

ECONOMIC DEVELOPMENT COMMITTEE REPORT relative to utilizing Community Redevelopment Agency of Los Angeles (CRA/LA) Excess Non-Housing Bond Proceeds (EBP) for the Beverly/Madison Improvements Project (Project) within the Wilshire Center/Koreatown Redevelopment Project Area.

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

1. FIND that the action of appropriating and withholding expenditure of funds for the Project pending the completion, review and consideration of planning and environmental documents related to the Project is not a project pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15378(b)(4) because it merely creates a funding mechanism or other governmental fiscal activity that does not commit the City to a project that may result in a potentially significant impact on the environment, and that preparing preliminary planning and environmental documents is not a project pursuant to CEQA Guidelines Section 15378(b)(5) because it is an administrative activity that will not result in physical changes in the environment.
2. APPROVE up to \$858,408 in taxable, and \$762,150 in tax-exempt CRA/LA EBP plus all earned interest (Interest) available to Council District 13 from the Wilshire Center/Koreatown Redevelopment Project Area for the Project.
3. AUTHORIZE the Bureau of Engineering (BOE) to be the implementing department for activities relating to the Project.
4. AUTHORIZE the BOE to approve, negotiate and execute contracting documents (Contract) as required with duly procured contractor(s) to effectuate the Project and prevailing wage requirements.
5. AUTHORIZE the Controller, subject to the requirements below and availability of funds and duly executed and encumbered Contract(s), to expend up to \$858,408 plus Interest from the EBP Fund No. 57D, Account Nos. 22L9TT and 22S9TT, Wilshire Center/Koreatown Taxable Series 2006-A and 2008-B, and up to \$762,150 plus Interest from the EBP Fund No. 57D, Account Nos. 22L9TN and 22S9TN, Wilshire Center/Koreatown Tax-Exempt Series 2008-C, for activities related to the Project upon presentation of proper documentation by the BOE, and satisfactory review by Economic and Workforce Development Department (EWDD) in accordance with the terms and conditions of the Bond Expenditure Agreement.
6. AUTHORIZE the BOE to perform limited preliminary planning as may be necessary to conduct the environmental review for the Project from the above-noted funds allocated to Project.
7. INSTRUCT the BOE to withhold expending, or committing to expend, any of the remainder of the above-noted funds allocated to the Project until all of the following have occurred:
  - a. The BOE has completed the preliminary planning documents and environmental review documents.

- b. The City has complied with CEQA requirements with respect to the Project, including obtaining any necessary CEQA clearances.
  - c. The Board of Public Works has considered and approved the Project for expenditure of the remaining funds.
8. INSTRUCT the BOE to transmit copies of all executed Contract(s) for the Project to the EWDD.
  9. INSTRUCT the BOE to expend the CRA/LA EBP allocation no later than September 30, 2024.
  10. INSTRUCT the BOE to report on its work accomplishments to the City Administrative Officer (CAO), and fund expenditures to the EWDD, on a quarterly and as-needed basis.
  11. AUTHORIZE the Interim General Manager, EWDD, or designee, to make any technical corrections or clarifications as necessary to the above instructions in order to effectuate the intent of this action.
  12. AUTHORIZE the Interim General Manager, EWDD, or designee, to prepare Controller instructions and/or make technical adjustments that may be required and are consistent with this action, subject to the approval of the CAO; and, AUTHORIZE the Controller to implement these instructions.

Fiscal Impact Statement: The CRA/LA Bond Oversight Committee reports that there is no impact on the City's General Fund from the proposed appropriation of CRA/LA EBP. The CRA/LA EBP Fund No. 57D is funded solely from transfers totaling approximately \$88.4 million in pre-2011 tax allocation bond proceeds from CRA/LA to the City. Said transfers have been deposited with the Controller.

Community Impact Statement: None submitted.

### SUMMARY

At the meeting held on November 26, 2019, your Economic Development Committee considered a CRA/LA Bond Oversight Committee report relative to utilizing CRA/LA EBP for the Project within the Wilshire Center/Koreatown Redevelopment Project Area. The EWDD reports that, originally all remaining taxable and tax-exempt EBP plus Interest to Flexible PSH Solutions, Inc. was allocated to fund the Enlightenment Plaza Project. Council District 13 subsequently modified request for the BOE to perform public infrastructure improvements at Beverly/Madison which is located within the Promise Zone. The Chief Legislative Analyst has concluded that this modification does not require an amending motion as infrastructure improvements were listed as a goal in the Motion. Promise Zone Program or related projects including fund opportunities for public improvements was identified as a potential project for the Project Area in the Bond Spending Plan that was adopted by Council (Council file No. 14-1174). Sufficient funds for this purpose are available from Council District 13's portion of EBP and Interest in the Project Area. After an opportunity for public comment was held, the Committee moved to approve the CRA/LA Bond Oversight Committee's recommendations, as detailed

above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

ECONOMIC DEVELOPMENT COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
PRICE:	YES
BUSCAINO:	ABSENT
RODRIGUEZ:	YES

ME 11/26/19

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**