

MINUTES of the MEETING of the  
INDUSTRIAL DEVELOPMENT AUTHORITY  
Thursday, March 13, 2008

- I. Reynold M. Blight, Chair of the IDA, called the meeting to order at 9:10 a.m.

Board members in attendance:

Reynold M. Blight                      Thomas S. Sayles  
James E. Zaferis

Also in attendance:

Robert Sainz, CDD                      Bill Jennings, U.S. Bank  
Ninoos Benjamin, CDD                  Colleen McInnes, First Southwest Co.  
Clifford J. Weiss, CDD  
May M. Smith, CDD  
Colin Chiu, City Attorney  
Melissa Soo Hoo, CDD

- II. Welcome - Introductions

Introductions were made and Chair Blight welcomed everyone to the meeting.

- III. New Business (taken out of order)

6B. Presentation of the Economic Development Strategic Framework

Clifford J. Weiss presented to the Board the Economic Development Strategic Framework dated November 1, 2007. A hard copy had been previously provided to the Board.

The report uses an industry cluster analysis to develop a baseline economic strategy that will coincide with the Mayor's economic development plan. It recommends increasing employment in the City's core industries; creating more job opportunity in the higher average-wage industries; targeting growth industries within core industry clusters; creating stronger public and private economic partnerships; developing educational and job training opportunities for key industries; and leveraging Los Angeles' world-class distribution facilities.

Currently, the findings have not yet been integrated into the IDA's marketing efforts. CLA will be scheduling this report for HCED committee hearing in the future to coordinate the next steps. It is suggested that we invite Deputy Mayors Bud Ovrum and Helmi Hisserich to our meetings over the next few months.

- IV. Approval of the February Meeting Minutes

Due to the lack of a quorum, approval of the February minutes was postponed until the next regularly scheduled IDA meeting.

V. Treasurer's Report

Staff summarized the February Treasurer's reports. The IDA's Fund 816 balance as of 2/29/08 amounted to \$474,646. Payments on the McGarry Street and Calko Steel sub loans continue to be made as scheduled; and are current through March 1<sup>st</sup> and April 1<sup>st</sup> respectively.

Due to the lack of a quorum, approval of the February Treasurer's Reports was postponed until the next regularly scheduled IDA meeting.

VI. Unfinished Business

A. Marketing Update

An accurate statistic for web hits to the IDA website was unavailable for February due to a reconfiguration of the online tracking system. Staff is working with the Computer Systems Division to arrive at an accurate count for January and February 2008. Visits will continue to be monitored on a monthly basis.

Pursuant to the Marketing Committee's request in January to engage a public relations firm for branding and marketing services, staff identified three firms within the \$25,000 budget. The next step will be to hold interviews to select the best qualified firm, and have contract in place by the beginning of June.

Key meetings and other activities as outlined on the report were highlighted.

B. Project Status

*Asian American Drug Abuse Program:* \$3.75 million 501c3. The transmittal was delivered to the Mayor's Office on March 5, 2008 and is currently waiting to be scheduled for the next HCED meeting to proceed with Council.

*Cathedral High School:* \$3.4 million 501c3. Borrower is currently working on securing a bridge loan to pay ongoing construction costs. Awaiting an extended commitment beyond March 3, 2008 to submit transmittal and proceed with bond closing.

*USC Radiology:* \$4 million 501c3. Continue to work with the bond team to agree to all the business point changes in the documents. The transmittal has been drafted, and is waiting to be finalized and released.

*Samuel A. Fryer Yaveneh Academy:* \$10 million 501c3 was issued in 2001. Borrower requested an extension of maturity date, which is similar to a new issuance from a City processing standpoint. Working with the bond team to move forward.

*Chinatown Blossom Plaza Parking:* \$60M EZB/NMTC request. The developer continues to complete application and info package; will appear before the Board for a Reimbursement Resolution when ready.

*Salsbury Industries:* \$10 million IDB/EZB. Borrower is currently working to resolve real estate and environmental issues with CRA, and has asked for project to be kept alive. Projected bond closing has been postponed until the end of 2009.

*Madison/Graham ColorGraphics:* \$8.6 million IDB. Bonds closed as scheduled on February 26. Project status will be marked as closed next month.

*Drapes 4 Show:* \$1.775 million IDB. Borrower has received a \$1.8M LOC commitment from Comerica. Staff is working with financial advisor on the application to the State Treasurer's office for an allocation.

*Wattstar Theater:* \$7.5 million EZB. Borrower wants to increase EZB Reimbursement Resolution to either \$11 or 13 million, and will appear before the Board when the project is ready to move forward.

*Alameda North Parking:* \$60 million EZB. May be impacted by American Apparel's intent to move. Will continue to monitor the situation.

C. Legislative Committee Report

Los Angeles City Council adopted a resolution on February 29, 2008 to include in its 2007-2008 Federal Legislative Program support for HR 2578 and S. 1627, the Empowerment Zone (EZ) and Renewal Community (RC) Enhancement Act of 2007. Staff has been working to coordinate lobbyist efforts on Capitol Hill and with local congressional staff members. Unfortunately, the general consensus is that there may not be much movement this year pending arrival of new administration.

On the proposed legislation to expand the definition of manufacturing, CDFA is seeking endorsements from various leaders of the House and Senate for a standalone bill, and is expecting a sponsor within days.

D. CDD Update on Pending Committee Transmittals

There is one (1) major transmittal pending for the Asian American Drug Abuse Program, which was released to the Mayor's Office on March 5th.

The City Council adopted a resolution in favor of federal legislation that would extend EZ bonds through 2015 and reduce requirements for hiring EZ workers. CDD staff will be meeting with congressional offices and coordinating lobbyist efforts on Capitol Hill.

VII. New Business

A. Discussion and Consideration of Adopting a Formal Response to the Los Angeles Economy & Jobs Committee Report

EDD Director drafted a response to the proposals contained in Recommendation #67 of the LAEJC report, concerning the IDA and IDBs. EDD is scheduled to meet with Libby Williams on March 19 to discuss these issues. Due to the lack of a quorum, Board members are asked to review the draft response, and provide individual feedbacks by next week.

VII. Next Meeting

The next regularly held IDA Board meeting is scheduled for Thursday, April 10, 2008.

VIII. Public Comments

There were no public comments.

IX. Adjournment

Meeting was adjourned at 10:08 a.m.