# CITY OF LOS ANGELES

JAN PERRY GENERAL MANAGER CALIFORNIA



ECONOMIC AND WORKFORCE DEVELOPMENT DEPARTMENT

1200 W. 7TH STREET LOS ANGELES, CA 90017

January 7, 2015

Council File: 10-1451-S2 Council District Nos: Contact Person and Phone: Gerardo Ruvalcaba (213) 744-7233

Arts, Parks, Health, Aging and River Committee City Council c/o City Clerk Room 395, City Hall

COMMITTEE REPORT: NORTHEAST LOS ANGELES RIVERFRONT COLLABORATIVE (NELA-RC) HOUSING AND URBAN DEVELOPMENT (HUD) SUSTAINABLE COMMUNITIES CHALLENGE GRANT

The General Manager of the Economic and Workforce Department (EWDD) of the City of Los Angeles, respectfully submits the following close-out report for the Northeast Los Angeles River Collaborative relative to the creation of Northeast Los Angeles Riverfront District for consideration and approval.

#### RECOMMENDATIONS

The General Manager of the Economic and Workforce Department (EWDD) request that the Mayor and the City Council:

- 1. INSTRUCT the General Manager of the Department of City Planning, or designee, to report back to the Arts, Parks, Health, Aging and River Committee within 45 days on the feasibility of officially recognizing the NELA RC study area as the "Northeast Los Angeles Riverfront District."
- 2. INSTRUCT the General Manager of the Department of City Planning, or designee, to report back to the Arts, Parks, Health, Aging and River Committee within 45 days on the feasibility of developing a Specific Plan for the Northeast Los Angeles Riverfront District, including necessary staffing resources.
- 3. INSTRUCT the General Manager of the Economic and Workforce Development Department, or designee, to report back to the Arts, Parks, Health, Aging and River Committee within 45 days on the feasibility of developing an Enhanced Infrastructure Financing District (EIFD) to fund economic development and infrastructure projects identified in the NELA Riverfront District Vision Plan.

4. INSTRUCT the General Manager of the Economic and Workforce Development Department, or designee, to report back to the Arts, Parks, Health, Aging and River Committee within 45 days on staffing resources required to implement the NELA Riverfront District Vision Plan.

#### **BACKGROUND**

In 2007, six decades after the River was first channelized in concrete, the L.A. City Council adopted the Los Angeles River Revitalization Master Plan (Plan), thereby establishing a bold vision for transforming the River -- reversing the past and reenvisioning the future. Significant efforts are already underway in Northeast Los Angeles (NELA) to improve and expand upon the bicycle path along the River, to establish a network of parks, and to restore ecosystem values.

The benefits brought to NELA by the initial implementation of the Master Plan could be further complemented by a comprehensive land use plan around the River to enhance public access, identify and better connect community assets, and improve the area's infrastructure.

In 2012, the Los Angeles Economic Workforce Development Department (EWDD) signed an agreement with the United States (US) Department of Housing and Urban Development (HUD) to implement a \$2.25 million Community Challenge planning grant from the Federal Partnership for Sustainable Communities, which includes HUD, US Department of Transportation (DOT), and the US Environmental Protection Agency (EPA). The grant funded an innovative, interdisciplinary partnership called the Northeast Los Angeles Riverfront Collaborative (NELA RC), which sought to capture the energy of the Los Angeles River (River) as a catalyst for integrating planning efforts, coordinating strategic investments, and implementing a comprehensive economic revitalization strategy that reflects sustainable development and will help NELA communities to thrive. The NELA RC process also sought to build upon the growing momentum of efforts already in place, and aims to remake the River into a focal point of community revitalization, recreational activities, environmental stewardship, sustainable civic engagement, and economic growth for the entire city.

## The NELA RC had three objectives:

- Engage the community in identifying a NELA Riverfront District.
- Create a comprehensive implementation strategy for community revitalization and reinvestment that links land use, economic development and workforce strategies.
- Create a model of engagement and public media to foster civic participation in the revitalization of communities.

The project created an interdisciplinary team of "place and people professionals" from the fields of planning, transportation, community engagement, environmental advocacy, academia, media, and community development. The NELA RC team is led by the EWDD, and includes the Los Angeles Planning Department, Los Angeles Department of Water and Power, City of Los Angeles Bureau of Engineering, Los Angeles County Economic Development Corporation, Workforce Investment Board, University of Southern California Annenberg School for Communication and Journalism's

Metamorphosis Project, Occidental College's Urban Environmental Policy Institute, KCET Departures, the L.A. River Revitalization Corporation, Tierra West Advisors, and the L.A. Conservation Corps.

#### **STATUS**

Over the past 18 months, the NELA-RC project team engaged in an extensive community engagement and popular education campaign around five policy areas: 1) Land-use planning and placemaking 2) Workforce Development 3) Economic Development and Sustainable Financing 4) Regional Food Access 5) Mobility / Transportation.

The project team developed innovative outreach strategies targeted at marginalized communities in Elysian Valley, Cypress Park, Glassel Park, Lincoln Heights, and Atwater Village that typically do not participate in City Planning efforts. Through the project efforts, nearly 1,000 community residents and small businesses participated in the planning process through field interviews or participation in community meetings.

The result of the extensive planning efforts has been synthesized into the Los Angeles Riverfront District Vision Plan. The Vision Plan proposes 8 overarching goals and related recommendations for the revitalization of the Northeast Los Angeles Riverfront. The eight Vision Plan Goals presented to this committee in May 2014 include:

- 1. Enhance a Sense of Place
- 2. Enliven the Riverfront Open-Space Experience
- 3. Connect Neighborhoods and River Via Enhanced Mobility
- 4. Improve the Ecological Health of the Built Environment
- 5. Strengthen and Support Employment Opportunities
- 6. Improve Governmental Regulations and Coordination of the River
- 7. Make space for Social Equity
- 8. Promote Sustainable Economic Development

#### DISCUSSION OF PROPOSED STRATEGIC INITIATIVES

Although the Los Angeles Riverfront District Vision Plan overarching goals and specific project/policy recommendations provide a framework for the future revitalization of the Los Angeles Riverfront, the implementation of the NELA Vision Plan will require a long-term commitment by the City of Los Angeles. The final report prepared by the NELA-Riverfront Collaborative proposes 6 Strategic Initiatives for implementing economic development tools, policies, projects in the revitalization of the NELA Riverfront District. The 6 Strategic Initiatives include:

- 1. Establish Leadership to manage the implementation of revitalization efforts
- 2. Identify Funding Sources for On-going sustainable economic development
- 3. Employ Zoning and Land Use Tools
- 4. Prioritize and Implement Needed Infrastructure
- 5. Expand Targeted Business Sectors
- 6. Public-Private Partnerships for Continued Engagement

# 1. <u>Designate leadership to manage the implementation of community revitalization</u> efforts

Any community revitalization effort requires consistent and empowered leadership to help manage the diverse functions of administration, marketing, organizing public-private financing, legal contracts, land use control and other aspects that authorize and guide development projects. While the Los Angeles River Master Plan designated a three tiered structure for managing the revitalization of the Los Angeles River, including the Los Angeles River Authority, the creation of the Los Angeles River Revitalization Corporation and the Los Angeles River Foundation, this structure is mainly focused on the revitalization of the river itself.

The need to designate leadership specifically around economic and community development efforts in the NELA Riverfront District was identified as a priority through the NELA-RC community outreach efforts. It is the recommendation of the NELA-RC that EWDD be designated as the lead organization responsible for coordinating various elected officials, City departments, and stakeholders around the implementation of the economic and community development strategies included in the NELA Riverfront District Plan. Furthermore, it is the recommendation of the NELA-RC that the City should designate and fund a "NELA Riverfront District Executive" position within the EWDD Economic Development Unit whose sole responsibility would be managing the revitalization of the Riverfront District communities, including coordinating with stakeholders, grant writing and other fund raising efforts, and liaison activities with business leaders and investors in development projects. This position would be responsible for coordinating with the Los Angeles Riverworks team in the office of Mayor Garcetti, the Los Angeles River Revitalization Corporation, and other entities created by the City to manage the revitalization of the Los Angeles River.

## 2. Funding Recommendations

A fundamental pillar of economic development in the City of Los Angeles in the wake of CRA dissolvement is identifying sustainable funding resources for community revitalization. The following includes proposed funding recommendations for the Northeast Los Angeles Riverfront District:

- Enhanced Infrastructure Financing District: Develop an Enhanced Infrastructure Financing District in the project area to finance infrastructure projects proposed in the Vision Plan. The recently adopted legislation related to Infrastructure Financing Districts provides the City an excellent tool for revitalizing the NELA Riverfront communities. The new legislation makes this tool more effective by streamlining the approval process by lowering the vote requirement to 55 percent and through expanded financing authority.
- Development of an Elysian Valley Parking Revenue Stream: Instruct the Los Angeles Department of Transportation (LADOT) to implement an Elysian Valley Parking Revenue Stream management system in which fees collected from public parking on city curbsides and designated lots in the neighborhood go to the maintenance of multi-modal transportation options and Riverfront environmental cleanliness operations.

In addition to the aforementioned revenue streams, the NELA-RC also recommends that the City consider the following strategies to support real estate and infrastructure development:

- Industrial Development Authority (IDA) The IDA is a low interest bond program available for acquisition, construction and expansion of fixed and depreciable assets. Targeted borrowers must be manufacturers or value-added operations. Funding limits are between \$2.0 and \$10.0 million.
- Land Trust: Establish a community land trust in NELA to transfer properties off
  of the real estate market for non-market objectives, such as home-ownership
  opportunities and/or community-oriented uses.

## 3. Employ Zoning and Land Use Tools

Zoning and Land Use tools can be used to improve the urban design of the NELA District neighborhoods, both to attract businesses and their employees, and to create more pleasant public streets, sidewalks and spaces people use to walk, bike or drive. In the process, the Strategic Initiatives must balance the needs for an overall greater intensity of use and multi-modal access (car, bike, trains, and pedestrians) with a distribution of density that meets the needs of both new and existing stakeholders. Also, parking as a land use tool will need to be integrated into a plan that balances development with public access to the LA River and its amenities.

The following tools and strategies in this section are recommended to address and advance land use and zoning objectives:

- a. Develop a Los Angeles Riverfront District Specific Plan: The Specific Plan is one of the most powerful land use tools available to local public agencies in the State of California. It allows a high level of local control over a specific area including the option to replace the underlying land use designation and zones in the applicable Community Plan. Specific zoning that would be of value to the NELA District includes:
  - Transitional (increasing) height and density as a function of distance from the LA River to democratize views of the revitalized channel and help to moderate the rate at which property values decrease from the LA River.
  - Preservation of industrial land for job-rich industries targeted in the Vision Plan such as biotech, food hub & artisan foods, creative office and others.
  - Designation of river-adjacent lands for parks, bike trails and other public amenities. A conservation easement may also be used to preserve park and recreation land into perpetuity.
  - Incentivize adaptive reuse in existing historic buildings.
- b. Urban Design Committee: Create a local urban design committee of stakeholders from five different NELA riverfront neighborhoods to review riveradjacent development projects and artistic structures.

c. River Planner: The NELA-RC recommends that the City authorize the creation of a "River Planner" within the Department of City Planning to support EWDD with the creation of the Riverfront District Specific Plan. The "River Planner" would support EWDD in the designation of the Riverfront District and the development of the Northeast Los Angeles Riverfront District Specific Plan. The River Planner would act as a liaison with City Departments, Council Offices and key stakeholders with respect Riverfront District Developments, grant applications and public improvements.

#### 4. Implement Needed Infrastructure

A fundamental pillar of sustainable economic development is building the physical environment and infrastructure systems with the capacity to handle the needs of future developments. The NELA Riverfront District Vision Plan identifies several infrastructure challenges that present significant opportunities for revitalization of the riverfront communities. Infrastructure projects with the greatest opportunity to impact the revitalization of the NELA Riverfront (further described in the Vision Plan) include:

- Elysian Valley Underpass Gateway: Transform the underpass into creative gateway into Elysian Valley neighborhood with lighting, public art, and landscaping enhancements.
- Elysian Valley Parking District: Create a shared system of designated parking lots and multi-modal transportation options to support River-related recreation use and adaptive re-use of industrial buildings.
- North Atwater Sewage Improvements: Coordinate an effort to update the septic and sewer systems in the North Atwater industrial area.
- Fletcher Corridor Improvements: To create a pedestrian-friendly and businessfriendly street, enhance Fletcher Drive with a distinctive streetscape, including pedestrian and bicycle amenities, art installations, and green infrastructure.
- Goldline Improved Access: Work with Metro to improve pedestrian and bicyclist experience in the four-block radius of the Cypress Park/ Lincoln Heights Gold Line Metro station and implement designs that connect the station to the L.A. River Center and Riverfront.
- Elysian Valley Rio Vistas: Implement the three pilot public rights-of-ways (Coolidge, Denby, and Knox) along the River in Elysian Valley into welcoming street ends designated in the Vision Plan, and create a systematic plan to implement Rio Vistas at suitable streets across the NELA Riverfront neighborhoods.
- Bicycle Friendly District: Extend the NELA pilot bicycle-friendly district in Highland Park and Eagle Rock to include the five NELA Riverfront neighborhoods in order to improve the overall bicycle friendliness through bicycle

infrastructure and business promotion in commercial hubs within the NELA Study Area.

The NELA-RC recommends prioritizing the aforementioned infrastructure projects in the revitalization of the NELA Riverfront District and further recommends that the City, through an intra-departmental effort, develop funding strategies to complete these infrastructure enhancements.

## 5. Expand Targeted Business Sectors

Strengthening and supporting employment opportunities in NELA is key to ensuring that local residents share in the benefits revitalization of the NELA Riverfront District. The following includes proposed strategies for strengthening employment opportunities in NELA:

- Develop NELA Riverfront District Business Attraction Strategy: Increased recreation along the Los Angeles River, including the expanded bike paths proposed under the Greenway 2020 plan, as well as the opening of the river for kayaking and other water-based recreational activities, which continue to attract more Angelinos to the river each year. The increase in tourism to the river provides an opportunity to expand commercial development along the main corridors, including Fletcher Drive and Glendale. The EWDD should develop a business attraction strategy to attract new businesses to cater to river tourism.
- Advanced/Clean Manufacturing in North Atwater: Create an Advanced Manufacturing overlay zone in North Atwater to improve regional workforce and wage-rate while attracting high-tech businesses to the district.
- Eco Tourism Initiative: Develop an Eco Tourism initiative to expand the
  existing recreation and tourism activities around the river. The opening of the
  River for recreational activities has led to the development of new enterprise
  focused on serving Angelinos visiting the River for recreational activities. As the
  River restoration continues, there will be a need to support entrepreneurs
  developing enterprises that serve river tourism.

## 6. Public-Private Partnerships for Continued Engagement

**Secure Foundation Grants and Partnerships:** Instruct the NELA Riverfront District Executive to apply and secure foundation grants and partnerships to continue the education and engagement of the local community stakeholders into the Riverfront District economic development implementation.

Develop Memorandum of Understanding with USC as Engagement and Evaluation Partner: Maintain, leverage, and help secure funding with the NELA Riverfront Collaborative's engagement lead partner USC Annenberg School for Communication and Journalism to continue to bring the university, grant writing, and community resources to the continued engagement of the NELA stakeholders and multiple public-private sectors into the NELA Riverfront planning and economic development activities. Continued community engagement will be critical in securing community approval of an Enhanced Infrastructure Finance District.

#### CONCLUSION

As the revitalization of the Los Angeles River Eco-System continues to gain momentum, the City must not lose focus on the revitalization of adjacent communities. The Northeast Los Angeles Riverfront District Vision Plan and the Strategic Initiatives presented in this report provide recommendations that will remake the River into a focal point of community revitalization, recreational activities, environmental stewardship, sustainable civic engagement, and economic growth for the entire city.

Seneral Manager

JP:RS:GR:mdc