

ECONOMIC DEVELOPMENT COMMITTEE REPORT relative to the appropriation of all current and future interest income earned on Community Redevelopment Agency of Los Angeles (CRA/LA) Non-Housing Bond Proceeds (EBP) to Special Fund 57D for eligible projects and program administration.

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

1. FIND the appropriation of interest income earned (Interest) is not considered a project pursuant to California Environmental Quality Act Guidelines Section 15378(b)(4).
2. APPROPRIATE \$4,489,544 in Interest earned through June 30, 2019 on CRA/LA EBP, including an administrative appropriation of 16 percent of Interest on taxable EBP totaling \$352,754 and the remaining Interest of \$4,136,790 to be used for eligible projects and activities in accordance with the Bond Expenditure Agreement (BEA) and Bond Spending Plan (BSP).
3. AUTHORIZE all future Interest be appropriated to and expended for program administration and eligible projects and activities in accordance with the BEA and BSP.
4. AUTHORIZE the Controller to:
 - a. Establish new accounts within the CRA/LA EBP Fund No. 57D and appropriate as follows:

<u>Account</u>	<u>Title</u>	<u>Amount</u>
22S622	Reserved for EWDD Oversight	\$352,754
22S9AT	Adelante Eastside Taxable	74,344
22S9AN	AdeLante Eastside Tax-Exempt	262,508
22S9BT	Beacon Street Taxable	3,989
22S9CT	Broadway/Manchester Taxable	14,262
22S9DT	Crenshaw/Slauson Taxable	72,775
22S9ET	East Hollywood/Beverly-Normandie Taxable	76,822
22S9FT	Hollywood Taxable	52,151
22S9FN	Hollywood Tax-Exempt	329,143
22S9GT	Hoover Taxable	5,719
22S9HT	Laurel Canyon Taxable	43,644
22S9IT	Monterey Hills Taxable	2,400
22S9JT	Normandie 5 Taxable	53,954
22S9KN	North Hollywood Tax-Exempt	183,840
22S9LT	Pacific Corridor Taxable	1,554
22S9MT	Pacoima/Panorama City Taxable	104,461
22S9MN	Pacoima/Panorama City Tax-Exempt	830,415
22S9NT	Pico Union 1 Taxable	23,141
22S9OT	Pico Union 2 Taxable	134,729

22S9PT	Reseda/Canoga Park Taxable	584,436
22S9PN	Reseda/Canoga Park Tax-Exempt	527,168
22S9QT	Watts Taxable	2,461
22S9RT	Western/Slauson Taxable	15,610
22S9ST	Westlake Taxable	217,538
22S9TT	Wilshire Center/Koreatown Taxable	367,971
22S9TN	Wilshire Center/Koreatown Tax-Exempt	<u>151,755</u>
		Total: \$4,489,544

b. Increase appropriations as additional interest income is earned within the CRA/LA EBP Fund No. 57D upon presentation of proper documentation by Economic and Workforce Development Department (EWDD).

5. 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 City Administrative Officer; 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 totaling approximately \$86 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 the meeting held on August 13, 2019, your Economic Development Committee considered a CRA/LA Bond Oversight Committee report relative to the appropriation of all current and future interest income earned on CRA/LA EBP to Special Fund 57D for eligible projects and program administration. The EWDD reports that the \$4,489,544 represents Interest through June 30, 2019 from the deposit of approximately \$86 million in EBP, in an interest-bearing account with Wells Fargo Bank, as per the final fiscal 2018-19 interest income report provided by the Office of Finance. No additional Interest will be reported for Fiscal Year 2018-19. This Interest will be allocated and administered in accordance with the BEA and BSP adopted by Council on October 29, 2014 (Council file No. 14-1174), and all bond covenants and Community Redevelopment Laws. 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

A handwritten signature in black ink, appearing to be "L. M. ...", written in a cursive style.

<u>MEMBER</u>	<u>VOTE</u>
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PRICE:	YES
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BUSCAINO:	YES
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RODRIGUEZ:	YES
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ME 8/13/19

-NOT OFFICIAL UNTIL COUNCIL ACTS-