

ECONOMIC DEVELOPMENT COMMITTEE REPORT and ORDINANCE FIRST CONSIDERATION relative to amending the Los Angeles Administrative Code (LAAC) to create the Economic Development Trust Fund and authorizing the use of real property trust funds to fund economic development.

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

PRESENT and ADOPT the accompanying ORDINANCE adding Chapter 172 to Division 5 of the LAAC to receive eligible proceeds from the sale or lease of City property for economic development purposes and amending LAAC Section 5.500 to authorize the use of Real Property Trust Funds for economic development projects or programs, including public infrastructure, development subsidies, or technical assistance.

Fiscal Impact Statement: Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

Summary:

On September 13, 2016, your Committee considered an August 12, 2016 City Attorney report and Ordinance relative to amending the LAAC to create the Economic Development Trust Fund and authorizing the use of real property trust funds to fund economic development. According to the City Attorney, on May 3, 2016, Council requested the City Attorney to prepare and present an Ordinance to establish a new interest-bearing Economic Development Trust Fund, to be administered by the Economic and Workforce Development (EWDD), to receive eligible proceeds from the sale or lease of City property for economic development purposes in accordance with expenditure guidelines to be prepared by EWDD.

Council additionally requested the City Attorney to prepare and present a draft ordinance amending LAAC Section 5.500, the Real Property Trust Funds for each of the Council Districts, to authorize additional expenditures to include disbursements for economic development projects or programs, including public infrastructure, development subsidies or technical assistance. In the same action, the Council also authorized the Controller to establish an account in the new Economic Development Trust Fund to collect 50 percent from the sale or lease of economic development properties and to establish an account in each of the Council Districts Real Property Trust Funds for the remaining 50 percent of the proceeds from the sale or lease of economic development properties. The Ordinance establishes the requested trust fund and expands the authorized use of Real Property trust funds for the requested economic development activities within the Council District from which the funds were generated.

After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the Ordinance as detailed in the above recommendation. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

A handwritten signature in black ink, appearing to be "L. L. L.", is written below the text "Respectfully Submitted,".

ECONOMIC DEVELOPMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
PRICE:	Y
CEDILLO:	Y
HARRIS-DAWSON:	Y
KREKORIAN:	Y
O'FARRELL:	Y

ARL
9/13/16

-NOT OFFICIAL UNTIL COUNCIL ACTS-