Item for Which Public Hearing Has Been Held - Item 1

ITEM NO. (1) - CONTINUED TO OCTOBER 19, 2004

Roll Call #1 - Motion (Garcetti - Padilla) Adopted to Continue, Unanimous Vote (11); Absent: Greuel, Hahn, Smith and Zine (4)

04-1689 - HOUSING, COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE REPORT CD 7
relative to negotiating and executing a loan agreement with GBD Graphics, Inc., D.B.A. Gold Graphics Manufacturing Company (Gold Graphics), to stabilize business operations and retain 100 low- and moderate-income jobs.

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

1. APPROVE and AUTHORIZE the use of Block Grant Investment Fund (BGIF) in an amount not to exceed $600,000 for Gold Graphics, to be guaranteed by Pacoima/Panorama City AB 1290 Funds, pending completion of the Citizens’ Unit for Participation process, and subject to City Administrative Officer (CAO) verification of a $700,000 grant award to the Valley Economic Development Corporation from the United States Department of Health and Human Services for Gold Graphics.

2. AUTHORIZE the General Manager, Community Development Department (CDD), or designee, to negotiate and execute an agreement with Gold Graphics in an amount not to exceed $600,000, subject to the approval of the City Attorney as to form and legality.
3. AUTHORIZE the CDD to prepare Controller instructions and/or make any technical adjustments that may be required consistent with this action, subject to the review of the CAO; and, AUTHORIZE the Controller to implement these instructions.

4. AUTHORIZE the Controller to expend funds in an amount not to exceed $600,000 from account W245 Block Grant Investment Fund within the Community Development Trust Fund No. 424 upon proper demand of the General Manager, CDD.

5. FIND that the Gold Graphics project meets job retention as a National Objective of the Housing and Community Development Act, and is necessary and appropriate to accomplish the City’s economic development objectives.

6. DIRECT the CAO and CDD to report to Council relative to the eligibility of using a Section 108 loan to replace the BGIF loan on this project.

Fiscal Impact Statement: The CDD reports that this action will not impact the General Fund.

Councilmember LaBonge moved, seconded by Councilmember Garcetti, that the Special Council meeting adjourn.

Ayes, Cardenas, Garcetti, LaBonge, Ludlow, Miscikowski, Parks, Perry, Reyes, Villaraigosa, Weiss and President Padilla (11); Absent: Greuel, Hahn, Smith and Zine (4).

Whereupon the Special Council meeting did adjourn.

ATTEST: Frank T. Martinez, CITY CLERK

By

Council Clerk PRESIDENT OF THE CITY COUNCIL