

# CITY OF LOS ANGELES

CALIFORNIA



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When making inquiries relative to  
this matter, please refer to the  
Council File No.

September 4, 2013

To All Interested Parties:

The City Council adopted the action(s), as attached, under Council File  
No. 13-0838, at its meeting held September 3, 2013.

  
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13

ECONOMIC DEVELOPMENT COMMITTEE REPORT relative to assignment of the Sun Valley Economic Development Administration Grant to the Public Works Bureau of Engineering.

Recommendations for Council action, as initiated by Motion (Perry - LaBonge):

1. INSTRUCT the Chief Legislative Analyst (CLA) and the City Administrative Officer (CAO) to:
  - a. Work with the Community Redevelopment Agency of Los Angeles, a Designated Local Authority (CRA/LA-DLA) to transmit the Assignment and Assumption Agreement for the City Department of Public Works, Bureau of Engineering (BOE) to be assigned the rights and fulfill the obligations of the former CRA/LA in regards to the U.S. Department of Commerce Economic Development Administration (EDA) grant for Council review.
  - b. Prepare and submit for Council review an extension request to the EDA, with the assistance of the BOE and the CRA/LA-DLA, to allow the City to complete the proposed road improvements in Council District Six.
  - c. Report on the status of the EDA project and provide recommendations to fill the funding gap to complete the Sun Valley improvement project as originally proposed to the EDA.
2. INSTRUCT the City's outside counsel to expedite their review of the draft Assignment and Assumption Agreement.
3. INSTRUCT the CLA and BOE to work expeditiously with CRA/LA-DLA so that the Successor Agency may request the necessary grant extension from the EDA.
4. INSTRUCT the CLA, upon receipt of the final draft agreement, to immediately prepare a report for Council consideration authorizing the BOE to execute the Assignment and Assumption Agreement, which will approve the assignment of the Federal grant from the CRA/LA to the City.
5. INSTRUCT the CAO to identify necessary funding and take actions necessary to address the potential funding shortfall so that this project can be implemented.

Fiscal Impact Statement: Neither the CAO nor the CLA has completed a financial analysis of this report.

Community Impact Statement: None submitted.

SUMMARY

At a regular meeting held on August 28, 2013, the Housing Committee considered Motion (Perry - LaBonge) relative to assignment of the Sun Valley Economic Development Administration Grant to the Public Works Bureau of Engineering.

A representative of the Chief Legislative Analyst addressed the Committee relative to this item and provided a brief overview. CLA reports that in 2010, the former Community Redevelopment Agency of Los Angeles (CRA/LA) received a \$3 million grant from the Economic Development Administration for street improvements in Council District Six. The improvements include design

and upgrade of curbs, gutters, sidewalks, and pavement along two main streets and five intersections in Sun Valley.

In 2012, the CRA/LA was dissolved which required the the transfer of the EDA grant to the City since the CRA/LA's Successor Agency, the Community Redevelopment Agency of Los Angeles, a Designated Local Authority (CRA/LA-DLA), no longer has authority over the project. In order to proceed with the project, the EDA grant must be transferred to the City, which requires preparation of documents that must be reviewed by the City's outside counsel. Additionally, as resolut of the CRA/LA dissolution, the grant expired on June 24, 2013. City staff is currently in contact with the EDA which as advised the City to submit an extension request which is in progress.

The Committee member who now represents Council District Six requested that the Motion be amended to instruct the City's outside counsel to expedite review of the draft Assumption and Assignment Agreement, instruct the CLA and BOE to work with CRA/LA-DLA to request a grant extension from the EDA, instruct the CLA to prepare a report for Council consideration authorizing the BOE to execute the Assumption and Assignment Agreement, and to instruct the City Administrative Officer to identify the necessary funding.

After providing an opportunity for public comment, the Committee recommend approval of Motion (Perry - Labonge) as amended. This matter is now forwarded to Council for conserdation.

Respectfully Submitted,

ECONOMIC DEVELOPMENT COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
PRICE	YES
KREKORIAN	YES
HUIZAR	ABSENT
CEDILLO	ABSENT
MARTINEZ	YES

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**

**ADOPTED**

SEP 03 2013

LOS ANGELES CITY COUNCIL