


TRANSMITTAL

To: Council	DATE 11-16-17	COUNCIL FILE NO. 14-1174-S28
From: CRA/LA Bond Oversight Committee		COUNCIL DISTRICT 14

At its special meeting on November 15, 2017, the Community Redevelopment Agency of Los Angeles (CRA/LA) Bond Oversight Committee approved recommendations in the attached Economic and Workforce Development Department report, which is hereby transmitted to Council for consideration. Adoption of the report recommendations would authorize the Department of Transportation to utilize up to \$645,000 in CRA/LA Excess Bond Proceeds available to Council District 14 within the Adelante Eastside Project Area to be utilized for the Breed Street and Sheridan Street Elementary School Safe Routes to School Project.

Fiscal Impact Statement: Approval of the recommendations in this report will have no impact on the General Fund. The CRA/LA Excess Non-Housing Bond Proceeds Fund No. 57D is funded solely from the transfer of approximately \$84.1 million in pre-2011 tax allocation bond proceeds from CRA/LA to the City (C.F. 14-1174).


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

RHL:JVW:BA:15180043

Attachment

CITY OF LOS ANGELES

CALIFORNIA



ERIC GARCETTI
MAYOR

Item 3

JAN PERRY
GENERAL MANAGER

ECONOMIC AND WORKFORCE
DEVELOPMENT DEPARTMENT

1200 W. 7TH STREET
LOS ANGELES, CA 90017

November 13, 2017

Council File: 14-1174-S28
Council District No.: 14
Contact Persons & Extensions:
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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 BOND OVERSIGHT COMMITTEE REVIEW AND RECOMMENDATION THAT COUNCIL AND MAYOR, AS REQUIRED, APPROPRIATE UP TO \$645,000 IN CRA/LA EXCESS NON-HOUSING BOND PROCEEDS FROM THE ADELANTE EASTSIDE PROJECT AREA (2009 TAX EXEMPT SERIES D) FOR THE BREED STREET AND SHERIDAN STREET ELEMENTARY SCHOOL SAFE ROUTES TO SCHOOL PROJECT (PUBLIC INFRASTRUCTURE ACTIVITIES)

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

SUMMARY

Transmitted herewith for your review, approval, and further processing are recommendations pursuant to a CD 14 Motion and a Substitute Motion (Huizar –Harris-Dawson) dated August 9, 2017 (CF 14-1174-S28) which was adopted by Council on August 15, 2017. The adopted substitute Motion sought to appropriate up to \$450,000 in tax-exempt Community Redevelopment Agency of the City of Los Angeles Excess Non-Housing Bond Proceeds (EBP) available to Council District (CD) 14 from the Adelante Eastside Project Area (Project Area) for Public Infrastructure activities. It was subsequently determined that a \$195,000 funding gap exists, and the Council Office requests that the total project appropriation be increased to \$645,000. The Breed Street and Sheridan Street Elementary Schools Safe Routes to School Project is identified as a potential project in the Bond Spending Plan (BSP) for this Project Area. The proposed

use of funds is permissible under the BSP as adopted by City Council on October 29, 2014 (CF 14-1174); and sufficient funds are available from CD 14's portion of tax-exempt EBP in this Project Area for this purpose.

CD 14 has \$487,073 in taxable, and \$693,854 in tax-exempt, for a total of \$1,180,927 EBP remaining in the Adelante Eastside Project Area.

CD 14 has a total of \$529,389 in taxable, and \$693,854 in tax-exempt for a total of \$1,223,243 EBP remaining in both of its project areas.

RECOMMENDATIONS

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

1. APPROVE up to \$645,000 in CRA/LA Excess Non-Housing Bond Proceeds available to Council District 14 from the Adelante Eastside Redevelopment Project Area within the Council district be utilized for the Breed Street and Sheridan Street Elementary School Safe Routes to School Project;
2. AUTHORIZE the Controller, subject to the availability of funds, to give the Los Angeles Department of Transportation (LADOT) access to the CRA/LA Excess Non-Housing Bond Proceeds Fund No. 57D to process transactions related to the Breed Street and Sheridan Street Elementary School Safe Routes to School Project;
3. AUTHORIZE the LADOT to be the implementing department, and to expend funds up to \$645,000 from the CRA/LA Excess Non-Housing Bond Proceeds Fund No. 57D, Account 22L9AN, Adelante Eastside, 2009 Tax-Exempt Series D, for transactions related to the Breed Street and Sheridan Street Elementary School Safe Routes to School Project upon proper documentation and demand of the General Manager, EWDD or designee, and pursuant to satisfactory review by the EWDD; and
4. AUTHORIZE the 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.

FISCAL IMPACT STATEMENT

There is no impact on the City's General Fund from the proposed appropriation of CRA/LA EBP. The CRA/LA Excess Non-Housing Bonds Proceeds Fund No. 57D is funded solely from the transfer of approximately \$84.1 million in pre-2011 tax allocation bond proceeds from CRA/LA to the City (CF 14-1174). Said Transfer has been deposited with the Office of the Controller.

ENVIRONMENTAL REVIEW

The Breed Street and Sheridan Street Elementary Schools Safe Routes to School Project is categorically exempt from provisions of the California Environmental Quality Act (CEQA) pursuant to Sections 15304(h), 15308 and 15311(a) of the State CEQA Guidelines.

CD 14 EXCESS BOND PROCEEDS AND PROPOSED PROGRAM ACTIVITIES

There are two redevelopment project areas whose EBP range between 98-100% within CD 14: Adelante Eastside (Adelante) and Monterey Hills. There are a total of 4 bond series i.e. 3 taxable bond series with \$1,874,273 EBP, and 1 tax-Exempt bond series with \$4,618,854 between both project areas. The details are reflected below:

CRA Project Area	Project Area % of EBP Within CD 14	Bond Proceeds Taxable	Bond Proceeds Tax-Exempt	Less: 16% Administrative Appropriation	Available EBP In Project Area
Adelante Eastside	98%	\$ 1,823,897	\$ 4,618,854	(\$ 291,824)	\$6,150,927
Monterey Hills	100%	\$ 50,376	\$ 0	(\$ 8,060)	\$ 42,316
TOTAL		\$ 1,874,273	\$ 4,618,854	(\$ 299,884)	\$6,193,243
Council Approved	CF #14-1174-S4	(\$ 220,000)	(\$ 780,000)		\$5,193,243
Pending Increase	CF #14-1174-S4		(\$ 500,000)		\$4,693,243
Pending Motion	CF #14-1174-S29		(\$ 2,000,000)		\$2,693,243
Pending Motion	CF #14-1174-S30	(\$ 825,000)			\$1,868,243
This Request	CF #14-1174-S28		(\$ 645,000)		\$1,223,243
REMAINING BAL.		\$ 829,273	\$ 693,854	(\$ 299,884)	\$1,223,243

The original combined taxable and tax-exempt EBP in both project areas available to CD 14 was \$6,493,127. However, after the administrative appropriation of 16%, or \$299,884, from taxable EBP, the aggregate remaining was \$6,193,243 in both project areas available to CD 14.

To date, there have been five (5) CD 14 initiated motions all requesting EBP from the Adelante project area. The total appropriation request is \$4,970,000 comprising of \$1,045,000 taxable (2 motions), and \$3,925,000 tax-exempt (3 motions) EBP. BOC and Council have approved one motion (CF 14-1174-S4) for \$1,000,000. Three other motions are in various stages of development for presentation to the BOC.

BOC and Council had approved CD 14 appropriations as follows:

1. CF 14-1174-S4: \$1,000,000 Whittier Blvd Public Improvement/Grant Consultant \$780,000 Adelante Tax-exempt 2009 Series D; and \$220,000 Adelante Taxable 2005 Series B.

CD 14 introduced on October 24, 2017 a new Motion to reprogram the \$200,000 from Adelante's Taxable 2005 Series B above previously approved for grant consultant services, to the Department of Public Works, Bureau of Street Services to repair sidewalks along Whittier Blvd. between Indiana Avenue and

Boyle Street. This new Motion under same C.F. #14-1174-S4 also seeks an additional amount not to exceed \$500,000 from Adelante's Tax-exempt 2009 Series D to supplement the cost of public improvements at same location. EWDD will commence work up upon Council adoption of this initial Motion.

In addition to this Motion 14-1174-S28, CD 14 has been Council approved for 2 recent initial Motion introductions as follows:

1. CF 14-1174-S29: Sixth Street Park, Art, River and Connectivity Improvements
 \$2,000,000 Adelante Tax-exempt 2009 Series D
2. CF 14-1174-S30: Self-Help Graphics and Art, Inc.
 \$400,000 Adelante Eastside Taxable 2007 Series C

However, it was subsequently determined that a \$425,000 funding gap exists, and the appropriation request has increased to \$825,000 from the same taxable series.

For Adelante Project Area only: The beginning taxable and tax-exempt EBP 98% available to CD 14 was \$6,442,751. However, after the administrative appropriation of 16%, or \$291,824, only \$6,150,927 remained. After the 5 proposed motions, \$912,073 in taxable, and \$693,854 in tax-exempt, EBP aggregating \$1,605,927 will be available for future projects.

The Monterey Hills Project Area (100% to CD 14) has not had any motion activities yet. Its sole taxable EBP available is \$42,316.

The combined total of both project area EBP remaining in CD 14 is \$529,389 in taxable, and \$693,854 in tax-exempt for an aggregate total of \$1,223,243 available for future projects.

CD 14's 98% share of the Adelante Eastside Project Area yields the following amounts for the eligible funding categories:

Adelante Eastside Project Area	Infrastructure	Community Facilities	Affordable Housing	Business Assistance*	Total Project Area Spending
Taxable	\$ 0	\$ 0	\$ 0	\$ 1,532,073	\$ 1,532,073
Tax-Exempt	\$ 2,744,000	\$ 1,874,854	\$ 0	\$ 0	\$ 4,618,854
TOTAL	\$ 2,744,000	\$ 1,874,854	\$ 0	\$ 1,532,073	\$ 6,150,927

* The original Business Assistance EBP was \$1,823,897 before the 16% (\$291,824) Admin appropriation.

The Breed Street and Sheridan Street Elementary School Safe Routes to School Project is eligible under the BSP's funding category of Community Facilities/Open Space which includes capital improvements to schools. Safe Routes to School is also listed as a potential project in the Adelante Eastside Project area.

ANALYSIS AND RECOMMENDATIONS

CD 14's Motion, adopted by Council on August 15, 2017, sought to appropriate up to \$450,000 in tax-exempt EBP available to CD 14. However, the cost estimate for the sidewalk and retaining wall has increased by \$195,000. Due to the complexities of the project, delivering the grant-specified scope of work cannot be achieved within the existing budget, thus the need for the total appropriation to increase to \$645,000 to infill the funding gap.

The Safe Routes to School (SRTS) Project is a \$5.1 million Active Transportation Program grant funded through the State of California. SRTS aims to create low-stress, neighborhood friendly pedestrian and bicycle linkages along several streets serving the Breed Street and Sheridan Street Elementary Schools in the Boyle Heights community. Network level improvements will be focused within ¼ mile of each school. The intent is to enhance safety for walking and bicycling to school, promote a traffic-calmed environment that increases safety for all modes, create a low-stress network of streets as an alternative to major arterial to serve people of all ages and abilities, facilitate crossings over busy and wide arterials, and improve overall bicycle and pedestrian network connectivity.

The much needed safety improvements and countermeasures adjacent to the Breed Street and Sheridan Street Elementary Schools include 2 mini-roundabouts, curb extensions, speed bumps, sidewalk repair, street tree upgrades, installation and repair of curb ramps where missing, rectangular rapid flashing beacon crossing, embedded bicycle boxes and loop detectors, 2 new traffic signals, and traffic-calming roundabouts. Also included are shared lane markings or installed sharrow markings per City standard along lengths of Bicycle Friendly Street network within project area, connecting to nearest existing or planned bicycle facility, continental crosswalks with limit lines (standard upgrades to existing marked crosswalks throughout), road diet and new bicycle lanes for a 2-mile segment of Soto Street, and crossing and signal improvements at offset intersections.

Total project cost is \$6,707,275 consisting of:
\$5,434,000 Construction Hard Cost
\$1,273,275 Construction Soft Costs (Project/Construction Management, Design etc.)
\$6,707,275 Total

Funding for the project has been secured according to LADOT as follows:
\$5,092,000 Active Transportation Program (Cycle 1)
\$ 339,600 Transportation Development Act (TDA)
\$ 630,675 Measure R Local Returns
\$ 645,000 CRA/LA EBP
\$6,707,275 Total

EWDD has met and consulted with CD 14, LADOT and the BOC staff regarding this project. Pursuant to bid proposals received by the Department of Public Works, Bureau of Engineering for LADOT's Active Transportation Cycle 1: Safe Routes to School Infrastructure Improvements for Sheridan Street Elementary School and Breed Street, the LADOT anticipates that EBP funds will pay for hard construction costs as follows:

1. Mobilization per the General Requirements;
2. Field Office, Modified Class "B" with air conditioning including internet connections;
3. Clearing and Grubbing;
4. Adjust maintenance hole to grade;
5. Adjust water valve/water meter cover to grade; and
6. Adjust to grade and/or remove and replace Pullbox.

Total cost:	\$589,090
Add Contingency:	<u>\$ 55,910</u>
Total:	\$645,000

LADOT has informed the BOC working group that Council approval of the proposed appropriation is critical before the construction contract can be awarded by December 31, 2017.

COMMUNITY BENEFITS

The Breed and Sheridan Street Elementary School Safe Routes to School Project will increase the safety for pedestrians and cyclists around Breed Street and Sheridan Street Elementary Schools. The proposed improvements include curb extensions, traffic circles, traffic signals and sidewalk repair. These improvements are designed to ensure that the path of travel between students' homes and the schools are as safe as possible.

Construction of this project is expected to begin in January/February 2018, and will be completed by July 2019. LADOT will be the implementing department for the project, and their request for payments will not be processed by EWDD without CD 14's review and approval of the deliverables and invoices.

The LADOT will report its work accomplishment and funds expended to the City Administrative Officer (CAO) on a quarterly basis. EWDD will attach CAO's report to its regular reports to the BOC and Mayor.

The CAO has completed its review of the original bond documents, and has found that the proposed use of excess bond proceeds, as presented, is consistent with those covenants. It is recommended that a \$195,000 increase for a total amount up to \$645,000 in tax-exempt 2009 Series D bond proceeds from the Adelante Eastside Project Area be appropriated for the purposes outlined in CD 14's Motions.



JAN PERRY
General Manager

JP:SH:DH:MMS:AAC

ATTACHMENT 1: Substitute Motion (Huizar-Harris-Dawson) C. F. 11-1174-S28
ATTACHMENT 2: Original Motion (Huizar-Harris-Dawson) C. F. 11-1174-S28

MOTION

SUBSTITUTE

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Improving the daily commuter safety of grade school students is a top priority in Council District 14. The City's participation in programs like Safe Routes to Schools (SRTS) provides opportunities to make walking and bicycling to school safer and more accessible for children and their parents, including those with disabilities, and to increase the number of children who choose to walk and bicycle. Safe Routes to School programs also serve to enhance the health and well-being of children, help ease traffic congestion around schools, and improve air quality and, in turn, the quality of life of the surrounding community. These types of improvements are essential because, as the safety of walking and bicycling to school improves, it becomes more attractive as a transit option and has the potential of spreading into other parts of the community, including commercial districts.


The Breed Street Elementary School and Sheridan Street Elementary SRTS project is a \$4 million Active Transportation Program grant, funded through the State of California. The project will provide much needed safety improvements adjacent to these schools, including, but not limited to, new traffic signals, curb extensions, and traffic-calming roundabouts. Due to the complexities of the project, the grant-specified scope of work exceeds the project budget by \$450,000, creating a budget shortfall. Ensuring that the full scope of work is delivered from this project is of vital importance to the Council District and City overall.

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. The use of tax-exempt CRA/LA Excess Bond Proceeds towards the implementation of streetscape improvements along grade school student commuter routes near Breed Street Elementary School and Sheridan Street Elementary School in the Adelante Eastside Redevelopment Project Area are identified as eligible expenses in the Bond Expenditure Agreement and Bond Spending Plan.


I THEREFORE MOVE that tax-exempt CRA/LA Excess Bond Proceeds available to Council District 14 in an amount not to exceed \$450,000 from the Adelante Eastside Redevelopment Project Area be utilized by the Department of Transportation to implement streetscape improvements along grade school student commuter routes near Breed Street Elementary School and Sheridan Street Elementary School.

I FURTHER MOVE that the Economic and Workforce Development Department, with the assistance of the City Administrative Officer, Chief Legislative Analyst, Department of Transportation, and any other applicable City department, provide a report with recommendations to the CRA/LA Bond Oversight Committee to allocate tax-exempt CRA/LA Excess Bond Proceeds in an amount not to exceed \$450,000 to implement streetscape improvements along student commuter routes near Breed Street Elementary and Sheridan Street Elementary School as identified in the Bond Expenditure Agreement and Bond Spending Plan for the Adelante Eastside Redevelopment Project Area.

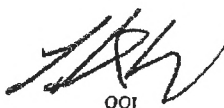
PRESENTED BY


JOSE HUIZAR
Councilmember, 14th District

SECONDED BY



COUNCIL
CLERK

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MOTION

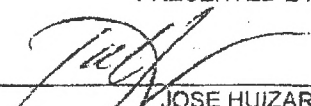
In accordance with policies adopted by Council (C.F. 14-1174) related to the CRA/LA Bond Expenditure Agreement and Bond Spending Plan, any proposal to expend CRA/LA Excess Bond Proceeds shall be initiated by Council Motion.

The Breed Street Elementary School & Sheridan Street Elementary School Safe Routes To School (SRTS) project is \$4 million Active Transportation Program grant funded through the state of California. The project provides much needed safety improvements adjacent to the schools such as new traffic signals, curb extensions, and traffic-calming roundabouts. Due to the complexities of the project, delivering the grant-specified scope of work cannot be done within the existing budget. This project was identified in the CRA/LA Bond Expenditure Agreement and Bond Spending Plan as an eligible project for CRA funding. Additionally, ensuring that the full scope of this critical safety improvement project can be delivered is of vital importance to the city. Funding is available in the Adelante Eastside CRA Fund to fill the funding gap and deliver the full project scope.

I THEREFORE MOVE that \$450,000 in CRA/LA Excess Non-Housing Bond Proceeds available to Council District 14 in the Adelante Eastside Project Area be transferred to the Department of Transportation, Fund 655, Account 94LT43 to fill the funding gap for the Breed Street Elementary School & Sheridan Street School Safe Routes to School Project.

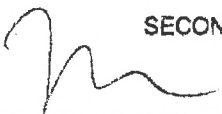
I FURTHER MOVE that the Controller be instructed to make any technical changes to effectuate the intent of this motion.

PRESENTED BY



JOSE HUIZAR
Councilmember, 14th District

SECONDED BY



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