

Los Angeles City Council, **Journal/Council Proceedings**
Friday, **July 9, 2010**
John Ferraro Council Chamber, Room 340, City Hall - 10 am

(For further details see Official Council Files)

(For communications referred by the President see Referral Memorandum)

ROLL CALL - Members present: Alarcón, Hahn, Huizar, Koretz, Krekorian, Parks, Rosendahl, Smith, Wesson and President Garcetti (10); Absent: Cárdenas, LaBonge, Perry, Reyes and Zine (5)

APPROVAL OF THE RECORD OF PROCEEDINGS OF THE COUNCIL MEETING OF
JULY 6, 2010

COMMENDATORY RESOLUTIONS AND INTRODUCTIONS - NONE

PUBLIC TESTIMONY ON NON-AGENDA ITEMS AT THE CALL OF THE CHAIR -
An opportunity for public testimony was provided.

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

Items Noticed for Public Hearing - Items 1-3

ITEM NO. (1) - RECEIVE AND FILE - INASMUCH LIEN HAS BEEN PAID

Roll Call #1 - Adopted to Receive and File, Unanimous Vote (10); Absent: Cárdenas, LaBonge, Perry, Reyes and Zine (5)

[10-0477](#)
CD 7

CONTINUED CONSIDERATION OF HEARING PROTESTS relative to Department of Building and Safety report and confirmation of lien against property located at 8552-54 North Sepulveda Boulevard, aka 8546 North Sepulveda Boulevard, APN 2654-021-007. (Lien: \$5,538.51)

Recommendations for Council action:

1. HEAR PROTESTS relative to proposed lien recorded against property above, to recover the cost of delinquent annual inspection invoices, plus appropriate fees and fines, as authorized by the Los Angeles Municipal Code Section 98.0402(e) and Los Angeles Administrative Code Sections 7.35.3 and 7.35.5, as described in the Building and Safety report, attached to the Council file; and, CONFIRM said lien.

2. INSTRUCT the Department of Building and Safety to deposit to Department 08, Fund 48R, Balance Sheet Account 2200, any payment received against this lien in the amount of \$5,538.51 on the above referenced property.

(Continued from Council meeting of June 25, 2010)

ITEM NO. (2) - MOTION ADOPTED TO GRANT APPLICATION

Roll Call #2 - Adopted to Grant Application, Ayes (10); Absent: Cárdenas, LaBonge, Perry, Reyes and Zine (5)

[10-0997](#)

CD 11

HEARING COMMENTS relative to application for determination of "Public Convenience or Necessity" for the sale of alcoholic beverages for off-site consumption at 7-11 convenience market located at 12403 Venice Boulevard.

Recommendations for Council action:

1. DETERMINE that the issuance of a liquor license at 7-11 convenience market located at 12403 Venice Boulevard, Los Angeles, 90066, will serve the "Public Convenience or Necessity" and will not tend to create a law enforcement problem.
2. GRANT the Application for Determination of "Public Convenience or Necessity" for the sale of alcoholic beverages for off-site consumption at 12403 Venice Boulevard.
3. INSTRUCT the City Clerk to transmit this determination to the State Department of Alcoholic Beverage Control as the required findings under Business and Professions Code Section 23958.4.

Applicant: Mehreen, Inc., (Sherrie Olson, representative)

TIME LIMIT FILE - JULY 26, 2010

(LAST DAY FOR COUNCIL ACTION - JULY 23, 2010)

ITEM NO. (3) - ADOPTED - FORTHWITH - SEE FOLLOWING

Roll Call #5 - Adopted, Ayes (10); Absent: Cárdenas, LaBonge, Perry, Reyes and Zine (5)

[07-4174](#)

CD 9

COMMUNICATION FROM THE COMMUNITY REDEVELOPMENT AGENCY and RESOLUTIONS relative to the proposed disposition of property located at 944-1010 East Slauson Avenue and 1040 East Slauson Avenue.

Recommendations for Council action, pursuant to Motion (Wesson - Parks):

1. HOLD a public hearing pursuant to Health and Safety Code Section 33433 regarding the proposed disposition of 944-1010 East Slauson Avenue and 1040 East Slauson Avenue.
2. ADOPT the accompanying RESOLUTION (New Attachment supplementing Council File No. 07-4174) CERTIFYING that the City Council has reviewed and considered the environmental effects of the Project as identified in the Initial Study/Mitigated Negative Declaration (MND), as supplemented by the August 2008 Addendum to the MND prepared by the CRA/LA and the Department of Transportation letter of May 25, 2010, and making other findings required by the California Environmental Quality Act of 1970.
3. ADOPT the accompanying JOINT RESOLUTION (Attachment 1 of the City Administrative Officer report dated August 13, 2008), authorizing the sale of property and making certain findings pursuant to Health and Safety Code Section 33433, and FIND that:
 - a. Project will assist in eliminating blight.
 - b. The Community Redevelopment Agency (CRA/LA) sale of that property is consistent with the Five Year Implementation Plan for the Council District Nine Corridors South of the Santa Monica Freeway Recovery Redevelopment Project Area.
 - c. Consideration to be received by the CRA/LA is not less than the fair re-use value of the property in keeping with Health and Safety Code Section 33433.
4. AUTHORIZE the Chief Executive Officer, CRA/LA, or designee, to:
 - a. Execute the First Amendment to the Disposition and Development Agreement with the Developer for the development of the Project, subject to the review of the City Attorney as to form and legality and the Department of Public Works, Bureau of Contract Administration, for compliance with CRA/LA contracting requirements.
 - b. Negotiate indemnification language that would provide full indemnification of the Developer in connection with any potential damages related to the current or future appeals by M&A Gabae or Kramer Metals of the right to take decisions, subject to the review of the City Attorney as to form and legality.

ADOPTED

MOTION (WESSON - ROSENDAHL)

Recommendations for Council action:

1. **HOLD a public hearing pursuant to Health and Safety Code Section 33433 regarding the proposed disposition of 944-1010 East Slauson Avenue and 1040 East Slauson Avenue.**
2. **ADOPT the accompanying RESOLUTION (New Attachment supplementing Council File No. 07-4174) CERTIFYING that the City Council has reviewed and considered the environmental effects of the Project as identified in the Initial Study/Mitigated Negative Declaration (MND), as supplemented by the August 2008 Addendum to the MND prepared by the CRA/LA and the Department of Transportation letter of May 25, 2010, and making other findings required by the California Environmental Quality Act of 1970.**

3. **ADOPT the accompanying JOINT RESOLUTION (Attachment 1 of the City Administrative Officer report dated August 13, 2008), authorizing the sale of property and making certain findings pursuant to Health and Safety Code Section 33433, and FIND that:**
 - a. **Project will assist in eliminating blight.**
 - b. **The Community Redevelopment Agency (CRA/LA) sale of that property is consistent with the Five Year Implementation Plan for the Council District Nine Corridors South of the Santa Monica Freeway Recovery Redevelopment Project Area.**
 - c. **Consideration to be received by the CRA/LA is not less than the fair re-use value of the property in keeping with Health and Safety Code Section 33433.**
4. **AUTHORIZE the Chief Executive Officer, CRA/LA, or designee, to:**
 - a. **Execute the First Amendment to the Disposition and Development Agreement with the Developer for the development of the Project, subject to the review of the City Attorney as to form and legality and the Department of Public Works, Bureau of Contract Administration, for compliance with CRA/LA contracting requirements.**
 - b. **Negotiate indemnification language that would provide full indemnification of the Developer in connection with any potential damages related to the current or future appeals by M&A Gabae or Kramer Metals of the right to take decisions, subject to the review of the City Attorney as to form and legality.**

Items for Which Public Hearings Have Been Held - Items 4-8

ITEM NO. (4) - 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 - Adopted, Ayes (10); Absent: Cárdenas, LaBonge, Perry, Reyes and Zine (5)
(Item Nos. 5-6)**

ITEM NO. (5) - ADOPTED

[10-0752](#)

ORDINANCE SECOND CONSIDERATION authorizing the Board of Water and Power Commissioners to award two agreements pursuant to a competitive sealed proposal method, to permit negotiations relating to the acquisition, design, engineering, and construction of the Haynes Generating Station Units 5 and 6 Repowering Project.

[Motion (Cárdenas - Smith) adopted on July 2, 2010]

ITEM NO. (6) - MOTION ADOPTED IN LIEU OF HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE REPORT - SEE FOLLOWING

[10-0849](#)

CD 10

COMMUNICATION FROM THE COMMUNITY DEVELOPMENT DEPARTMENT relative to a City Loan Agreement with Metropolitan Square to provide funding assistance for the development of the District Square Retail Project.

(Housing, Community and Economic Development Committee report to be submitted in Council. If public hearing is not held in Committee, an opportunity for public comment will be provided.)

(Click on the above hyperlink or go to <http://cityclerk.lacity.org/lacityclerkconnect/index.cfm> for background documents.)

COMMUNICATION FROM CHAIR, HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE and RESOLUTIONS relative to the District Square Retail Project.

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

- 1. ADOPT the accompanying RESOLUTION which certifies that the Community Redevelopment Agency (CRA) has reviewed and considered the City of Los Angeles Mitigated Negative Declaration for the District Square Retail Project (Project) in the Mid-Cities Redevelopment Project.**
- 2. ADOPT the accompanying JOINT RESOLUTION of the City of Los Angeles and the Board of Commissioners of the CRA finding that the expenditure of future tax increment funds in the amount of up to \$6,500,000 (plus interest) for the Project in connection with the construction of publicly-owned improvements is of benefit to the Mid-City Recovery Redevelopment Project Area in accordance with California Health and Safety Code Sections 33445 and 33421.1.**
- 3. AUTHORIZE the CRA Chief Executive Officer, or designee, to:**

- a. Execute, after final approval and execution of all settlement agreements for all litigation between CRA and District Square, LLC (Developer) or its affiliates and after dismissal of all such litigation by Developer/its affiliates, an Owner Participation Agreement (OPA) with the Developer for the District Square commercial redevelopment project, which OPA pledges future CRA funds to the Developer in the form of a promissory note (Note) in a principal amount of up to \$6,500,000, plus interest, to reimburse the Developer for publicly-owned improvement costs and foundation costs.
 - b. Take all necessary actions to implement the OPA, including without limitation execution and delivery of the Note, subject to the terms and conditions of the OPA.
 - c. Negotiate and make changes to the OPA, subject to the review of the City Attorney's Office, in order to comply with federal requirements in connection with the Section 108 Loan for the Project, including execution of the Note prior to completion of the Project.
 - d. Apply for a US Department of Commerce Economic Development Administrative Grant in the amount up to \$2,000,000 for the purpose of covering public improvement costs associated with the Project.
4. AUTHORIZE the Community Development Department (CDD) General Manager, or designee, to:
- a. Negotiate and execute a promissory note in favor of the U. S. Department of Housing and Urban Development (HUD) and the related documents (HUD documents) for the borrowing of up to \$22,674,000 by the City pursuant to Section 108 Loan Guarantee Program from HUD, in order to provide financial assistance for the development of the Project, subject to the approval of the City Attorney as to form and legality.
 - b. Negotiate and execute amendments of the HUD documents that may be necessary, subject to the approval of the City Attorney as to form and legality.
 - c. Negotiate and execute a City loan agreement and related documents (City loan documents) for advancing City loan of up to \$22,674,000 (City loan) to Metropolitan Square (Borrower), for the reasonable and eligible development costs of the Project, subject to the approval of the City Attorney as to form and legality.
 - d. Request for annual budgetary appropriation of proceeds from AB 1290 from the Project; total 49 percent of Site Specific Tax Revenues (SSTR) from the Project including Phase - I consisting of the City's share of sales tax, City's business tax and utility taxes, and apply the process towards debt service and repayment of City loan.
 - e. Negotiate and execute pledge and assignment agreement with the CRA for the pledge of a 100 percent of net Site Specific Tax Increment Revenues (SSTI) from the Project and apply towards debt service and repayment of the City loan.

- f. Negotiate and execute agreements that will subordinate the City loan to a construction or a permanent loan, and also other amendment(s) to the City loan documents relative to the intent of the CDD report dated May 12, 2010, subject to the approval of the City Attorney as to form and legality.
 - g. Prepare Controller instructions, with the concurrence of the City Administrative Officer (CAO), including any future technical adjustments relative to the intent of this transmittal, and authorize the Controller to implement these instructions.
5. INSTRUCT the General Manager of the Office of Finance, or designee, to provide on a quarterly basis, by not later than two weeks after the end of each calendar quarter, to CDD and CAO, the amount of AB1290 from the Project, the City's share of the sales tax and the City's business tax from the Project, including Phase - I; as well as, all other projects where the City's share of sales tax and business taxes from such projects are pledged for the debt service and repayment of the city loans administered by CDD.
 6. INSTRUCT the General Manager of the Los Angeles Department of Water and Power, or designee, to provide on a quarterly basis, by not later than two weeks after the end of each calendar quarter, to CDD and CAO, the amount of the utility taxes from the Project; as well as, all other projects where the City's share of utility taxes is pledged for the debt service and repayment of the city loans administered by CDD.
 7. AUTHORIZE the Controller to:
 - a. Establish new account F218, District Square, and appropriate \$22,674,000 within Fund No. 43F, CDD Section 108 Loan Guarantee Program.
 - b. Expend funds upon proper demand of the CDD General Manager, or designee.
 8. FIND that the Project and the City loan meets National Objective, Eligible Activities and Public Benefit of the Code of Federal Regulations and the Project is necessary and appropriate to accomplish the City's economic development objectives.
 9. APPROVE the City loan subject to environmental assessments of the Project to be in compliance with the California Environmental Quality Act and National Environmental Policy Act.

Fiscal Impact Statement: The CRA reports that there is no fiscal impact to the General Fund as a result of this action. The CDD notes that the actions contained in its report dated May 12, 2010 report do not impact the General Fund. The department states that the Project that is subject to financial assistance of the City loan is projected to cause increases in the future General Fund. A portion of the future increases in the General Fund, up to total of 49 percent, is recommended to assist the funding gap of the Project; by applying proceeds from AB1290 and total of up to 49 percent of SSTR generated from the Project and Phase - I, to pay for the debt service and repayment of the City loan, until the City loan is repaid in full. In the course of the City loan, 51 percent of the SSTR from the Project will cause increases in the General Fund. Upon repayment of the City loan 100 percent of the SSTR from the Project will contribute towards increases in the General Fund. The 0.5 percent front-end fee of the City loan will generate \$113,370.

Community Impact Statement: None submitted.

ADOPTED

MOTION (WESSON - PARKS)

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

- 1. AUTHORIZE the Community Redevelopment Agency (Agency) Chief Executive Officer (CEO), or designee, to:**
 - a. Execute, after final approval and execution of all settlement agreements for all litigation between the Agency and District Square, LLC (Developer) or its affiliates and after dismissal of all such litigation by Developer/its affiliates, an Owner Participation Agreement (OPA) with the Developer for the District Square commercial redevelopment project, which OPA pledges future Agency funds to the Developer in the form of a promissory note (Note) in a principal amount of up to \$6,500,000, plus interest, to reimburse the Developer for publicly-owned improvement costs and foundation costs.**
 - b. Take all necessary actions to implement the OPA, including without limitation execution and delivery of the Note, subject to the terms and conditions of the OPA.**
 - c. Negotiate and make changes to the OPA with District Square, LLC, in consultation with the Community Development Department (CDD), and subject to review by the City Attorney, in order to comply with Department of Housing and Urban Development (HUD) requirements in connection with the Section 108 Loan for the project, including execution of the Note prior to completion of the project as follows:**
 - i. The structure must be changed so that the Note shall state that the CDD, on behalf of the City, is the primary assignee and the Agency is the effective assignor and should be fully executed and delivered to CDD as the Agency's funding commitment before or concurrent with the close of the Section 108 Loan Agreement for the Section 108 Loan and the execution of the related documents. Also, the Note shall contain terms that are customary and reasonable both professionally and legally to provide CDD with the necessary and sufficient collateral for the purpose of assignment of the loan/collateral to HUD and meeting the Loan to Value ratio required for the Section 108 Loan as pursuant to HUD regulations.**
 - ii. The Agency shall give consent for District Square, LLC to assign the Pledge Agreement for the SSTI, as provided in the OPA, Note and SSTI Projections, solely for the benefit of the City, HUD, and such other financial institutions as determined by CDD.**
 - d. To apply for a U.S. Department of Commerce Economic Development Administrative Grant (EDA Grant) in the amount up to \$2,000,000 for the purpose of covering public improvement costs associated with the District Square Project and instruct the Agency to report to the Council if an EDA Grant is awarded.**

2. **DELETE** the two percent per annum administrative fee in the OPA relative to the Agency's commitment of future SSTI, and instruct the Agency to report to the Housing, Community, and Economic Development Committee in 30 days with details of this new fee; the criteria in determining when this fee will be applied and to what projects; the policies and procedures regarding application of the fee; and, expenditures the Agency anticipates funding with revenue received from implementing this new fee.
3. **ADOPT** a joint resolution (Attachment 1 of the CAO/CLA report dated July 9, 2010) making findings regarding the expenditure of funds up to \$6,500,000 (plus interest accruing under the Note) from the MidCity Recovery Redevelopment Project Area for certain publicly-owned improvements associated with the District Square commercial redevelopment project.
4. **INSTRUCT** the Agency's CEO, or designee, to report on a quarterly basis, by no later than two weeks after the end of each calendar quarter, to the CDD, CLA, and the CAO, the actual amount of Assembly Bill 1290 funds available to the Project, and transfer said funds accordingly.
5. **INSTRUCT** the Office of Finance's General Manager, or designee, to report on a quarterly basis, by no later than two weeks after the end of each calendar quarter, to CDD and the CAO, the City's share of the Sales Tax and the Business Tax from the Project, including Phase I.
6. **REQUEST** the Department of Water and Power's (DWP) General Manager, or designee, to report on a quarterly basis, by no later than two weeks after the end of each calendar quarter, to CDD and the CAO, the amount of the City's share of the Utility Taxes from the Project.
7. **INSTRUCT** the Agency's CEO, or designee, to convene a team consisting of CDD, CLA, CAO, the Mayor's Office, and the Agency to review and provide input for projects that propose to use SSTR as a source for debt service payments. Efforts should be made to hold a meeting as soon as SSTR funds are contemplated as a source of gap financing, and no later than 60 days prior to the transmitting the project for Council and Mayor approval.
8. **AUTHORIZE** the CDD's General Manager, or designee, to:
 - a. **Negotiate and execute** a promissory Note in favor of HUD and the related documents (HUD documents) for the borrowing of up to \$22,674,000 by the City pursuant to the Section 108 Loan Guarantee program from HUD, in order to provide financial assistance for the development of District Square Retail Project, subject to approval of the City Attorney as to form and legality.
 - b. **Negotiate and execute** amendments of the HUD Documents that may be necessary, subject to approval of the City Attorney as to form and legality.

- c. **Negotiate and execute a Section 108 Loan Contract and related documents for advancing the Section 108 Loan of up to \$22,674,000 to Metropolitan Square (Borrower) for the reasonable and eligible development costs of the Project, subject to approval of the City Attorney as to form and to the following:**
 - i. **The Borrower's creation of an entity to serve as Guarantor for the subject \$22,674,000 Section 108 Loan, acceptable to CDD and to the City Attorney as to form and legality.**
 - ii. **The Borrower providing necessary and sufficient documentation evidencing that least 70 percent of the Project is pre-leased.**
 - iii. **The Developer's agreement that the City will not exceed the pledge of an aggregate 49 percent of SSTR over the life of the Section 108 Loan. Attachment 3 of the CAO/CLA report dated July 9, 2010 defines each year's percentage of SSTR pledged from Year Nine through Year 20, and these percentages should be maintained. Any shortfall of SSTR debt payments will be the sole responsibility of the Developer. In the course of the Guaranty, the Guarantor shall meet the following covenants: 1) Guarantor's capitalization, as determined by current market value (based on an annual appraisal) shall not fall below \$10,000,000; and 2) Guarantor's annual unencumbered and unrestricted Cash Flows from operation shall not fall below \$1,200,000.**
 - d. **Provide debt service for the Section 108 Loan by applying up to 49 percent of site specific tax revenues (SSTR) generated from the Project (consisting of Target and other retailers to be determined).**
 - e. **Negotiate and execute a Pledge and Assignment Agreement with the Agency for the pledge of 100 percent site specific tax increment revenues (SSTI) from the Project to be applied towards debt service and repayment of the Section 108 Loan.**
 - f. **Negotiate and execute agreements that will subordinate the Section 108 Loan to a construction or a permanent senior lender, and also other amendment(s) related to the Section 108 Loan Documents, subject to approval of the City Attorney as to form.**
 - g. **Prepare Controller instructions, with concurrence of the CAO, including any future technical adjustments relative to the intent of this report, and instruct the Controller to implement these instructions.**
9. **REQUEST the Controller to:**
- a. **Establish new account F218 District Square and appropriate \$22,674,000 within Fund 43F Section 108 Loan Guarantee Program.**
 - b. **Expend funds upon proper demand of the General Manager of CDD, or designee.**
10. **FIND that the Project is in compliance with CEQA and the National Environmental Policy Act (NEPA), and as per the environmental documents the Project has no adverse impact on the environment.**

11. **FIND** that the Project meets the national Objective, Eligible Activity and Public Benefit provision of the Housing and Community Development Act and that the Project is necessary and appropriate to accomplish the City's economic development objectives.
12. **INSTRUCT** the General Manager, CDD, or designee, to convene a team consisting of CDD, CLA, CAO, the Mayor's Office, and the Agency to review and provide input for projects that propose to use SSTR as a source for debt service payments. Efforts should be made to hold a meeting as soon as SSTR funds are contemplated as a source of gap financing, and no later than 60 days prior to the transmitting the project for Council and Mayor approval.

ITEM NO. (7) - ADOPTED - SEE FOLLOWING

Roll Call #6 - Adopted, Ayes (10); Absent: Cárdenas, LaBonge, Perry, Reyes and Zine (5)

[10-0937](#)

CDs 9 & 14

COMMUNICATION FROM THE COMMUNITY REDEVELOPMENT AGENCY relative to a cooperation agreement to provide funds to the Los Angeles County Metropolitan Transportation Authority and an amendment to a grant contract with LA Streetcar Inc.

(Housing, Community and Economic Development Committee report to be submitted in Council. If public hearing is not held in Committee, an opportunity for public comment will be provided.)

(Click on the above hyperlink or go to <http://cityclerk.lacity.org/lacityclerkconnect/index.cfm> for background documents.)

ADOPTED

COMMUNICATION FROM CHAIR, HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE relative to a cooperation agreement to provide funds for California Environmental Quality Act (CEQA) and National Environmental Protection Act (NEPA) environmental processing and amendment to a grant contract with LA Streetcar Inc.

Recommendations for Council action:

1. **AUTHORIZE** the Community Redevelopment Agency (CRA) Chief Executive Officer, or designee, to:
 - a. Enter into a cooperation agreement with the Los Angeles County Metropolitan Transportation Authority (MTA) for MTA to prepare the required federal NEPA and CEQA documentation for the proposed Downtown Los Angeles Streetcar Project, and the CRA to provide \$700,000 of Bunker Hill and City Center Redevelopment Project Area funds leveraging \$348,000 in Federal Transit Administration funds in the amount of \$1,048,000 for the initial contract work order.

- b. Provide up to an additional \$200,000 of Bunker Hill and City Center Redevelopment Project Area funds as a contingency fund for subsequent contract work orders required under the cooperation agreement as may be required to complete the federal NEPA and State CEQA process.
 - c. Amend Contract No. 503246 with LA Streetcar, Inc. (LASI), a 501 (c) 3 non-profit corporation, to increase the amount by \$100,000 from \$450,000 to \$550,000 of Bunker Hill and City Center Project Area funds to provide staff support and coordination services for the MTA environmental review process and to extend the contract term from March 21, 2011 to December 31, 2011.
2. INSTRUCT the CRA to provide a status report to Council within 120 days and include in the report a list of accomplishments reached and goals to be met during the contract term with LASI ending December 31, 2011.

Fiscal Impact Statement: The Chief Legislative Analyst reports that there is no impact to the General Fund as a result of these actions, as funds will be derived from Bunker Hill taxable bond proceeds, City Center Project Area tax increment, and Federal Trade Administration grants.

Community Impact Statement: None submitted.

ITEM NO. (8) - ADOPTED, AS AMENDED - SEE FOLLOWING

Roll Call #7 - Adopt as Amended, Ayes (10); Absent: Cárdenas, LaBonge, Perry, Reyes and Zine (5)

[09-1873](#)

CDs 2, 6, 10 & 12

MOTION (SMITH - WESSON) relative to expansion of the Los Angeles-Hollywood State Enterprise Zone.

(Housing, Community and Economic Development Committee report to be submitted in Council. If public hearing is not held in Committee, an opportunity for public comment will be provided.)

(Click on the above hyperlink or go to <http://cityclerk.lacity.org/lacityclerkconnect/index.cfm> for background documents.)

ADOPTED

COMMUNICATION FROM CHAIR AND MEMBER, HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE and RESOLUTION relative to expansion of the Los Angeles-Hollywood State Enterprise Zone (SEZ).

Recommendations for Council action, as initiated by Resolution (Smith - Wesson):

1. ADOPT the accompanying RESOLUTION to allow the expansion of the Los Angeles-Hollywood SEZ to include the expansion areas requested by Council Districts Two, Six, 10, and 12 as noted in the Resolution.

2. **INSTRUCT** the Community Development Department and City Planning Department to work with Council District Seven to include the following additional commercial and industrial areas in the current SEZ expansion application: Foothill Boulevard and Terra Bella, Hubbard and Glenoaks, Roxford and Foothill, Polk and Glenoaks, Polk and Foothill, Roxford and Glenoaks, San Fernando Road and Golden State Road.

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

Community Impact Statement: None submitted.

ADOPTED

AMENDING MOTION (ALARCÓN - SMITH)

Recommendation for Council action:

INSTRUCT the Community Development Department and the Department of Planning to work in consultation with the Seventh Council District (CD), to include additional commercial and industrial zones in CD Seven.

ADOPTED

MOTION (KREKORIAN - ALARCÓN)

Recommendation for Council action:

INSTRUCT the Community Development Department and the Department of Planning to work in consultation with the Second Council District (CD) to include additional commercial and industrial zones in CD Two.

Items for Which Public Hearings Have Not Been Held - Items 9-15

(10 Votes Required for Consideration)

ITEM NO. (9) - ADOPTED

Roll Call #4 - Adopted, Ayes (10); Absent: Cárdenas, LaBonge, Perry, Reyes and Zine (5)

[10-0005-S507](#)

CD 9

RESOLUTION relative to removing the property at 125 East 69th Street, from the Rent Escrow Account Program.

Recommendation for Council action:

ADOPT the accompanying RESOLUTION removing the property at 125 East 69th Street (Case No. 12397), 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 July 2, 2010, Assessor I.D. No. 6011-004-053.

(Notice of Acceptance into the REAP/Rent Reduction Program was sent on March 23, 2006)

ITEM NO. (10) - ADOPTED FORTHWITH

Roll Call #8 - Adopted, Ayes (10); Absent: Cárdenas, LaBonge, Perry, Reyes and Zine (5)

[08-2106-S2](#)

CONSIDERATION OF MOTION (SMITH - ALARCÓN) relative to amending existing agreements between the City and the US Department of Housing and Urban Development relative to the Section 108 Small Business Loan Program and a direct business loan to Powerline Control Systems, Inc.

Recommendation for Council action:

AUTHORIZE the Community Development Department General Manager, or designee, to:

- a. Amend the existing agreements between the City and the US Department of Housing and Urban Development relative to the Section 108 Small Business Loan Program (Program).
- b. Provide, on behalf of the City, a direct business loan of up to \$450,000 to Powerline Control Systems, Inc. (PCS), pursuant to the terms of the Program.
- c. Negotiate and execute a City loan agreement, promissory note and related documents, as per terms of the Program with PCS, for a direct loan of up to \$450,000, subject to the City Attorney as to form.

Community Impact Statement: None submitted.

(Housing, Community and Economic Development Committee waived consideration of the above matter)

ITEM NO. (11) - ADOPTED

Roll Call #9 - Adopted, Ayes (10); Absent: Cárdenas, LaBonge, Perry, Reyes and Zine (5)

[10-1151](#)

CONSIDERATION OF RESOLUTION (PARKS - LABONGE) relative to a proposal to display one of the three retiring Shuttle orbiters at the California Science Center.

Recommendation for Council action:

RESOLVE to:

- a. Support the California Science Center as the most appropriate place for the display of a Shuttle Orbiter based upon the Center's long history of aerospace and space education and its demonstrated capabilities in carrying out its mission of STEM education along with the characteristics that define its audience and the degree of access provided by its operating policies.
- b. Instruct the Chief Legislative Analyst (CLA) to convey support of the Science Center's proposal to the National Aeronautics and Space Administration (NASA) Administrator, Charles Bolden.
- c. Instruct the CLA to contact the California Congressional Delegation to request their support of placing one of the retiring Shuttles at the California Science Center.

(Information Technology and Government Affairs Committee waived consideration of the above matter)

ITEM NO. (12) - ADOPTED

Roll Call #10 - Adopted, Ayes (10); Absent: Cárdenas, LaBonge, Perry, Reyes and Zine (5)

[10-0011-S18](#)

CD 15

CONTINUED CONSIDERATION OF MOTION (HAHN - LABONGE) relative to funding from the Street Furniture Revenue Fund for transit related projects in Council District 15.

Recommendation for Council action:

TRANSFER \$100,000 from the Council District 15 portion of the Street Furniture Revenue Fund No. 43D/50 to the Council District 15 portion of the Council Fund No 100/28, Account No. 1010 (Salaries - General) to provide funding for any aspect of efforts involving transit related projects, sidewalk projects, curb/sidewalk improvement, beautification projects needed to improve conditions for public transit patrons, and all expenses relating or incidental thereto in Council District 15.

(Continued from Council meeting of July 2, 2010)

ITEM NO. (13) - ADOPTED

Roll Call #11 - Adopted, Ayes (10); Absent: Cárdenas, LaBonge, Perry, Reyes and Zine (5)

[09-0185-S2](#)

CD 7

MOTION (CÁRDENAS - KORETZ) relative to authorizing the Community Redevelopment Agency (CRA) to transfer funds in Pacoima/Panorama City AB 1290 funds to the City.

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

1. AUTHORIZE the Chief Executive Officer, CRA, or designee, to TRANSFER \$100,000 in Pacoima/Panorama City AB 1290 funds to the City, and the Council accept said funds.

2. TRANSFER said funds to the Los Angeles Housing Department (LAHD) as follows: Fund No. 49N/43, Account F223, CD 7 Foreclosure Prevention Program, in the amount of \$100,000.
3. INSTRUCT the LAHD, Chief Legislative Analyst and Controller to prepare instructions and/or make any technical adjustments that may be required and are consistent with these actions, subject to the approval of the City Administrative Officer, and AUTHORIZE the Controller to implement the instructions.

ITEM NO. (14) - ADOPTED

Roll Call #12 - Adopted, Ayes (11); Absent: Cárdenas, Perry, Reyes and Zine (4)

[10-1149](#)

CD 13

MOTION (GARCETTI - LABONGE) relative to funding for Project Restore Phase III of the historic Hollyhock House facility, located in Barnsdall Park at 4800 Hollywood Boulevard.

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

1. TRANSFER/APPROPRIATE from various accounts, as appropriate, within the Public Works Trust Fund No. 834/50 to the Project Restore Trust Fund No. 869/40, Account No. 0394 (Loan from Public Works) to serve as an initial loan needed to begin Phase III of the Hollyhock House restoration - said funds to be fully reimbursed to the Public Works Trust Fund upon receipt of already awarded grant funds.
2. AUTHORIZE the Department of General Services to make any technical corrections or clarifications to the above fund transfer instructions in order to effectuate the intent of this Motion.

ITEM NO. (15) - ADOPTED

Roll Call #4 - Adopted, Ayes (10); Absent: Cárdenas, LaBonge, Perry, Reyes and Zine (5)

[10-1150](#)

CD 11

MOTION (ROSENDAHL - ZINE) relative to funding for additional support of the Council District 11 Pacific Palisades July Fourth Fireworks Show and 11th Annual Westchester on Parade event.

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

1. TRANSFER \$1,426.91 in the Council District 11 portion of the Special Events Fee Subsidy line item in the General City Purpose Fund No. 100/56 to the General City Purposes Fund No. 100/56, Account No. 0711 (CD-11 Community Services) for additional support of the Council District 11 Pacific Palisades July Fourth Fireworks Show.
2. TRANSFER \$2,500 in the Council District 11 portion of the Special Events Fee Subsidy line item in the General City Purposes Fund No. 100/56 to the General City Purposes Fund No. 100/56, Account No. 0711 (CD-11 Community Services) for additional support of the Council District 11 11th Annual Westchester on Parade event.

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

09-0369-S10

MOTION (KORETZ - KREKORIAN - HAHN for LABONGE) relative to the Emergency Water Conservation Plan Ordinance.

10-0010-S30

MOTION (ROSENDAHL - PARKS) relative to an offer of reward for information leading to the identification, apprehension, and conviction of the person(s) responsible for the death of Michael McGuire on June 13, 2010.

10-0010-S29

MOTION (PARKS - SMITH) relative to an offer of reward for information leading to the identification, apprehension, and conviction of the person(s) responsible for the death of Tyrone L. Jones on January 26, 2010.

10-0010-S28

MOTION (HAHN - KORETZ) relative to an offer of reward for information leading to the identification, apprehension, and conviction of the person(s) responsible for the death of Shavonna Jones on May 22, 2010.

**At the conclusion of this day's Council Session
ADJOURNING MOTIONS WERE ADOPTED in tribute to the memory of:**

- | | |
|--|---------------------------------|
| <u>10-0003-S2</u> - Captain Lawrence Welsh | (Hahn) |
| Dianna Park | (Hahn) |
| Nicholas Balk | (Hahn) |
| Grim Sleeper Victims | (Parks - All Councilmember) |
| Barbara Goldenberg | (Rosendahl - LaBonge) |
| Max Salter | (Garcetti - Koretz - Rosendahl) |

Ayes: Alarcón, Hahn, Huizar, Koretz, Krekorian, LaBonge, Parks, Rosendahl, Wesson and President Garcetti (10); Absent: Cárdenas, Perry, Reyes, Smith and Zine (5)

Whereupon the Council did adjourn.

ATTEST: June Lagmay, CITY CLERK

By

Council Clerk

PRESIDENT OF THE CITY COUNCIL