

ECONOMIC DEVELOPMENT AND JOBS COMMITTEE REPORT relative to utilizing \$28,118 in taxable Community Redevelopment Agency Los Angeles (CRA/LA) Excess Bond Proceeds by the Department of Cultural Affairs to fund the Warner Grand Theater Improvements Project.

Recommendations for Council action, pursuant to Motion (Buscaino – Koretz):

1. RESCIND the August 16, 2017 Council action approving the use of \$28,118 in CRA/LA Excess Bond Proceeds available to Council District 15 from the Pacific Corridor Redevelopment Project Area to the Warner Grand Theater Project (Council File No. 14-1174-S19) and that the funds related be reverted to its original source.
2. INSTRUCT the Economic and Workforce Development Department (EWDD), with the assistance of the City Administrative Officer (CAO), Chief Legislative Analyst (CLA), Department of Cultural Affairs (DCA), and any other applicable City Department, to provide a report with recommendations to the CRA/LA Bond Oversight Committee to allocate \$28,118 in taxable CRA/LA Excess Bond Proceeds available to Council District 15, including any current and future earned interest, for the Warner Grand Theater Improvements Project, a capital improvement project, as identified in the Bond Expenditure Agreement and Bond Spending Plan for the Pacific Corridor Redevelopment Project Area.
3. AUTHORIZE the utilization of \$28,118 in taxable CRA/LA Excess Bond Proceeds available to Council District 15 from the Pacific Corridor Redevelopment Project Area, including any current and future earned interest, by the DCA to fund the Warner Grand Theater Improvements Project upon City Council approval of the forthcoming EWDD report.

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

Community Impact Statement: None submitted.

Summary:

On August 10, 2021, your Committee considered a Motion (Buscaino – Koretz) relative to utilizing \$28,118 in taxable Community Redevelopment Agency Los Angeles (CRA/LA) Excess Bond Proceeds by the Department of Cultural Affairs to fund the Warner Grand Theater Improvements Project. According to the Motion, the Warner Grand Theatre is a historic movie palace that first opened its doors on January 20, 1931. It is located at 478 West 6th Street in San Pedro and is currently operated by the Department of Cultural Affairs as a local performance and event venue. On August 16, 2017, Council authorized

the use of \$28,118 in CRA/LA Excess Bond Proceeds available to Council District 15 from the Pacific Corridor Redevelopment Project Area toward a market study (Council File No. 14-1174-S19). The intended purpose of the market study was to analyze the building's potential future use as a venue for regional events, identify improvements needed to enhance the functionality of the theatre, determine the market potential for various uses, identify alternatives for development, and recommend an implementation strategy/operations plan with the goal of generating community benefits.

In July 2019, an assessment of the Warner Grand Theater was done by BAE, an urban planning firm, along with a feasibility study conducted by SPF Architects through an alternative funding resource. The information contained in those studies identified and recommended various improvements needed as part of the Warner Grand Theater's renovation process. Since the CRA/LA Excess Bond Proceeds were not used toward a market study as originally intended, those funds remain available to assist with the renovation process. The capital improvements identified include but are not limited to restoring a piano, purchasing marquee lettering, installing plexiglass, and upgrading the artist services area. Council action is needed to reprogram the CRA/LA funds for this purpose. In accordance with policies adopted by Council (Council File No. 14-1174) related to the CRA/LA Bond Expenditure Agreement and Bond Spending Plan, any proposal to expend CRA/LA Excess Bond Proceeds shall be initiated by Council Motion. Proposals will be reviewed by the CRA/LA Bond Oversight Committee, Economic Development Committee, and any other applicable committee with final recommendations presented to the Council and Mayor for final consideration and approval. The use of taxable CRA/LA Excess Bond Proceeds toward capital improvements to the Warner Grand Theater in the Pacific Corridor Redevelopment Project Area is identified as eligible expenses in the Bond Expenditure Agreement and Bond Spending Plan. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the Motion as detailed in the above recommendation. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Economic Development and Jobs Committee

COUNCILMEMBER	VOTE
PRICE:	YES
KREKORIAN:	YES
BLUMENFIELD:	YES
RAMAN:	ABSENT
HARRIS-DAWSON:	YES

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8/10/21
CD 15

-NOT OFFICIAL UNTIL COUNCIL ACTS-