

TO CITY CLERK FOR PLACEMENT ON NEXT
COUNCIL AGENDA TO BE POSTED

#54

MOTION

On June 14, 2019, Council authorized the use of approximately \$1.8 million in tax-exempt CRA/LA Excess Non-Housing Bond Proceeds (EBP) available to Council District 14 (CD 14) from the Adelante Eastside Redevelopment Project Area to acquire real property located at 110 S. Boyle Avenue (Property) in the community of Boyle Heights (C.F. 14-0425-S8). The City's acquisition of the property served to facilitate the La Guadalupe project, a mixed-use development consisting of 44 units of permanent supportive housing and 7,500 square feet of commercial ground floor space (Project). The City, as the Property fee owner, entered into a Ground Lease with 110 South Boyle, L.P. (Housing Developer; Contract No. 139221), for development of the Project's housing component, and a Commercial Parcel Ground Lease with 110 South Boyle, LLC (Commercial Developer; Contract No. 139223), for the Project's commercial component. The Project is currently under construction and is expected to be completed in the summer of 2025.

The Commercial Developer has secured interest from two Latina-owned businesses to occupy the commercial space which has been designed and programmed to support these local small businesses. Xela's, which was forced to close post the pandemic, would be a full sit-down restaurant. In addition, Pink & Boujee, an existing business, will be relocating in early 2025. The retail component as a whole will create 24 new, Full Time Equivalent jobs.

The Commercial Developer is in need of supplemental funding to construct customized tenant improvements that support restaurant use. Approximately \$113,000 in EBP funding currently allocated between the Whittier Blvd Sidewalk Project (C.F. 14-1174-S4) and the First and Boyle Phase II Environmental Assessment Project (C.F. 14-1174-S33) in CD 14 and available for reprogramming. Council action is needed to reprogram those funds and allocate them to support construction of the Project's commercial component.

In accordance with policies adopted by Council (C.F. 14-1174) related to the CRA/LA Bond Expenditure Agreement and Bond Spending Plan, any proposal to expend EBP shall be initiated by Council Motion. Proposals will be reviewed by the CRA/LA Bond Oversight Committee; Trade, Travel, and Tourism Committee; and any other applicable committee with final recommendations presented to the Council and Mayor for final consideration and approval. The use of tax-exempt EBP toward a capital improvement project within the Adelante Eastside Redevelopment Project Area is identified as an eligible expense in the CRA/LA Bond Expenditure Agreement and Bond Spending Plan.

I THEREFORE MOVE that the Council action of September 7, 2018, relative to appropriating Community Redevelopment Agency of Los Angeles Excess Non-Housing Bond Proceeds (EBP) for the Whittier Boulevard Sidewalk Project (C.F. 14-1174-S4) BE AMENDED to reduce the EBP allocation from \$1,500,000 to \$1,449,774.99, and revert \$50,225.01 to its original source.

I FURTHER MOVE that the Council action of March 28, 2018, relative to authorizing the Bureau of Engineering to utilize up to \$100,000 in taxable EBP available to CD 14 within the Adelante Eastside Project Area for the First and Boyle Phase II Environmental Site Assessment Project (C.F. 14-1174-S33) BE AMENDED to reduce the taxable EBP allocation from \$100,000 to \$36,860.18, and revert \$63,139.82 to its original source.

I FURTHER MOVE that the Economic and Workforce Development Department (EWDD), with the assistance of the City Administrative Officer, Chief Legislative Analyst, and any other applicable City department, provide a report with recommendations to the CRA/LA Bond Oversight Committee to allocate up to \$113,364.83 in tax-exempt EBP available to CD 14 from the Adelante Eastside Redevelopment Project Area for the La Guadalupe Commercial Improvement Project, a capital improvement project as identified in the CRA/LA Bond Expenditure Agreement and Bond Spending Plan.

I FURTHER MOVE that EWDD, as the administrator of the CRA/LA EBP Program, take all actions necessary to document and effectuate the changes in the budgets noted above, including preparing Controller instructions and/or technical adjustments that may be required and are consistent with this action, subject to the approval of the CAO, and authorize the Controller to implement these instructions.

PRESENTED BY:

KEVIN DE LEÓN

Councilmember, 14th District

SECONDED BY:

ORIGINAL

JUN 21 2024

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