

Your Community Impact Statement has been successfully submitted to City Council and Committees.

If you have questions and/or concerns, please contact the Department of Neighborhood Empowerment at [NCsupport@lacity.org](mailto:NCsupport@lacity.org).

This is an automated response, please do not reply to this email.

#### Contact Information

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The Board approved this CIS by a vote of: Yea(13) Nay(0) Abstain(0) Ineligible(1) Recusal(0)

Date of NC Board Action: 07/11/2019

Type of NC Board Action: Against

#### Impact Information

Date: 07/18/2019

Update to a Previous Input: No

Directed To: City Council and Committees

Council File Number: 18-0334

Agenda Date:

Item Number:

Summary: On July 3, 2019, the City Council considered the City's Enhanced Infrastructure Financing District (EIFD) policy. However, the City Council did not acknowledge (in the council file) the Community Impact Statements (CIS) of the Atwater Village Neighborhood Council (AVNC). As elected officials and liaisons for our community, we feel this was an egregious error. Moreover, local stakeholders who took the time and expense to attend the meeting were not allowed to comment on the item, which further impeded community and public input. We strongly feel that public outreach has been inadequate on this very important EIFD policy, which impacts our community and the City at large. Three of the six EIFD council files are LA River related. The first LA River EIFD was introduced in 2014 (and incorrectly referenced "maintenance," which is not an allowed EIFD cost). We have heard and read about a possible "LA River" EIFD over the years. Scant information on the details or impacts has been provided. Through the AVNC's CIS, the City has been invited by the AVNC to speak on a possible LA River EIFD but has thus far declined. Mentioning our request again, we request a City-sponsored community workshop to provide details to potential "district" communities. Circumstances have changed and time has passed since the River related EIFD reports were completed in 2014 and 2016. As such, there is serious concern as their relevancy. The EIFD as a funding tool may also pose a serious problem in our current real estate market. What would happen to other city services and possible bond debt repayment in a down market? Neither the City Administrative Officer nor the CLA has completed a financial analysis of the reports, according to the agenda item. An EIFD creates a non-elected Public Finance Authority (PFA). This PFA will have powers to create bonds and assessments on local residents within said district. The need for transparency in the process is... Continued on the attached document.



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**AVNC Officers** Co-Chairs: Courtney Morris, Edward Morrissey • Treasurer: Josh Hertz • Secretary: Karen Knapp

Community Impact Statement (CIS): Against

Council Files:

- 14-1349 Enhanced Infrastructure Financing District (EIFD) / Creation / Los Angeles River / Support Restoration and Maintenance
- 14-1349-S1 Economic Development Initiatives / Enhanced Infrastructure Financing District (EIFD) / Venice 04/13/2018
- 14-1349-S2 Economic Infrastructure Financing Districts (EIFDs) / Strategy of Creation / Proposition 218
- 14-1349-S3 Northeast Los Angeles River Collaborative Project / River Revitalization Enhanced Infrastructure Financing Districts (EIFD)
- 14-1349-S4 Los Angeles River Improvements / Financing / River Enhanced Infrastructure Financing District (EIFD) Feasibility Study
- 18-0334 Los Angeles County Metropolitan Authority (Metro) / Transit Oriented Development (TOD) Planning Grant / Downtown Enhanced Infrastructure Financing District (EIFD)

July 11th, 2019

Dear Honorable Councilmembers,

On July 3, 2019, the City Council considered the City's Enhanced Infrastructure Financing District (EIFD) policy. However, the City Council did not acknowledge (in the council file) the Community Impact Statements (CIS) of the Atwater Village Neighborhood Council (AVNC). As elected officials and liaisons for our community, we feel this was an egregious error. Moreover, local stakeholders who took the time and expense to attend the meeting were not allowed to comment on the item, which further impeded community and public input.

We strongly feel that public outreach has been inadequate on this very important EIFD policy, which impacts our community and the City at large. Three of the six EIFD council files are LA River related. The first LA River EIFD was introduced in 2014 (and incorrectly referenced "maintenance," which is not an allowed EIFD cost). We have heard and read about a possible "LA River" EIFD over the years. Scant information on the details or impacts has been provided. Through the AVNC's CIS, the City has been invited by the AVNC to speak on a possible LA River EIFD but has thus far declined. Mentioning our request again, we request a City-sponsored community workshop to provide details to potential "district" communities.

Circumstances have changed and time has passed since the River related EIFD reports were completed in 2014 and 2016. As such, there is serious concern as their relevancy.

The EIFD as a funding tool may also pose a serious problem in our current real estate market. What would happen to other city services and possible bond debt repayment in a down market? Neither the City Administrative Officer nor the CLA has completed a financial analysis of the reports, according to the agenda item.

An EIFD creates a non-elected Public Finance Authority (PFA). This PFA will have powers to create bonds and assessments on local residents within said district. The need for transparency in the process is required to build trust and support for these futures EIFDs. They will have financing authority and will not be accountable to the public.

Due to this lack of communication and outreach, we now recommend that a Neighborhood Council (NC) representative have a seat on any PFA. This would ensure transparency of the PFA processes, discussions, decisions, and allow for local input and communication. Merely having a "member of the public" does not require reporting to the community. An NC member would report to their board, which would allow for the dissemination of the PFA activities and information to the broader community.

**To reiterate our past comments:**

We believe a City sponsored community workshop, held at a riverfront location (Friendship Hall) is required on what an EIFD is, how it works, benefits, possible drawbacks and proposed projects prior to implementation. This should include possible additional funding mechanisms available to a PFA that may impact residents beyond the incremental tax, such as bonds, "benefit" assessments and etc. In addition, operations and maintenance (O&M) funding sources need to be required for all proposed projects, since an EIFD cannot fund O&M.

Atwater Village, a riverfront community, should be informed of and able to comment on plans for EIFD district outlines and proposed projects. The process should be transparent and open for public comment in the planning process - prior to a public hearing and implementation.

For example, currently we are looking at a proposed Special Flood Hazard Area (SFHA) affecting a large percentage of the community (SFHA - approximately 3,000 parcels overall). EIFD funding could be used for levee repair and other mitigation measures lessening the financial burden and increasing the safety of affected residents. Atwater Village and other riverfront communities should have a direct benefit, such as addressing this SFHA issue, from the use of tax dollars collected in a River Revitalization EIFD.

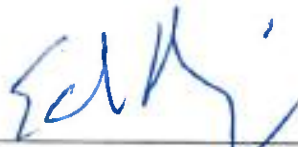
In addition to flood risk reduction, funds can be used for the watershed, green streets and additional water infiltration and retention systems that would have a direct and positive local impact for stakeholders while contributing to the overall health of the River.

Funding used for these purposes would support the Los Angeles River Revitalization Master Plan, ARBOR Study and local use of tax contributions of Atwater Village stakeholders.

Thank you,



Courtney Morris  
Co-Chair



Edward Morrissey  
Co-Chair