

ECONOMIC DEVELOPMENT COMMITTEE REPORT relative to Community Redevelopment Agency of Los Angeles (CRA/LA) Bond Oversight Committee report relative to utilizing CRA/LA Excess Non-Housing Bond Proceeds (EBP) for the Anita May Rosenstein Campus aka McCadden Project (Project) within the Hollywood Redevelopment Project Area (Project Area).

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

1. ACKNOWLEDGE the City of Los Angeles Notice of Determination of Environmental Impact Report and the corresponding Mitigation Measures as the environmental clearance for the Project pursuant to the California Environmental Quality Act and Section 21082.1(c) (3) of the California Public Resources Code.
2. APPROVE up to \$374,942 in tax-exempt CRA/LA EBP plus \$25,058 in earned interest for a total amount of \$400,000 available to Council District Four from the Project Area within the district be utilized by the Los Angeles LGBT Center (LA-LGBT) for the Project.
3. AUTHORIZE the Los Angeles Housing and Community Investment Department (HCIDLA) to be the implementing department.
4. AUTHORIZE the HCIDLA to negotiate, prepare, execute and encumber a service payback contract with LA-LGBT no later than September 30, 2019.
5. INSTRUCT the HCIDLA to expend the EBP allocation no later than September 30, 2024.
6. INSTRUCT the HCIDLA to report on its work accomplishments to the City Administrative Officer (CAO), and fund expenditures to the Economic and Workforce Development Department (EWDD), on a quarterly and as-needed basis.
7. AUTHORIZE the Controller, subject to the availability of funds and a duly executed and encumbered service payback contract between the HCIDLA and LA- LGBT, to expend up to \$374,942 plus \$25,058 in earned interest from the EBP Fund No. 57D, Account No. 22L9FN, Hollywood Tax-Exempt Series 2008-F for activities related to the Project upon presentation of proper documentation by the HCIDLA, and satisfactory review and approval of the EWDD in accordance with the terms and conditions of the Bond Expenditure Agreement.
8. 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 two transfers of approximately \$86 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.

SUMMARY

At the meeting held on May 28, 2019, your Economic Development Committee considered a CRA/LA Bond Oversight Committee report relative to utilizing CRA/LA EBP for the Project. The EWDD reports that the department recommends that up to \$374,942 in tax-exempt EBP plus \$25,058 in earned interest in the Project Area totaling \$400,000 within Council District Four be allocated to LA-LGBT to assist with permit fees for the Project located at 1125 North McCadden Place, Los Angeles, CA 90038. This Promise Zone Program project, which includes fund opportunities for public improvements, open space, and affordable housing development, was identified as a potential project in the Project Area's Bond Spending Plan that was adopted by Council on June 24, 2015 (Council file No. 14-1174). Sufficient funds for this purpose are available from Council District Four's portion of EBP in this Project Area. The original taxable and tax-exempt EBP in the Project Area available to Council District Four was \$813,589 consisting of \$160,061 in taxable, and \$653,528 in tax-exempt EBP. After the mandated 16 percent, or \$25,610, in taxable EBP allocated for bond administration, there remained a combined \$787,979 in the Project Area available to Council District Four. The recommended \$374,942 tax-exempt allocation, along with 3 pending and Council approved motions, will leave Council District Four with no taxable and no tax-exempt EBP in the Project Area. 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



<u>MEMBER</u>	<u>VOTE</u>
PRICE:	YES
BUSCAINO:	YES
RODRIGUEZ:	ABSENT

ME 5/28/19

-NOT OFFICIAL UNTIL COUNCIL ACTS-