



Community Redevelopment Agency  
of the CITY OF LOS ANGELES

DATE / **JUN 18 2009**

FILE CODE /

354 South Spring Street / Suite 800  
Los Angeles / California 90013-1258

T 213 977 1600 / F 213 977 1665  
[www.craia.org](http://www.craia.org)

CRA File No. 9053

Council District: 1, 4 & 13

Contact Person: Alison Becker  
(213) 977-1780

Honorable Council of the City of Los Angeles  
John Ferraro Council Chamber  
200 N. Spring Street  
Room 340, City Hall  
Los Angeles, CA. 90012

**COUNCIL TRANSMITTAL:**

Transmitted herewith, is a Board Memorandum adopted by the Agency Board on June 18, 2009, for City Council review and approval in accordance with the "Community Redevelopment Agency Oversight Ordinance" entitled:

**VARIOUS ACTIONS RELATED TO:**

VARIOUS ACTIONS NECESSARY TO EVALUATE AN AMENDMENT TO THE EAST HOLLYWOOD/BEVERLY-NORMANDIE EARTHQUAKE DISASTER ASSISTANCE PROJECT OR ESTABLISH A NEW REDEVELOPMENT PROJECT AREA, TO INCORPORATE LANDS ALONG AND NEAR THE LOS ANGELES RIVER, WITHIN PORTIONS OF COUNCIL DISTRICTS 1, 4, AND 13 INCLUDING AUTHORIZATION TO ENTER IN CONTRACTS NOT TO EXCEED A TOTAL OF \$1,000,000 FOR CONSULTANT SERVICES RELATING TO SUCH EVALUATION

**RECOMMENDATION**

That City Council approve(s) recommendation(s) on the attached Board Memorandum.

**ENVIRONMENTAL REVIEW**

The recommended actions are statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15262 (Feasibility and Planning Studies) of the CRA/LA CEQA Guidelines.

**FISCAL IMPACT STATEMENT**

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

Cecilia V. Estolano, Chief Executive Officer



cc: Alan Alietti, 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  
Helmi Hisserich, Office of the Mayor  
Noreen Vincent, Office of the City Attorney  
Council Member Ed Reyes, Council District 1  
Council Member Tom LaBonge, Council District 4  
Council Member Eric Garcetti, Council District 13

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MEMORANDUM

DATE: JUNE 18, 2009 EB6990

TO: CRA/LA BOARD OF COMMISSIONERS

FROM: CECILIA V. ESTOLANO, CHIEF EXECUTIVE OFFICER

RESPONSIBLE PARTIES: LESLIE LAMBERT, REGIONAL ADMINISTRATOR  
KIM PFOSER, PRINCIPAL PLANNER  
ALISON BECKER, ASSOCIATE PLANNER

SUBJECT: VARIOUS ACTIONS NECESSARY TO EVALUATE AN AMENDMENT TO THE EAST HOLLYWOOD/BEVERLY-NORMANDIE EARTHQUAKE DISASTER ASSISTANCE PROJECT OR ESTABLISH A NEW REDEVELOPMENT PROJECT AREA, TO INCORPORATE LANDS ALONG AND NEAR THE LOS ANGELES RIVER, WITHIN PORTIONS OF COUNCIL DISTRICTS 1, 4, AND 13 INCLUDING AUTHORIZATION TO ENTER IN CONTRACTS NOT TO EXCEED A TOTAL OF \$1,000,000 FOR CONSULTANT SERVICES RELATING TO SUCH EVALUATION (CDs #1, 4, AND 13)

RECOMMENDATIONS

- I. That the CRA/LA Board of Commissioners request the City Council to take the following actions:
  - A. Direct the CRA/LA to initiate the planning and feasibility studies necessary to prepare a preliminary plan for an amendment to the East Hollywood/Beverly-Normandie Earthquake Disaster Assistance Project or define a new redevelopment project area, to incorporate lands along and near the Los Angeles River, within portions of Council Districts 1, 4 and 13, in an expedited and effective manner; and
  - B. Interpret certain actions related to the overall process for preparing an amendment to the existing Earthquake Disaster Assistance Project or for a new North East Los Angeles River Redevelopment Plan as ministerial actions and not "actions of the Agency", subject to Section 8.99.04 of the City of Los Angeles Administrative Code; and
  - C. Adopt a resolution which will provide for processing the proposed amendment or preliminary redevelopment plan and preliminary report for the proposed North East Los Angeles River Redevelopment Plan to City Council in such a manner that the review of the draft documents by the City Council would be subject to the "10 day rule" under the Oversight Ordinance, pursuant to Section 8.99.05 of the Los Angeles Administrative Code.
- II. That the CRA/LA Board of Commissioners, contingent upon the City Council's action on the recommendations above:

- A. Authorize the Chief Executive Officer (CEO) or designee to proceed with an evaluation of an amendment to the East Hollywood/Beverly-Normandie Earthquake Disaster Assistance Project or the establishment of a new redevelopment project area along and near the Los Angeles River and all actions necessary to complete the plan; and
  - B. Authorize the CEO or designee to transmit the Preliminary Plan, Preliminary Report, Final Report to Council, State Reports, Proposed Redevelopment Plan and any and all other required documents for the proposed plan to all affected taxing agencies, the Planning Commission of the City of Los Angeles, the City Council, Departments of the State of California and any other required parties, as applicable.
- III. That the CRA/LA Board of Commissioners, subject to City Council review and approval:
- A. Amend the FY09 East Hollywood/Beverly-Normandie Budget to transfer \$1,000,000 in Tax Increment funds from budgeted line item "Public Improvements" to "Development Opportunities". The funding is no longer needed for the Vermont Mixed-Use work objective because the related property could not be acquired at a price that would have enabled the development of a feasible project.
  - B. Authorize the Chief Executive Officer (CEO) or designee to negotiate and execute contracts for consulting services not to exceed \$1,000,000 relating to the formulation of an amendment to the East Hollywood/Beverly-Normandie Earthquake Disaster Assistance Project or the establishment of a new redevelopment project area along and near the Los Angeles River.
- IV. That the CRA/LA Board of Commissioners:
- A. Authorize the CEO or designee to define the scope of work necessary to formulate the amendment or new redevelopment plan, including but not limited to legal, environmental, economic analysis and the creation of a citizen engagement and participation plan; and to issue a request for cost proposals for the required consulting services in an amount not to exceed \$1,000,000.

#### SUMMARY

The Oversight Ordinance of the Los Angeles City Administrative Code requires that all actions for the adoption and amendment of redevelopment plans be reviewed by the City Council. The Ordinance does allow the CRA/LA to request that certain actions be interpreted not as "actions of the Agency" to be so reviewed, but as "ministerial actions" in the processing of documents for adoptions and amendments. The Ordinance also permits the Council to adopt a resolution to review the preliminary redevelopment plan and the preliminary redevelopment reports pursuant to the provisions of Section 8.99.05 of the Administrative Code, which allows for processing within a 10-day period after CRA/LA Board of Commissioners approval of the document or notification that the document is complete and ready for processing.

The requested actions expedite the planning process by eliminating approximately six months from what would otherwise be an approximately two-and-one-half year long process. The CRA/LA must petition the City Council for these expediting actions on a project-by-project basis.

The provisions of Section 8.99.04 of the Oversight Ordinance that pertain to the proposed Redevelopment Plan which are requested to be interpreted as "ministerial actions" are listed on Attachment A. A draft resolution of the City Council granting relief for the items to be reviewed under the "10-day rule" of Section 8.99.05 is found at Attachment B.

## RE

April 2, 2009 – CRA/LA request to LA City Council, pursuant to Oversight Ordinance provisions, to authorize the CRA/LA board of Commissioners to adopt by resolution the expansion of Redevelopment Survey Area No. 2.

## SOURCE OF FUNDS

Tax Increment funds from the East Hollywood/Beverly-Normandie Project area.

## PROGRAM AND BUDGET IMPACT

Sufficient funds are available in the FY09 East Hollywood/Beverly-Normandie budget to fund this project. There is no fiscal impact to the City's General Fund as a result of the recommended actions.

## ENVIRONMENTAL REVIEW

The recommended actions are statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15262 (Feasibility and Planning Studies) of the CRA/LA CEQA Guidelines.

## BACKGROUND

Since its inception in early 2002, the CRA/LA has been an active participant on the City Department Task Force on the Los Angeles River. CRA/LA staff, through its involvement with the Task Force, the creation of the LA River Master Plan, and the City Planning-initiated RIO specific plan, is aware of the significant planning and visioning work that has been accomplished by the residents, businesses and other stakeholders of river-adjacent communities in North East Los Angeles. However, while the LA River Master Plan identifies several key revitalization goals and projects within the "Glendale Narrows" portion of the River, the City of Los Angeles, on its own, has a limited set of economic tools and limited staff resources to orchestrate significant redevelopment and revitalization projects.

This limitation is very evident at the common boundaries between the City of Glendale and Los Angeles. The City of Glendale established a redevelopment project area to support revitalization of its industrial zone along San Fernando Road near the LA River in December 1992 and today the physical environment and infrastructure is much improved. Unfortunately, even during the recent real estate boom, the adjacent areas within the City of Los Angeles have lagged behind many other areas of the City in terms of attracting private re-investment.

Last fall, CRA/LA staff was asked by area constituents and stakeholders to undertake studies to determine the feasibility of adopting a redevelopment program to support community revitalization efforts along and near the Los Angeles River in North East Los Angeles. The area proposed for study is approximately 1,400 acres, and would encompass portions of several distinct communities, including North Atwater, South Atwater, Fletcher Square, Glassell Park, Cypress Park, and Elysian Valley. These communities are home to varied commercial, residential and industrial uses.

**North Atwater**

North Atwater is a predominantly industrial area with a small commercial presence of approximately 230 acres. A fairly low density residential community is located immediately to the south and west of the study area. The Los Angeles River defines the western boundary. This predominantly industrial area has abandoned rail spurs and substandard streets that do not support truck movement or continuous circulation. Poorly sized, deteriorated and obsolete industrial and commercial structures and irregular shaped or improperly sized parcels have contributed to the unusually high vacancy rates within this industrial zone. As a result many industrial and commercial properties are underutilized.

**South Atwater/Fletcher Square**

The Fletcher Square district includes medium density residential, commercial, industrial and institutional uses and is comprised of approximately 300 acres. The 2 Freeway defines the south-eastern boundary. The Los Angeles Community College District is currently developing a campus within this area. Local planning efforts have resulted in the development of a community design overlay district and streetscape plan, which are intended to improve the physical environment of the area.

**Elysian Valley**

Elysian Valley is an established low-density residential community of approximately 350 acres that was largely developed during the early 20<sup>th</sup> century. It is distinguished by a small heavy industrial zone that lines the LA River. With a traditional street grid that terminates abruptly at the River's edge, Elysian Valley residents have long suffered with the truck traffic and other impacts of incompatible, abutting industrial uses. The development of the 5 freeway in the 70's separated Elysian Valley from its historic commercial district along Riverside Drive, and currently the community is lacking basic, neighborhood serving commercial uses.

**Cypress Park**

The old rail road yards commonly known as "Taylor Yards" are the predominant element of 560 acre Cypress Park study area. The City of Los Angeles, working with the California State Parks Department, recently developed the first of what is hoped to be a series of public open spaces along the River in this area. The LA Unified School District also recently acquired land at Taylor Yards for a new high school. With these new people-oriented uses in an otherwise predominantly industrial zone, the San Fernando Road corridor has become the focus of community planning efforts, as there is a need to better connect the residential community to the north with the new open spaces and public facilities.

A redevelopment program in these communities could focus on infrastructure and open space/public space improvements, land use strategies to support "job-rich" industrial and commercial uses, coordinated "Main Street"-type programs to enhance existing commercial districts and support local businesses, and housing rehabilitation programs. Addressing conditions of deterioration and decay within the study area, which impedes the economic viability of the community, would be the overarching goal of the project.

Section 8.99.04 of the Los Angeles Administrative Code, otherwise known as the Oversight Ordinance, was adopted in April of 1991, and states that "certain actions of the Agency... shall not be final or binding or deemed approved until approved by a majority vote of the whole (City) Council." Included in these actions are those to establish or change redevelopment project areas.

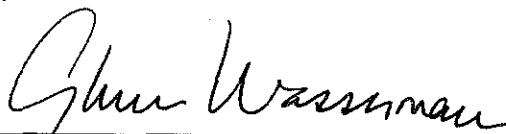
In 1992, the City Council acknowledged that some actions to establish or change redevelopment project areas could be deemed as "ministerial" in nature, and not "actions of the Agency" which are subject to a majority vote. These actions are generally related to the transmittal of documents as required by the Community Redevelopment Law for processing, and are intended to shorten the processing time of an amendment or adoption by up to six months.

Additionally, Section 8.99.04 permits the City Council to adopt a resolution to review the expedited preliminary redevelopment plan and the preliminary redevelopment reports per the provisions of Section 8.99.05 of the Code, which allows the documents to be declared "final" after a 10-day period within which they may be reviewed by the Council and which shortens the process considerably.

The CRA/LA must petition the City Council for determination of the actions to be declared "ministerial" in nature and the treatment of the preliminary redevelopment plan and reports under the "10-day Rule" on a project-by-project basis. Receiving these determinations will reduce the time and cost of the amendment. Staff recommends that the CRA/LA requests the City Council to declare support for these expediting efforts by adopting the list of actions to be declared "ministerial" shown on Attachment A, and by adopting a resolution for use of the 10-day rule for pertinent documents, as proposed by Attachment B. A map of the proposed study area is shown on Attachment C.

Cecilia V. Estolano  
Chief Executive Officer

By:



Glenn F. Wasserman  
Chief Operating Officer

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

#### ATTACHMENTS

- Attachment A – List of actions proposed to be declared "ministerial" by City Council
- Attachment B – Draft City Council resolution regarding processing of key documents under the 10-day rule
- Attachment C – Proposed North East Los Angeles River Redevelopment Project Area

ATTACHMENT A

ACTIONS OF THE CRA/LA RELATING TO THE PREPARATION AND PROCESSING OF A  
PROPOSED AMENDMENT TO THE EAST HOLLYWOOD EARTHQUAKE DISASTER  
ASSISTANCE PROJECT OR NEW REDEVELOPMENT PLAN FOR  
LAND ALONG AND NEAR THE LOS ANGELES RIVER,  
WITHIN PORTIONS OF COUNCIL DISTRICTS 1, 4, AND 13

1. CRA/LA requests the City Planning Commission to formulate and approve the preliminary redevelopment plan.
2. CRA/LA authorizes transmittal of the preliminary report for review by taxing entities.
3. CRA/LA adopts resolution designating the last equalized assessment roll to be used for the allocation of taxes, authorizing transmittal of a related Notice to County taxing entities and the State Board of Equalization, per section 33328 of the California Community Redevelopment law, and further authorizes the transmittal of information pursuant to Section 33327 of the Law for the land to be added to the Earthquake Disaster Assistance Project for Portions of Council District 3 Redevelopment Project Area.
4. CRA/LA adopts resolution approving and adopting Rules of Owner Participation and making them available for public inspection.
5. CRA/LA adopts resolution authorizing transmittal of the proposed redevelopment plan to the City Planning Commission.
6. CRA/LA adopts resolution certifying the final EIR, and authorizing its transmittal to the City Planning Commission.
7. CRA/LA, by resolution, authorizes the Chief Executive Officer or designee to transmit the proposed redevelopment plan, and report to City Council, upon completion, to the City Council.
8. CRA/LA adopts resolution consenting to a joint public hearing with City Council on the proposed amendment or redevelopment plan, and requesting City Council to set the time, date and place therefore.



ATTACHMENT B

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE LOS ANGELES CITY COUNCIL TO EXPEDITE THE PREPARATION OF AN AMENDMENT TO THE EAST HOLLYWOOD EARTHQUAKE DISASTER ASSISTANCE PROJECT OR A NEW REDEVELOPMENT PLAN FOR LAND ALONG AND NEAR THE LOS ANGELES RIVER, WITHIN PORTIONS OF COUNCIL DISTRICTS 1, 4, AND 13.

WHEREAS, City Council has approved procedures to expedite the evaluation of redevelopment project areas on a project-by-project basis, to eliminate unnecessary expenditures of staff time and funds and to insure that financial resources are used wisely in the processing of such an amendment; and

WHEREAS, Subsection (f) of Section 8.99.04 of the Los Angeles Administrative Code provides that Council may, by resolution, implement expediting procedures for any proposed redevelopment plan amendment or adoption; and

WHEREAS, the preparation of an amendment to the East Hollywood Earthquake Disaster Assistance Project or a new Redevelopment Plan for land along and near the Los Angeles River within Portions of Council Districts 1, 4, and 13 is necessary to further the revitalization of the proposed Project Area.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOS ANGELES, CALIFORNIA, AS FOLLOWS:**

1. The City Council hereby finds that it is in the best interests of the community to expedite the preparation of an amendment to the East Hollywood Earthquake Disaster Assistance Project or a new redevelopment plan for the proposed North East Los Angeles River Redevelopment Project Area.
2. The City Council hereby exempts CRA/LA actions relating to the preliminary report and preliminary redevelopment plans for the proposed amendment or new North East Los Angeles River Redevelopment Project Area from Council review under Section 8.99.04 of the Los Angeles Administrative Code, and directs that CRA/LA actions on these matters proceed pursuant to Section 8.99.05.

ADOPTED: \_\_\_\_\_

# Attachment C – Proposed Project Area Boundaries

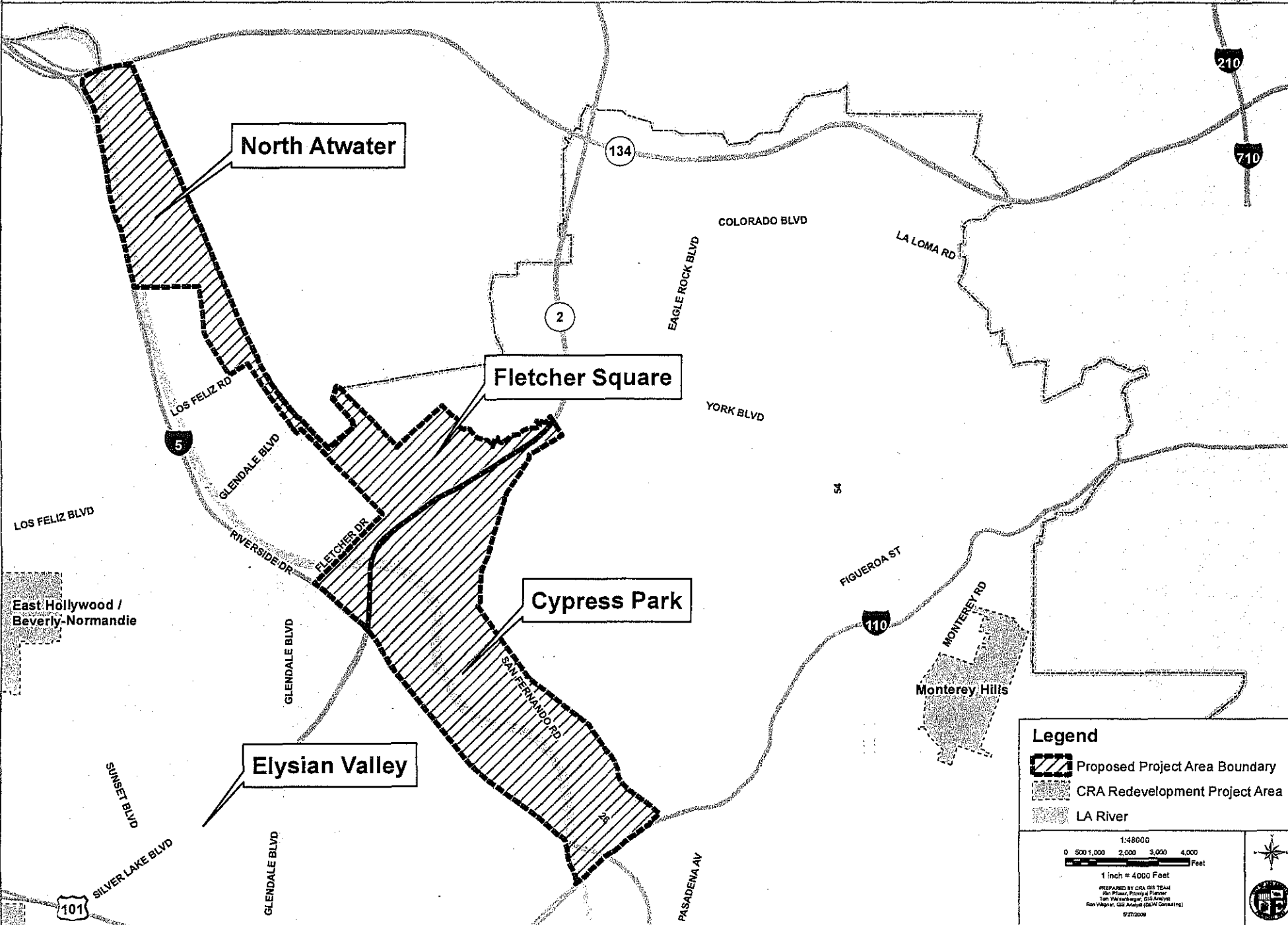
C R A / L A

Redevelopment  
Project

Northeast Los Angeles River Study Area

Community  
Redevelopment  
Agency

City  
of  
Los Angeles



**Legend**

- Proposed Project Area Boundary
- CRA Redevelopment Project Area
- LA River

1:48000  
0 500 1,000 2,000 3,000 4,000 Feet  
1 inch = 4000 Feet

PREPARED BY CRA GIS TEAM  
for Planning and Policy  
Tom Winkler, GIS Analyst  
Ron Wagner, GIS Analyst (SAW Consulting)  
9/27/2009