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ECONOMIC DEVELOPMENT COMMITTEE REPORT relative to utilizing Community Redevelopment Agency of Los Angeles (CRA/LA) Excess Non-Housing Bond Proceeds (EBP) for the Small Business Facade Project (Project) within the Beacon Street 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 \$70,352 plus all earned interest (Interest) in taxable CRA/LA EBP available to Council District 15 from the Beacon Street Redevelopment Project Area to be utilized for the Project.
3. AUTHORIZE the Economic and Workforce Development Department (EWDD) to be the implementing department for activities relating to the Project.
4. AUTHORIZE the EWDD to approve, negotiate and execute contracting documents (Contract) as required with the property owner (Owner) and/or tenant to effectuate the Project, subject to the approval of City Attorney as to form and prevailing wage requirements.
5. REQUEST the Owner and/or Tenant to release a Request For Quote to competitively procure and select a qualified contractor (Contractor) to perform the building improvements subject to prevailing wage requirements.
6. AUTHORIZE the Controller, subject to the requirements below and availability of funds and duly executed and encumbered Contract(s), to expend up to \$70,352 plus Interest from the EBP Fund No. 57D, Account Nos. 22L9BT and 22S9BT, Beacon Street Taxable Series 2005-C, for activities related to the Project upon presentation of proper documentation by the Contractor, and satisfactory review of the EWDD in accordance with the terms and conditions of the Bond Expenditure Agreement.
7. AUTHORIZE the Bureau of Engineering (BOE), on behalf of the EWDD, 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.
8. INSTRUCT the EWDD 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 on its behalf.
 - b. The City has complied with CEQA requirements with respect to the Project, including obtaining any necessary CEQA clearances.
9. AUTHORIZE the EWDD to expend the CRA/LA EBP allocation no later than September 30, 2024.
 10. INSTRUCT the EWDD to report on its work accomplishments to the City Administrative Officer (CAO) on a quarterly and as-needed basis.
 11. AUTHORIZE the Interim General Manager, EWDD, or designee, to make any technical corrections or clarifications as necessary to the above instructions in order to effectuate the intent of this action.
 12. 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.

SUMMARY

At the meeting held on November 26, 2019, your Economic Development Committee considered a CRA/LA Bond Oversight Committee report relative to utilizing CRA/LA EBP for the Project within the Beacon Street Redevelopment Project Area. The EWDD reports that, all remaining taxable EBP plus Interest in the Project Area within Council District 15 is requested to be allocated to the EWDD to establish a small business investment program. A facade program which provides funding to small businesses for signage, building rehabilitation and capital equipment 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 15's portion of EBP and Interest 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:	ABSENT
RODRIGUEZ:	YES

ME 11/26/19

-NOT OFFICIAL UNTIL COUNCIL ACTS-