

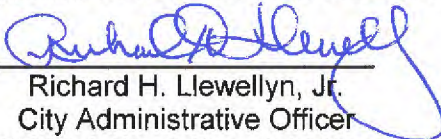
0111-31341-0105

TRANSMITTAL

TO Council	DATE 06-28-19	COUNCIL FILE NO. 14-1174-S18
FROM CRA/LA Bond Oversight Committee		COUNCIL DISTRICT 9

At its regular meeting on June 27, 2019, the CRA/LA Bond Oversight Committee (BOC) approved recommendations in the attached Economic and Workforce Development Department (EWDD) report, as amended, to authorize the appropriation of all earned interest for the Commercial Corridor Litter Abatement Project. The BOC instructed staff to transmit to Council for consideration. Council approval of the report recommendations, as amended, would authorize the appropriation of up to \$226,075, plus all earned interest, in CRA/LA Excess Non-Housing Bond Proceeds from the Broadway/Manchester Redevelopment Project Area (Taxable Series 2007-A) and the Exposition/University Park (formerly known as Hoover) Redevelopment Project Area (Taxable Series 2007-E) for the Commercial Corridor Litter Abatement Project.

Fiscal Impact Statement: There is no impact on the City's General Fund from the proposed appropriation. The CRA/LA Excess Non-Housing Bonds Proceeds Fund No. 57D is funded solely from two transfers totaling approximately \$86 million in pre-2011 tax allocation bond proceeds from CRA/LA to the City. (C.F. 14-1174) Said transfers have been deposited with the Office of the Controller.


 Richard H. Llewellyn, Jr.
 City Administrative Officer
 Chair, CRA/LA Bond Oversight Committee

RHL:YC/JVW:nsh15190170

Attachment – June 27, 2019 EWDD Report – Commercial Corridor Litter Abatement Project

CITY OF LOS ANGELES

CALIFORNIA



ERIC GARCETTI
MAYOR

Item 5

JOHN L. REAMER, JR.
INTERIM GENERAL MANAGER

ECONOMIC AND WORKFORCE
DEVELOPMENT DEPARTMENT

1200 W. 7TH STREET
LOS ANGELES, CA 90017

June 27, 2019

Council File:14-1174-S18
Council District No.: 9
Contact Person & Extension:
Daysi Hernandez: (213) 744-9340

CRA/LA Bond Oversight Committee
c/o Jacqueline Wagner
Office of the City Administrative Officer
Room 1500, City Hall East

BOND OVERSIGHT COMMITTEE TRANSMITTAL: REQUEST REVIEW AND RECOMMENDATION THAT COUNCIL AND MAYOR, AS REQUIRED, APPROPRIATE UP TO \$226,075 IN CRA/LA EXCESS NON-HOUSING BOND PROCEEDS FROM THE BROADWAY/MANCHESTER REDEVELOPMENT PROJECT AREA (TAXABLE SERIES 2007-A) AND THE HOOVER NOW KNOWN AS EXPOSITION/UNIVERSITY PARK REDEVELOPMENT PROJECT AREA (TAXABLE SERIES 2007-E) FOR THE COMMERCIAL CORRIDOR LITTER ABATEMENT PROJECT

The Interim General Manager of the Economic and Workforce Development Department (EWDD) requests your review, approval and processing of the recommendations in this transmittal to the Mayor and City Council for their review and consideration.

RECOMMENDATIONS

The Interim General Manager of EWDD, or designee, requests that the Bond Oversight Committee recommend that the City Council, subject to the approval of the Mayor as required:

1. DETERMINE that these recommended actions related to funding and approving the Commercial Corridor Litter Abatement Project (Project) consisting of trash receptacles installation are exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15061(b)(3) and 15301 of the State CEQA Guidelines and the City CEQA Guidelines Class 1(3), and Class 1(15);
2. APPROVE up to \$138,333 in taxable CRA/LA Excess Non-Housing Bond Proceeds (EBP) from the Broadway/Manchester Redevelopment Project Area (Broadway/Manchester), and up to \$87,742 in taxable EBP from the Hoover now known as (NKA) Exposition/University Park Redevelopment Project Area (Exposition/University) available to Council District (CD) 9 for a combined total of up to \$226,075 to be utilized for Project;

3. AUTHORIZE the Department of Public Works, Bureau of Sanitation (LASAN) to be the implementing department for activities related to Project;
4. AUTHORIZE LASAN to take the necessary actions to effectuate Project, and negotiate and execute any contracts and related documents (Contract) necessary to implement Project with Rehrig Pacific Company (Contractor) by September 30, 2019;
5. DIRECT LASAN to transmit copies of all executed Contract for Project to EWDD;
6. DIRECT LASAN to file a CEQA Notice of Exemption with the City Clerk and Los Angeles County Clerk upon Council approval;
7. DIRECT LASAN to expend the EBP appropriation no later than September 30, 2024;
8. AUTHORIZE the Controller, subject to the availability of funds and a duly executed Contract, to expend up to \$138,333 from CRA/LA EBP Fund No. 57D, Account No. 22L9CT Broadway/Manchester Taxable Series 2007-A, and up to \$87,742 from Account No. 22L9GT Exposition/University Taxable Series 2007-E for a combined total of up to \$226,075 for activities related to Project upon presentation of proper documentation by LASAN, and satisfactory review and approval of EWDD in accordance with the terms and conditions of the Bond Expenditure Agreement (BEA);
9. DIRECT LASAN to report on its work accomplishments to the Office of the City Administrative Officer (CAO), and fund expenditures to the EWDD, on a quarterly and as-needed basis; and
10. AUTHORIZE the Interim General Manager of EWDD, or designee, to prepare Controller instructions and/or make technical adjustments that may be required and are consistent with this action, subject to the approval of the CAO, and authorize the Controller to implement these instructions.

SUMMARY

Transmitted herewith for your review, approval, and further processing are recommendations pursuant to a CD 9 Motion (Price-Blumenfeld) which was adopted by Council on November 23, 2016 (C.F. 14-1174-S18).

This transmittal recommends that up to \$226,075 in taxable EBP (\$138,333 from Broadway/Manchester, and \$87,742 from Exposition/University) within CD 9 be allocated to LASAN to implement public improvements throughout the commercial corridors in both project areas including, but not limited to, the installation of permanent trash receptacles as a form of litter abatement. Litter abatement along the public right-of-way was not identified as a potential project in both project areas' Bond Spending Plan (BSP) that was adopted by Council on June 24, 2015 (C.F. 14-1174). However, on March 5, 2019, CRA/LA's Oversight and Governing Boards, along with the State Department of Finance,

approved the City's request to amend the BSP to include Project in the BSP. Sufficient funds for this purpose are available from CD 9's portion of EBP in both Broadway/Manchester and Exposition/University.

The original taxable EBP in Broadway/Manchester available to CD 9 was \$164,682. After the 16% (\$26,349) administrative appropriation, a net \$138,333 in taxable EBP remains available. This transmittal's proposed \$138,333 taxable appropriation will exhaust all of CD 9's EBP in Broadway/Manchester.

The original taxable EBP in Exposition/University available to CD 9 was \$104,455. After deducting the 16% (\$16,713) administrative appropriation, a net \$87,742 in taxable EBP remains available. This transmittal's proposed \$87,742 in taxable appropriation will exhaust all of CD 9's EBP in Exposition/University.

EWDD ANALYSIS

EWDD has met and consulted with CD 9 and LASAN regarding Project and the scope of work. LASAN has executed contract C-102987 Amendment No. 5 (Contract) with Rehrig Pacific Company (Contractor) who was competitively procured to perform the work. LASAN has represented that the Contract's current scope of work and expiry on November 30, 2019 is sufficient to carry out the assignment proposed in this transmittal. LASAN will serve as the lead department, and oversee Contractor's implementation through completion of Project.

Contractor has provided estimated budgets pursuant to an assessment of key areas within Manchester/Broadway and Exposition/University, and identified existing receptacles based on observed volume of foot traffic, local business types, waste volumes and public space congestion. Contractor will deploy Bigbelly Smart Waste and Recycling System at an estimated cost of \$226,075 broken down as follows:

1. Broadway/Manchester

A. Eighteen (18) High Capacity Single Stations	\$117,131
B. Related Costs (Includes administrative fee covering procurement process)	<u>\$ 14,055</u>
Total:	\$131,186

2. Exposition/University

A. Seven (7) High Capacity Single stations and Three (3) High Capacity Double Stations	\$73,411
B. Related Costs (Includes administrative fee covering procurement process)	<u>\$ 8,809</u>
Total:	\$82,220

The total estimated cost of \$213,406 will leave an EBP reserve of \$12,669 to cover any contingency for the Project at both locations.

The Project will commence upon Council adoption. Typical compactor assembly will take 6 to 8 weeks, followed by 1 to 2 weeks for delivery.

LASAN and EWDD's accounting divisions will encumber funding for the Contract by September 30, 2019, with EBP appropriation fully expended no later than September 30, 2024. Deliverables and/or activity reports showing percentages of completion must accompany LASAN's signed off invoices which shall be submitted to EWDD. Disbursements will be authorized upon receipt and satisfactory review by EWDD to ensure compliance with bond covenants and adherence to the terms and conditions of the BEA and BSP.

LASAN will report on its work accomplishments to CAO, and fund expenditures to EWDD, on a quarterly and as-needed basis for their respective reports to the BOC, Mayor and CRA/LA.

BENEFITS TO THE AFFECTED TAXING ENTITIES

The Commercial Corridor Litter Abatement Project in the Broadway/Manchester and Hoover NKA Exposition/University Park Redevelopment Project Areas will benefit the affected taxing entities by maintaining its streets and sidewalks to provide for safe and efficient transits for residents and commuters. The objective is to improve the quality of life in the communities by promoting the development of sound residential neighborhoods through mechanisms such as land use, density and design standards, public improvements, property rehabilitation, sensitive in-fill housing and other support services. The collection and disposal of litter and debris will improve mobility for residents and visitors by enhancing the cleanliness and safety of the community's streets and sidewalks. These litter abatement efforts will promote the development of thriving residential neighborhoods through the provision of efficient support services. The Bigbelly deployment is aimed at increasing the capacity of existing litter stations, improving their efficiency, and enhancing the environment. The targeted locations will free streets from litter, making them more livable to residents and welcoming for businesses.

ENVIRONMENTAL REVIEW

LASAN and the Los Angeles Housing and Community Investment Department (HCID) provided the environmental analysis below:

A Notice of Exemption (Attachment 2) will be filed by the City with the Los Angeles County Clerk finding that the Project, including installation of trash receptacles, is exempt from CEQA. Installing trash receptacles on existing improved public rights-of-way consists of only a minor alteration to existing street and sidewalk facilities, and it will result in negligible or no expansion to the existing uses. Since there is negligible or no expansion of use of the existing streets and sidewalks from the small streetscape alteration, the project is categorically exempt from CEQA pursuant to Section 15301 of the State CEQA Guidelines. The project is also exempt pursuant to the common sense exemption stated in Section 15061(b)(3) of the State CEQA Guidelines, because CEQA only applies to projects having a potential to cause a significant effect on the environment. There is no possibility that the addition of trash receptacles to existing street and sidewalk facilities may have a significant effect on the environment, and therefore, the project is not subject to CEQA pursuant to the common sense exemption.

The project is also exempt pursuant to the City's CEQA Guidelines, Class 1(3), because the addition of trash receptacles is a minor alteration to existing streets and sidewalks. A Notice of Exemption (Attachment 2) provides additional support, and will be filed by the City with the Los Angeles County Clerk finding that the Project is exempt from CEQA. The recommended actions in this report provide City Council's authorization for funding the Project from the noted proceeds, which is further explained in detail in the Notice of Exemption accompanying this report.

CAO COVENANT REVIEW

The CAO has completed its review of the original bond documents and covenants, and has found that the proposed use of taxable EBP for the purposes outlined in this report is consistent with those covenants.

FISCAL IMPACT STATEMENT

There is no impact on the City's General Fund from the proposed appropriation of CRA/LA EBP. The CRA/LA EBP Fund No. 57D is funded solely from transfers of approximately \$86 million in pre-2011 tax allocation bond proceeds from CRA/LA to the City (C.F. 14-1174 and 14-1174-S36). Said Transfers have been deposited with the Office of the Controller.



JOHN L. REAMER, JR.
Interim General Manager

JLR:SH:DH:MMS:JL

ATTACHMENT 1: Motion (Price-Blumenfeld) C. F. 14-1174-S18
2: Notice of Exemption (To be filed by LASAN)

MOTION ECONOMIC DEVELOPMENT

In accordance with policies adopted by Council (C.F. 14-1174) related to the CRA/LA Bond Expenditure Agreement and Bond Spending Plan, any proposal to expend CRA/LA Excess Bond Proceeds shall be initiated by Council Motion. Proposals will be reviewed by the CRA/LA Bond Oversight Committee, Economic Development Committee, and any other applicable committee with final recommendations presented to the Council and Mayor for final consideration and approval.

Council District Nine (CD9) is committed to repairing and maintaining public infrastructure in its neighborhoods. This includes restoring streets, removing trash and bulky items from alleys, and repairing damaged sidewalks. CD9 is also focused on revitalizing local parks and finding new and creative ways to add green space and recreational facilities in the community. To achieve these goals, the "Clean and Green" campaign was launched as a targeted effort to clean up blight and neglected areas. More than 10 tons of trash and bulky items were collected and more than 1 million square feet of graffiti was removed during the first 100 days in office of the current term.

Portions of the Exposition/University Park Redevelopment Project Area and Broadway/Manchester Recovery Redevelopment Project Area lie within CD9 and include major transit corridors such as Vermont Avenue, Exposition Boulevard, Figueroa Street, Broadway, and Manchester Avenue. It is imperative that the City of Los Angeles maintain its streets and sidewalks to provide for safe and efficient transit for residents and commuters. An objective of both redevelopment project areas is to improve the quality of life in the communities by promoting the development of sound residential neighborhoods through mechanisms such as land use, density and design standards, public improvements, property rehabilitation, sensitive in-fill housing, and other support services.

I THEREFORE MOVE that all CRA/LA Excess Bond Proceeds available to Council District Nine from both the Broadway/Manchester Recovery Redevelopment Project Area and Exposition/University Park Redevelopment Project Area be utilized to implement public improvements throughout the commercial corridors including but not limited to the installation of permanent trash receptacles as a form of litter abatement.

I FURTHER MOVE that the Economic and Workforce Development Department, with the assistance of the City Administrative Officer, Chief Legislative Analyst, and any other applicable City department, provide a report with recommendations to the CRA/LA Bond Oversight Committee to allocate all CRA/LA Excess Bond Proceeds available to Council District Nine to the Bureau of Sanitation to implement public improvements throughout commercial corridors in the district and project areas as identified in the Bond Expenditure Agreement and Bond Spending Plan for the from the Broadway/Manchester Recovery Redevelopment Project Area and Exposition/University Park Redevelopment Project Area.

PRESENTED BY: *Curren D. Price, Jr.*
Curren D. Price, Jr.
Councilmember, 9th District

SECONDED BY: *Ed Chung*

ORIGINAL

OCT 14 2016

[Handwritten signature]

COUNTY CLERK'S USE

CITY OF LOS ANGELES
 OFFICE OF THE CITY CLERK
 ROOM 395, CITY HALL
 LOS ANGELES, CALIFORNIA 90012
 CALIFORNIA ENVIRONMENTAL QUALITY ACT

CITY CLERK'S USE

NOTICE OF EXEMPTION

(Article III, Section 3 - City CEQA Guidelines)

Submission of this form is optional. The form shall be filed with the County Clerk, 12400 E. Imperial Hwy. Norwalk, California, pursuant to Public Resources Code Section 21152(b). Pursuant to Public Resources Code Section 21167(d), the filing of this notice starts a 35-day statute of limitations on Court challenges to the approval of the project. Failure to file the notice results in the statute of limitations being extended to 180 days.

LEAD CITY AGENCY AND ADDRESS: City of Los Angeles - Bureau of Sanitation 1149 S. Broadway St., Los Angeles CA 90015	COUNCIL DISTRICT ALL
PROJECT TITLE: Commercial Corridor Litter Abatement Project	MAP REFERENCE: Citywide

PROJECT LOCATION: Citywide

DESCRIPTION OF NATURE, PURPOSE, AND BENEFICIARIES OF PROJECT: The proposed project is an installation of trash receptacles on existing improved public rights-of-way including existing streets and sidewalks.

CONTACT PERSON Hassan Rad	AREA CODE (213)	TELEPHONE NUMBER 847-5186	EXT.
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EXEMPT STATUS: (Check One)	CITY CEQA	STATE EIR
	GUIDELINES	GUIDELINES
MINISTERIAL	Art. III, Sec. 2b	Sec. 15268
DECLARED EMERGENCY	Art. III, Sec. 2a(1)	Sec. 15269 (a)
EMERGENCY PROJECT	Art. III, Sec. 2a(2) & (3)	Sec. 15269 (b) & (c)
<input checked="" type="checkbox"/> CATEGORICAL EXEMPTION	Art. III, Sec. 1	Sec. 15300 et seq.
Class <u>1</u> Category <u>3</u>	(City CEQA Guidelines)	
OTHER (See Public Resources Code Sec. 21080(b) and set forth state and city guidelines provision)		

JUSTIFICATION FOR PROJECT EXEMPTION: Installing trash receptacles on existing improved public rights-of-way consists of only a minor alteration to existing street and sidewalk facilities, and it will result in negligible or no expansion to the existing uses. Since there is negligible or no expansion of use of the existing streets and sidewalks from the small streetscape alteration, the project is categorically exempt from CEQA pursuant to Section 15301 of the State CEQA Guidelines. The project is also exempt pursuant to the City's CEQA Guidelines, Class 1 (3), because the addition of trash receptacles is a minor alteration to existing streets and sidewalks.

IF FILED BY APPLICANT, ATTACH CERTIFIED DOCUMENT OF EXEMPTION FINDING

SIGNATURE:	TITLE: Regulatory Affairs Division Manager	DATE:
FEE:	RECEIPT NO.	REC'D BY
		DATE

DISTRIBUTION: (1) County Clerk (2) City Clerk (3) Agency Record
 Form Oes. 153 (9/91) (Appendix A)