Los Angeles City Council, Journal/Council Proceedings  
Friday, May 14, 2010  
John Ferraro Council Chamber, Room 340, City Hall - 9:00 am

- - - SPECIAL COUNCIL MEETING - - -

9:00 A.M.

ROLL CALL - Members present: Alarcón, Hahn, Krekorian, LaBonge, Parks, Perry, Reyes, Smith, Wesson, Zine and President Garcetti (11); Absent: Cárdenas, Huizar, Koretz and Rosendahl (4)

ROLL CALL NUMBER (#) - INDICATES THE ORDER IN WHICH THE ITEMS WERE ACTED UPON DURING THE COUNCIL MEETING

Items Noticed for Public Hearing - Items 1-2

ITEM NO. (1) - NO ACTION REQUIRED - CONTINUED TO MAY 17, 2010

Roll Call #1 - Motion (Parks - Perry) Adopted to Continue, Unanimous Vote (11); Absent: Cárdenas, Huizar, Koretz and Rosendahl (4)

10-0600  
PRESENTATION OF REPORT BY THE BUDGET AND FINANCE COMMITTEE relative to the Mayor's Proposed 2010-11 Budget for the City of Los Angeles, related Motions and Resolutions.

ITEM NO. (2) - PUBLIC HEARING CLOSED - CITY ENGINEER INSTRUCTED TO PROCEED

Roll Call #2 - Motion (Parks - Perry) Adopted, Ayes (11); Absent: Cárdenas, Huizar, Koretz and Rosendahl (4)

09-0683  
CD 13  
HEARING PROTEST relative to vacating Council Street and Madison Avenue Vacation District in connection with the construction of Central Region Elementary School No. 20 (VAC E1401143).

(Final Environmental Impact Report, Public Works Committee Report and Findings adopted on April 16, 2010)
Items for Which Public Hearings Have Been Held - Items 3-5

ITEM NO. (3) - NO ACTION TAKEN

10-0247

CONSIDERATION, DISCUSSION and POSSIBLE ACTIONS addressing the Fiscal Year 2009-10 and 2010-11 budget deficits, City staff and others to report on budget balancing matters and possible closed executive session as it may relate to bargaining instructions relative to negotiations with employees and employee organizations.

[Council may recess to Closed Session, pursuant to Government Code Section 54957.6, to meet with the City's labor negotiator(s) relative to the above matter.]

(Public Hearing closed on March 30, 2010)

Roll Call #3 - Motion (Reyes - Smith) Adopted, Ayes (11); Absent: Cárdenas, Huizar, Koretz and Rosendahl (4)
(Item Nos. 4-5)

ITEM NO. (4) - ADOPTED

10-0294

HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE REPORT relative to the Los Angeles Housing Department (LAHD) loan portfolio performance for Program Years (PYs) 2002-03 through 2008-09 and related actions.

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

1. AUTHORIZE the General Manager, LAHD, or designee, to:
   a. Write off $18,357,018.50 in principal and associated interest losses associated with 102 loans, as identified in Attachment 7a and 7b of the LAHD report dated February 3, 2010.
   b. Prepare Controller instructions and make any necessary technical adjustments consistent with the actions taken on this matter, subject to the approval of the City Administrative Officer (CAO), and authorize the Controller to implement these instructions.

2. INSTRUCT the General Manager, LAHD, or designee, to:
   a. Submit a Loan Portfolio Report to the Council and Mayor no later than March 31, 2011, covering the performance period through the end of the previous calendar year, including but not limited to the following information:
      1) Accounts receivable balances.
      2) Collection of program income.
3) Identification of delinquent loans, loans in probate and bankruptcy, short pay-offs, and completed foreclosures.

4) Loan write off requests.

b. Establish a policy requiring the disposition and rehabilitation of Real Estate Owned properties under LAHD ownership or control within five years of assuming ownership or control, in conformance with established LAHD Loan Portfolio and Asset Management policies and procedures.

3. AUTHORIZE the Controller to:

a. Write off $2,996,357.52 in loan receivable balances identified in Attachments 8 and 9 of the LAHD report dated February 3, 2010, upon proper written demand of the General Manager, LAHD, or designee.

b. Establish a new account and appropriate funds within Fund No. 240, Housing Production Revolving, Department 43, as follows:

<table>
<thead>
<tr>
<th>Account</th>
<th>Title</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>F221</td>
<td>Asset Protection</td>
<td>$1,500,000</td>
</tr>
</tbody>
</table>

c. Expend funds not to exceed $1,500,000.00, upon proper written demand from the General Manager, LAHD, or designee for purposes of enforcing and protecting the City's liens, covenants, and collateral; paying for costs associated with the security, management, maintenance, repair, and insurance of LAHD-owned or controlled properties; and, for paying other costs associated with the disposition of LAHD-owned or controlled properties.

Fiscal Impact Statement: The CAO reports that there is no impact on the General Fund. Approval of the recommendations will result in the write off of $21.35 million in losses comprising $18.36 million in principal and associated interest for 102 loans and $2.99 million in loan receivable balances that were deemed by the LAHD as either uncollectible or are considered administrative corrections. In addition, expenditure authority of $1.5 million will be granted to allow LAHD to address costs associated with protecting the City's liens, covenants, and collateral as well as costs associated with the management and disposition of LAHD-owned or controlled properties. These recommendations comply with City Financial Policies because dedicated special funds will fully fund the proposed costs. The anticipated fund source will be the Housing Production Revolving Fund.

Community Impact Statement: None submitted.

ITEM NO. (5) - ADOPTED - TO THE MAYOR FORTHWITH

CATEGORICAL EXEMPTION and PLANNING AND LAND USE MANAGEMENT COMMITTEE REPORT relative to an appeal of conditions imposed on Florentine Gardens located at 5951 Hollywood Boulevard.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:
1. FIND that this action is categorically exempt from California Environmental Quality Act (CEQA) pursuant to Article III, Section 1, Class 1(22) of the City's CEQA Guidelines.

2. ADOPT the FINDINGS of the Zoning Administrator as the Findings of the Council.

3. RESOLVE TO GRANT IN PART/DENY IN PART APPEAL filed by Kenneth Mackenzie (Lee Rabun, CLR Enterprises, Inc., Representative), from the entire determination of the Zoning Administrator, and THEREBY IMPOSE conditions on the business known as Florentine Gardens located at 5951 Hollywood Boulevard, as modified by the Planning and Land Use Management Committee and attached to Council file No. 10-0119.

   DIR 96-0122(RV)(PA5)

Fiscal Impact Statement: None submitted by the Planning Department. Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

TIME LIMIT FILE - MAY 14, 2010
(LAST DAY FOR COUNCIL ACTION - MAY 14, 2010)

Items for Which Public Hearings Have Not Been Held - Items 6-12
(10 Votes Required for Consideration)

Roll Call #6 - Motion (Parks - Perry) Adopted, Ayes (12); Absent: Cárdenas, Huizar and Koretz (3) (Item Nos. 6-7)

ITEM NO. (6) - ADOPTED - TO THE MAYOR FORTHWITHT

09-0330
COMMUNICATIONS FROM THE CITY ADMINISTRATIVE OFFICER (CAO), CITY ATTORNEY, RESOLUTION and ORDINANCE FIRST CONSIDERATION relative to authorizing the issuance of up to $55 million in Judgment Obligation Bonds, which incorporates a Bond Purchase Agreement, a Continuing Disclosure Certificate, and Preliminary Official Statement.

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

1. ADOPT an Authorizing RESOLUTION of the City Council of the City of Los Angeles authorizing the issuance of up to $55 million in bonds, which incorporates a Bond Purchase Agreement, a Continuing Disclosure Certificate and a Preliminary Official Statement (attached to the Council file).

2. PRESENT and ADOPT the accompanying ORDINANCE creating Special Funds resulting from the City's Judgment Obligation Bond issuance, Series 2010-A, and providing for the transfer of any excess money to the Reserve Fund when Judgment Obligation Bond issues have been repaid.
**Fiscal Impact Statement:** The CAO reports that the proposed $55 million bond issuance will be an obligation of the General Fund. The annual debt service amount resulting from the bond issuance is projected to be approximately $6.3 million for 10 years.

**Debt Impact Statement:** The CAO reports that issuance of the proposed $55 million in bonds will not cause the City’s debt service payments to exceed six percent of General Fund revenues for non-voter approved debt as established in the City’s Financial Policies, Debt Management Section. The $55 million bond issuance will result in annual debt service payments of approximately $6.3 million.

(Budget and Finance Committee waived consideration of the above matter)

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**ITEM NO. (7) - ADOPTED - TO THE MAYOR FORTHWITH**

**09-0351-S1**

EXEMPTION, COMMUNICATION FROM THE CITY ATTORNEY and ORDINANCE FIRST CONSIDERATION relative to repealing Section 66.08.7 of the Los Angeles Municipal Code (LAMC) and Section 5.551 of the Los Angeles Administrative Code (LAAC) which govern the Alternative to Landfill Fee and Fund.

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

1. *FIND* that the ORDINANCE is exempt from the requirements of the California Environmental Quality Act because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

2. *PRESENT* and *ADOPT* the accompanying ORDINANCE repealing Section 66.08.7, Article 6, Chapter VI of the LAMC and Section 5.551, Chapter 151, Division 5 of the LAAC, which govern the Alternative to Landfill Fee and Fund.

**Fiscal Impact Statement:** None submitted by the City Attorney. Neither the City Administrative Officer or the Chief Legislative Analyst has completed a financial analysis of this report.

**Community Impact Statement:** None submitted.

(Ad Hoc Committee on Recovering Energy, Natural Resources and Economic Benefit from Waste for Los Angeles and Budget and Finance Committees waived consideration of the above matter)

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**ITEM NO. (8) - ADOPTED**

**Roll Call #7 - Motion (Reyes - Wesson) Adopted, Ayes (12); Absent: Cárdenas, LaBonge and Smith (3)**

**07-3249-S1**

COMMUNICATION FROM CHAIR AND MEMBER, ENERGY AND ENVIRONMENT COMMITTEE and ORDINANCE FIRST CONSIDERATION relative to amending Electric Rate Ordinance No. 180127 to modify temperature zones for the Studio City area to reflect average summer temperatures.
Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. CONCUR with the Board of Water and Power Commissioners’ (Board) action of August 4, 2009, approved as to form and legality by the City Attorney, Resolution No. 010-058, recommending the amendment to Electric Rate Ordinance No. 180127 to provide for a temperature zone change for Studio City Zip Codes to Zone Two.

2. PRESENT and ADOPT the accompanying ORDINANCE amending Electric Rate Ordinance No. 180127, to provide for a temperature zone change for Studio City Zip Codes to Zone Two.

Fiscal Impact Statement: None submitted by the City Attorney. The City Administrative Officer reports that this action will have no impact on the City’s General Fund. Approval of the proposed temperature zone changes will have a minimal impact on Los Angeles Department of Water and Power (LADWP) revenue. Since the LADWP is only bound by the City Debt Management Policies, the City Financial Policies are not applicable.

Community Impact Statement: None submitted.

ITEM NO. (9) - ADOPTED

Roll Call #4 - Motion (LaBonge - Perry) Adopted, Ayes (11); Absent: Cárdenas, Huizar, Koretz and Rosendahl (4)
(Item Nos. 9a-9j)

10-0005-S373
et al. RESOLUTIONS relative to removing various properties from the Rent Escrow Account Program.

Recommendation for Council action:

ADOPT the accompanying RESOLUTIONS removing the following properties from the Rent Escrow Account Program (REAP), inasmuch as the owner(s) have corrected the cited REAP violations and provided proof of compliance with the Los Angeles Housing Department (LAHD), Code Enforcement Unit, habitability citations, pursuant to Ordinance 173810, and ADOPT the Findings contained in the LAHD’s report of May 7, 2010:

10-0005-S373
CD 9

a. Property at 3515 South Hooper Avenue (Case No. 6106).
   Assessor I.D. No. 5114-031-016
   (Notice of Acceptance into the REAP/Rent Reduction Program was sent on November 27, 2002)

10-0005-S374
CD 9

b. Property at 129 East 69th Street (Case No. 181109).
   Assessor I.D. No. 6011-004-052
   (Notice of Acceptance into the REAP/Rent Reduction Program was sent on July 24, 2008)
c. Property at 6418 South Van Ness Avenue (Case No. 136634). Assessor I.D. No. 6016-001-006

(Notice of Acceptance into the REAP/Rent Reduction Program was sent on December 20, 2007)

d. Property at 3842 South Van Ness Avenue (Case No. 188266). Assessor I.D. No. 5035-021-003

(Notice of Acceptance into the REAP/Rent Reduction Program was sent on February 12, 2009)

e. Property at 1553 East 21st Street (Case No. 242755). Assessor I.D. No. 5118-002-014

(Notice of Acceptance into the REAP/Rent Reduction Program was sent on October 20, 2009)

f. Property at 1314 South Westlake Avenue (Case No. 267833). Assessor I.D. No. 5135-004-005

(Notice of Acceptance into the REAP/Rent Reduction Program was sent on February 4, 2010)

g. Property at 2814 Hauser Boulevard (Case No. 266830). Assessor I.D. No. 5043-020-014

(Notice of Acceptance into the REAP/Rent Reduction Program was sent on January 7, 2010)

h. Property at 2405 West 18th Street (Case No. 256756). Assessor I.D. No. 5073-015-011

(Notice of Acceptance into the REAP/Rent Reduction Program was sent on October 20, 2009)

i. Property at 753 North Hudson Avenue (Case No. 272961). Assessor I.D. No. 5533-036-002

(Notice of Acceptance into the REAP/Rent Reduction Program was sent on February 25, 2010)
j. Property at 11421 South San Pedro Street (Case No. 150633).
Assessor I.D. No. 6083-003-004

(Notice of Acceptance into the REAP/Rent Reduction Program was sent on December 13, 2007)

ITEM NO. (10) - ADOPTED

Roll Call #5 - Motion (Hahn - Parks) Adopted, Ayes (12); Absent: Cárdenas, Huizar and Koretz (3)

10-0002-S14

COMMUNICATION FROM CHAIR, INFORMATION TECHNOLOGY AND GOVERNMENT AFFAIRS COMMITTEE and RESOLUTION relative to the City’s position supporting an adjustment to the Federal Hotel Per Diem Rate for Los Angeles.

Recommendation for Council action, pursuant to Resolution (Hahn - Cárdenas), SUBJECT TO THE CONCURRENCE OF THE MAYOR:

ADOPT the accompanying RESOLUTION to include in the City’s 2009-10 Federal Legislative Program, SPONSORSHIP or SUPPORT for legislation or administrative action that would raise the federal hotel per diem rate for Los Angeles so that this rate will more accurately reflect the higher costs of providing hospitality in various parts of the region and will allow the hotel and tourism industries to compete for federal tourism dollars on a fair and equitable basis.

Fiscal Impact Statement: None submitted by the Chief Legislative Analyst. The City Administrative Officer has not completed a financial analysis of this report.

Community Impact Statement: None submitted.

Roll Call #4 - Motion (LaBonge - Perry) Adopted, Ayes (11); Absent: Cárdenas, Huizar, Koretz and Rosendahl (4)

(Item Nos. 11-12)

ITEM NO. (11) - ADOPTED

09-0010

MOTION (HUIZAR - PARKS) relative to reinstating the reward offer in the death of Francisco Pedraza for an additional six months.

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

REAFFIRM Council’s findings and REINSTATE the reward offer relative to the death of Francisco Pedraza (Council actions of January 13, and November 6, 2009, Council file No. 09-0010) for an additional period of six months from the publication of the offer of reward by the Office of the City Clerk and, further, that the sum of $50,000 shall be the aggregate maximum sum of any payment or payments of a City reward in this instance.
ITEM NO. (12) - MAP APPROVED - CITY ENGINEER REPORT ADOPTED

10-0787
CD 3
PARCEL MAP L.A. NO. 2004-7674 for property located at 6838 Yolanda Avenue northerly of Vanowen Street.
(Approve Subdivision Improvement Agreement and Contract with attached security documents)
(ADOPT City Engineer Report)
(ADOPT Bond No. C-116490)
(Quimby Fee: $2,429)
Applicants: Lourdes N. Fallis
Oscar Ensaifi

MOTIONS PRESENTED PURSUANT TO RULE NO. 16 - TO BE PLACED ON THE NEXT AVAILABLE AGENDA

10-0824
MOTION (REYES - GARCETTI) relative to changing the regularly scheduled meeting time of the Planning and Land Use Management Committee.

10-0823
CD 9
MOTION (PERRY - ZINE) relative to installing street banners commemorating the 125th Anniversary Celebration of the Second Baptist Church of Los Angeles.

10-0821
MOTION (ZINE - SMITH) relative to funding for use of the City Hall Tom Bradley room by the Personnel Department on May 18, 2010.

RESOLUTIONS PRESENTED PURSUANT TO RULE NO. 16 - TO BE PLACED ON THE NEXT AVAILABLE AGENDA

09-1039-S3
RESOLUTION (GARCETTI - ROSENAHL - KORETZ) relative to declaring May 17-21, 2010, as Bike to Work Week in the City of Los Angeles.

10-0820
RESOLUTION (PERRY - GARCETTI - ROSENAHL - REYES) relative to declaring May 22, 2010, as Harvey Milk Day in the City of Los Angeles.

10-0819
RESOLUTION (ALARCON - LABONGE) relative to declaring the week of May 24-28, 2010, as Crossing Guard Appreciation Week 2010 in the City of Los Angeles.
RESOLUTION (PERRY - KORETZ) relative to declaring the week of June 1-7, 2010, as CPR and AED Awareness Week in the City of Los Angeles.

COMMENDATORY RESOLUTIONS ADOPTED IN HONOR OF:

10-0004-S1 - Jim B. Clarke
       Edward R. Johnson
(Wesson - All Councilmembers)
(Wesson - All Councilmembers)

Ayes, Cárdenas, Huizar, Koretz, Krekorian, Parks, Perry, Reyes, Rosendahl, Wesson, Zine and President Garcetti (11); Absent: Alarcón, Hahn, LaBonge and Smith (4)

Whereupon the Special Council meeting did adjourn.

ATTEST:  June Lagmay, CITY CLERK

By

Council Clerk  PRESIDENT OF THE CITY COUNCIL