



Community Health Councils, Inc.



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Ad-Hoc Committee on Economic Development Implementation
Los Angeles City Council
200 North Spring Street
Los Angeles, California 90012

Re: File No. 08-3050

Dear Councilmembers:

Community Health Councils recognizes that a coordinated and viable economic development structure and strategy is a pressing need for the City of Los Angeles, particularly since the dissolution of the Community Redevelopment Agency (CRA/LA). Working with economically distressed communities such as South Los Angeles, Wilmington, Pacoima, and Boyle Heights, we are acutely aware of the deficiencies in the city's current economic development structure and strategy. The economic future of Los Angeles, and communities for which there has been historical public and private divestment in particular, is at a crossroads. Any effort to address our economic future depends on the city's ability to proactively and equitably leverage capital investments to promote job and wage development, small business development, industrial innovation, environmental sustainability, local quality of life and a participatory planning process. However, while we agree with the need for a comprehensive plan and strategy, it is not clear to us that the draft Ordinance and associated actions before you today will achieve this objective.

The proposed ordinance and staff report lacks specificity on a number of key issues. Furthermore, there has been little effort made or time afforded to solicit public input. At a minimum, **we urge the Committee to delay action on the draft Ordinance until the details of the scope, authority and a system of accountability can be sufficiently clarified and more voices heard in the process.** We recommend the Ad-Hoc Committee convene a second at City Hall or at a location in South Los Angeles prior to taking action on this matter.

With respect to the substance of the Ordinance itself, we have particular concerns about the following key issues:

Surplus Property: We request a fuller explanation and more clarity on the process by which city-owned property will be transferred for economic development purposes outside of the normal process for the disposition of surplus property under local and state law, including:

- Criteria for determining a valid economic development public use of properties, including recognition of parks, open space and affordable housing as economic development priorities;
- The role of the public and the City Council in the transference process; and
- Provisions that would ensure that every disposition of city property is transacted in a transparent and competitive manner, with the best interests of the City and local communities as the guiding priority.

Nonprofit Entity: We request greater detail about the proposed release of a Request for Proposals for a Citywide Economic Development Non-Profit. In particular, we would like a written explanation of, but not limited to, the following:

- The potential scope of work;
- Provisions to ensure that the nonprofit's leadership will be representative of the wider stakeholder community;
- The requirements and system to ensure transparency with respect to its operations and finances;
- Terms and condition of compensation; and
- Performance metrics.

Economic Development Strategy: There isn't sufficient information in the Ordinance or the staff report about the process by which the City will create an economic development strategy, or the basic outlines of the topics that it will address. We would like to see clear directives included in the Ordinance requiring that any citywide economic development strategy include principles and metrics with respect, but not limited, to:

- A comprehensive scope of economic development activities;
- Criteria for the prioritization of the use of public assets;
- Fiscal and decision-making transparency;
- Public engagement and accountability; and
- The relationship between the strategic plan and economic development decision making.

Thank you for this opportunity to address this most pressing of issues facing the City at this time. We trust that you will carefully consider our comments and those of others in the City in the process of creating a new and exciting structure and strategy for economic development in the coming years. We look forward to assisting the City Council in developing its economic development strategy based on the goals and values outlined above.

Respectfully,



Lark Galloway – Gilliam
Executive Director