



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

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Third District

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Fifth District

May 12, 2009

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

PRELIMINARY REPORT – SANTA FE SPRINGS WASHINGTON BOULEVARD REDEVELOPMENT PROJECT AMENDMENT NO. 2 – CITY OF SANTA FE SPRINGS (FIRST DISTRICT)

Consistent with Board policy and direction, we are advising your Board that the City of Santa Fe Springs sent us the Preliminary Report for the proposed amendment to the Washington Boulevard Redevelopment Project. The Preliminary Report includes the following information:

- Map of the Project Area (Attachment I)
- Physical and Economic Conditions of Blight (Attachment II)
- List of Planned Projects (Attachment III)
- Impact on County General Fund (Attachment IV)

The amendment proposes to add approximately 186 acres to the Washington Boulevard Project Area. The proposed amendment is intended to revitalize the area with public improvements.

This Office conducted a preliminary analysis of the project, which included a meeting with Agency staff and their redevelopment consultant, several site visits, and an initial review of the Agency's blight findings from the Preliminary Report. Based on the preliminary analysis, this Office has concerns that the proposed project does not appear to meet blighting requirements consistent with Redevelopment Law. Thus, staff from this Office will work closely with County Counsel to conduct a thorough review of the Preliminary Report and

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Each Supervisor
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project area, and will work with Agency staff to try to resolve the concerns that emerge from our review. If it is determined that our concerns cannot be resolved, it may be necessary to submit a written objection to the Agency's proposal at their Public Hearing to preserve the County's rights to consider any subsequent action. The Agency has scheduled the Public Hearing to adopt the proposed redevelopment amendment for June 25, 2009. I will continue to keep your Board updated on this matter.

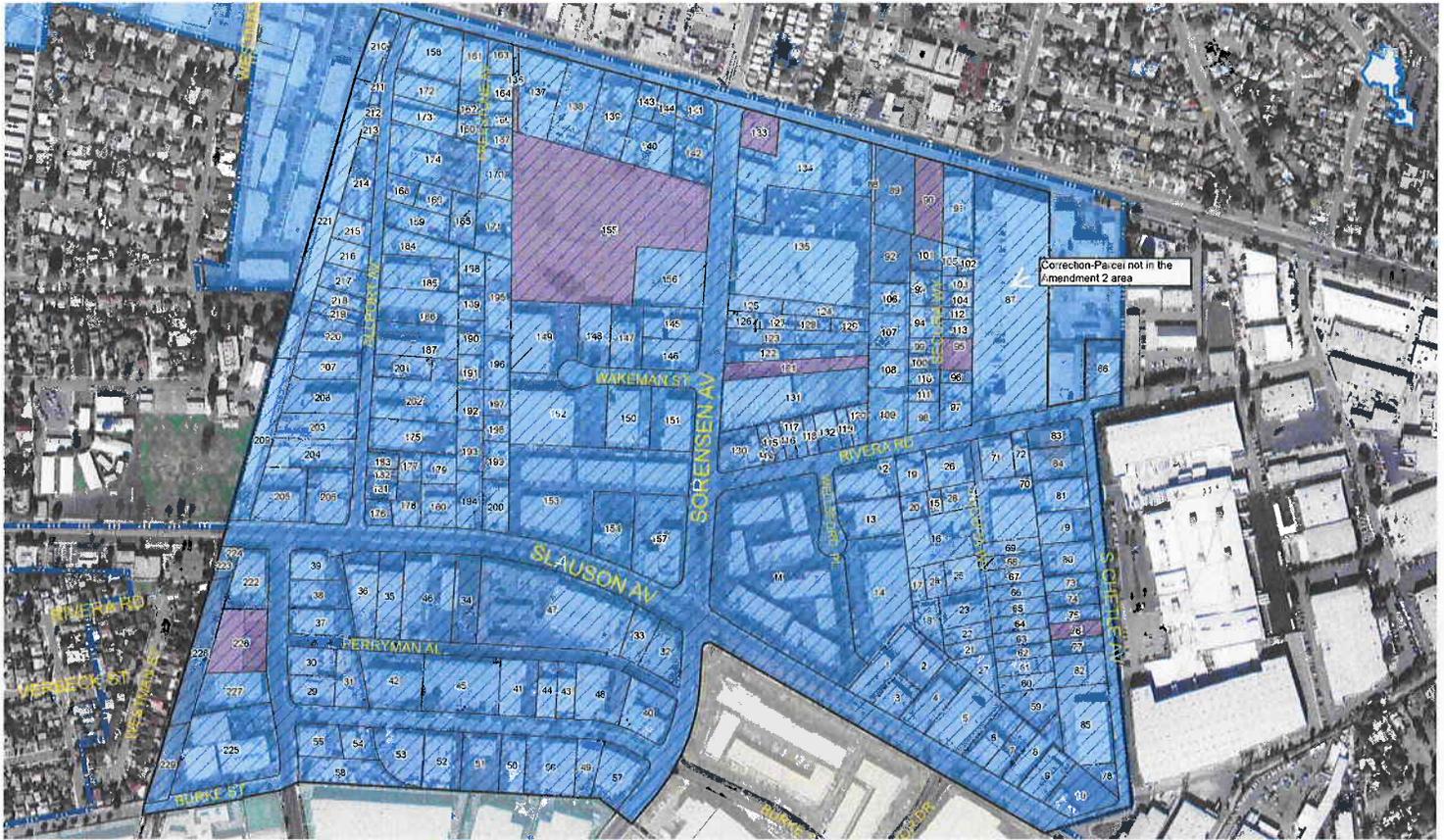
If you have any questions or need additional information regarding the status of this amendment, please contact Robert Moran at (213) 974-1130, or via email at rmoran@ceo.lacounty.gov.

WTF:LS
DSP:RTM:ib

Attachments (4)

c: Executive Officer, Board of Supervisors
Acting County Counsel
Auditor-Controller

Washington Boulevard Redevelopment Project proposed added areas



WASHINGTON BLVD #2

- NORWALK AMENDMENT
- WASHINGTON BLVD
- WASHINGTON BLVD PROPOSED SURVEY AREA
- AMENDMENT 1 1982 ANNEX
- CITY BOUNDARY
- COM/AMNATED SITE



PROJECT AREA DESCRIPTION
PHYSICAL AND ECONOMIC CONDITIONS OF BLIGHT
(From Agency's Preliminary Report)

Washington Boulevard Project

Physical and Economic Blight Conditions:

- Approximately 62% of the properties have “aging, deteriorating, and poorly maintained buildings;” 44% of the properties are “small and irregular shaped lots under multiple ownership or are underutilized;” 61% exhibit “outdated and inefficient building configuration and design that does not meet current business needs;” 42% of the properties have “unsafe access to building parking lots or obsolete setbacks;” and 2% of the buildings are metal buildings which are prohibited by the Santa Fe Springs Zoning Code.
- Approximately 16% are “vacant and underutilized land or buildings” compared to 2.5% for the rest of the City of Santa Fe Springs.
- It was determined that 6.7% of the properties are known to be contaminated, and 14% of the properties are directly impacted by hazardous waste problems.
- Approximately 82% of the industrial parcels and 1% of commercial parcels are less than one acre in size, which is too small to accommodate modern market demands. In addition, 31% of the parcels are “landlocked,” which further complicates redevelopment efforts.

LIST OF ESTIMATED PROGRAM COSTS

Washington Boulevard Project

Item or Program	Amount
Replace Water Well No. 1	\$3,500,000
Street Deficiencies-Allport Ave.	\$2,000,000
Street Deficiencies-Freestone Ave.	\$1,400,000
Drainage Deficiencies-Allport/Freestone Ave.	\$250,000
Right of Way Acquisition-Allport/Freestone Ave.	\$3,000,000
Street Deficiencies-Secura Way	\$1,000,000
Drainage Deficiencies-Secura Way	\$550,000
Right of Way Acquisition-Secura Way	\$3,800,000
Totals	\$15,500,000

IMPACT ON COUNTY GENERAL FUNDWashington Boulevard Redevelopment Project**Time Limits of Plan – Added Areas: 28 years****Estimated Project Revenues**

- **Assumed Annual Real Property Growth Rate:** 2.0%
- **2009-10 Base Year Assessed Valuations:** \$195,702,891
- **Gross Estimated Increment (20-year Collection):** \$ 19,124,545
- **Housing Set-Aside (20% Minimum):** \$ 3,824,909
- **County General Fund Revenue With Project:** \$ 2,113,239
- **County General Fund Revenue Without Project:** \$ 7,534,250
- **Net Difference to County General Fund:** (\$ 5,421,011)

* Note: Estimated impact to the County General Fund is based on comparing County General Fund estimates **with** the Project to County General Fund estimates **without** the Project. The “without project” scenario includes the County’s share (39%) of the estimated tax increment (\$19.1 million). The “with project” scenario includes the County’s share of the AB 1290 pass-through. This assumes the same level of growth would occur with or without the proposed placement of the area into the redevelopment project.