

ORDINANCE NO. _____

An ordinance adding Chapter 172 to Division 5 of the Los Angeles Administrative Code to receive eligible proceeds from the sale or lease of City property for economic development purposes, and amending Section 5.500 of the Los Angeles Administrative Code to authorize the use of Real Property Trust Funds for economic development projects or programs, including public infrastructure, development subsidies, or technical assistance.

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. Chapter 172 is added to Division 5 of the Los Angeles Administrative Code to read as follows:

CHAPTER 172

ECONOMIC DEVELOPMENT TRUST FUND

Sec. 5.578. Creation and Administration of the Fund.

(a) There is hereby created and established in the Treasury of the City of Los Angeles a special fund to be known as the "Economic Development Trust Fund" hereinafter referred to in this Chapter as the "Fund."

(b) The purpose of the Fund shall be for the receipt, retention and disbursement of fifty percent (50%) of all monies received by the City from the sale or lease of City owned property or any other monies which are otherwise appropriated to the Fund for economic development projects within the City.

(c) The City Treasurer shall establish a separate account within the Fund for each economic development project approved by the Mayor and City Council for which an initial or continuing source of economic development monies have been approved ("Approved Project").

(d) The Fund, and each separate account within the Fund, shall be administered by the General Manager of the Economic and Workforce Development Department, or his or her appointee (the "Administrator").

(e) Expenditures from the Fund, and each separate account within the Fund, shall be made in accordance with the terms and conditions of the Approved Project and the expenditure guidelines to be prepared by the Administrator.

(f) The Administrator shall comply with applicable provisions of California Government Code Section 53083 for any expenditure that constitutes an Economic

Development Subsidy within the meaning of California Government Code Section 53083(g)(1), as such may be amended.

(g) The Administrator shall report on a not less than annual basis to the City Council and Mayor, or their designees, the amount of economic development incentives anticipated to be attained or otherwise owing for each Approved Project for the upcoming fiscal year, as well as the maximum anticipated balance of incentives for each Approved Project over the term of the Agreement.

(h) All interest and earnings attributable to the monies in the Fund or any of the accounts in the Fund shall be credited to the Fund or to the appropriate account and shall be devoted for economic development within the City. The Administrator shall transfer such interest and earning to the individual account to which the interest and earning are attributable.

(i) At the close of each fiscal year, monies not expended from the Fund, or an individual account, shall remain in the individual account within the Fund and shall not revert to the Reserve Fund.

Sec. 2. Subsection (d) of Section 5.500, Chapter 100 of Division 5 of the Los Angeles Administrative Code is amended to read as follows:

(d) The monies in each Fund shall be devoted to the acquisition of real property interests or the construction or maintenance of improvements upon real property owned by the City, or for the funding of human service programs or assisting City departments with operating program funds or for approved economic development project or programs, including development subsidies or technical assistance within the Council District for which the Fund was created.

Sec. 3. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, at its meeting of _____.

HOLLY L. WOLCOTT, City Clerk

By _____ Deputy

Approved _____

Mayor

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

By 
MIGUEL DAGER
Deputy City Attorney

Date 8/10/16

File No. _____