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**File No. 14-1174-S22**

**ECONOMIC DEVELOPMENT COMMITTEE REPORT** relative to utilizing Community Redevelopment Agency of Los Angeles (CRA/LA) Excess Non-Housing Bond Proceeds (EBP) for the Canoga Park Stage Arts Lab Project (Project) within the Reseda/Canoga Park Redevelopment Project Area.

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

1. FIND that the action of appropriating and withholding expenditure of funds for the Project pending the completion, review and consideration of planning and environmental documents related to the Project is not a project pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15378(b)(4) because it merely creates a funding mechanism or other governmental fiscal activity that does not commit the City to a project that may result in a potentially significant impact on the environment, and that preparing preliminary planning and environmental documents is not a project pursuant to CEQA Guidelines Section 15378(b)(5) because it is an administrative activity that will not result in physical changes in the environment.
2. APPROVE up to \$175,417 plus earned interest (Interest) in taxable CRA/LA EBP available to Council District Three from the Reseda/Canoga Park Redevelopment Project Area to be utilized for the Project.
3. AUTHORIZE the Bureau of Engineering (BOE) to be the implementing department for activities relating to the Project.
4. REQUEST the Board of Public Works (BPW) to approve, negotiate and execute contracting documents and/or amendments as required with contractor(s) to effectuate the Project subject to the approval of City Attorney as to form.
5. AUTHORIZE the Controller, subject to the requirements below and availability of funds and a duly executed and encumbered contract, to expend up to \$175,417 from EBP Fund No. 57D, Account No. 22L9PT Reseda/Canoga Park Taxable Series 2003-B, 2006-C and 2010-D, and up to 260,047 in Interest from EBP Fund No. 57D, Account No. 22S9PT Reseda/Canoga Park Taxable Series 2003- B, 2006-C and 2010-D, for activities related to the Project upon presentation of proper documentation by the BOE, and satisfactory review and approval of the Economic and Workforce Development Department (EWDD) in accordance with the terms and conditions of the Bond Expenditure Agreement.
6. AUTHORIZE the BOE to perform limited preliminary planning as may be necessary to conduct the environmental review for the Project from the above-noted funds allocated to the Project.
7. INSTRUCT the BOE to withhold expending, or committing to expend, any of the remainder of the above-noted funds allocated to the Project until all of the following have occurred:
  - a. The BOE has completed the preliminary planning documents and environmental review documents.

- b. The City has complied with CEQA requirements with respect to the Project, including obtaining any necessary CEQA clearances.
  - c. The BPW has considered and approved the Project for expenditure of the remaining funds.
8. INSTRUCT the BOE to transmit copies of all executed contract(s) under the Project to the EWDD.
  9. INSTRUCT the BOE to expend the CRA/LA EBP allocation no later than September 30, 2024.
  10. INSTRUCT the BOE to report on its work accomplishments to the City Administrative Officer (CAO), and fund expenditures to the EWDD, on a quarterly and as-needed basis.
  11. AUTHORIZE the Interim General Manager, EWDD, or designee, 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, AUTHORIZE the Controller to implement these instructions.

Fiscal Impact Statement: The CRA/LA Bond Oversight Committee reports that there is no impact on the City's General Fund from the proposed appropriation of CRA/LA EBP. The CRA/LA EBP Fund No. 57D is funded solely from transfers totaling approximately \$88.4 million in pre-2011 tax allocation bond proceeds from CRA/LA to the City. Said transfers have been deposited with the Controller.

Community Impact Statement: None submitted.

At the meeting held on October 22, 2019, your Economic Development Committee considered a CRA/LA Bond Oversight Committee report relative to utilizing CRA/LA EBP for the Project within the Reseda/Canoga Park Redevelopment Project Area. The EWDD reports that, originally \$435,464 was sought in tax-exempt EBP for Department of Cultural Affairs to implement building improvements to real property located at 7242 Owensmouth Avenue in Canoga Park. It was later modified to \$175,417 in taxable EBP plus taxable Interest in the Project Area within Council District Three for BOE to effectuate the Project. The Property formerly operated as the West Valley Playhouse. The West Valley Playhouse Small Business Assistance Project facilitated the City's acquisition of Property in December 2018 as part of the Madrid Theater Cultural Hub (Council file No. 14-1174-S22). Its goal is to preserve the arts and small businesses who use the art space, and provide additional rehearsal space for other City-operated theatres. After an opportunity for public comment was held, the Committee moved to approve the CRA/LA Bond Oversight Committee's recommendations, as detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

ECONOMIC DEVELOPMENT COMMITTEE



**MEMBER**   **VOTE**  
PRICE:   YES  
BUSCAINO: YES  
RODRIGUEZ: YES

ME 10/22/19

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**