

For immediate release
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CRA/LA Continuation Ordinance Approved *City Council vote returns agency to full operation*

LOS ANGELES - The Los Angeles City Council today approved ordinances that reinstate the Community Redevelopment Agency of the City of Los Angeles to full operation after state legislation had put the agency's operations on hold.

"We're grateful the mayor and City Council have been so strongly supportive of CRA/LA's mission, and have acted quickly so we may return to full operations as soon as possible," said Christine Essel, CEO of the Community Redevelopment Agency of the City of Los Angeles. "We look forward to getting back to doing what we do best, helping revitalize this city's neediest neighborhoods, building affordable housing, putting people back to work in good jobs and transforming this city."

The Council's 13-0 vote under an urgency clause will allow CRA/LA to resume full operations after the measure is signed by the Mayor, who has expressed strong support for the agency's continued operation.

The continuation ordinance and related measures approved today were forced when the state Legislature approved the linked bills ABx1-26 and ABx1-27 as part of June's budget process. The League of California Cities and the California Redevelopment Association are challenging the bills in court as unconstitutional.

ABx1-26 calls for dissolution of about 400 redevelopment agencies across the state, and the rapid sell-off of their assets to raise money for the state budget. ABx1-27 in turn allows each city or county with a redevelopment agency to vote to reinstate their agency if they also pay a pro-rated share of \$1.7 billion that the state plans to use to fill various budget holes. Reinstated redevelopment agencies also would have to pay their pro-rated share of \$400 million in subsequent years.

The Los Angeles share of those payments will be about \$96.5 million this year, pending appeals of calculations, and an estimated \$26.5 million in subsequent years.

The council also approved four related measures that would move forward immediately four projects that were put on hold by the state legislation. The four projects are:

Approved! 2-2-2

- Sylmar Court affordable housing project
- Authorization to receive grant funds for “brownfields” environmental remediation work in CRA/LA project areas around the harbor and south of Downtown
- Acquisition of the long-closed Linda Vista Hospital in Boyle Heights, for conversion to affordable housing
- Industrial Incentive Program funding for Greenbar/Modern Spirits, a small organic spirits company relocating to and expanding operations in the Cleantech Corridor of downtown

Dozens of other stalled CRA/LA projects across the city will be considered as part of the agency’s delayed 2011-2012 budget, which with today’s vote now will be scheduled for council consideration in about a month.

About Community Redevelopment Agency of the City of Los Angeles

CRA/LA (www.crala.org) is a public agency regulated by the State of California and operating within the City of Los Angeles. CRA/LA makes strategic investments to create economic opportunity and improve the quality of life for the people who live and work in our neighborhoods. CRA/LA manages 31 redevelopment projects areas and three revitalization areas in seven regions: East Valley, West Valley, Hollywood & Central, Downtown, Eastside, South Los Angeles, and the Harbor.

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