

City Hall East  
200 N. Main Street  
Room 800  
Los Angeles, CA 90012

(213) 978-8100 Tel  
(213) 978-8222 Fax  
CTrutanich@lacity.org  
www.lacity.org



**CARMEN A. TRUTANICH**  
City Attorney

REPORT NO. R 1 2 - 0 2 7 2

AUG 1 6 2012

**REPORT RE:**

**DRAFT ORDINANCE ADDING ARTICLE 26 TO CHAPTER 5 OF  
DIVISION 5 OF THE LOS ANGELES ADMINISTRATIVE CODE TO  
ESTABLISH THE BICYCLE PLAN TRUST FUND**

The Honorable City Council  
of the City of Los Angeles  
Room 395, City Hall  
200 North Spring Street  
Los Angeles, California 90012

Council File No. 10-2385-S5

Honorable Members:

Pursuant to your request, we transmit to you for your consideration, approved as to form and legality, a draft ordinance that would add Article 26 to Chapter 5 of Division 5 of the Los Angeles Administrative Code (LAAC) to establish the Bicycle Plan Trust Fund.

Background and Summary of Ordinance Provisions

On March 1, 2011, your Honorable Body adopted the 2010 Bicycle Plan, which requires the establishment of a Bicycle Plan Trust Fund to collect developer mitigation fees to be used for bicycle-related projects and programs. Monies deposited into this trust fund come from development agreements or conditions of development for projects that include the implementation of community improvements such as bike racks, bicycle path or way-finding signage, lockers, and other bicycle amenities. These amenities support the City's goals as articulated in the 2010 Bicycle Plan.

The proposed ordinance provides for administration of the Bicycle Plan Trust Fund by the General Manager of the Department of Transportation (or the General Manager's designee). It limits the use of funds for administrative costs to no more than 5% of monies in the fund per year. Disbursement of funds from the trust fund requires the approval of both the Director of City Planning and the General Manager of the Department of Transportation, or their designees.

CEQA Determination

Adoption of the ordinance is an administrative action exempt from the California Environmental Quality Act (CEQA).

Council Rule 38 Referral

The draft ordinance was sent, pursuant to Council Rule 38, to the Department of Planning. The Department was requested to report their comments directly to you.

If you have any questions regarding this matter, you may contact Deputy City Attorney Michael Nagle at (213) 978-8141. He or another member of this Office will be present to answer any questions you may have when you consider this matter.

Very truly yours,

CARMEN A. TRUTANICH, City Attorney

By   
PEDRO B. ECHEVERRIA  
Chief Assistant City Attorney

PBE/MN/mg  
Transmittal

ORDINANCE NO. \_\_\_\_\_

An ordinance adding Article 26 to Chapter 5 of Division 5 of the Los Angeles Administrative Code, establishing the Bicycle Plan Trust Fund.

**THE PEOPLE OF THE CITY OF LOS ANGELES  
DO ORDAIN AS FOLLOWS:**

Section 1. A new Article 26 is added to Chapter 5 of Division 5 of the Los Angeles Administrative Code to read as follows:

**CHAPTER 5, ARTICLE 26**

**BICYCLE PLAN TRUST FUND**

**Sec. 5.115.10. Creation and Administrative of the Fund.**

(a) There is hereby created and established in the Treasury of the City of Los Angeles a special fund to be known as the "Bicycle Plan Trust Fund" (Fund).

(b) The purpose of the Fund shall be the receipt, retention and disbursement of funds, including developer contributions, received by either the Los Angeles Department of City Planning or the Los Angeles City Department of Transportation designated for the formulation and implementation of bicycle improvements, to facilitate more efficient management and administration of the funds. The Fund shall also be used for the disbursement of monies transferred into the Fund by the City Council.

(c) The Fund shall be administered by the General Manager of the Department of Transportation (General Manager) or the General Manager's designee(s), in accordance with established City practices and the provisions of the Fee Mitigation Act (Government Code section 66000, *et seq.*). No more than 5% of monies in the Fund shall be used per year for administrative costs. Administrative costs shall not include public outreach, traffic studies, feasibility studies, traffic data surveys, conceptual drawings, construction drawings, construction engineering, and construction.

(d) Disbursement of funds requires the approval of the Director of the Department of City Planning (Director) and the General Manager, or their designees.

(e) The General Manager shall inform the Controller of any special condition or restriction imposed upon any monies accepted for deposit in the Fund.

(f) The General Manager is authorized to establish procedures to carry out the provisions of this Article.

(g) Monies not expended from the Fund at the close of any fiscal year shall not revert to the Reserve Fund, but shall remain in the Fund.

(h) All interest and other earnings attributable to monies in the Fund or to any of the separate accounts within the Fund shall be credited to the Fund or to the account to which it is attributable and shall be devoted to the purposes of the Fund.

(i) The General Manager shall maintain appropriate accounting records of the actual costs of the services rendered pursuant to the Fund. The General Manager shall report to the City Council regarding and identifying all receipts into, and all expenditures out of, the Fund as well as the purpose for which the expenditures were made. Each report shall cover a fiscal year and shall be submitted within 90 days after the close of that fiscal year.

Sec. 2. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, at its meeting of \_\_\_\_\_.

JUNE LAGMAY, City Clerk

By \_\_\_\_\_  
Deputy

Approved \_\_\_\_\_

\_\_\_\_\_  
Mayor

Approved as to Form and Legality

CARMEN A. TRUTANICH, City Attorney

By   
MICHAEL NAGLE  
Deputy City Attorney

Date May 2, 2012

File No. 10-2385-S5