

ECONOMIC DEVELOPMENT COMMITTEE REPORT relative to the status of ten former Community Redevelopment Agency of the City of Los Angeles (CRA/LA) future development properties.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE and REQUEST the Controller to:

- a. Establish a new interest-bearing fund entitled Economic Workforce Development Asset Management Fund No. XXX to be administered by the Economic Workforce Development Department (EWDD) to meet obligations of the CRA/LA Future Development Option Agreement, including funding of appraisals and preparation of solicitation materials.
- b. Transfer \$300,000 from the Unappropriated Balance Fund No. 100/58, Account 580192 Economic Development Asset Management, to the newly established Economic Development Asset Management Fund No: XXX.
- c. Establish new account 22M791, Economic Development Asset Management-UB, within the newly established Economic Development Asset Management Fund No, XXX and appropriate \$300,000 to account No. 3040, Contractual Services.
- d. Establish new account and transfer appropriations within the newly established Economic Development Asset Management Fund No. XXX as follows:

<u>Account:</u>	<u>Name:</u>	<u>Amount:</u>
From:		
22M791	Economic Development Asset Management- UB	\$300,000
To:		
22M122	EWDD	\$300,000

e. Increase appropriations within Fund 100/22 as follows:

<u>Account:</u>	<u>Name:</u>	<u>Amount:</u>
3040	Contractual Services	<u>\$300,000</u>
	Total	\$300,000

- 2. AUTHORIZE the General Manager, EWDD, or designee, to prepare Controller instructions and/or make any necessary technical adjustments consistent with Council and Mayor actions as detailed in the March 31, 2016 Municipal Facilities Committee report, attached to the Council file, subject to the approval of the City Administrative Officer (CAO); and REQUEST the Controller to implement those instructions.

Fiscal Impact Statement: The Municipal Facilities Committee reports that there is no additional

impact to the General Fund in Fiscal Year 2015-16 if the recommendations contained in the March 31, 2016 Municipal Facilities Committee report, attached to the Council file.

Community Impact Statement: None submitted.

Summary:

On April 12, 2016, your Committee considered a March 31, 2016 Municipal Facilities Committee (MFC) report relative to the status of ten former CRA/LA future development properties. The report provides an update on the City's efforts to acquire ten Future Development properties from the former CRA/LA for disposition and development. According to the MFC, under option agreements executed in 2015, the City has a limited period during which it can exercise the option to purchase and dispose of these properties to maximize community and financial benefits, with initial option terms ending as early as January 2017.

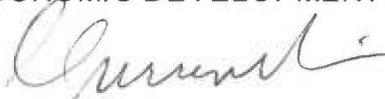
In January 2015, the City entered into a series of Option Agreements with CRA/LA giving the City the right to purchase and market ten CRA/LA-owned properties for future disposition and development (Council File No. 14-0425). These "Future Development" properties represent significant development opportunities in which the City has a strong interest in outcomes that maximize benefits both to communities and the City's general fund. Since January 2015, a working group assigned by the Mayor's Office and jointly led by the EWDD and Housing and Community Investment Department (HCID) has worked on implementing the solicitation of these properties for purchase by third-party developers, initial terms to exercise the options expire in January 2017 for five of the ten properties, including Reseda Theater, Bethune Library, First/Boyle, First/Mission, and Watts Train Station.

Initial terms for the remaining five properties to include Reseda Town Center, Wilmington Block 27, Bunker Hill Y-1, Westlake Theater, and Marlon Square, expires in 2017 or early 2018. Along with the affected Council Offices and the Departments listed above, staff from the CAO, CLA, and Office of the Mayor are currently engaged on the various Future Development projects, each of which has a different scope and disposition strategy. A detailed summary of Option Agreements with timelines, tasks, and current status is included in Attachment A of the March 31, 2016 MFC report, attached to the Council file.

After further consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendations as contained in the MFC report and detailed in the above recommendations. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

ECONOMIC DEVELOPMENT COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
PRICE:	YES
CEDILLO:	ABSENT
KREKORIAN:	YES

MARTINEZ: YES  
HARRIS - DAWSON: YES

ARL  
4/12/16

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**

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