

ECONOMIC DEVELOPMENT COMMITTEE REPORT relative to utilizing up to \$4,000,000 from the Reseda/Canoga Park Redevelopment Project Area to acquire the property and facilitate the development of the property located at 18210 and 18128 West Sherman Way from the Community Redevelopment Agency Los Angeles (CRA/LA) as the Reseda Skate Facility.

Recommendations for Council action, pursuant to Motion (Blumenfield - Harris-Dawson):

1. AUTHORIZE the utilization of taxable and tax-exempt CRA/LA Excess Bond Proceeds (EBP) available to Council District Three in an amount not to exceed \$4,000,000 from the Reseda/Canoga Park Redevelopment Project Area for the Economic and Workforce Development Department (EWDD) to acquire real property located at 18210 and 18128 West Sherman Way (APNs 2125-036-900; 2125-036-901; 2125-036-902; 2125-036-903) from CRA/LA, A Designated Local Authority, in an effort to facilitate development of the Reseda Skate Facility.
2. INSTRUCT the EWDD, with the assistance of the City Administrative Officer (CAO), Chief Legislative Analyst (CLA), and any other applicable City Department, to provide a report with recommendations to the CRA/LA Bond Oversight Committee to allocate taxable and tax-exempt CRA/LA EBPs in an amount not to exceed \$4,000,000 to acquire real property located at 18210 and 18128 West Sherman Way (APNs 2125-036-900; 2125-036-901; 2125-036-902; 2125-036-903) from the CRA/LA, A Designated Local Authority; and, further INSTRUCT the EWDD to facilitate the development of the Reseda Skate Facility as identified in the Bond Expenditure Agreement and Bond Spending Plan for the Reseda/Canoga Park Redevelopment Project Area.

Fiscal Impact Statement: Neither the CAO nor the CLA has completed a financial analysis of this report.

Community Impact Statement: None submitted.

Summary:

On November 28, 2017, your Committee considered a Motion (Blumenfield - Harris-Dawson) relative to utilizing up to \$4,000,000 from the Reseda/Canoga Park Redevelopment Project Area to acquire the property and facilitate the development of the property located at 18210 and 18128 West Sherman Way from the CRA/LA as the Reseda Skate Facility. According to the Motion, on December 16, 2014, Council authorized the Mayor, or designee, to execute Option Agreements related to the transfer of ten real property interests held by CRA/LA, A Designated Local Authority classified as "Property Retained for Future Development" (Future Development) under the Long Range Property Management Plan approved by the State Department of Finance (Council File No. 14-0425).

The CRA/LA is the successor agency to the former Community Redevelopment Agency of the City of Los Angeles. AB1484 (Blumenfield) affords an opportunity for successor agencies to retain certain assets for future development to fulfill redevelopment objectives within the redevelopment plans and five-year implementation plans. The CRA/LA does not have the capacity to carry out new development activity so the City has been provided the opportunity to

take on this effort. The Option Agreements allow the City to market and develop the ten Future Development sites in a manner that is consistent with the redevelopment objectives and best serves the needs of the City and affected taxing entities.

The Option Agreements were fully executed on January 9, 2015, and the properties are now under the control of the City with the exception of two properties that were returned to the CRA/LA. Among the eight Future Development sites is real property located at 18210 and 18128 West Sherman Way (APNs 2125036-900; 2125-036-901; 2125-036-902; 2125-036-903). The site, commonly referred to as Reseda Town Center, was initially proposed for development as a regional retail center by the former redevelopment agency. It consists of two vacant properties totaling approximately 92,790 square feet that are separated by two privately-owned properties along the southerly portion of Sherman Way between Lindley Avenue and Etiwanda Avenue and lies within the Reseda/Canoga Park Redevelopment Project Area in Council District Three. Councilmember Blumenfield and the community have long envisioned developing a skate facility in the community of Reseda. The Proposition K ballot measure (Prop K) requires a specific project (S23) to be constructed and provides funding for the acquisition and construction of an ice hockey and roller blading facility.

The Reseda Town Center site provides an opportunity to fulfill the Prop K obligation for a skate facility that includes both components in a manner that is in compliance with the Prop K requirements. The Bureau of Engineering has prepared a conceptual plan that places the roller rink and ice rink on one of the properties and ancillary parking on the other property. The cost of acquisition and construction of the Reseda Skate Facility has been estimated at \$25.8 million and the amount of Prop K funding currently available is \$7 million. Other funding sources proposed for the project are being sought to complete the estimated budget including the use of CRA/LA Excess Bond Proceeds, funds provided through a partnership with the LA Kings and the Municipal Improvements Corporation of Los Angeles (MICLA).

In accordance with policies adopted by Council (Council File No. 14-1174) related to the CRA/LA Bond Expenditure Agreement and Bond Spending Plan, any proposal to expend CRA/LA Excess Bond Proceeds shall be initiated by Council Motion. Proposals will be reviewed by the CRA/LA Bond Oversight Committee, Economic Development Committee, and any other applicable committee with final recommendations presented to the Council and Mayor for final consideration and approval. The use of taxable and tax-exempt CRA/LA Excess Bond Proceeds towards the acquisition and development of the Reseda Skate Facility is identified as an eligible expense in the Bond Expenditure Agreement and Bond Spending Plan.

After further consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the Motion as detailed in the above recommendations.

Respectfully Submitted,

ECONOMIC DEVELOPMENT COMMITTEE



MEMBER VOTE

PRICE: YES
BUSCAINO: YES
HUIZAR: YES

ARL
11/28/17

-NOT OFFICIAL UNTIL COUNCIL ACTS-