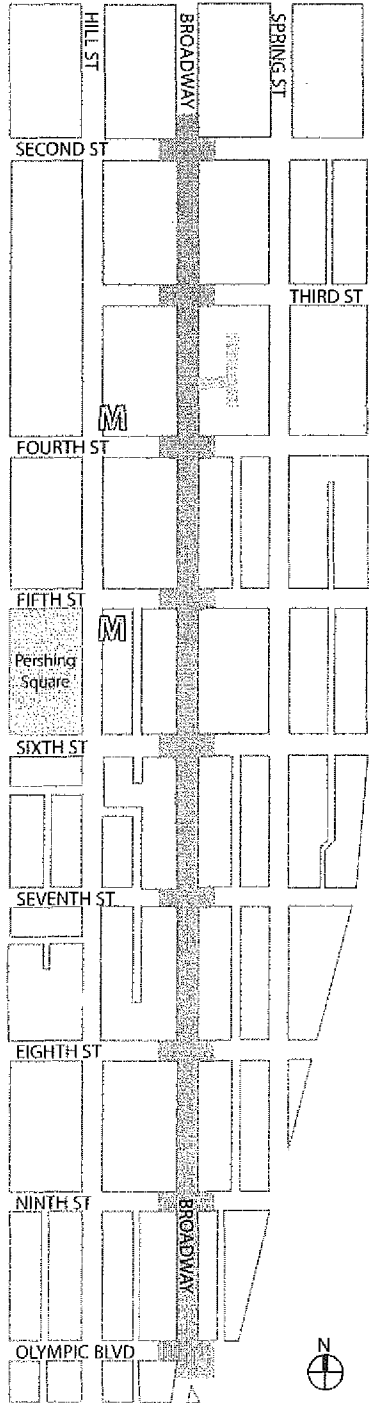
Attachment A: Location Map  
Attachment B: Broadway Streetscape Master Plan  
Attachment C: City Center Commercial Incentive Grant Program  
Attachment D: 33445 Resolution

There is no conflict of interest known to me, which exists with regard any CRA/LA officer or employee concerning these actions.

Attachment A: Location Map

Project Area

Broadway – 2nd to Olympic



Project Vicinity

Downtown Los Angeles





## **Attachment B - Broadway Streetscape Master Plan**

The project encompasses the public right of way of Broadway, from 2<sup>nd</sup> Street to Olympic Boulevard in downtown Los Angeles - a one mile stretch of the street. Broadway currently accommodates bus and automobile traffic in a total of four travel lanes, two northbound and two southbound. Loading zones exist on both sides of the street, with restricted and complicated hours of use and access. Many bus stops are currently located in an irregular pattern at nearside of intersections, far side of intersections, and at mid block locations. To prioritize the pedestrian and transit user over the private automobile, enhance transit accessibility, provide an appropriate context for a future modern streetcar, and create a more hospitable street experience overall, this Streetscape Master Plan calls for the reconfiguration of Broadway.

### **The Preferred Configuration**

Several configuration alternatives were explored for the street, as part of the public process of developing the Master Plan. Through an evaluation of technical and urban design considerations, community feedback, City staff input, stakeholder input, and traffic analysis, a preferred alternative for the design and reconfiguration of Broadway was vetted and selected.

The Streetscape Master Plan proposes that Broadway will be reconfigured to accommodate three travel lanes total, one 11' southbound lane a 10' northbound lane, and an 11' northbound lane along the east curb of the street. The two northbound lanes will carry vehicular and bus traffic; the one southbound lane will carry vehicular, bus and streetcar traffic. It is important to note that there are no "dedicated" lanes for bus or streetcar service - Broadway will become a true multi- and inter-modal street, with lanes shared by the various modes. Preliminary traffic analysis of the current condition and future conditions indicates that the reconfiguration of Broadway from four travel lanes to three will have no significant impact on vehicular level of service, except on Broadway and Third Street, which can be mitigated through signal timing and other measures. This preferred configuration is still pending further review and approval by LADOT and other agencies as detailed design of the street proceeds in future phases of work.

### **Curb Extensions**

8' wide curb extensions are also proposed to be added at intersections and mid block locations on both sides of Broadway. These curb extensions will serve to shorten pedestrian crossing distances, calm traffic, and will create protected 8' wide parking and loading zones on both sides of the street. In addition, curb extensions will provide the opportunity to add biofiltration planters, a unique sustainable design feature on Broadway. As rain and other waste water moves along the curb it will be directed to and flow through the filtration planters, being cleansed before it eventually reaches the storm drain. These storm water planters can accommodate street trees, as well as drought tolerant planting.

The opportunity to incorporate street trees within the planters in the curb extensions will be a significant benefit to the east side of the street, which will retain its existing curb, unlike the west side. Because of constraints such as the basements that extend under the sidewalks on Broadway in many locations, as well as utility zones that run along the existing curb, tree planting opportunities are few and far between. With the addition of curb extensions, intersections and midblock crossings will be able to accommodate tree plantings where feasible and not conflict with historic theater or significant building facades. These locations are also slated to contain concentrations of pedestrian amenities and street furnishings, as well as seating alcoves, for which the provision of shade granted by the street trees will be a major benefit.

Also, curb extensions at intersections accommodate transit stops for streetcar and bus service. Streetcar service will stop at the nearside of each intersection on the west, or southbound, side of Broadway. Transit shelters and other amenities and furnishings will be provided in these curb extensions at the nearside of intersections. In an ideal scenario, bus service would stop at curb extensions on the far side of intersections, on both east and west sides of Broadway. However, each intersection will need a closer look in the detailed design stage.

Curb extensions at mid block crossings will not accommodate transit stops and be smaller in size. They will contain furnishings and amenities, such as seating, vending and information kiosks, and other pedestrian-oriented elements.

### **Sidewalk Extension**

The sidewalk on the west side of Broadway will also be extended 8' to enhance the comfort of the pedestrian realm and incorporate street furnishings and also space for streetcar stops, which are accompanied by transit shelters, signage, and other amenities. This additional 8' on the west side of the street also allows for more flexibility and opportunity for tree planting, bringing the sidewalk away from the many basements that, in many cases, extend under the original 17' sidewalk out to the existing curb. In addition, pushing the curb 8' to the east allows for the fixed track bed infrastructure for the future streetcar to best align with an existing utility clear zone, avoiding costly utility relocation and reconstruction when the streetcar is implemented. On the east side of Broadway, the existing curb will remain in place with no sidewalk extension.

The major features of the reconfiguration of Broadway, therefore, are:

- narrowing to three travel lanes, and accommodating streetcar service
- adding a sidewalk extension on the west side of the street
- adding transit stops for streetcar and bus service within the curb extensions, non-transit curb extensions at intersections, and curb extensions at mid block crossings, on the east and west sides of the street
- preserving and restoring historic paving elements such as terrazzo and glass block elements and basement hatches and vents while repaving the sidewalks with integrally colored concrete and adding granite cobble accent paving
- preserving and restoring historic streetlight bases, recreating historic streetlight poles and fixtures, and infilling recreated historic streetlights in between those already existing on the street
- adding a consistent suite of furnishings on the street, including benches, chairs, trash cans, bike racks and kiosks
- accenting and improving the safety and visibility of mid block and intersection crosswalks by redesigning them with Duratherm paving

### **Outreach**

This plan was completed with a significant focus and dedication from all involved, including CD14's Bringing Back Broadway, CRA/LA, City Staff, Broadway Stakeholders, and members of the community.

At each stage of the process, meetings were convened with the client team, including project leaders from CRA/LA and Bringing Back Broadway, as well as with representatives of various relevant City departments and associated agencies. Key Bringing Back Broadway stakeholders, as well as Bringing Back Broadway Trustees, were also convened to provide feedback throughout the project process.

A series of three public meetings were held throughout the project process to garner community feedback and ideas on the streetscape. Public meetings served as milestones for the project process, in that before each and every public meeting, concepts and alternatives were reviewed, revised and vetted by the technical advisors of the client team, City staff, and key Broadway stakeholders.

The first public meeting consisted of a walking tour of Broadway. Participants from the Client and Stakeholder Groups, as well as members of the public visited 8 different stations set up along the corridor. Each station addressed a different topic area of an issue related to the physical feel of the street: green streets and sustainability; street design and configuration; character and historic influence; transit station design; materials palette, paseos and open space; curb extensions and pedestrian crossings; and pedestrian safety and comfort.

At the second public meeting, members of the community convened to review the two alternatives for the configuration of Broadway's physical structure, as well as the universe of options developed for the individual design elements of the streetscape, including materials, lighting, furnishings, transit shelters, signage, and identity.

After several rounds of meetings with the Client team and City Family, the array of design options was narrowed and synthesized, based on feedback, into a community-preferred configuration and design palette. This preferred design was presented at the third and final public unveiling. Participants were encouraged to make final comments on the design, and generally approved and appreciated the content of these final designs.



## ATTACHMENT C: CITY CENTER COMMERCIAL INCENTIVE GRANT PROGRAM

On May 21, 2009 and July 29, 2009, respectively, the CRA/LA Board of Commissioners and the City Council approved the City Center Commercial Incentive Grant Program. This program established a Commercial Incentives Program for the City Center Redevelopment Project area. The CRA/LA objective is to improve the physical appearances of the overall project area through facade cleaning and rehabilitation, assisting small businesses by providing Conditional Grants and Loans for facade improvements, signage, lighting, and improvements related to energy efficiency, disable access and relighting of historic buildings. The purpose of the Program is to retain and attract more business investments as well as to retain and create new jobs. CRA/LA will be providing matching loans and grants to improve: 1) facade, 2) signage, 3) awnings, 4) lighting and other exterior architectural features, 5) landscaping, 6) outdoor dining improvements, 7) interiors to update the facilities; 8) to bring the buildings to the current City and County of Los Angeles Building and Health Codes; 9) meet the California Disabled Access regulations and 10) create energy efficient and sustainable design improvements. The Program will provide a comprehensive and flexible program of building development options including but not limited to the following:

1. The Façade Grant will provide up to a maximum of \$35,000.00 per storefront without a matching requirement. Multi story buildings can qualify for an additional \$10,000, and buildings that have historical or architectural significance may qualify for an additional \$25,000 up to a maximum of \$70,000 per building.
2. The Conditional Loan will provide up to a maximum of \$250,000 to be matched by the loan recipient on a dollar-for-dollar basis, to be used for the cost of building rehabilitation. A portion of the funds should be spent on the exterior facade of the building unless determined by CRA/LA staff that additional exterior modification are not necessary or needed.
3. Historic Neon Signage Restoration, Recreation and Installation Program will focus on recreating the historic neon signage and lighting the facades and roof lines, windows, and entry features of the buildings contributing to the Historic Core and Old Bank district.
4. Architectural Lighting Program will focus on enhancing and illuminating the architectural features and exterior lighting of historic buildings and structures by incorporating and matching the DWP exterior lighting energy efficiency grant program.
5. Energy efficiency and sustainable design improvements to improve the viability of the facility and the business as well as lead the way to the creation of a Sustainable City Center community.

The new Program will allow the option of the CRA/LA to directly or in partnership with Historic Core Business Improvement District (BID) and/or other local BID to hire design consultants, from its pre-qualified pool, to design the proposed features and improvements to the buildings and enter into a direct contract with construction companies through a pre-qualification process to implement and construct the proposed improvements.

It is anticipated that this will be an ongoing Program and all eligible applications will be funded on a first-come-first-serve basis until the initial Program funding is exhausted with the continuation of the program as additional funds are identified and provided.

The specific elements of the Program are as follows:

- Facade Grant:

Facade Grants are offered without a matching requirement. Properties that are multi story and/or deemed to have historic or architectural significance can be funded at higher levels. The participant must enter into a ten (10) year Commercial Façade Grant Contract with the CRA/LA and agree to maintain the building in accordance with the Contract. The Grant balance shall be reduced at the rate of 10% per year provided that the recipient meets all the conditions of the grant and maintenance agreement with the CRA/LA. In the event of default, the CRA/LA may seek either specific performance of the Contract or the repayment of the prorata share of the grant amount. The property owner is required to sign the Property Management and Maintenance Plan that requires the removal of graffiti and maintenance of the improvements in a satisfactory manner.

These grant amounts are maximum per building and can be combined with a Conditional Loan under Staff's discretion. Where necessary the grant funds may also be utilized to address costs related to energy efficiency, sustainable design improvements and utility upgrades.

- Conditional Loan:

Conditional Loans are offered with a matching requirement on a dollar-per-dollar basis. The participant must enter into a ten (10) year Business Incentives Loan Agreement with the CRA/LA and are evidenced by a Promissory Note and an Agreement requiring maintenance of improvements. The loan shall be non-interest bearing and the principal balance shall be reduced at the rate of 10% per year provided that the recipient meets all the conditions of the loan and maintenance agreement with the CRA/LA. The Participant must hold title to the property or have a valid lease. In the event of default, the CRA/LA may seek either specific performance of the Contract or the repayment of the prorata share of the loan amount. The property owner is required to sign the Property Management and Maintenance Plan that requires the removal of graffiti and maintenance of the improvements in a satisfactory manner. The maximum Conditional Loan amount per building/property shall be \$250,000. The Conditional Loans can be combined with the Conditional Grants based on the property's merits and CRA/LA staff's discretion.

- Under the Cooperation Agreement between the CRA/LA and the Los Angeles Department of Water and Power (DWP), DWP is providing CRA/LA up to \$500,000 per year for use on the Commercial Incentives and façade projects to promote the Energy Efficiency of the exterior lighting of the projects that CRA/LA will apply to DWP for these grants for individual projects. Upon approval of the grant application by DWP, CRA/LA will advance the funds to the project in the form of Conditional Grants and gets reimbursed by DWP once the project is completed and a Notice of Completion is filed. Staff therefore is asking for authorization to increase the maximum Grant/Loan amounts by the amount of these DWP grants when a recipient has used the maximum allowable Grant/Loan allocated to their project. Funds for these additional grants will come from the program funds and once reimbursed by DWP will be re-deposited into the Program funds.

- Projects that face unforeseen repairs and utility upgrade costs beyond the normal conditions of improvements may be eligible for additional funds to cover the extraordinary and unexpected expenses such as electrical utility upgrades required by the utility companies and government agencies. The additional funds for these extra expenses will be in the form of grants and/or matching loans. Furthermore, Staff will work in cooperation with other City agencies such as DWP and the County Sanitation Department to make the infrastructure upgrades required for the economic development of the area.

Use of Funds:

Both CRA/LA and Participant's matching funds must be used for building rehabilitation, including expansion and/or adaptive reuse of existing structures or construction of new structures including but not limited to general repair and improvements of the interior and exterior of the structure, such as parking lot improvements, landscaping, restoration, rehabilitation, Building Code and Accessibility compliance. Business operating expenses, furniture/fixtures and equipment, general business costs, and reimbursable expenses/costs are not eligible expenditures. Approved loans will be required to include façade improvements unless the applicant can demonstrate that façade improvements are not necessary with staff's approval.



Resolution No. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ANGELES AND COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES, CALIFORNIA PURSUANT TO SECTION 33445 OF THE CALIFORNIA REDEVELOPMENT LAW DETERMINING THAT THE PROVISION OF PUBLIC IMPROVEMENTS IN SUPPORT OF THE BROADWAY FROM 2<sup>ND</sup> STREET TO OLUMPIC BOULEVARD IN THE CITY CENTER REDEVELOPMENT PROJECT IS OF BENEFIT TO THE CITY CENTER REDEVELOPMENT PROJECT AREA.

WHEREAS, The Community Redevelopment Agency of the City of Los Angeles ("CRA/LA") is engaged in redevelopment and revitalization of Broadway from 2<sup>nd</sup> Street to Olympic Boulevard pursuant to the adopted Redevelopment Plan for the City Center Redevelopment Project established on May 15, 2002 (the "City Center Project Area"); and,

WHEREAS, the Redevelopment Plan for the City Center Project Area provides for the repair or amelioration of public improvements whose deficiencies adversely affect the recovery of the Project Area; and,

WHEREAS, the provision of public improvements on Broadway is consistent with the City Center Redevelopment Project Five-Year Implementation Plan; and,

WHEREAS, CRA/LA intends to fund the public improvements, in part, from \$200,000 in Community Development Block Grant (CDBG) funds; and,

WHEREAS, there are no other reasonable funding sources available to the City of Los Angeles to contribute to the cost of these public improvements; and,

WHEREAS, Section 33445 of the California Health and Safety Code requires the Agency and the City to make certain findings before Agency funds may be used to pay for such public improvements; and,

WHEREAS, the Commissioners of the Agency and the City Council of the City of Los Angeles, have reviewed and considered the facts and information with respect to the public improvements.

THEREFORE, THE CITY COUNCIL OF THE CITY OF LOS ANGELES AND THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES, CALIFORNIA, DO HEREBY RESOLVE AS FOLLOWS:

The City and CRA/LA find, determine and resolve that:

- 1) The provision of \$200,000 in public improvements for historic glass block repair and installation for locations to be determined on Broadway between 2<sup>nd</sup> Street and Olympic Boulevard in support of Bringing Back Broadway as an integral component of Historic Downtown in the City Center Project Area is of benefit to the City Center I Redevelopment Plan in that it will assist in eliminating one or more blighting conditions because of the:
  - a. importance of how the historic glass blocks as a major contributor to the overall Broadway Historic District;
  - b. need for repair historic glass block repair due to public safety issue;
  - c. need to increase visitors to Broadway by improving the walking environment and to decrease the vacancy rate on the street; and
  - d. creation of synergies from overall activities in and around the historic theaters on Broadway that makes Los Angeles a more desirable place to live, work, and play that will over time increase the property values on Broadway and related tax increment and create the necessary demand to re-invest in the historic theaters in the City Center Redevelopment Project.
  
- 2) After pursuing a investigation for funding from the City of Los Angeles, additional funds from property owners, and other funding sources, no other reasonable means of financing the public improvements consistent with the purpose of the City Center Redevelopment Plan is available *because*:
  - a. the City of Los Angeles fiscal situation due to the significant declines in revenue has made major reductions in staffing and allocating funds to public improvement accounts;
  - b. glass block repair and reinstallation are not within the budget of the federal funding secured by CRA/LA for the remaining Broadway Sidewalk Reconstruction Project from 2<sup>nd</sup> to 4<sup>th</sup> Streets; and
  - c. the Broadway public improvements for glass block repair and reinstallation would not be competitive in seeking federal Economic Development Administration funds as no new net permanent jobs will be created.
  
- 3) Undertaking the Broadway public improvements is consistent with the City Center Redevelopment Project Five-Year Implementation Plan for the Project Area in that it will help address blight and public safety issues on Broadway as:
  - a. Part I Redevelopment Project Area Information, Section C The CRA/LA's Goals and Objectives for the Redevelopment Project Area for numbers 3,4,6,7,8, and 12; and
  - b. the Broadway Sidewalk Reconstruction Project from 2<sup>nd</sup> to 5<sup>th</sup> Streets and seeking funding and implementing in multi-phased

infrastructure improvements on Broadway from 5<sup>th</sup> Street to Olympic Boulevard are specifically named in Part III, Section D, number 7 for Public Improvements Projects and Programs;

ADOPTED BY THE CRA/LA: \_\_\_\_\_

ADOPTED BY THE CITY COUNCIL: \_\_\_\_\_