

THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF LOS ANGELES, CA

**LITTLE TOKYO REDEVELOPMENT PROJECT
FIVE-YEAR IMPLEMENTATION PLAN
FY2000 – FY2004
[HEALTH & SAFETY CODE SECTION 33490]**

Adopted: October 5, 2000

I. INTRODUCTION AND BACKGROUND

The Little Tokyo Redevelopment Project was adopted by City Council on February 24, 1970. The 67 acre Project is located immediately southeast of the Los Angeles Civic Center, and is bounded generally by a line parallel to First Street to the north, Alameda Street to the east, Third Street to the south and Los Angeles Street to the west. The north side of the block on First Street between Judge John Aiso (formerly San Pedro Street) and Central Avenue is the historic center of Little Tokyo and is listed on the National Register of Historic Places as the Little Tokyo Historic District.

The Little Tokyo Redevelopment Project reached its original close-out date of February 2000. However, on December 7, 1999, the City Council approved Ordinance No. 172949, effective January 22, 2000, to extend the time limitation for the Little Tokyo Redevelopment Project Plan pursuant to Assembly Bill 1342. This extends the Redevelopment Project Plan until February 24, 2010.

Agency staff, working with a community advisory group, has initiated the process to prepare an amendment to the Little Tokyo Redevelopment Plan. This redevelopment plan amendment might include, but is not limited to: expanding the project area boundaries toward the east and southeast to the Los Angeles River; extending the time limitation on establishing debt; increasing the limitation on the amount of tax increment to be received from the project area; and providing authority for the Agency to assemble land for development through eminent domain. The plan amendment process would include documentation of the physical and economic blighting conditions which remain unmet in the project area; the blighting conditions which exist in the proposed expansion area; preparation of an environmental impact report (EIR); a preliminary report and a Report to City Council; actions by the City Planning Commission; consultation with taxing entities; and public hearings by the Agency and the City Council for consideration of the proposed amendment. This process is expected to take twelve to eighteen months to complete.

The principal thrust of the Little Tokyo Redevelopment Project is to reconstruct and preserve a mixed use, full service community that will

continue to serve as the cultural, religious, social and commercial center of the Japanese American community in Southern California.

In the 30 years since the inception of the Redevelopment Project, over 44 projects have been completed which include 90 rehabilitated and 770 newly constructed housing units, 726 of them affordable to very low, low and moderate income residents. The goal is to realize 1,000 housing units including the rehabilitation or replacement of the original 650 substandard very low, low and moderate-income units existing at the inception of the Redevelopment Project. The 860 completed units represent 86% of the total number of units to be constructed or rehabilitated and the 726 affordable units built exceed the total of 650 affordable units planned. The 860 units constructed or rehabilitated with Agency participation have a total development value of \$46 million.

In addition to the housing projects discussed above, projects completed to date include: the largest ethnic cultural and community center in the nation; a theater which was the venue for the Olympic Arts Festival; a Christian church; a Buddhist temple; luxury and business class hotels; regional specialty shopping centers; and retail/office buildings. To date, 679,800 square feet of commercial space has been completed.

The Agency has also played a key role in the preservation of historic buildings in the Little Tokyo Historic District providing a program of financial assistance including low-interest loans and façade grants. Four key projects, the Japanese American National Museum (adaptive reuse and historic preservation of a former Buddhist Temple), Japanese American National Museum Phase II Expansion (Pavilion), Union Center for the Arts (adaptive reuse of a former church), and the San Pedro Firm Building (very low income housing, retail and historic preservation) have added much needed 24-hour activity to the community.

The Community of Little Tokyo participated extensively in discussion about extending the closing of the Redevelopment Plan to February 24, 2010 to assure Little Tokyo's viability as a vibrant, destination neighborhood. The result of these discussions was identification of both short and long term projects and programs that continue to address blight and help to meet this additional objective. Projects include tree planting and mini-garden programs, gateways, and a "children's museum".

II. SPECIFIC GOALS AND OBJECTIVES OF THE AGENCY FOR THE PROJECT AREA AND HOW THEY WILL HELP TO ELIMINATE BLIGHT IN THE PROJECT AREA

A. Redevelopment Plan Goals

The goals and objectives for the Little Tokyo Redevelopment Project are stated in the Redevelopment Plan:

1. Elimination and prevention of the spread of blight and deterioration and the conservation, rehabilitation, renewal and redevelopment of the project area to the extent permitted by law and specified in the plan.
2. The removal of structurally substandard buildings to permit the return of the project area land to economic use and new construction with maximum participation by present owners and business tenants.
3. The elimination of certain environmental deficiencies including among others, an obsolete street patterns of dead end and diagonal streets which contribute to poor traffic circulation and to odd shaped and small, shallow lot patterns which prevent proper and economical utilization of the land.
4. The development of a unique commercial and cultural complex to complement downtown and civic center growth and provision of land for needed commercial, institutional, community and cultural uses.
5. The creation of new sites for residential development and the provision of housing units for families with low to moderate incomes and senior citizens.
6. Removal of impediments to land disposition and development through assembly of land into reasonably sized and shaped parcels served by an improved street system and improved public facilities.
7. The achievement of an environment reflecting a high level of concern for architectural and urban design principles appropriate to the objectives of the plan.

B. How the Goal and Objectives Will Help to Eliminate Blight

The goals and objectives of the Little Tokyo Redevelopment Plan (see Section II, above) were developed in response to deteriorated physical and economic conditions due to structurally substandard buildings; obsolete street patterns; odd shaped and small, shallow lot patterns which prevented the proper and economical utilization of land; the need for a commercial and cultural complex to connect with downtown and civic center growth; and the need for housing projects.

The Redevelopment goals set forth in 1970 collectively address elimination of blight by calling for a series of redevelopment strategies. Redevelopment activities are transforming Little Tokyo into a vibrant, mixed-use neighborhood that is the center of civic and cultural activities for Japanese Americans, visitors and residents of Los Angeles. The work towards this transformation is not yet completed and the specific projects and proposed expenditures are intended to achieve further progress.

III. SUMMARY OF PAST ACCOMPLISHMENTS

A. Summary of Accomplishments from 1970 to the FY1999

1. Housing

Since inception of the project, in cooperation with the approved Little Tokyo Community Development Advisory Committee (LTCDAC) and the community, the Agency has provided financial assistance for the rehabilitation of 90 residential dwelling units, and 770 newly constructed housing units for a total of 860 housing units. The project area goal is 1,000 housing units. The majority of these housing units have been for low or moderate-income households with a significant number of them especially set aside for senior citizens.

2. Historic Preservation/Civic Projects

An important effort in the Little Tokyo Project area is a commercial façade improvement program for the First Street Historic District and the remaining commercial areas. The First Street Historic District was placed on the National Register of Historic Places in 1986. Behind the historic buildings is the former First Street North parcel, a collection of City-owned properties once considered as the site for a fourth City office

building. Current thinking is to develop the site as an Art Park with public parking, open space and retail and arts related space.

There are two museums on the site, the Museum of Contemporary Art (MOCA) and the Japanese American National Museum (JANM). The Children's Museum which is proposed to occupy a new downtown campus on the First Street North site, will be another added feature to the Central Avenue Art Park. Other historic preservation projects include the former Union Church, adaptively reused as an Arts Center, façade upgrades and rehabilitation of a City-owned building to include the Little Tokyo "Koban" (community police and visitor facility); the Japanese American National Museum's Expansion, a 65,000 square foot expansion Phase II. Through its Historic District Commercial Rehabilitation Program, the Agency is providing low-interest loans and/or grants for historic rehabilitation and seismic upgrading to buildings in the Little Tokyo Historic District. The Agency is expanding its funding to other historic building in the Little Tokyo area.

3. Economic Revitalization Program

Coordination with various community groups, including the Little Tokyo Community Development Advisory Committee (LTCDAC), Little Tokyo Business Association (LTBA), Japanese Chamber of Commerce of Southern California, the Greater Little Tokyo Anti-Crime Association (GLTACA), and the Little Tokyo Service Center (LTSC) is ongoing in reviewing and implementing programs to improve security and establish marketing strategies for the Little Tokyo community. The Agency has provided grants of \$24,900 each in 1997 to GLTACA to assist in community policing and to an LTCDAC Task Force in 1996 for the establishment of a Business Improvement District. A contract was executed in 1997 and 1998 to initiate a neighborhood clean-up program incorporating street sweeping and graffiti removal in the Historic District.

4. Public Improvements

Through the Public improvements Program, the Agency has replaced and repaired deteriorated sidewalks, curbs and gutters and installed street trees throughout the project area. In cooperation with Ninth Council District Office and the City's Department of Public Works, the Agency instills community pride through its advocacy and interagency cooperation with

other City departments to maintain the Project Area free and clear of debris and to promote a zero tolerance anti-graffiti campaign. The Agency also paved the former railroad spur through the Project Area to improve pedestrian safety.

B. Summary of Progress Under the Previous Five-Year Implementation Plan (FY1995-FY1999)

The following is a summary of the progress made on specific projects that were identified in the previous Five-Year Implementation Plan or that were otherwise undertaken during the past five years.

1. Housing

Casa Heiwa - Since the adoption of the Five-Year Implementation Plan in November 1994, Casa Heiwa (“House of Harmony”), a 100-unit affordable housing project, was completed in October 1996. Located on the northeast corner of Third and Los Angeles Streets, the rental units at Casa Heiwa range from studios to 4-bedroom units. The Agency conveyed the land to the non-profit LPE Partners (Little Tokyo Service Center Community Development Corporation is the general partner) and provided a loan of \$6,138,000. The Agency loan was leveraged with Low Income Housing Tax Credit equity, a Century Freeway Housing Program loan, a Bank of America Commercial Development Bank loan and a Federal Home Loan Bank Affordable Housing Program subsidy. Total cost of the project was \$16 million. The ground floor contains commercial childcare center and social service providers. The residential units are fully occupied.

A total expenditure of \$6,138,000 was originally projected in the previous Five-Year Implementation Plan. The Agency actually expended \$6,090,136 plus \$299,133 in staff costs.

Far East Building – Rehabilitation of the 24-unit SRO hotel, (Queen Hotel), the Far East Café and associated commercial space, located at 347 East First Street, after damage from Northridge earthquake of 1994. This project has been deferred.

A total expenditure of \$350,000 was originally projected in the previous Five-Year Implementation Plan. There were no Agency expenditures during the reporting period.

Historic District Housing Rehabilitation – Continue to market rehabilitation loans/grants to encourage property owners in the Little Tokyo Historic District whose buildings contain residential units for historic Rehabilitation and seismic upgrading. Remaining buildings in this category are the Wang (341-345 East First Street) with 49 SRO units and the Peres (331 E. first Street) with 40 SRO units. This project has been deferred.

A total expenditure of \$574,000 was originally projected in the previous Five-Year Implementation Plan. There were no Agency expenditures during the reporting period.

2. Historic Preservation/Civic Projects

Union Church - Rehabilitation of the historic former Union Church, located at 120 North San Pedro Street, for adaptive reuse as an arts center was completed in 1997. The Union Center for the Arts includes a theater, media center, gallery and offices. The rehabilitated National Landmark building (built in 1925) is home to the East West Players (the nation's oldest and foremost Asian American theatre group), Visual Communications (the nation's oldest Asian Pacific media arts center) and LA Artcore (a non-profit arts organization). The Agency provided a \$420,000 predevelopment loan for the adaptive reuse of this former church in the Little Tokyo Historic District. In 1996, the Agency increased the amount by \$100,000 to \$520,000 to be rolled over to permanent financing. The \$3.6 million renovation includes seismic retrofit, historic restoration, code upgrade, replacement of utility systems and tenant improvements. In addition to the Agency, funding has come from multiple sources including City Seismic Bond Program, Community Development Department, The Ralph M. Parsons Foundation, the National Endowment for the Arts, the National Trust for Historic Preservation, Historic Preservation Partners, Local Initiatives Support Corporation and ARCO Foundation. In 1994, the developer, Old Union Church General Partners, secured a 44-year lease from the City of Los Angeles to renovate, seismically retrofit and operate the property.

A total expenditure of \$420,000 was originally projected in the previous Five-Year Implementation Plan. The Agency actually expended \$520,200 plus \$172,000 in staff costs.

Japanese American National Museum (JANM) - In 1996, the Agency and City Council approved actions related to the Japanese American National Museum (JANM) Phase II Expansion Project on First Street between Central Avenue and Alameda Street for the 65,000 square foot "Pavilion". The Museum secured a 55-year lease on the City-owned site at the northeast corner of First Street and Central Avenue for the proposed Phase II expansion. The approved Implementation Agreement to the original 1988 Agreement with the Museum effectuated the \$500,000 predevelopment loan at a zero interest rate with a 10-year repayment schedule. The loan was secured by the Phase II building's design development drawings and will be repaid from JANM's operations and donations. Construction was completed on JANM's Phase II Expansion Project (Pavilion) in January 1999.

A total expenditure of \$500,000 was originally projected in the previous Five-Year Implementation Plan. The Agency actually expended \$507,000 plus \$55,500 in staff costs.

303-307 ½ East First Street – The City of Los Angeles, using its seismic bond funds, retrofitted this one-story building located in the Little Tokyo Historic District. Completed in 1996, the Little Tokyo "Koban" (community police facility) occupies approximately 1,000 sq. ft. serving as the home for the Greater Little Tokyo Anti-Crime Association (GLTACA). The Agency provided a \$24,900 grant to GLTACA to assist the public safety organization in its first year of operation in addition to \$22,800 for façade improvements

A total expenditure of \$50,000 was originally projected in the previous Five-Year Implementation Plan. The Agency actually expended \$47,700.

Kawasaki Building – The Agency provided a move-in grant for \$10,000 and a \$25,000 grant for the rehabilitation of this significant art deco historic building is in the pipeline for fiscal year 2000.

A total expenditure of \$50,000 was originally projected in the previous Five-Year Implementation Plan. The Agency actually expended \$10,000 and will expend \$25,000 in fiscal year 2000.

Historic District Commercial Rehabilitation – In April 1997, the Agency amended its matching façade grant program for the Historic District by eliminating the matching requirement and expanding the program project-wide. The program provides grants of up to \$25,000 to property owners and business tenants to fund the rehabilitation of buildings, facades and signage. The program also provides First Time Move-In grants up to \$10,000.

A total expenditure of \$100,000 was originally projected in the previous Five-Year Implementation Plan. The Agency actually expended \$148,300 plus \$364,200 in staff costs.

Façade/Signage Grants include:

- San Pedro Firm Building (4 Facades) \$76,892
- Rita-Sue Freeman (3 Facades) \$61,436

Move-In Grants include:

- Tsunami Bakery & Café (Jerry Gee) \$10,000

Commemoration of the 50th Anniversary of the Japanese American Internment during World War II – In partial fulfillment of the Redevelopment Plan’s goal to develop a unique cultural complex in the Project Area and to commemorate the return of Japanese Americans to Little Tokyo from internment camps during World War II, the Agency invited artists to propose original works of art which could be presented to the public in celebration of the homecoming. A Jury of arts professionals, appointed to review the proposals, selected six projects to be carried forward. The program, called “Six Views of Internment: EO 9066”, was presented on July 8, 1995. The six artists selected included: Miles Hamada (visual art); Clement Shuji Hanami (visual art); Dan Kwong (performance art); Patrick Nagatani (visual art); Kayoko Wakita (musical composition and performance); Kim Yasuda (visual art). Grants to the artists of \$5,000 each (\$30,000) with another \$20,000 in program executions were the Agency’s contribution from the Little Tokyo Public Art Trust Fund.

A total expenditure of \$25,000 was originally projected in the previous Five-Year Implementation Plan. The Agency actually expended \$50,000.

110/442/MIS WWII Memorial – This Memorial Monument honors those of Japanese Ancestry killed in World War II. The Monument was unveiled in June 1999 and serves as a link between the museums and the future Central Avenue Art Park.

This expenditure was not projected in the previous Five-Year Implementation Plan. The Agency expended \$1,000.

3. Public Improvements and Land Acquisition

First and San Pedro Streets (south side) – Construction of public improvement including architectural sidewalk paving material, street lights, street trees, curbs, gutters, traffic lights, and other street appurtenances on First and San Pedro Streets began in 1995 and was completed in 1996.

A total expenditure of \$182,000 was originally projected in the previous Five-Year Implementation Plan. The Agency actually expended \$227,300 plus \$64,100 in staff costs.

Street and Building Lighting – Enrique Noguera, the Agency's consultant, prepared conceptual plans for improved building lighting for the Little Tokyo Historic District. The first project completed was the Union Church building. Implementation of plans for the remainder of the project area will be coordinated with proposed developments and the Little Tokyo Business Association.

A total expenditure of \$100,000 was originally projected in the previous Five-Year Implementation Plan. The Agency actually expended \$1,000. This project has been deferred.

Rail Spur Acquisition – Activities related to the Agency's acquisition of former Southern Pacific Rail Spur property between San Pedro, Second and Third Streets was concluded in Fiscal Year 1999 when the final payment was made. The spur property is to be conveyed to three non-profit organizations (Japanese American Cultural and Community Center, the Union Church, and the Little Tokyo Towers) for improved pedestrian access and expansion of programs. The Agency also paved the railroad spur to improve pedestrian safety.

A total expenditure of \$470,000 was originally projected in the previous Five-Year Implementation Plan. The Agency actually expended \$350,500.

First Street (north side) – Construction of public improvements including art installation, street widening, sidewalk construction, street lighting, historic banner posts and other improvements began in 1996 and was substantially completed in September 1996. The Notice of Completion was issued in March 1997. The project, adjacent to the Little Tokyo Historic District (San Pedro and First Streets and Central Avenue), included installation in the sidewalk of an art time line of Japanese American history with images and quotes from community members, executed in bronze outline and lettering. Through a competition, Sheila Levarnt de Brettville, designed a six-decade timeline, images and quotations telling the Japanese American story from the 1890s through the community's years of growth to the war years and the internment of the 1940s. Two other artists contributing to the project are Sonya Ishii and Nobuho Nagasawa.

A total expenditure of \$1,000,000 was originally projected in the previous Five-Year Implementation Plan. The Agency actually expended \$1,112,000 plus \$468,200 in staff costs.

Third Street – Design of public improvements for Third Street between San Pedro and Los Angeles Streets was deferred by the community to later years in order to focus available funds for other priority projects.

A total expenditure of \$80,000 was originally projected in the previous Five-Year Implementation Plan. There have been no Agency expenditures for this project during this reporting period.

Central Avenue Widening – The former Kusayanagi Building at the southwest corner of First Street and Central Avenue was cleared in 1994 for the future widening of Central Avenue. The design of the street widening is complete, however, at the request of the Little Tokyo community, the widening of the street has been deferred.

A total expenditure of \$150,000 was originally projected in the previous Five-Year Implementation Plan. The Agency actually expended \$536,600 for site clearance and design of improvements, plus \$140,500 in staff costs.

Tree Planting – With a volunteer group of approximately 70 members, including workers from the Los Angeles Conservation corps, planting of trees was completed along Los Angeles, Second and San Pedro Streets. Tree grates were designed and installed by the Agency.

A total expenditure of \$10,000 was originally projected in the previous Five-Year Implementation Plan. The Agency actually expended \$5,000.

Little Tokyo Opportunities Inventory – Implementation of projects proposed in the Opportunities with emphasis on projects that have a strong visual element, including a Japanese Garden along First Street, banners, signage and gateways.

A total expenditure of \$300,000 was originally projected in the previous Five-Year Implementation Plan. The Agency actually expended \$25,000.

Gymnasium – The Little Tokyo Community Gymnasium, Inc. a non-profit corporation, has been formed to plan and construct a community gymnasium to house 4-6 basketball courts. The gymnasium is to also provide space for volleyball and martial arts programs. Although a site has not been selected, the organization and its many committees continue to plan a community gymnasium in Little Tokyo. Project has been deferred until a site can be identified.

A total expenditure of \$1,000,000 was originally projected in the previous Five-Year Implementation Plan. There have been no Agency expenditures for this project during this reporting period. Project has been deferred until a site can be identified.

Little Tokyo Monster Museum and Theater – Although Toho Co., Ltd., loaned the Little Tokyo community the use of Godzilla, costume and films for Nisei Week activities, the more permanent uses of Godzilla were not approved by Toho Co., Ltd. Among the reasons given were complications with many existing and future licensing of intellectual property rights for Godzilla which have or will be sold by Toho Co., Ltd. This project has been deferred.

A total expenditure of \$10,000 was originally projected in the previous Five-Year Implementation Plan. There have been no Agency expenditures for this project during this reporting period.

4. Economic Revitalization Program

In keeping with the Redevelopment Plan goal of removing impediments to redevelopment reviewing and implementing programs to improve security and establish marketing strategies for the Little Tokyo community is ongoing. The Agency provided grants of \$24,900 each to the Greater Little Tokyo Anti-Crime Association in 1997 to assist in community policing and to a Little Tokyo Community Development Advisory Committee Task Force in 1996 for the establishment of a Business Improvement District. In addition, a contract with Chrysalis was issued for service to provide semi-monthly steam-cleaning of sidewalks in the historic district in Little Tokyo.

A total expenditure of \$500,000 was originally projected in the previous Five-Year Implementation Plan. The Agency actually expended \$145,800 plus \$76,700 in staff costs.

5. Mixed-Use Development

Little Tokyo Mall (Project Feasibility Payment) – The final installment of a five-year, \$80,000 per year payment for parking covenants for a 390-space public parking facility with 36,000 sq. ft. of retail and office space was made in 1995.

A total expenditure of \$80,000 was originally projected in the previous Five-Year Implementation Plan. The Agency actually expended \$80,000.

Sunshine Pacific and First Street Plaza – Due to the downturn in the economy, several proposed mixed-use projects including the Sunshine Pacific Center (300 residential condominiums and 185,000 square feet of commercial space) and First Street Plaza (a mixed-use project including hotel, office, museum, and retail space on City-owned property) have not proceeded. In the case of First Street Plaza, the development has been terminated by the City. Agency staff provided technical assistance to the City's litigation with Barker-Patrinely, First Street Plaza Project's proposed developer, as a result of the City's termination of the project. Planning for the First Street Plaza site is included in the Civic Center Authority's masterplanning effort. The Sunshine Pacific partners have put the property on the market but a buyer has not been identified.

No expenditures were originally projected in the previous Five-Year Implementation Plan. The Agency actually expended \$3,000 in staff costs.

6. Plan Amendment

The Little Tokyo Redevelopment Project was adopted with an expiration date of February 24, 2000. The Agency has amended the Little Tokyo Redevelopment Plan to extend the redevelopment powers 10 years in the current project area to extend certain redevelopment powers. The Agency will amend the Little Tokyo Redevelopment Plan to expand the project area.

No expenditures were originally projected in the previous Five-Year Implementation Plan. The Agency actually expended \$35,100, plus \$56,700 in staff costs.

7. State ERAF Payment

Transfer of funds to the County for deposit in the Educational Revenue Augmentation Fund pursuant to the State of California 1993 Budget Act.

A total expenditure of \$278,000 was originally projected in the previous Five-Year Implementation Plan. The Agency actually expended \$278,000.

8. Project Planning

Planning for various undeveloped sites in Little Tokyo including Parcel 3D (First and Astronaut Ellison S. Onizuka Streets) ; Block 4 (Parcel 4E at Second Street and Central Avenue and Miyatake on First Street); Block 5 (Parcel 5A/Volk and Parcel 5B/Sunshine Pacific) bounded by First, Second, Alameda and Central Avenue; Block 8 Bounded by Second, San Pedro, Third and Los Angeles Streets (former City Light at northern end of block; L & R property; and Miyako Hotel site) continues.

A total expenditure of \$125,000 was originally projected in the previous Five-Year Implementation Plan. The Agency actually expended \$20,300 plus \$348,700 in staff costs.

9. Public Art

Several Public Art projects have been implemented in Little Tokyo. The Commemoration of the 50th Anniversary of the Japanese American Internment during World War II (\$50,000), the art component of the First Street north side sidewalk improvements (\$115,000), the Opportunities Inventory consultant (\$24,500), and the lighting consultant for the Little Tokyo Historic District (\$1,000) were all funded in part by the Little Tokyo Public Art and Cultural Trust Fund.

10. Project Financing

Agency staff administers the Project's financial resources, including financial planning, cash management, debt repayment, and issuance and administration of debt instruments.

At the start of the previous Five-Year Implementation Plan, as of June 30, 1994, the principal balance on the Project's Tax Allocation Bonds, Series B was \$15,920,000. These bonds were refunded in FY 1996 through the issuance of the \$15,665,000 Tax Allocation Refunding Bonds, Series C.

11. Project General

The projected expenditure of \$1,250,000 originally identified in the previous Five-Year Implementation Plan was to cover the Project's ongoing activities including servicing the Little Tokyo Community Development Advisory Committee, meeting public notification requirements, providing public information and responding to inquiries from developers, property owners and others. Actual expenditures for FY1995-FY1999 were \$322,200 plus \$829,200 in staff costs.

IV. SPECIFIC PROJECTS AND EXPENDITURES PROPOSED TO BE MADE DURING THE NEXT FIVE YEARS AND HOW THEY WILL HELP TO ELIMINATE BLIGHT IN THE PROJECT AREA

A. Little Tokyo Block 8 Affordable Housing

1. Projects and Expenditures

The Block 8 Affordable Housing Program was started under the previous Five-Year Implementation Plan and will continue for the next two years. The Agency will provide payments to Caltrans (1) for annual employee parking subsidies and (2) for acquisition of Caltrans property on which Casa Heiwa now sits. The annual obligation is in effect until Caltrans builds a replacement parking facility, expected to be completed in 2004.

The total projected expenditure for this program is \$2,177,200 through FY2002.

2. Elimination of Blight

This activity eliminates blight through the creation of new sites for residential development and the provision of housing units for families with low and moderate incomes and senior citizens.

B. Sakura Village

1. Projects and Expenditures

Agency staff will work with a developer to identify and secure a site and complete development plans for 75 to 100 condominium units. Current interest is in a site located at the southeast corner of 2nd and Los Angeles Streets. Agency staff will monitor construction and repayment of an acquisition loan from condominium sale proceeds.

The total projected expenditure for this program is \$701,900 through FY2002 .

2. Elimination of Blight

This activity eliminates blight through the creation of new sites for residential development and the provision of housing units for families with low to moderate incomes and senior citizens.

C. Response to Housing Opportunities

1. Projects and Expenditures

This objective allows staff to respond to housing development opportunities that are not listed as an objective. Staff is expected to develop and implement neighborhood revitalization strategies. When site-specific projects are identified and funds are available appropriate objectives will be created. Staff will review building permits, monitor ongoing construction, evaluate development proposals and provide technical and financial assistance when appropriate.

The total projected expenditure for this program is \$308,800 over the next five years .

2. Elimination of Blight

This objective eliminates blight through the creation of new sites for residential development and the provision of housing units for families with low to moderate incomes and senior citizens.

D. Pearls of Los Angeles

1. Projects and Expenditures

On August 30, 1998, the Agency received a \$150,000 grant from EDA with a local match of \$50,000 to work with community organizations and a tourism development consultant to prepare an overall Tourism Development Plan for five designated areas that are major tourist attractions in the City of Los Angeles. The five designated Pearls of Los Angeles areas include Chinatown, Little Tokyo, Olvera Street, Watts and San Pedro. Project scope includes needs assessment, identification of impediments to tourism development, and the preparation of a streetscape and public improvements plan.

The total projected expenditure for this program from Little Tokyo resources is \$60,300 through FY2001.

2. Elimination of Blight

This objective assists in eliminating blight by encouraging tourism development as a catalytic activity for the economic revitalization of various areas

meeting the project goal of creating a unique commercial and cultural complex in the project area.

E. Historic District Commercial Façade Improvement Program

1. Projects and Expenditures

The Little Tokyo Commercial Façade Improvement Program was amended in March 1997. The program provides various types of Agency assistance to commercial property owners and tenants. The program provides grants of up to \$25,000 to property owners and business tenants to fund the rehabilitation of buildings, facades and signage. The program also provides First Time Move-In grants up to \$10,000.

The total projected expenditure is \$358,800 through FY2001.

2. Elimination of Blight

This objective supports the elimination and prevention of the spread of blight and deterioration and the conservation, rehabilitation, renewal and redevelopment of the project area to the extent permitted by law and specified in the plan.

F. Little Tokyo Cultural Marketplace

1. Projects and Expenditures

The Little Tokyo Cultural Marketplace is proposed to be a mixed use regional destination focusing on high quality goods and services along with traditional and contemporary Japanese cultural firms and products. The Marketplace will be located on the block bounded by 2nd, San Pedro, 3rd and Los Angeles Streets. The Agency will enter into a contract with an architectural and planning firm to provide a master plan for Block 8 that could accommodate the Little Tokyo Cultural Marketplace along with the proposed Sakura Village condominium project and the long awaited Community Gymnasium. Activities will include continuation of development of concept plans, financial analyses and related studies to develop a mixed-use regional destination focusing on goods and

services and selection of a development team. This objective will require Agency assistance in acquiring the site as well as staff labor costs through the completion of the project.

The total projected expenditure is \$138,800 through FY2001.

2. Elimination of Blight

This objective assists in the elimination of blight through the development of a unique commercial and cultural complex to complement downtown and civic center growth and provision of land for needed commercial, institutional, community and cultural uses.

G. Marketing/Security

1. Projects and Expenditures

The Little Tokyo Redevelopment Project Area has suffered, since the onset of the recession in the early 1990's, a substantial decline in visitor and business activity, which was exacerbated after the 1992 civil disturbances. The community has provided security patrols to counteract the fear of crime, and worked on forming a business improvement district to provide continuing funding for both improved security and marketing. These efforts are integral to reversing the adverse impacts of the recession and protecting the value of other Agency investments. The formation of the Little Tokyo Business Improvement District (BID) was submitted to City Council in FY1999 and is currently being restructured from a tenant based BID to a property owner based BID and will be resubmitted to City Council for approval in FY2001. The FY2001 funding, from Community Development Block Grant and loan repayments, will initiate marketing programs, promote tourism and maintain sidewalk cleaning, which the business improvement district will fund in the future. This project will be funded annually until the BID has sufficient resources to cover these costs.

The total projected expenditure is \$287,000 through FY2001.

2. Elimination of Blight

This objective supports the elimination and prevention of the spread of blight, promotion of investor confidence and promoting retail trade and tourism within Little Tokyo.

H. Central Avenue Art Park

1. Projects and Expenditures

This objective contemplates development of the former First Street North site with public parking, open space, and arts related spaces. The area generally bounded by Temple Street, Alameda Street, First Street Historic District and Judge John Aiso (formerly San Pedro) Street. The site is owned by the City of Los Angeles and was acquired for a future city office complex and related uses. That plan was subsequently abandoned, and planning for alternate development initiated by community groups under the guidance of the Museum of Contemporary Art (MOCA) and Japanese American National Museum (JANM). In FY1999 the Agency received \$250,000 of Community Development Block Grant funds for planning and preliminary design, and a contract for this sum was executed before the Agency and the City's County Development Department on December 16, 1999. A total of \$350,000 (including the above - mentioned \$250,000) was identified in the City's 1999-2000 Consolidated Plan for Housing and Community Development Grants (Little Tokyo Mixed Use Project). The \$100,000 set aside which was not transferred in the December 16, 1999 contract with CDD will be transferred to the Agency for planning activities related to the development of the park. Parking Meter funds have been tentatively set aside for the proposed parking facility and Proposition K (Park) funds will be sought for the open space. Little Tokyo Partners will develop the project, a consortium of the Japanese American National Museum and the Museum of Contemporary Art. In late May 2000, City

Council approved use of a portion of the site for relocation of the Children's Museum.

The total projected expenditure is \$350,000 to the Developer, \$25,000 for hardware and \$30,600 for staff through FY2001.

2. Elimination of Blight

The objective eliminates blight by eliminating environmental deficiencies and fostering the development of a unique commercial and cultural complex in the Project Area which is intended to be the cultural heart of the Japanese American community in Southern California.

I. Plan Amendment

1. Projects and Expenditures

The Little Tokyo Redevelopment Project was adopted with an expiration date of February 24, 2000. However, on December 7, 1999 the City Council approved Ordinance No. 172949 to extend the time limitation for the Little Tokyo Redevelopment Project Plan pursuant to Assembly Bill 1342. This will extend the Redevelopment Project Plan until February 24, 2010. The effective date of the ordinance was January 22, 2000. In consultation with the community, the Agency determined that redevelopment powers need to be extended to assist in completing the existing project and in redeveloping nearby areas which exhibit considerable blight.

The Agency will amend the Little Tokyo Redevelopment Plan to expand the project area. The expanded area boundaries are a line north of First Street, Santa Fe Avenue, Alameda Street and Third Street. The existing project area boundaries are a line parallel to First Street to the North, Alameda Street to the East, Third Street to the South and Los Angeles Street to the West.

The total projected expenditure is \$821,400 through FY2001.

2. Elimination of Blight

The goal of this activity is the elimination and prevention of the spread of blight and deterioration and the conservation, rehabilitation, renewal and redevelopment of the project area.

J. Public Art Program

1. Projects and Expenditures

In FY1994, the Agency completed an Opportunity Analysis, which identified potential art projects; this Analysis is the basis for the selection of projects to be implemented. This objective is funded from the Little Tokyo Arts and Cultural Trust Fund, which derive from developer payments. Funds must be used for arts and cultural programs.

The total projected expenditure is \$53,400 through FY2001.

2. Elimination of Blight

The purpose of this activity is to assure the proper role of arts and cultural activity in the Little Tokyo community, which is intended to be the cultural heart of the Japanese American community in Southern California.

K. Project Financing

1. Projects and Expenditures

As of June 30, 1999, the principal balance on the Project's Tax Allocation Refunding Bonds, Series C was \$15,665,000.

The total project financing expenditures for the next five years are projected to be \$11,604,800. This consists of \$8,249,400 principal and interest on the Series C Bonds, \$3,118,400 of resources available at the end of FY 2004 that are restricted to debt service; \$237,000 of administrative costs.

2. Elimination of Blight

Administering a Redevelopment Project necessarily entails the Agency staff activities enumerated above. Administration of the Project's financial resources ensures that such resources are used in compliance with the Community Redevelopment Law and in furtherance of the physical and economic revitalization of the Project Area.

L. CDAC/Citizens Participation

1. Projects and Expenditures

This objective allocates resources and staffing necessary for the functioning of the Little Tokyo Community Development Advisory Committee (LTCDAC). Agency support includes providing secretarial support, mass mailing public notices, materials, holding annual elections and staff support for the CDAC and its sub-committees. The Mayor appoints the LTCDAC with the concurrence of the Ninth Council District Office.

The total projected expenditure is \$234,500 over the next five years.

2. Elimination of Blight

Providing for public participation through the LTCDAC ensures that redevelopment of the Project Area is carried out in consultation with the community. Redevelopment activities undertaken to eliminate blighting conditions will more likely endure over the long term if the community is involved.

M. Project General

1. Projects and Expenditures

Agency staff administer the Project's ongoing activities, including expenses for project office space, meeting public notification requirements, providing public information and responding to inquiries from developers, property owners and others. State law mandates these activities.

The total projected expenditure is \$1,228,900 over the next five years.

2. Elimination of Blight

Administering a Redevelopment Project necessarily entails the Agency staff activities and other administrative costs enumerated above. Administration of the Project ensures that redevelopment activities are carried out in compliance with the Community Redevelopment Law and in furtherance of the physical and economic revitalization of the Project Area.

V. HOW GOALS, OBJECTIVE, PROJECTS AND EXPENDITURES WILL IMPLEMENT THE REQUIREMENTS OF HEALTH & SAFETY CODE SECTIONS 33334.2, 33334.4, 33334.6 and 33413. [Section 33490 (a)(1)]

A. Among the goals and objectives of the Agency, the following will implement the affordable housing requirements:

- Elimination and prevention of the spread of blight and deterioration and the conservation, rehabilitation, renewal and redevelopment of the project area to the extent permitted by law and specified in the Redevelopment Plan.
- The creation of new sites for market rate residential development and the provision of housing units for families with low to moderate incomes and senior citizens.
- Rehabilitation or replacement of the 650 very low, low and moderate income housing units existing at the inception of the Redevelopment Project.

B. The following are projects and expenditures planned by the Agency for the Little Tokyo Redevelopment Project Area over the five-year period covered by this plan that will implement the affordable housing requirements:

1. Sakura Village

Development of a mixed-use project with 75 to 100 condominium units, community gymnasium and related public and retail facilities. The project is proposed for the Southeast corner of 2nd and Los Angeles Streets.

2. Response to Housing Opportunities

This objective allows staff to respond to housing development opportunities that are not listed as an objective. Staff is expected to develop and implement neighborhood revitalization strategies. When site-specific projects are identified and funds are available, appropriate objectives will be created.

C. The goals, objectives, projects and expenditures will implement the affordable housing requirements of Sections 33334.2, 33334.4, 33334.6 and 33413 as follows:

- **Increase, Improve and Expand the Supply of Low and Moderate Income Housing [Sections 33334.2 and 33334.6]**

The projects described above will help to increase, improve and expand the community's supply of low- and moderate-income housing.

- **Proportion of Very Low, Low and Moderate Income Housing [Section 33334.4].**

The Agency's plan is that the housing units to be developed or rehabilitated will be affordable to the very low, low or moderate income households in the following proportions: not less than 30% very low income; no more than 30% market rate and moderate income; and the remainder very low and low income. This proportion of very low, low and moderate income units exceeds the proportion of the total number of housing units needed for these income groups (which are not being provided by other governmental programs) and is comparable to the total number of units needed for persons of moderate, low and very low income in the City.

- **Estimate of Housing Production Figures and Use of Low and Moderate Income Housing Fund [Section 33490(a)(2)].**

The current estimated housing production figures and proposed uses of the Little Tokyo Redevelopment Project Low and Moderate Income Housing Fund are attached as Tables I and II. Additionally, Table III, attached hereto, provides the projected overall housing program of the Agency from all funding sources including the Low and Moderate Income Housing Fund and other non-housing trust fund sources.

- **Replacement Housing [Section 33413(a)].**

The Agency does not anticipate that any low or moderate income dwelling units in the project area will be destroyed or removed from the low and moderate income housing market during the period of this plan.

- **Inclusionary Housing [Section 33413(b)(4)].**

Section 33413(b)(4) requires the Agency to adopt a plan to comply with the inclusionary housing requirements of Section 33413(b)(1) and (2). The Little Tokyo Redevelopment Plan was adopted prior to January 1, 1976, the effective date of Section 33413. Therefore, the inclusionary housing provisions of Section 33413(b) do not apply to the Little Tokyo Redevelopment Project.

