

Your

TRANSPORTATION

Committee

reports as follows:

TRANSPORTATION COMMITTEE REPORT relative to a Memorandum of Understanding (MOU) with Los Angeles Streetcar, Inc., for environmental, design, and associated project management expenses for the Downtown Los Angeles Streetcar project.

Recommendation for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

AUTHORIZE the Los Angeles Department of Transportation (LADOT) to:

1. Enter into the revised MOU (as presented at the Transportation Committee meeting held February 27, 2013, and attached to the Council file,) and Scope of Work with the Los Angeles Streetcar, Inc., subject to the approval of the City Attorney as to form and legality, to provide funding for environmental, design, and associated project management expenses for the Los Angeles Streetcar project.
2. Review and approve the payment of invoices issued by Los Angeles Streetcar, Inc., up to \$1,000,000, in accordance with the revised MOU from the Measure R Traffic Relief and Rail Expansion Fund No. 51Q, Downtown LA Street Car Project Account No. 94311G.

Fiscal Impact Statement: The Chief Legislative Analyst (CLA) reports that this action will not impact the General Fund. The source of funds is the City's Measure R Local Return Funds.

Community Impact Statement: None submitted.

#### SUMMARY

In a report to Council dated February 8, 2013 (attached to the Council file), the CLA discusses the proposed MOU with Los Angeles Streetcar, Inc. The CLA states that the Downtown Los Angeles Streetcar is planned as a modern, fixed-rail streetcar system to link with regional transit along Broadway, 11th, Figueroa, 7th, and Hill Streets to serve the Civic Center, Broadway and the Historic Core, the Fashion District, South Park, L.A. Live and the Convention Center, the Financial District and restaurant row through the Jewelry District, and onto Grand Avenue. The service will connect with the Metro Red, Purple, Blue, and Expo Lines, the future Regional Connector, and dozens of local and regional bus lines to provide urban circulator service to popular downtown destinations.

According to the CLA, the estimated cost for design, engineering, and construction is \$125 million. This cost estimate does not include all the preliminary work that has been necessary to advance the project, such as planning studies, economic studies, and analyses, as well as project management and consultant work associated with the formation of a Community Facilities District. Additional preliminary design and engineering is necessary to identify the final cost of the project for the federal grant application.

The CLA goes on to report that Council approved an appropriation of \$1,000,000 for the Downtown Los Angeles Streetcar project from the City's Measure R Local Return Fund. In order to effectuate the transfer of the funding, it is necessary to prepare an MOU that identifies the roles and responsibilities of each agency. The draft MOU attached to the CLA report states that, to the extent that Measure R Local Return Funds are available, the City shall provide these funds based on invoices submitted by Los Angeles Streetcar, Inc., not to exceed \$1,000,000, for environmental, design, and associated project management expenses to support local revenues dedicated to the project. The CLA recommends that Council authorize DOT execute the MOU with Los Angeles Streetcar, Inc., and to approve invoices for payment up to \$1,000,000.

At its meeting held February 27, 2013, the Transportation Committee discussed this matter with CLA staff. The CLA's representative presented a revised MOU for consideration. The revised MOU includes language clarifying that dedicated funds cannot be expended for construction or capital improvement, and updating project cost estimates. A representative of the 14th Council District Office expressed support for the revised MOU. Committee recommended that Council authorize DOT to enter into the revised MOU with Los Angeles Streetcar, Inc., and to approve payment invoices, as recommended by the CLA.

Respectfully submitted,

TRANSPORTATION COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
ROSENDAHL:	YES
KORETZ:	YES
PARKS:	ABSENT
LABONGE:	YES
HUIZAR:	ABSENT

- NOT OFFICIAL UNTIL COUNCIL ACTS -

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