

TRANSMITTAL

To:

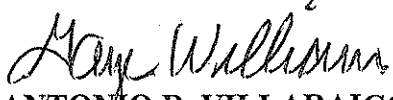
THE COUNCIL

Date: JUN 27 2013

From:

THE MAYOR

TRANSMITTED FOR YOUR CONSIDERATION. PLEASE SEE ATTACHED.


ANTONIO R. VILLARAIGOSA
Mayor

CITY OF LOS ANGELES

CALIFORNIA

GREGORY P. IRISH
INTERIM GENERAL MANAGER



ANTONIO R. VILLARAIGOSA
MAYOR

COMMUNITY DEVELOPMENT
DEPARTMENT

1200 W. 7TH STREET
LOS ANGELES, CA 90017

June 25, 2013

Council File Number:
Council Districts: 1, 4, 13
Contact Person & Ext:
Robert Sainz (213) 744-7396

The Honorable Antonio R. Villaraigosa
Mayor, City of Los Angeles
Room 303, City Hall

Attention: Mandy Morales, Legislative Coordinator

COMMITTEE TRANSMITTAL: STATUS OF NORTHEAST LOS ANGELES RIVER COLLABORATIVE – HOUSING AND URBAN DEVELOPMENT SUSTAINABLE COMMUNITIES CHALLENGE GRANT

The Interim General Manager of the Community Development Department of the City of Los Angeles respectfully requests that your office process this transmittal to the appropriate City Council Committee(s) and the Los Angeles City Council for consideration and approval.

RECOMMENDATIONS

The Interim General Manager of the Community Development Department (CDD), or designee, requests that the Mayor and the City Council:

1. AUTHORIZE the Interim General Manager, CDD, or designee to negotiate and execute an agreement with the Community Redevelopment Agency/Designated Local Authority (CRA/DLA) to accept \$263,367 in CRA/DLA funding for the Northeast Los Angeles River Collaborative (NELA-RC) and include funds previously expended by CRA/DLA on the NELA-RC project to be used toward the Housing and Urban Development (HUD) required match for the Sustainable Communities Challenge Grant (Grant).

2. AUTHORIZE the Interim General Manager, CDD, or designee to negotiate and execute an amendment to the NELA-RC agreement with Tierra West Advisors (C-121796) to allocate \$209,367 in additional funding for a new total not to exceed \$536,355.
3. AUTHORIZE the Controller to establish new accounts and appropriate within Community Challenge Grant Fund No. 53W as follows:

Account	Title	Amount
22JXXX	Tierra West Advisors – CRA	\$209,367
	TOTAL	\$209,367

4. INSTRUCT the City Clerk to place on the first available meeting date after July 1, 2013 the following recommendation:
 - a. Appropriate \$53,082 in account 22K122 Community Development within Fund No. 53W.
 - b. Appropriate \$918 in account 22K299 Related Costs within Fund No. 53W.
 - c. Appropriate \$53,082 in account 001070 Salaries as Needed within Fund 100/22.
5. AUTHORIZE the CDD 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 instruct the Controller to implement these instructions.

FISCAL IMPACT

The assignment of the HUD Grant will not have an impact on the General Fund. To the extent that the CDD and the Planning Department use a portion of the funds for administrative and program cost recovery, the General Fund will realize revenue from associated related cost contributions.

BACKGROUND

On June 29, 2012, the City Council, with the Mayor's concurrence, authorized the CDD to accept the assignment of the \$2.25 million Grant from the CRA/DLA Successor Agency; to enter into an agreement with HUD for said funds; and to negotiate and execute agreement with NELA-RC Partners in the amounts identified in Council File Number 10-1451. The original project budget included \$263,367 in CRA/DLA matching funds for the completion of an economic development study for the project area. In a

CDD report dated January 20, 2013, the Department reported that that the State Department of Finance (DOF) had rejected the CRA/DLA match through their review of Recognized Obligation Payment 3 in November 2012. It was also reported that CRA/DLA would continue their negotiations with the DOF, with the goal of including this funding in a future Recognized Obligation Payment.

Status of CRA/DLA Match for NELA-RC

Due to the efforts of CRA/DLA and the Mayor's Office, the DOF has restored the CRA/DLA's matching funds for the NELA-RC project. A total of \$263,367 has been approved for distribution to the NELA-RC project after July 1, 2013.

The CDD proposes to use the restored CRA/DLA funding to enhance the economic development activities currently underway. Funding will be allocated as follows:

No.	Agency	Amount
1.	Community Development Department	\$54,000
2.	Tierra West Advisors	\$209,367
	TOTAL	\$263,367

The additional funding will support the economic development study through administrative support provided by the CDD and the development of implementation strategies by Tierra West Advisors (TWA).

The objective of the NELA-RC economic development study is to develop comprehensive place-based redevelopment strategies. The final report will address this objective and include recommendations for sustainable economic development financing tools; land-use policy recommendations for future economic development; and workforce strategies to complement to high-growth employment sectors that will result from the development of a Riverfront District.

The CDD will allocate three Community Administrative Support Workers (CASWs) to support the administration of the NELA-RC program. The CASWs will assist with the final preparation and consolidation of reports as well as with civic engagement activities.

The majority of the funding will be allocated to TWA. The TWA is currently charged with developing financing tools for the development of a Riverfront District. The additional funding will enhance their study through the development of implementation strategies for financing and economic development tools. The additional scope will include planning for potential tax-assessment districts, if feasible, and/or grant-writing for state and federal grants. Funding may also be used for other program support related to the implementation strategies, including GIS Mapping and project management.

Ultimately, this study will contribute to the City's economic development goals through the development of a road map for implementing place-based economic development strategies in low-income communities.

The CDD anticipates presenting policy recommendations, developed through this strategy, to the Mayor and City Council, no later than May 2014.

Revised Project Budget:

No.	Category	HUD Grant	City-Match	Total
1.	Personnel	\$171,496	\$53,082	\$224,578
2.	Fringe Benefits	\$72,224	\$918	\$73,142
3.	Supplies	\$5,064	\$0	\$7,064
4.	Travel	\$5,850	\$0	\$5,850
5.	Subcontracts/Consultants	\$1,939,545	\$1,069,607	\$3,009,152
6.	Other Direct Costs	\$48,475	\$0	\$48,475
7.	Indirect Costs	\$7,346	\$0	\$7,346
8.	Total	\$2,250,000	\$1,123,607	\$3,375,607



GREGORY P. IRISH
Interim General Manager

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