

BOARD OF SUPERVISORS

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Chief Executive Office.

COUNTY OF LOS ANGELES

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, CA 90012
(213) 974-1101 ceo.lacounty.gov

Chief Executive Officer
Fesia A. Davenport

"To Enrich Lives Through Effective and Caring Service"

September 24, 2024

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPT A RESOLUTION OF THE BOARD OF SUPERVISORS EXPRESSING THE INTENT OF THE COUNTY TO PARTICIPATE IN THE CITY OF INGLEWOOD CLIMATE RESILIENCE DISTRICT (ALL DISTRICTS) (3-VOTES)

SUBJECT

Recommendation to adopt a Resolution to express the intent of the County to potentially participate in the City of Inglewood Climate Resilience District.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve a Resolution to express the County's intent to participate in the City of Inglewood (City) Climate Resilience District (CRD) if the Board of Supervisors (Board) approves the Infrastructure Financing Plan (IFP) at a later date;
2. Affirm that as a potential participating taxing entity the County will have membership in the newly formed governing board, the District Board; and
3. Find that the proposed Resolution is not subject to the provisions of the California Environmental Quality Act because the action does not meet the definition of a project for reasons stated herein and the reasons reflected in the record.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the Resolution of Intent of the Board is to indicate the County's intent to participate in the proposed Inglewood CRD in Inglewood. A future resolution of the Board approving the IFP will be required for the County to formally participate in the CRD.

On September 29, 2014, the Governor approved Senate Bill (SB) 628, which authorized the formation of Enhanced Infrastructure Financing Districts (EIFD). An EIFD is a limited tax increment financing district created after the dissolution of redevelopment agencies in 2012. An EIFD allows governmental entities to agree to contribute a portion of their future property tax revenues from a defined district for the construction of certain infrastructure projects. Schools cannot participate in EIFDs, no new taxes are created, and participation is voluntary. The County is currently participating in four EIFDs, and others are being planned.

On September 9, 2022, the Governor signed SB 852, authorizing the formation of CRDs. CRDs are a type of EIFD that address climate change. CRDs follow the law authorizing creation of EIFDs, California Government Code section 53398.50 et seq (EIFD law) in terms of adoption process, governance, and tax increment financing. CRDs can also explore alternative funding sources including benefit assessments, and CRDs can fund operations and maintenance.

The purpose of the Inglewood CRD is to assist in the financing of the Inglewood Transit Connector (ITC) which will create a transit connection from the Metro K-line to the local community and the Sports and Entertainment District. The ITC will enable the City to optimize transit-oriented development and increase housing opportunities. Further, the ITC will significantly reduce vehicle trips and greenhouse gasses, which is consistent with climate resiliency goals.

The proposed project area is 1,116 acres (24 percent of the total City acreage). The CRD funds will be used for the ITC (\$200.0 million) and affordable housing (\$50.0 million). It is expected that the ITC will support future development including residential, commercial/retail, office/flex, a hotel, and other recreational improvements.

FISCAL IMPACT/FINANCING

Based on a preliminary fiscal analysis, it appears that the new development activity will generate greater future property taxes for the County net of its contribution to the CRD, than if the County did not participate in the CRD and the new development did not occur. Therefore, it is expected the CRD will have a positive net impact on the County General Fund due to the increased assessed values in the district. If successful, the region will benefit from the CRD due to the transit-oriented development including new residential and commercial development, job growth, and reductions in greenhouse gasses. Consistent with Board Policy, a detailed fiscal analysis will be provided later in the process when the IFP is completed.

The CRD will include Project Nos. 1 and 2. The County is being asked to contribute a portion of its future property tax increment from Project No. 1 (most of the project area, except for the newly constructed Intuit Dome). The County will not contribute any future property tax increment generated from Project No. 2 (the Intuit Dome). This distinction is being made to be consistent with Board Policy on EIFDs that evaluates whether the contribution of County property tax increment is a necessary pre-condition for the infrastructure and development projects included in the EIFD.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The law authorizing creation of EIFDs, California Government Code section 53398.50 et seq, took effect in 2015. The EIFD law was established to provide a tool to finance local infrastructure after the dissolution of redevelopment. The law authorizing creation of CRDs, California Government Code 62300 took effect in 2022. Inglewood has proposed to partner with the County on the CRD as

described above to assist in financing the ITC. Section 53398.63 of the EIFD Law requires the IFP to include: descriptions of the infrastructure improvements and development projects within the EIFD; a plan for financing the infrastructure projects; tax increment projections; limits on the time the EIFD will exist and the dollar amounts the EIFD will receive; and the anticipated incremental tax revenue contributions from the City and County to the EIFD. In addition, because the CRD's primary purpose is to fund the ITC, if for any reason the ITC project does not proceed as planned, the CRD will not proceed unless the IFP is amended by the Board and the City.

The IFP, which will detail the County's anticipated contribution to the Inglewood CRD, and will be presented to your Board for approval after it has been prepared by the City and reviewed by Chief Executive Office staff consistent with Board Policy. The IFP must be approved by your Board by resolution before any incremental tax revenue from the County is contributed to the proposed CRD. The IFP must also be approved by the Inglewood Climate Resilience District Board, which is the governing body of the CRD, at a public hearing to form the proposed Inglewood CRD. The Resolution of Intent includes the formation of the District Board, and appointments to the governing body will then be made. These appointments include one member of the Board and one member of the public appointed by the Board. The City will appoint three members to the District Board.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Because the development is within Inglewood, the direct impact on the County for services will be minimal. Benefits of the projects include construction and permanent jobs; new residential units, including low- and moderate-income units; improved circulation; and improved air quality through a reduction in greenhouse gasses.

CONCLUSION

At such time as your Board approves the attached Resolution, please return two signed copies to the Chief Executive Office, who will assist in distributing a copy to the City.

Respectfully submitted,



FESIA A. DAVENPORT

Chief Executive Officer

FAD:JMN:MRM

RM:cg

Enclosures

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

RESOLUTION OF INTENTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES TO PARTICIPATE IN THE PROPOSED INGLEWOOD CLIMATE RESILIENCE DISTRICT AND NEWLY FORMED INGLEWOOD CLIMATE RESILIENCE DISTRICT BOARD.

WHEREAS, on September 10, 2024, the City Council of the City of Inglewood ("City Council") approved Resolution No. ____ which is attached to this Resolution as Exhibit A ("Exhibit A"); and

WHEREAS, pursuant to Chapter 2.99 of Part 1 of Division 2 of Title 5 of the California Government Code (commencing with Section 53398.50) ("EIFD Law") and Division 6 of Title 6 of the California Government Code (commencing with Section 62300) ("CRD Law"), Exhibit A authorized the initiation of a process to establish a Climate Resilience District ("CRD") whose proposed name is the Inglewood Climate Resilience District ("ICRD"); and

WHEREAS, in 2022 the Legislature of the State of California added Division 6 to Title 6 of the California Government Code to allow for the establishment of CRDs, deeming any CRD to also be an Enhanced Infrastructure Financing District ("EIFD") and subjecting CRDs and their establishment to EIFD Law; and

WHEREAS, the proposed boundaries of the ICRD are identified on a map entitled "Proposed Boundaries of Inglewood Climate Resilience District" a copy of which is attached to this Resolution as Exhibit B; and

WHEREAS, as depicted in Exhibit B, the ICRD will be comprised of two Project Areas, and the County would only allocate a portion of its tax increment generated in Project Area 1, and would not allocate any portion of its share of tax increment generated in Project Area 2; and

WHEREAS, the proposed ICRD will help finance the Inglewood Transit Connector ("ITC"), a 1.6-mile long, three-station, fully elevated, and electrically powered automated transit system connecting passengers from the Metro K Line's Downtown Inglewood Station to the City of Inglewood's new housing, employment, and sports and entertainment areas, including the Los Angeles Sports and Entertainment District; and

WHEREAS, the ITC is an eligible project as defined by CRD Law, as it implements climate change mitigation by reducing greenhouse gas (GHG) emissions, and as an eligible project CRD funds may be used for the construction and operation and maintenance of the ITC; and

WHEREAS, if the ITC does not proceed to completion for any reason, any subsequent revision of the Infrastructure Financing Plan ("IFP") must be approved by the County Board of Supervisors; and

WHEREAS, Exhibit A also established the Inglewood Climate Resilience District Board ("District Board") to serve as the governing board of the proposed CRD and which

will also be responsible for implementing the IFP required under CRD Law and EIFD Law; and

WHEREAS, the City Council has contemplated, as stated in Exhibit A, that the County of Los Angeles would participate with the City of Inglewood in the proposed ICRD as a taxing entity; and

WHEREAS, pursuant to California Government Code section 53398.51.1 and as stated in Exhibit A, if the County of Los Angeles participates in the proposed ICRD as a taxing entity, the Los Angeles County Board of Supervisors may appoint a member of the Board of Supervisors and a member of the public to serve on the District Board.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of Los Angeles that:

1. The Board intends that the County of Los Angeles ("County") will participate in the ICRD as described in Exhibit A as a taxing entity, if the Board of Supervisors approves the IFP at a later hearing date;
2. Pursuant to California Government Code section 53398.51.1 and Exhibit A, if the Board of Supervisors approves the County's participation as a taxing entity in the proposed ICRD, the County will have membership in the newly formed District Board described in Exhibit A. The District Board's membership will include the Los Angeles County Supervisor of the Second Supervisorial District (in which the entirety of the ICRD is located) unless and until the Board of Supervisors subsequently appoints a different member to the District Board. The District Board's membership will also include the Mayor of the City of Inglewood, one member of the City Council appointed by the City Council, one member of the public appointed by the City Council, and one member of the public appointed by the Board of Supervisors;
3. City of Inglewood staff and consultants, designated by the District Board pursuant to California Government Code section 53398.62(a), will prepare the IFP in accordance with EIFD Law and CRD Law;
4. The IFP must be approved by the Board of Supervisors before the County may be considered a participating taxing entity in the ICRD or any incremental tax revenue from the County may be used by the proposed ICRD. The IFP must also be approved by the Board of Supervisors before the District Board holds a public hearing to approve formation of the proposed ICRD and approve of the IFP;
5. City of Inglewood staff, designated by the District Board pursuant to California Government Code section 53398.62(a), will be responsible for the distribution of the IFP and any required California Environmental Quality Act reports to the District Board, the County, the City Council, the City of Inglewood Planning Commission, land owners within the boundaries of the proposed ICRD (as defined under EIFD Law and CRD Law), and each affected taxing entity (as defined under EIFD Law

and CRD Law) as required under California Government Code section 53398.64 for formation of the proposed ICRD;

6. As stated in Exhibit A, the City of Inglewood is responsible for the mailing and publication of notice, as required under California Government Code Sections 53398.60 and 53398.61, consistent with EIFD Law and CRD Law. The District Board is responsible for the mailing and publication of notice as required under California Government Code sections 53398.64 and 53398.66, consistent with EIFD Law and CRD Law. The County of Los Angeles, and its staff, will have no responsibilities for the required mailing and publication of notice;
7. The District Board will hold a public hearing for the establishment of the proposed ICRD and approval of the IFP at Inglewood City Hall. Under no condition will the District Board hold the public hearing for the establishment of the proposed ICRD and approval of the IFP until the Board of Supervisors has formally approved the IFP;
8. This Resolution in no way obligates the County of Los Angeles to use incremental tax revenue to finance public facilities in the proposed ICRD until the Board of Supervisors approves the IFP;
9. This Resolution in no way obligates the District Board to establish the proposed ICRD. The establishment of the proposed ICRD and approval of the IFP is contingent upon the approval by the District Board by resolution following a public hearing; and
10. This Resolution shall take effect immediately upon its approval by the Board of Supervisors of the County of Los Angeles.

The foregoing resolution was adopted by the Board of Supervisors of the County of Los Angeles on the 24th day of September, 2024.

EDWARD YEN
Executive Officer
Board of Supervisors of
the County of Los Angeles

By _____

APPROVED AS TO FORM

DAWYN R. HARRISON
County Counsel

By *Michael Buennagel* FOR
Michael Buennagel, Senior Deputy County Counsel

RESOLUTION NO. 24-121

A RESOLUTION OF THE CITY OF INGLEWOOD DECLARING ITS INTENTION TO ESTABLISH THE INGLEWOOD CLIMATE RESILIENCE DISTRICT TO FINANCE THE CONSTRUCTION, REPAIR, ACQUISITION, OPERATION, AND/OR MAINTENANCE OF CAPITAL IMPROVEMENTS AND FACILITIES; ESTABLISH A DISTRICT BOARD; AND AUTHORIZE CERTAIN OTHER ACTIONS RELATED THERETO.

WHEREAS, pursuant to Chapter 2.99 of Part 1 of Division 2 of Title 5 of the California Government Code (commencing with Section 53398.50) ("EIFD Law") and Division 6 of Title 6 of the California Government Code (commencing with Section 62300) ("CRD Law"), the City Council of the City of Inglewood ("City") is authorized to initiate the process to establish a Climate Resilience ("CRD");

WHEREAS, in 2022 the Legislature of the State of California added Division 6 to Title 6 of the California Government Code to allow for the establishment of CRDs, deeming any CRD to also be an Enhanced Infrastructure Financing District ("EIFD") and subjecting CRDs and their establishment to EIFD Law;

WHEREAS, in accordance with California Government Code Section 53398.54, the City has complied with the prerequisites prior to initiating the creation of or participating in the governance of the CRD and will provide the required certification to the Department of Finance in accordance with EIFD and CRD Law;

WHEREAS, the City Council proposes the potential establishment of a CRD to help finance the Inglewood Transit Connector ("ITC"), a 1.6-mile long, three-station, fully elevated, and electrically powered automated transit system connecting passengers from the Metro K Line's Downtown Inglewood Station to the City's new housing, employment, and sports and entertainment areas, including the Los Angeles Sports and Entertainment District;

WHEREAS, the ITC is an eligible project as defined by CRD Law, as it implements climate change mitigation by reducing GHG emissions, and as an eligible project CRD funds may be used for the construction and operation and maintenance of the ITC;

WHEREAS, the City Council desires to name the proposed CRD the Inglewood Climate Resilience District ("ICRD");

WHEREAS, the Los Angeles County Board of Supervisors is anticipated to consider a Resolution of Intention to participate in the ICRD;

WHEREAS, the proposed boundaries of the CRD are identified on a map entitled "Proposed Boundaries of Inglewood Climate Resilience District" (EXHIBIT A); a copy which is on file in the office of the City Clerk;

WHEREAS, pursuant to CRD Law and EIFD Law, the City Council is required to establish the Inglewood Climate Resilience District Board ("District Board") to act as the governing board of the proposed ICRD at the same time the City Council adopts its intention to form the ICRD;

WHEREAS, the ICRD will be formed by the District Board which will be responsible for implementing the governing Infrastructure Financing Plan ("IFP");

WHEREAS, the District Board is anticipated to be comprised of the Mayor of the City, a City Council representative, and a member of the public appointed by the City, as well as the County Supervisor representing the Second Supervisorial District, and a member of the public appointed by the County;

WHEREAS, this action is exempt from the California Environmental Quality Act ("CEQA") as an action solely related to financing and is not in-and-of itself a "project" (pursuant to CEQA Guidelines Section 15378) since it does not result in a physical change in the environment because the City has not committed itself to fund any specific projects through the CRD. However, future actions (such as the funding and/or approval of infrastructure improvements using funding from the CRD) will be subject to environmental review in accordance with CEQA.

NOW THEREFORE, BE IT RESOLVED, THE CITY COUNCIL OF THE CITY OF INGLEWOOD DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

SECTION 1. Recitals. The above recitals are true and correct and incorporated into this Resolution by this reference.

SECTION 2. Intention and Proposal to Establish Climate Resilience District. The City Council proposes and intends to cause the establishment of the ICRD under the provisions of CRD Law and EIFD Law.

SECTION 3. Name of Climate Resilience District. The name proposed for the CRD is the "Inglewood Climate Resilience District".

SECTION 4. Boundaries. The draft boundaries of the proposed ICRD planning area include approximately 1,116 acres and are depicted in Exhibit A. The areas included in the proposed district will overlap with a portion of former Redevelopment Agency project areas. The draft boundaries of the proposed ICRD include two Project Areas, with Project Area 1 excluding the Intuit Dome and Project Area 2 consisting only of the Intuit Dome.

SECTION 5. Description of Facilities. The primary public facilities proposed to be financed by the ICRD include up to \$200 million to fund construction and operation and maintenance of the ITC (as listed in EXHIBIT B). The ICRD will also include up to \$50 million to fund the development of affordable housing within the City that is determined to be an eligible project consistent with CRD Law.

SECTION 6. Necessity of CRD and Goals. The ICRD is necessary to enable the development and construction of the ITC and achievement of the ITC's greenhouse gas reduction goals, which will address climate change mitigation consistent with CRD Law. The ITC will also facilitate properties within the district to be redeveloped as higher density transit-oriented development due to the proximity of the newly built high-capacity rail line. Transit oriented development within the CRD, sited within approximately one quarter mile of the ITC, would be consistent with and in promotion of the Southern California Association of Government's Regional Transportation Plan/Sustainable Communities Strategy and would further reduce greenhouse gas emissions by catalyzing development of residential units in close proximity to high-capacity transit, reducing dependence on automobiles.

SECTION 7. Use of Incremental Tax Revenues for CRD Funding. The City Council hereby declares that, pursuant to the EIFD Law and CRD Law and if approved by resolution pursuant to Government Code Section 53398.68, incremental property tax revenue from the City and potentially the County within the CRD may be used to finance the activities described in Section 5 and listed on Exhibit B. The incremental property tax financing will be described in an IFP to be prepared for approval by the District Board, the City Council, and the legislative bodies of all participating taxing entities under EIFD Law and CRD Law.

SECTION 8. Exclusion of Incremental Sales Tax for CRD Funding. The City or County are authorized to allocate tax revenues derived from local sales and use taxes imposed pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law (Part 1.5 (commencing with Section 7200) of Division 2 of the Revenue and Taxation Code) or transactions and use taxes imposed in accordance with the Transactions and Use Tax Law (Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code) to the CRD pursuant to Government Code Section 53398.75.5, if applicable. The City Council does not intend to contribute sales and use taxes or transactions and use taxes to the CRD.

SECTION 9. Establishment of the District Board. The City Council hereby establishes the District Board to act as the governing board of the proposed ICRD. The District Board shall be comprised of the Mayor of the City, a City Council representative, and a member of the public appointed by the City, as well as the County Supervisor representing the Second Supervisorial District and a member of the public appointed by the County. The City Council shall appoint the City Council representative and the member of the public.

SECTION 10. Public Hearing. The Council hereby establishes November 12, 2024, at 2:00 p.m., or as soon as possible thereafter as the matter may be heard, at Inglewood City Hall, 1 West Manchester Boulevard, Inglewood, California, as the time and place, when and where the District Board will conduct a public hearing on the proposed establishment of the ICRD and the IFP.

SECTION 11. Mailing and Publication of Notice. Pursuant to California Government Code Sections 53398.60 and 53398.61, the City Clerk is hereby directed to mail a copy of this Resolution to the District Board and each owner of land (as defined in the EIFD Law and CRD Law), or alternatively with respect to the owners of land, may mail a single-page notice of intention identified in California Government Code Section 53398.60(b), within the ICRD and to each affected taxing entity (as defined in the EIFD Law and CRD Law). In addition, the City Clerk is hereby directed to cause notice of the public hearing to be published not less than once a week for four successive weeks in a newspaper of general circulation published in the City. The notice shall state that the CRD will be used to finance the construction, operation, and maintenance of the ITC, briefly describe the facilities, briefly describe the proposed financial arrangements, including the proposed commitment of incremental tax revenue, describe the boundaries of the proposed CRD and state the day, hour, and place, when and where any persons having any objections to the proposed IFP, or the regularity of any of the prior proceedings, may appear before the District Board and object to the adoption of the proposed IFP.

SECTION 12. Successor Agency Findings of Completion. The City solely in its capacity as the designated successor agency to the former Inglewood Redevelopment Agency ("Successor Agency"), has received a finding of completion, dated as of December 29, 2014, as specified in California Health and Safety Code section 34179.7.

SECTION 13. Department of Finance Certification. In accordance with California Government Code Section 53398.54, the City certifies to the California Department of Finance (DOF) and to the District Board that no former Inglewood Redevelopment Agency assets that are the subject of litigation involving the State of California, where the City or the Successor Agency are a named plaintiff, have been or will be used to benefit any efforts of the ICRD. The City Clerk is authorized and directed on behalf of the City to provide or make this certification to the DOF within 10 days after the date of adoption of a resolution to participate in the ICRD pursuant to Government Code Section 53398.68, or of the City Council's action to form the ICRD pursuant to Section 53398.69, by delivery of a copy of that resolution or signing a separate certification, if and as required by the DOF.

SECTION 14. State Controller Review. The State Controller has completed its review as specified in California Health and Safety Code Section 34167.5 of asset transfers between the Former Redevelopment Agency, the City, or any other public agency. The Successor Agency and the City have complied with all the State Controller's findings and orders stemming from such review.

SECTION 15. Current CRD Law. It is the intent of the Council that the formation of the ICRD shall proceed under the now existing and current CRD Law, including but not limited to its incorporation of EIFD Law, as effective on the date of this Resolution.

SECTION 16. No Obligation to Establish CRD. This Resolution in no way obligates the District Board to establish any CRD.

SECTION 17. Severability. If any section, subsection, phrase, or clause of this Resolution is for any reason found to be invalid, such section, subsection, phrase, or clause shall be severed from, and shall not affect the validity of, all remaining portions of this Resolution that can be given effect without the severed portion.

SECTION 18. General Authorization. The City Clerk and all other officers and agents of the City are hereby authorized and directed to take all actions necessary or advisable to give effect to the transactions contemplated by this Resolution.

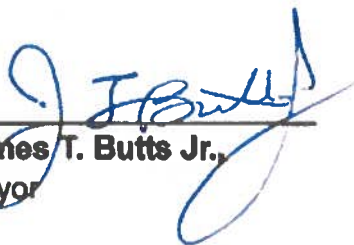
SECTION 19. Effective Date. This resolution shall be effective immediately upon its adoption.

SECTION 20. Certify. The City Clerk shall certify the adoption of this resolution.

PASSED, APPROVED and ADOPTED this 10TH day of September, 2024.

CITY OF INGLEWOOD:

Approved as to form:


James T. Butts Jr.,
Mayor


Rick Olivarez,
Interim City Attorney

ATTEST:


Aisha L. Thompson,
City Clerk

EXHIBIT B

