

Community Redevelopment Agency of the CITY OF LOS ANGELES

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CRA File No. 9242

Council District: <u>CD 2,4</u> Contact Person: <u>Gazala Pirzada</u>

(818) 623-2128

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

Attention: Alan Alietti, Office of the City Clerk

COUNCIL TRANSMITTAL:

Transmitted herewith, is a Board Memorandum adopted by the Agency Board on August 19, 2010 for City Council review and approval in accordance with the "Community Redevelopment Agency Oversight Ordinance" entitled:

VARIOUS ACTIONS RELATED TO:

Various Actions Necessary for the Amendment to the North Hollywood Redevelopment Plan Including Expansion of Project Area Boundaries, Reinstatement of Eminent Domain Time Limits, Increase in Bonding Capacity and Proposed Merger With the Laurel Canyon Commercial Corridor Redevelopment Project Area East Valley Region (CD 2, 4)

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 CEQA Guidelines. Environmental review for the proposed plan amendment or potential merger of project areas will be completed prior to any recommendation on the amendment/merger being brought to the CRA/LA Board of Commissioners for action.

FISCAL IMPACT STATEMENT

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

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



bcc:

Ras Mallari

Nenita Tan, Office of the City Controller Records (2 copies) Miguel Dager Margarita H. de Escontrias Gazala Pirzada

Bill Mason

THE COMMUNITY REDEVEL JPMENT AGENCY OF THE CITY OF LUS ANGELES, CALIFORNIA

MEMORANDUM

DATE:

AUGUST 19, 2010

NH6300 LC6000

TO:

CRA/LA BOARD OF COMMISSIONERS

FROM:

CHRISTINE ESSEL, CHIEF EXECUTIVE OFFICER

RESPONSIBLE

PARTIES:

MARGARITA H. DE ESCONTRIAS, REGIONAL ADMINISTRATOR

GAZALA PIRZADA, PROJECT MANAGER

BILL MASON, SENIOR PLANNER

SUBJECT:

VARIOUS ACTIONS NECESSARY FOR THE AMENDMENT TO THE NORTH HOLLYWOOD REDEVELOPMENT PLAN INCLUDING EXPANSION OF PROJECT AREA BOUNDARIES, REINSTATEMENT OF EMINENT DOMAIN TIME LIMITS, INCREASE IN BONDING CAPACITY AND PROPOSED MERGER WITH THE LAUREL CANYON COMMERCIAL

CORRIDOR REDEVELOPMENT PROJECT AREA

EAST VALLEY REGION (CD 2, 4)

RECOMMENDATIONS

- I. That the CRA/LA Board of Commissioners request the City Council to take the following actions:
 - A. Interpret certain actions related to the overall process for preparing the proposed amendment to the North Hollywood Redevelopment Plan and its merger with the Laurel Canyon Redevelopment Project Area as ministerial actions and not "actions of the Agency", subject to Section 8.99.04 of the City of Los Angeles Administrative Code, which amendment may include expansion of the project area boundary; extension of eminent domain time limits; increase in bonding capacity; and merger of the North Hollywood and Laurel Canyon Commercial Corridor Redevelopment Project Areas.
 - B. Adopt a resolution which will provide for processing the draft amendment to the North Hollywood Redevelopment Plan, prepared by the CRA/LA under the California Community Redevelopment Law, 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 approval by the City Council of the actions recommended above:

- A. Authorize the Chief Executive Officer (CEO) or designee to proceed with an amendment of the existing North Hollywood Redevelopment Plan and all actions necessary to complete the amendment; 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 amendment to the North Hollywood Redevelopment Plan including merger with the Laurel Canyon Commercial Corridor Redevelopment Project Area, upon completion by staff, to the 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.

SUMMARY

Approval of these actions would facilitate processing the amendment to the North Hollywood Redevelopment Plan by considering these actions as ministerial and not subject to the provisions of the Oversight Ordinance contained in Section 8.99.04 of the Los Angeles Administrative Code affecting the adoption and amendment of redevelopment plans ("Attachment A"). These provisions lengthen the processing time and, therefore, increase the costs of amending the proposed redevelopment project areas. Relief from these provisions has been granted on a project-by-project basis by the City Council for all adoptions and amendments undertaken since 1994. 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

December 17, 2009 - CRA/LA resolution expanding Redevelopment Survey Area No. 9 for project study purposes.

SOURCE OF FUNDS

No funding is required for this action.

PROGRAM AND BUDGET IMPACT

There is no fiscal impact to the City's General Fund as a result of the recommended actions. The proposed action is consistent with the FY11 Budget and Work Program for the North Hollywood and Laurel Canyon Redevelopment Project Areas.

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 CEQA Guidelines. Environmental review for the proposed plan amendment or potential merger of project areas will be completed prior to any recommendation on the amendment/merger being brought to the CRA/LA Board of Commissioners for action.

BACKGROUND

The 748-acre North Hollywood Redevelopment Project Area ("Attachment C") was adopted in February of 1979. The major goals of the Redevelopment Plan are revitalization of the Commercial Core Area comprising the NoHo Arts District; expansion of the housing stock; improvement of public infrastructure; and promotion of good urban design.

The Laurel Canyon Commercial Corridor Redevelopment Project Area (originally known as the Earthquake Disaster Assistance Project for Laurel Canyon Commercial Corridor) ("Attachment C") was adopted on December 9, 1994 to address the damage caused by the January 1994 Northridge earthquake. Through private and public sector efforts, much of the damage to property in the Laurel Canyon Project Area has been alleviated. One very significant exception is found in the Valley Plaza Shopping Center, one of the oldest open-air shopping centers, located at the intersection of Laurel Canyon and Victory Boulevards. Efforts to redevelop the shopping center have not been successful due to financial and other reasons and the property continues to be blighted.

To continue the efforts to eliminate existing blight within both project areas as well as address blight in abutting and nearby areas, it is necessary to explore merging these two project areas and adding other adjacent areas that have conditions which impede the economic viability of buildings and lots due to scattered areas of unimproved public infrastructure, underutilized commercial parcels, land use conflicts, and substandard lot patterns. The proposed plan amendment will contemplate the addition of adjacent land to the North Hollywood Project Area ("Attachment D") and will extend the periods of effectiveness, receipt of tax increment and incurrence of debt as allowed by the Health & Safety Code. The plan amendment would also resolve potentially conflicting language pertaining to permitted land uses now in the plan, and change land uses of the redevelopment plan land use map to conform to the Community Plan land uses of the General Plan of the City of Los Angeles now in effect. Additionally, for both the land to be added to the Project Area and the land currently in the Project Area, the amendment would extend the time limits of the power of eminent domain.

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.

After the Civil Unrest of 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. Maps of the existing North Hollywood and Laurel Canyon Project Areas are shown on Attachment C while Attachment D shows the proposed expanded areas for the North Hollywood redevelopment plan amendment.

Councilmembers Tom LaBonge and Paul Krekorian support the recommended actions.

Christine Essel Chief Executive Officer

By:

Calvin E. Hollis, Chief Operating Officer Real Estate and Economic Development

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 – City Council resolution regarding processing of key documents under the 10day rule

Attachment C - Existing Project Area Maps

Attachment D - Proposed Expansion Map for North Hollywood Redevelopment Project Area

ATTACHMENT A

ACTIONS OF THE CRA/LA RELATING TO THE PREPARATION AND PROCESSING OF A PROPOSED AMENDMENT TO THE REDEVELOPMENT PLAN FOR NORTH HOLLYWOOD

- 1. CRA/LA requests the City Planning Commission to formulate and approve the preliminary redevelopment plan.
- 2. CRA/LA authorizes the transmittal of Preliminary Report to City Council.
- 3. CRA/LA authorizes transmittal of the Preliminary Report for review by taxing entities.
- 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.
- CRA/LA adopts resolution certifying the final EIR, and authorizing its transmittal to the City Planning Commission.
- 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 amended redevelopment plan which may include merger of North Hollywood and Laurel Canyon Commercial Corridor Project Areas, and requesting City Council to set the time, date and place therefor.

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ATTACHMENT B

RESOLUT	ION	NO.	· · · · · · · · · · · · · · · · · · ·	CORRESPONDENCES IN THE PROPERTY OF THE PROPERT			
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A RESOLUTION OF THE LOS ANGELES CITY COUNCIL TO EXPEDITE AN AMENDMENT TO THE REDEVELOPMENT PLAN FOR NORTH HOLLYWOOD

WHEREAS, the North Hollywood Project Area ("Project Area") was characterized by conditions of blight which required the adoption of an ordinance designating the area as a redevelopment project on February 21, 1979; and

WHEREAS, the First Amendment to the North Hollywood Redevelopment Plan ("North Hollywood Plan") was adopted on November 11, 1980; the Second Amendment was adopted on February 2, 1983; and, the Third Amendment was adopted on October 23, 1997; and

WHEREAS, the Laurel Canyon Commercial Corridor Project Area was characterized by conditions which caused it to suffer serious physical and economic distress due to the 1994 Northridge Earthquake which required the adoption of an ordinance designating the area as a redevelopment project on December 9, 1994; and

WHEREAS, Laurel Canyon Commercial Corridor Redevelopment Plan ("Laurel Canyon Plan") was amended on May 5, 2009, to extend the date of effectiveness of the Plan and the last date to receive tax increment; increase bonded indebtedness; and establish limited power of eminent domain over certain specific commercial parcels; and

WHEREAS, the redevelopment and revitalization of the North Hollywood Project Area has been negatively affected by conditions of blight exhibited in adjacent and nearby properties; and

WHEREAS, it is in the best interests of the City of Los Angeles to expand the North Hollywood Project Area to append the properties exhibiting conditions of blight to the Project Area by amending the redevelopment plan for the Project Area and to merge the Project Area with the adjacent Laurel Canyon Commercial Corridor Project Area; and

WHEREAS, the initial twelve-year period for utilization of the power of eminent domain allowed by the California Redevelopment Law (CRL), Health & Safety Code as amended for the North Hollywood Project Area has expired, and the CRA/LA finds it necessary to reinstate said powers to address the conditions of physical and economic distress still found within the Project Area, which powers may be extended to property added by amendment to the Redevelopment Plan, pursuant to the procedures established by the CRL; and

WHEREAS, City Council has approved procedures to expedite the amendment of redevelopment plans 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

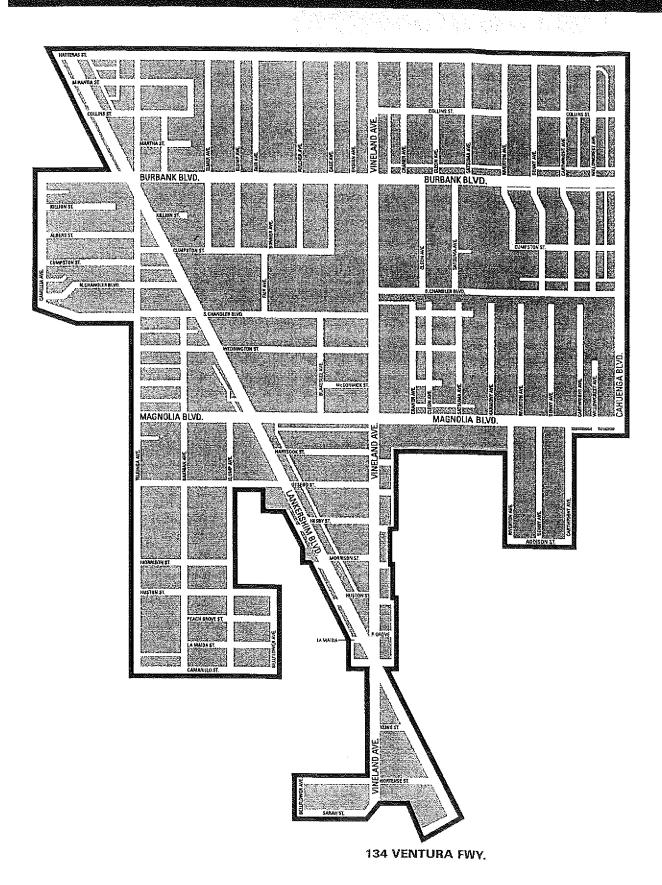
WHEREAS, Subsection (f) of Section 8.99.04 of the Los Angeles Administrative Code provides that Council may, by resolution, implement expediting procedures for any proposed redevelopment plan amendment or adoption; and

WHEREAS, the amendment of the Redevelopment Plan for North Hollywood Project Area and its potential merger with the Laurel Canyon Commercial Corridor Project Area is necessary to further the revitalization of the existing and potentially expanded 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 an amendment to the North Hollywood.
- 2. The City Council hereby exempts CRA/LA actions relating to the preliminary report and preliminary plan for the amendment of the North Hollywood Plan 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:	
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Laurel Canyon

CRA/LA

