

CITY OF LOS ANGELES  
CALIFORNIA

**JUNE LAGMAY**  
City Clerk

**HOLLY L. WOLCOTT**  
Executive Officer



**ANTONIO R. VILLARAIGOSA**  
MAYOR

Office of the  
CITY CLERK

**Council and Public Services**  
Room 395, City Hall  
Los Angeles, CA 90012  
General Information - (213) 978-1133  
Fax: (213) 978-1040

When making inquiries relative to  
this matter, please refer to the  
Council File No.

[www.cityclerk.lacity.org](http://www.cityclerk.lacity.org)

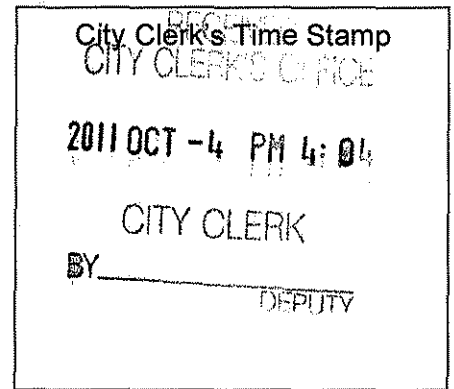
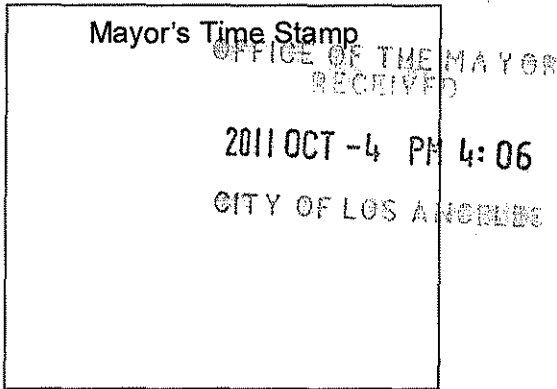
October 5, 2011

To All Interested Parties:

**City Attorney (w/blue sheet)**

The City Council adopted the action(s), as attached, under Council File No. 11-0763,  
at its meeting held September 30, 2011.

City Clerk  
OS



SUBJECT TO THE MAYOR'S APPROVAL

COUNCIL FILE NO. 11-0763

COUNCIL DISTRICT \_\_\_\_\_

COUNCIL APPROVAL DATE SEPTEMBER 30, 2011

RE: THE REVISED FISCAL YEAR 2011-12 COMMUNITY REDEVELOPMENT AGENCY BUDGET

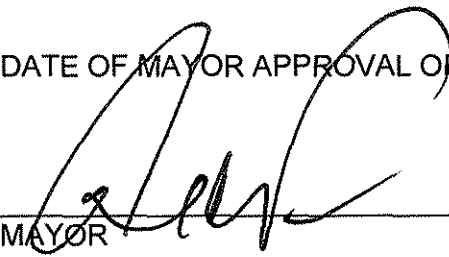
LAST DAY FOR MAYOR TO ACT OCT 14 2011  
(10 Day Charter requirement as per Charter Section 341)

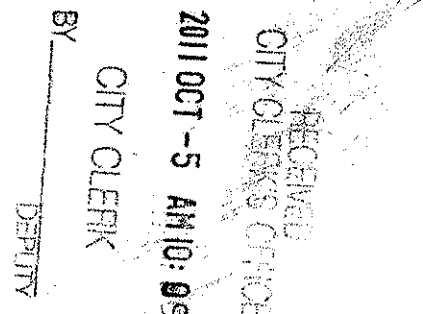
DO NOT WRITE BELOW THIS LINE - FOR MAYOR USE ONLY

APPROVED

\*DISAPPROVED

\*Transmit objections in writing  
pursuant to Charter Section 341

DATE OF MAYOR APPROVAL OR DISAPPROVAL OCT 05 2011  
  
MAYOR \_\_\_\_\_



**TO THE COUNCIL OF THE  
CITY OF LOS ANGELES**

**Your                    HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT                    Committee**

**reports as follows:**

HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE REPORT relative to the revised Fiscal Year 2011-12 Community Redevelopment Agency (CRA/LA) Budget.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. APPROVE the Fiscal Year (FY) 2011-12 Multi-Year Revised Proposed Budget and Work Program as submitted by the CRA/LA totaling \$459 million and instruct the CRA/LA Chief Executive Officer (CEO), or designee, to prepare and present quarterly financial status reports to the Mayor and the Council for consideration. Actions of the City Council to approve the CRA/LA annual budget or portions thereof, any projects referenced therein, or any other expenditure are subject to the conditions of the California Supreme Court's (Court) Stay and the provisions of Assembly Bill (AB) x1-26 that are not subject to the stay. CRA/LA may not, with the exception of existing enforceable obligations, take any action to incur new debt, transfer any assets or undertake any new obligations, notwithstanding the approval of its annual Budget, unless and until CRA/LA is legally authorized to act. (Attachment 3 to the City Administrative Officer (CAO)/Chief Legislative Analyst (CLA) report contained in the Council File provides a list of activities that the CRA/LA staff can and cannot work on during the Court Stay of ABx1-26 and ABx1-27).
2. FIND and determine that the planning and administrative expenses to be paid with the Low and Moderate Income Housing Trust Fund are necessary for the production, improvement, or preservation of low- and moderate-income housing.
3. AUTHORIZE the CRA/LA CEO, or designee, to:
  - a. Amend the 2011-12 Revised Proposed Budget, as adopted, for additional carryover, including legally-obligated encumbrances and previous Council-approved work program objectives for 2010-11 and 2011-12 Proposed Budget and Work Programs, pending approval of the carryover amendment.
  - b. Submit to the CAO and CLA, on a monthly basis, all amendments to the 2011-12 Adopted Budget pending the submission of the actual 2010-11 carryover amount.
4. INSTRUCT the CRA/LA CEO, or designee, to:
  - a. Monitor the legal proceedings and notify the Mayor and Council once the Court has issued a ruling on the legal challenge by the League of California Cities, California Redevelopment Association and others to ABx1-26 and ABx1-27 relative to any decisions that may impact the City and the CRA/LA.

- b. Continue to limit the CRA/LA budgeted staffing increase number from 213 authorized positions to 216 authorized positions (this is the number that is legally allowed by the State legislation) and that the CRA/LA notify the CAO and the CLA of the intent to hire prior to posting position announcements, for review between now and the Court ruling which is anticipated.
  - c. Report to the Mayor and Council a three-year CRA/LA staffing plan (2012-15) which addresses the balancing of resources required to meet the City's work program priorities in light of diminishing resources after the Court has issued a ruling on ABx1-26 and ABx1-27 (anticipated by January 15, 2012).
  - d. Revisit staffing levels and the need for CAO and CLA review of the CRA/LA positions (new hires) after the Court has provided a ruling on the legislation and the CRA/LA has submitted its three-year staffing plan to the City.
  - e. Stay within their proposed administrative Budget and ensure that all Redevelopment Project Areas have adequate staffing that address resource levels.
  - f. Retain \$3.3 million for 2011-12 to support South Los Angeles and Harbor Regions, submit a five-year plan which provides the General Revenue subsidy to the South Los Angeles and Harbor Regions based on the actual funds available through the end of 2010-11 and annually through 2015-16 and, as part of the three-year CRA/LA staffing plan (2012-15) requested in this report, include an operating and project subsidy plan for South Los Angeles and Harbor Regions that includes all funding resources.
  - g. Report on the status of *Los Angeles Unified School District (LAUSD) v County of Los Angeles (County) et al. and City of Los Angeles et al.* relative to the County's calculation of the LAUSD's proportionate share of AB 1290 funds and the impact on the City's receipt of AB 1290 funds.
  - h. Continue to review its current Grant awards that are affected by the Court Stay of the majority of the language in ABx1-26 and ABx1-27 to ensure that the funds are not lost.
  - i. Report with recommendations for reprogramming of available funds from the Land Acquisition Fund and the status of the remaining projects with completion date.
  - j. Report on any savings or carryover funds that could be contributed to the City's Affordable Housing Trust Fund.
  - k. Report in 30 days on the status of the properties in the Council Motion that remained with the CRA/LA.
5. REQUEST that the City Attorney monitor the proceedings relative to the LAUSD's proportionate share of AB1290 funds and notify the CRA/LA and the CLA relative to any decisions that may impact the City.

Fiscal Impact Statement: The CAO reports that there is no City General Fund impact. The FY 2011-12 Revised Proposed Budget and Work Program for the Community Redevelopment

Agency (CRA/LA) allocate \$459 million in funds primarily from tax increment receipts. The City's Financial Policies are not applicable to the CRA/LA. The CRA/LA is only bound by the disclosure provisions of the City's Debt Management Policies.

Community Impact Statement: None submitted.

#### SUMMARY

At a regular meeting held on September 28, 2011, the Housing, Community and Economic Development Committee considered a CRA/LA report and joint CAO/CLA report relative to the CRA/LA's revised Fiscal Year 2011-12 budget. Representatives of the CAO, CLA, and CRA/LA appeared before the Committee to provide an overview of the CRA/LA's revised FY 2011-12 Budget and to respond to related questions. The Committee moved to amend recommendation 4b of the CAO/CLA report regarding authorized staffing levels. After providing an opportunity for public comment, the Committee recommended Council approve the recommendations contained in the CAO/CLA report dated September 27, 2011 as amended. This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE

*Tony Cardenas*

|           |      |
|-----------|------|
| MEMBER    | VOTE |
| CARDENAS: | YES  |
| REYES:    | YES  |
| ALARCON:  | YES  |
| PERRY:    | YES  |
| WESSON:   | YES  |

RW  
9/29/11  
#11/11-0763\_rpt\_hced\_9-28-11.doc

**Not Official Until Council Acts**

**ADOPTED**  
*\* as amended*  
SEP 30 2011  
*see attached motions*  
**LOS ANGELES CITY COUNCIL**

**MOTION**

I MOVE that the Housing, Community, and Economic Development Committee Report relative to the revised 2011-12 Community Redevelopment Agency (CRA/LA) Budget, Item No. 1 on today's Council Agenda (CF: 11-0763) BE AMENDED to:

1. ADOPT the following recommendation 4f in lieu of the recommendation contained in the report:
  - 4f. Retain \$3.3 million for 2011-12 to support South Los Angeles and Harbor Regions, funds to be appropriated as indicated in Attachment 20, submit a five-year plan which provides the General Revenue subsidy to the South Los Angeles and Harbor Regions based on the actual funds available through the end of 2010-11 and annually through 2015-16 and, as part of the a three-year CRA/LA staffing plan (2012-15) requested in this report, include an operating and project subsidy plan for South Los Angeles and Harbor Regions that includes all funding resources;
2. ADOPT the following new recommendation:
  1. CONTINUE TO DEDICATE the lease revenues (approximately \$3.3M) from California Plaza Towers One and Two, Omni Hotel and the MLK Shopping Center, for an additional 5 years (FY 16), to be used to subsidize the South Los Angeles and Harbor Regions. Funds to be included as part of the CRA/LA Budget and subject to review of the CLA and CAO.
  2. INSTRUCT the CRA/LA CEO to:
    - a. ENSURE that the South Los Angeles and Harbor Regions have sufficient staff to implement programs.
    - b. REVISE Attachment 15 (Summary of Authorized Positions) to reflect the correct change in staff for the South Los Angeles Regional Office as follows: FY 2010-11 number of positions 12, Proposed positions for FY 2011-12 is 10, and Change from FY 2010-11 to Proposed FY 2011-12 is -2.

**ADOPTED**

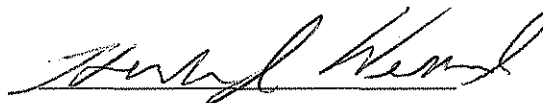
SEP 30 2011

LOS ANGELES CITY COUNCIL

PRESENTED BY

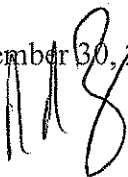
  
 BERNARD C. PARKS  
 Councilmember, 8<sup>TH</sup> District

SECONDED BY



September 30, 2011

is



ORIGINAL

**MOTION**

I HEREBY MOVE that the Council INSTRUCT the Community Redevelopment Agency to report annually relative to the status of funding for those matters identified in Motion 1-A (Parks – Wesson), **SUBJECT TO THE APPROVAL OF THE MAYOR.**

PRESENTED BY \_\_\_\_\_  
ED REYES  
Councilmember, 1st District

SECONDED BY \_\_\_\_\_  
BERNARD PARKS  
Councilmember, 8th District

September 30, 2011

CF 11-0763

**ADOPTED**

SEP 30 2011

**LOS ANGELES CITY COUNCIL**