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CRA File No. 92916
Council District: 1, 4 & 13
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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 December 16, 2010 for City Council review and approval in accordance with the "Community Redevelopment Agency Oversight Ordinance" entitled:

VARIOUS ACTIONS RELATED TO:

Acceptance of a \$2.25 Million Community Challenge Planning Grant. Various actions to accept from the U.S. Department of Housing and Urban Development's Office of Sustainable Housing and Communities, a \$2.25 million Community Challenge Planning Grant, and to enter into contracts with grantee partners to implement the Northeast Los Angeles Collaborative Project within the proposed Northeast Los Angeles River Corridor redevelopment project area

HOLLYWOOD & CENTRAL REGION (CD 1, 4 and 13)

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 State and CRA/LA CEQA Guidelines.

FISCAL IMPACT STATEMENT

There is no negative impact on the City's General Fund.

Christine Essel, Chief Executive Officer



cc: Sharon Gin, 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
Steve Ongele, Office of the Mayor
Noreen Vincent, Office of the City Attorney
Council President Eric Garcetti, CD 13
Councilmember Tom LaBonge, CD 4
Councilmember Ed Reyes, CD 1

MEMORANDUM

7

DATE: DECEMBER 16, 2010 EB6010
100610

TO: CRA/LA BOARD OF COMMISSIONERS

FROM: CHRISTINE ESSEL, CHIEF EXECUTIVE OFFICER

STAFF: ALISON BECKER, ASSOCIATE PLANNER
NEELURA BELL, PROJECT MANAGER
LESLIE LAMBERT, REGIONAL ADMINISTRATOR

SUBJECT: **Acceptance of a \$2.25 Million Community Challenge Planning Grant.** Various actions to accept from the U.S. Department of Housing and Urban Development's Office of Sustainable Housing and Communities, a \$2.25 million Community Challenge Planning Grant, and to enter into contracts with grantee partners to implement the Northeast Los Angeles Collaborative Project within the proposed Northeast Los Angeles River Corridor redevelopment project area
HOLLYWOOD & CENTRAL REGION (CD #1, #4 and #13)

RECOMMENDATIONS

That the CRA/LA Board of Commissioners, subject to City Council review and approval:

1. Adopt a resolution authorizing the acceptance, implementation and execution of a Community Challenge Planning Grant from the U.S. Department of Housing and Urban Development's (HUD) Office of Sustainable Housing and Communities (OSHC), for the development and implementation of the Northeast Los Angeles (NELA) Collaborative: Connecting Investments in Place with Investments in People ("NELA Collaborative Project") within the proposed Northeast Los Angeles (NELA) River Corridor redevelopment project area;
2. Authorize the Chief Executive Officer, or designee, to negotiate and execute all necessary contracts and agreements with HUD OSHC for \$2,250,000 for the Community Challenge Planning Grant;
3. Authorize the Chief Executive Officer, or designee, to negotiate and execute Memoranda of Understanding, Cooperation Agreements, contracts and subcontracts with the following NELA Collaborative Project grant partners as funded by and necessary for the implementation of the Community Challenge Planning Grant:
 - A. Los Angeles Department of City Planning (DCP) not to exceed \$500,000;
 - B. Workforce Investment Board (WIB) not to exceed \$125,000;
 - C. Worker Education and Resource Center (WERC) not to exceed \$224,500;
 - D. Metamorphosis Project at the University of Southern California not to exceed \$385,000;
 - E. Urban & Environmental Policy Institute at Occidental College not to exceed \$220,000; and
 - F. Hollywood Community Housing Corporation on behalf of the Hollywood Community Studio not to exceed \$224,500.

SUMMARY

On October 20, 2010, the CRA/LA was awarded a HUD OSHC Community Challenge Planning Grant in the amount of \$2.25 million to fund the NELA Collaborative Project. The goal of the NELA Collaborative is to develop a comprehensive approach to link land use plans and economic development strategies to benefit those that live and work in the area. The grant funded activities would complement the CRA/LA's current efforts to establish the proposed Northeast Los Angeles (NELA) River Corridor redevelopment project area, comprised of approximately 2,300 acres and overlapping portions of the Atwater Village, Elysian Valley, Glassell Park and Cypress Park communities.

The authorizing resolution (Attachment A) states that the Project Manager in the CRA/LA Hollywood & Central Region and other associated staff will coordinate the HUD OSHC Community Challenge Planning Grant and handle grant administration, and plan to dedicate at least 75% of a full time equivalent over the course of the 36-month grant term to the grant activities. The grant agreement covers the period of January 2011 (or time of contract execution) through December 2013.

In order to use the grant proceeds, CRA/LA staff is requesting the authority to execute all necessary contracts and agreements with HUD OSHC, and the authority to negotiate and execute memoranda of understanding, cooperation agreements, and/or contracts with the grant partners and sub-consultants that are funded through the grant proceeds. CRA/LA staff also requests the authorization to commit the necessary staff time to ensure the successful administration of the grant funded activities.

PREVIOUS ACTIONS

August 10, 2010 – City Council motion authorizing the CRA/LA to apply for the HUD OSHC Community Challenge Planning Grant (CF# 10-1451)

August 12, 2009 – City Council approval of various actions to authorize studies and expenditures of up to \$1 million leading to the establishment of a new redevelopment project area in the Northeast Los Angeles River Corridor (CF# 08-3459)

June 18, 2009 – CRA/LA Board approval of the above action

DISCUSSION & BACKGROUND

Notice of Funding Availability (NOFA): Community Challenge and Transportation Planning Grant

On December 16, 2009, President Obama signed the Consolidated Appropriations Act, 2010 that provided \$40 million for the HUD OSHC Community Challenge Planning Grants. A NOFA was jointly released on June 24, 2010 for two separate but related grant programs 1) HUD OSHC Community Challenge Planning Grants and 2) the U.S. Department of Transportation (DOT) National Infrastructure Investment Grants (transportation planning grant program). The NOFA was jointly released in order to “better align transportation, housing, economic development, and land use planning and to improve linkages between DOT and HUD’s programs.”¹ The cooperative effort seeks to encourage and reward more “holistic planning effort that result in better projects being built with Federal dollars” and is consistent with the Obama Administration’s priority of “removing

¹ Federal Register / Vol. 75, No. 121 (pp. 36246), Docket No. FR-5415-N-12

artificial barriers between Federal programs and barriers to State and local governmental level innovation.”²

HUD OSHC Community Challenge Planning Grant Program

The objective of the HUD OSHC Community Challenge Planning Grant Program (“Program”) is to “foster reform and reduce barriers to achieving affordable, economically vital, and sustainable communities.”³ The Program funds localized planning efforts such as “amending or replacing local master plans, zoning codes, and building codes” in individual jurisdictions “to promote mixed-use development, affordable housing, the reuse of older buildings and structures for new businesses, and similar activities with the goal of promoting sustainability at the local or neighborhood level.”⁴

The Program offered up to \$3 million per grant over a 36-month period. Applicants were required to provide 20% of the requested funding amount through leveraged resources in the form of cash and/or verified in-kind contributions⁵ (or a combination thereof). Applicants that exceeded the required 20% leveraged or matched resources were given extra weight for the leverage rating factor.

Application Process and Grant Award

In late June 2010, the City of Los Angeles Office of the Mayor informed City Departments of the NOFA to coordinate local funding requests, and asked interested parties to submit a brief description of proposed projects. In response, the CRA/LA submitted a summary of the proposed NELA Collaborative Project, which received approval to go forward with the application process. The process entailed a pre-application to HUD OSHC (due July 25, 2010), Los Angeles City Council motion to submit the grant application (August 10, 2010 / CF# 10-1451), further City-family vetting, and submittal of the final application to HUD OSHC (due August 23, 2010). The CRA/LA submitted a \$3 million grant request (the maximum award size) for the NELA Collaborative Project.

On October 20, 2010, the CRA/LA was notified that the NELA Collaborative Project was selected to receive a grant award of \$2.25 million (\$750,000 less than full request). The grant program was competitive; 42 out of 583 eligible grant applications were funded. In California, CRA/LA was one of the two public agencies that was funded by the Community Challenge Planning Grant.

NELA Collaborative Project: Connecting Investments in Place with Investments in People

The HUD OSHC Community Challenge Grant will provide essential support for an inter-agency initiative entitled the NELA Collaborative. The grant funded activities will complement the CRA/LA's current efforts to establish a new redevelopment project area along the Glendale Narrows portion of the Los Angeles River. The proposed NELA Redevelopment Project Area is approximately 2,300 acres and incorporates portions of the communities of Atwater Village, Cypress Park, Glassell Park, and Elysian Valley⁶ (see Attachment B for study area map).

The goal of the NELA Collaborative is to develop a comprehensive approach to linking land use plans and economic development strategies to benefit those that live and work in the area. Intended to complement the Los Angeles River Revitalization Master Plan with the financial tools of a tax increment district, the scope of a typical redevelopment planning process is largely driven by

² Federal Register / Vol. 75, No. 121 (pp. 36246), Docket No. FR-5415-N-12

³ Federal Register / Vol. 75, No. 121 (pp. 36246), Docket No. FR-5415-N-12

⁴ Federal Register / Vol. 75, No. 121 (pp. 36246), Docket No. FR-5415-N-12

⁵ In-kind contributions may be in the form of staff time, donated materials, and/or services.

⁶ The proposed NELA River Corridor redevelopment project area is located south of the Ventura/Foothill Freeway (SR134) and north of the Pasadena Freeway (SR110). It is bounded by the Los Angeles River to the west and the City of Glendale and the Interstate 5 Freeway to the east.

technical fieldwork and the procedural steps outlined in California Community Redevelopment Law. This grant award offers the opportunity to significantly enhance this established, technical/administrative process by including a comprehensive approach to link human capital and workforce development programs with land use plans and economic development strategies to benefit people who live and work in the area.

The NELA Collaborative contains 5 program elements:

- A. Redevelopment Plan Adoption:** To create a dedicated local source of revenue to support the implementation of the Los Angeles River Revitalization Master Plan, build affordable housing and revitalize the local economy.
- B. Targeted Community Plan Update:** To create a complement of land use regulations, street standards and mobility options which facilitate redevelopment and support sustainable communities.
- C. Economic and Workforce Development:** To develop a network of key employers and workforce development professionals that work together to grow key sectors of the local economy.
- D. Civic Engagement Practices:** To develop a robust culture and practice of public engagement and participation in the area.
- E. Technology Tool Development:** To develop a comprehensive technology tool that assesses the impact of redevelopment activity and strengthens transparency and accountability.

To successfully implement the above program elements, the NELA Collaborative includes partnerships between the CRA/LA with the following partners:

City Agencies:

- 1) Los Angeles Department of City Planning (DCP)
- 2) Los Angeles Department of Transportation (LA DOT)
- 3) Los Angeles Bureau of Engineering, LA River Office

Community Partners:

- 1) Workforce Investment Board (WIB)
- 2) Worker Education and Resource Center (WERC)
- 3) Metamorphosis Project at the University of Southern California
- 4) Urban & Environmental Policy Institute at Occidental College
- 5) Hollywood Community Studio (a.k.a. Mobile Community Studio).

The NELA Collaborative will place a strong focus on ensuring that local stakeholders are able to help shape the redevelopment process through an aggressive community outreach and civic engagement campaign. Creating the framework for this type of collaboration, both inter-agency through the City family and across public and private sectors, will ultimately create a NELA River Corridor redevelopment project area that addresses people-based and place-based needs together.

SOURCE OF FUNDS

HUD OSHC Community Challenge Planning Grant

PROGRAM AND BUDGET IMPACT

The recommended action will amend the FY11 Budget and Work Program to recognize \$2,250,000 in HUD OSHC Community Challenge Planning Grant proceeds and deposit into budget line item Economic Development Opportunities (Objective EB6010).

The 20% required local match is in the form of cash (\$1,000,000 which had been approved in FY2010 for work objective EB2010). Additional in-kind resources⁷ from the CRA/LA (\$125,000), the Department of Transportation (\$75,000) and the Department of City Planning (\$75,000) create a more competitive leverage ratio of 36%. There is no negative impact in the City's General Fund resulting for this activity.

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 State and CRA/LA CEQA Guidelines.

Christine Essel
Chief Executive Officer

By



Calvin E. Hollis
Chief Operating Officer
Real Estate & Economic Development

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

ATTACHMENTS

Attachment A – Resolution

Attachment B – Map of Proposed Northeast Los Angeles River Corridor Study Area

⁷ In-kind contributions includes staff time, donated materials, and/or services.

ATTACHMENT A

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES, CALIFORNIA, AUTHORIZING THE ACCEPTANCE, EXECUTION AND IMPLEMENTATION OF A COMMUNITY CHALLENGE PLANNING GRANT FROM THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT'S OFFICE OF SUSTAINABLE HOUSING AND COMMUNITIES FOR THE IMPLEMENTATION OF THE NORTHEAST LOS ANGELES COLLABORATIVE PROJECT

WHEREAS, the Community Redevelopment Agency of the City of Los Angeles (the "CRA/LA") is currently engaged in work to establish a proposed new redevelopment project area located in the Northeast Los Angeles (NELA) River Corridor which is comprised of approximately 2,300 acres and overlaps with portions of the Atwater Village, Elysian Valley, Glassell Park and Cypress Park communities; and

WHEREAS, the CRA/LA applied for and was awarded a Community Challenge Planning Grant from the U.S. Department of Housing and Urban Development's (HUD) Office of Sustainable Housing and Communities (OSHC), for the development and implementation of the Northeast Los Angeles (NELA) Collaborative: Connecting Investments in Place with Investments in People ("NELA Collaborative Project"); and

WHEREAS, the NELA Collaborative Project will complement the CRA/LA's current efforts to establish the proposed new redevelopment project area; and

WHEREAS, the CRA/LA was awarded \$2,250,000 in Community Challenge Planning Grant funds from HUD OSHC; and

WHEREAS, the CRA/LA intends to administer the grant program by allocating at least 75% of a full time equivalent through its dedicated staff from the CRA/LA Hollywood & Central Region; and

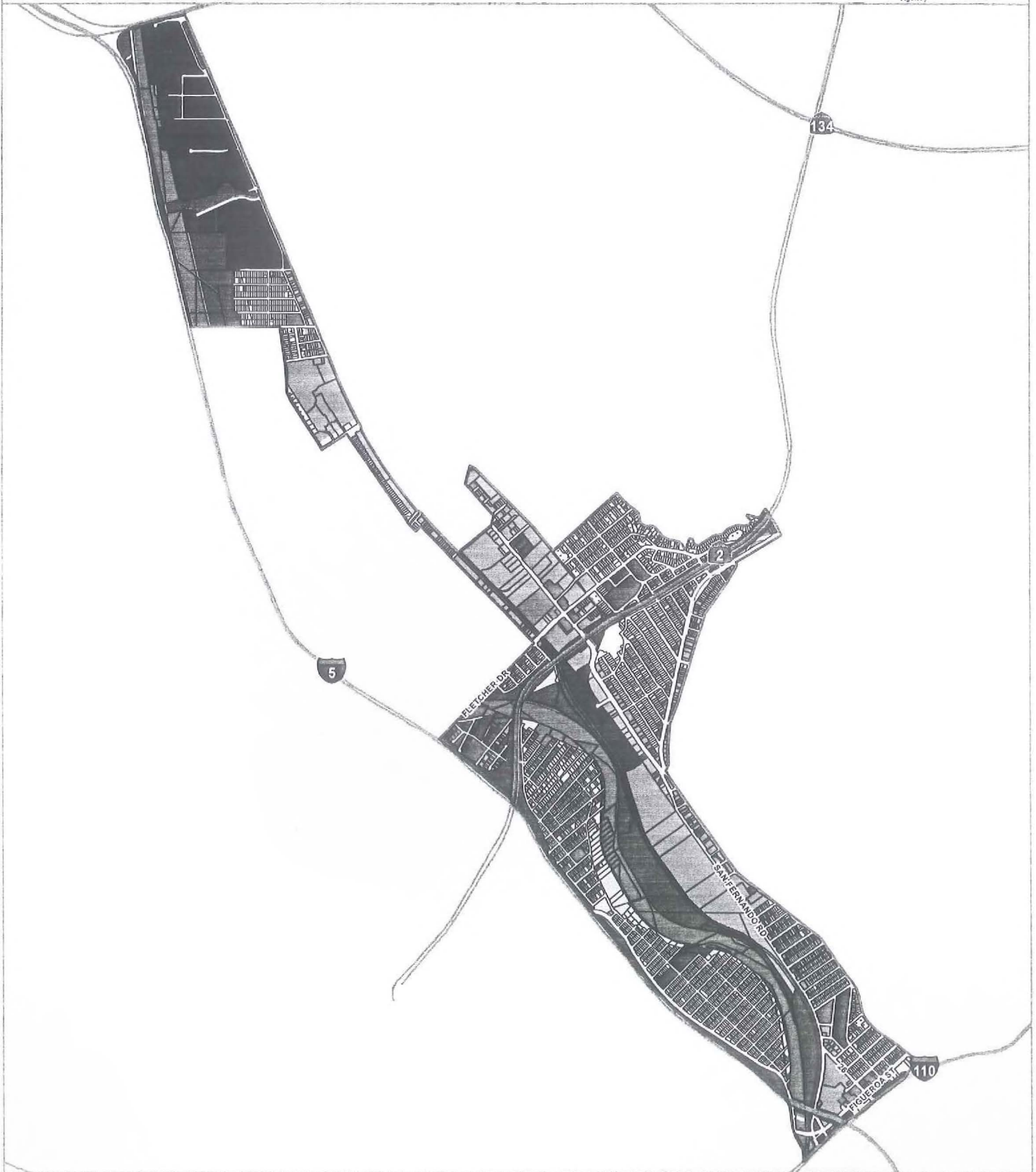
WHEREAS, the CRA/LA Board and City Council of the City of Los Angeles, has reviewed and considered the background and intent of the NELA Collaborative Project in the Board Memorandum and/or City Council Transmittal contained herein:

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES, CALIFORNIA HEREBY RESOLVES AS FOLLOWS:

1. That the CRA/LA Board of Commissioners endorses the NELA Collaborative Project.
2. That the CRA/LA Chief Executive Officer, or designee, is authorized to take all necessary steps to secure the Community Challenge Planning Grant funds from HUD OSHC to provide funds for the NELA Collaborative Project.

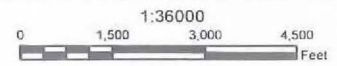
Initial Study Area

Community Redevelopment Agency City of Los Angeles



Legend

<p>Residential</p> <ul style="list-style-type: none"> Minimum Low, Low I Low Medium, Low Medium I Low Medium II Medium 	<p>Commercial</p> <ul style="list-style-type: none"> Neighborhood General 	<p>Industrial</p> <ul style="list-style-type: none"> Commercial Manufacturing Limited Light Heavy 	<p>Open Space/Public Facilities</p> <ul style="list-style-type: none"> Open Space Public Facilities 	<p>Proposed Expansion Area</p>
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1 inch = 3000 Feet

PREPARED BY CRA GIS TEAM
 Kim Prosser, Principal Planner
 Tom Valsaribergert, GIS Analyst
 Ben Wagner, GIS Analyst (D&W Consulting)
 5/28/2009

