

ECONOMIC DEVELOPMENT COMMITTEE REPORT relative to utilizing Community Redevelopment Agency of Los Angeles (CRA/LA) Excess Non-Housing Bond Proceeds (EBP) for the Culinary Arts Building Improvements Project (Project) within the Pacoima/Panorama City 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 government 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 \$126,848 in taxable and \$3,753,418 in tax-exempt CRA/LA EBP for an aggregate total of \$3,880,266 plus all earned interest (Interest) available to Council District Seven from the Pacoima/Panorama City Redevelopment Project Area to be utilized for the Project.
3. AUTHORIZE the Bureau of Engineering (BOE) to be the implementing department, and engage the services of the Department of General Services (GSD) for construction related activities for the Project.
4. AUTHORIZE the BOE to issue a Task Order Solicitation from its list of Pre-Qualified On-Call Consultants, and select the necessary consultant(s) for the Project.
5. AUTHORIZE the BOE to approve, negotiate and execute contracting documents as required to implement the Project with selected contractors subject to the approval of the Board of Public Works (BPW) to perform the scope of work to effectuate the Project.
6. INSTRUCT wthe BOE to transmit copies of all duly executed agreement(s) related to the Project to the Economic and Workforce Development Department (EWDD).
7. AUTHORIZE the Controller, subject to the requirements below and the availability of funds and duly executed and encumbered contract(s) between the BOE and the Contractor(s), to expend up to \$126,848 from EBP Fund No. 57D, Account Nos. 22L9MT and 22S9MT, Pacoima/Panorama City Taxable Series 2006-B, and up to the total amount of Interest from EBP Fund No. 57D, Account No. 22S9MT, Pacoima/Panorama City Taxable Series 2003-A, and to expend up to \$3,753,418 plus Interest from EBP Fund No. 57D, Account Nos. 22L9MN and 22S9MN, Pacoima/Panorama City Tax-Exempt Series 2006-C and 2009-D, upon presentation of proper documentation from the BOE, and satisfactory review and approval of the EWDD in accordance with the terms and conditions of the Bond Expenditure Agreement.

8. 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.
9. 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 the requirements of CEQA 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.
10. INSTRUCT the BOE to expend the EBP appropriation no later than September 30, 2024.
11. 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.
12. AUTHORIZE the interim General Manager, EWDD, or designee, to prepare the 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 Bond Oversight Committee reports that there is no impact on the City's General Fund from the proposed appropriation. 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 (Council file No. 14-1174). Said transfers have been deposited with the Controller.

Community Impact Statement: None submitted.

## SUMMARY

At its regular meeting held on October 22, 2019, the Economic Development Committee considered a CRA/LA Bond Oversight Committee report dated October 1, 2019, relative to utilizing CRA/LA EBP for the Project within the Project Area. The EWDD reports that all remaining taxable and tax-exempt EBP including Interest is requested to be allocated to the BOE for building improvements to a City-owned property located at 13460 Van Nuys Boulevard in Pacoima (Property). The Council adopted various actions to acquire the Property on February 13, 2019 (Council file No. 14-1174-S63).

The City closed escrow on March 29, 2019, and the Property is now under GSD's jurisdiction. Building improvements are needed to bring the Property up to standard and facilitate establishment of the future culinary arts program and business incubator. ConnectEdLA, which invests in capital projects associated with the Los Angeles Community College District programs for business incubation and business services, is listed as a potential project in the Project Area's

Bond Spending Plan (BSP) that was adopted by Council on June 24, 2015 (Council file No. 14-1174). The City will partner with ConnectEdLA to further the intent of the BSP. Sufficient funds are available for the Project from Council District Seven's portion of EBP and Interest in the Project Area.

After providing an opportunity for public comment, the Committee moved to approve the recommendations contained in the subject CRA/LA Bond Oversight Committee report, as detailed above. This matter is now transmitted to the Council for its consideration.

Respectfully Submitted,

ECONOMIC DEVELOPMENT COMMITTEE



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

ME 10/22/19

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**