

MOTION **ECONOMIC DEVELOPMENT**

On May 10, 2017, Council approved an allocation of \$3,000,000 in taxable and tax-exempt CRA/LA Excess Bond Proceeds available to Council District 10 from the Wilshire Center/Koreatown Redevelopment Project Area to be used by the Department of Public Works, Bureau of Engineering (BOE), to assist with capital improvement costs related to the Pio Pico Library Park Project (Project) (C.F. 14-1174-S9). The recommendations considered and approved by Council were contained in an Economic and Workforce Development Department (EWDD) report dated April 18, 2017, that among other things, authorized the BOE to use the CRA/LA Excess Bond Proceeds to pay for costs related to the Project.

EWDD's report identified various funding sources that were anticipated to cover Project costs including: \$3 million in CRA/LA Excess Bond Proceeds; \$1.7 million in Community Development Block Grant (CDBG) Funds; \$4 million in Quimby Funds; and \$4.3 million in the Capital Improvement Expenditures Program (Fiscal Year 17-18 Budget). Those funding sources and amounts were expected to cover the estimated Project cost of \$13 million. As the Project budget has been further refined, the amount of CDBG funding has increased to \$4 million and the Capital Improvements Expenditure Program funding has decreased to \$1.33 million, creating a budget shortfall of nearly \$700,000. Additional funds are now needed to complete the Project budget.


Council District 10 has approximately \$676,000, exclusive of any interest earned, available in unallocated tax-exempt CRA/LA Excess Bond Proceeds from the Wilshire Center/Koreatown Redevelopment Project Area. These funds, along with any accumulated interest, would fill the budget shortfall and facilitate completion of the Project as planned.

In accordance with policies adopted by Council (C.F. 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.

I THEREFORE MOVE that the remaining balance (currently estimated at \$676,000), plus any interest earnings, of tax-exempt CRA/LA Excess Bond Proceeds available to Council District 10 from the Wilshire Center/Koreatown Redevelopment Project Area, be utilized by the Department of Public Works, Bureau of Engineering, to supplement the cost of capital improvements related to the Pio Pico Library Park Project (C.F. 1174-S9); and

I FURTHER MOVE that the Economic and Workforce Development Department, with the assistance of the City Administrative Officer, Chief Legislative Analyst, and any other applicable City department, provide a report with recommendations to the CRA/LA Bond Oversight Committee to amend its previous actions related to the Pio Pico Library Park Project (C.F. 14-1174-S9) to allocate additional tax-exempt CRA/LA Excess Bond Proceeds available to Council District 10 in the amount indicated above to assist with capital improvement costs as identified in the Bond Expenditure Agreement and Bond Spending Plan for the Wilshire Center/Koreatown Redevelopment Project Area.

PRESENTED BY


HERB J. WESSON, JR.
Councilmember, 10th District

SECONDED BY



MAY 01 2018



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