

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: May 19, 2021

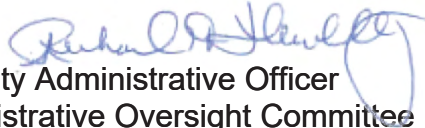
CAO File No. 0220-05445-0006

Council File No. 13-1526

Council District: All

To: The City Council
The Mayor

From: Richard H. Llewellyn, Jr., City Administrative Officer
Chair, Proposition O Administrative Oversight Committee



Reference: Proposition O Oversight Committee Recommendations

Subject: **REPORT BACK ON USE OF REMAINING PROPOSITION O PROGRAM
CONTINGENCY FUNDS**

RECOMMENDATIONS

That the Council, subject to the approval of the Mayor:

1. Approve the Hollenbeck Park Lake Rehabilitation and Stormwater Management (Hollenbeck Park Lake) Project and approve Prop O funding in the amount of \$5,000,000;
2. Approve the Public Right-of-Way Low Impact Development project and approve Prop O funding in the amount of \$1,000,000;
3. Approve the Rosa Parks Learning Center Stormwater Capture Project and approve Prop O funding in the amount of \$1,500,000;
4. Approve the Lincoln Park Neighborhood Green Street Network Project and approve Prop O funding in the amount of \$1,600,000;
5. Approve the Ballona Creek TMDL Project and approve Prop O funding in the amount of \$11,431,269; and,
6. Authorize the City Administrative Officer, in coordination with the Bureau of Engineering and the Bureau of Sanitation, to make technical corrections, as necessary, to those actions included in this report to implement Mayor and Council intentions.

SUMMARY

On April 14, 2021, Council approved a Proposition (Prop) O Report relative to budget adjustments and new funding considerations for the Prop O Program (C.F. 13-1526). Recommendation No. 10

of the Report instructed the Prop O Administrative Oversight Committee (AOC) to report back with a plan for the use of remaining Prop O Program Contingency, totaling \$20,531,269, and the close out of the Program. The plan should seek to avoid a funding impact on the City General Fund, to maximize Clean Water Act compliance, to address equity, to consider projects that remain unfunded, to close out the Program in a reasonably short horizon and to potentially use Prop O to increase the competitiveness of City projects for funding from non-City sources such as Measure W regional funds.

As shown in the table below (in no particular order), there are five proposed projects that are in the queue for future funding considerations:

Project Title	CD	Total Project Estimate (\$ millions)	Estimated Prop O Requested Amount (\$ millions)
Hollenbeck Park Lake Project	14	\$ 28.0	\$ 5.0
Rosa Parks Learning Center Stormwater Capture Project	6	\$ 2.5	\$ 2.5
Public Right-of-Way Low Impact Development (LID)	Var	\$ 1.5	\$ 1.1
Big Tujunga	7	\$ 4.5	\$ 4.5
Sepulveda Median Island	6	\$ 0.4	\$ 0.1
Total:		\$ 36.9	\$ 13.2

It should be noted that two of the five projects, the Big Tujunga and Sepulveda Median Island Projects, may be funded by other funding sources and therefore, are not considered in the queue for future funding.

At the March 2021 regular meeting of the Prop O Citizens Oversight Advisory Committee (COAC), the Bureau of Sanitation (LASAN) presented the following three proposed projects for funding consideration:

- Hollenbeck Park Lake Rehabilitation and Stormwater Management Project (CD 14) - The proposed improvements include shoreline wetlands, dredging and lining, landscaping, and irrigation. The proposed project will improve the water quality in the lake and in the overall watershed, which is approximately 470 acres, and will manage the watershed dry weather flow. The estimated project cost is \$30 million.
- Lincoln Park Neighborhood Green Street Network (Lincoln Park) Project (CD 14) – The Lake is listed as an impaired waterbody and lacks compliance with the existing Total Maximum Daily Loads (TMDLs) for nutrients and trash. The proposed project includes green street improvements in the neighboring area and lake improvements. The three main objectives of the project include improving water quality, reducing the risk of flooding, and community enhancements. This project is identified in the Upper Los Angeles River Enhanced Watershed Management Plan. The total project cost is \$18.6 million.

- Ballona Creek TMDL Project (CD 11) – The Ballona Creek watershed is 128 square miles and is subject to eight TMDLs. The project includes the construction of two low flow treatment facilities that will divert dry weather creek flows for treatment and diversion to the sewer for water recycling. This project is under a Time Schedule Order with a deadline that has passed. The project will improve water quality in the watershed and provide over 5,000 acre-feet of water per year for new recycling at the Hyperion Water Reclamation Plant. The estimated project cost is \$57.3 million.

At the special meeting on April 19, 2021, the COAC recommended funding the remaining three projects in the queue and two new projects as shown in the table below:

	Projects	Recommended Prop O Funding Amount	Other Potential Funding Sources
Projects in the Queue	Hollenbeck Park Lake	\$ 5,000,000	Measure W, Caltrans
	Public Right-of-Way LID	\$ 1,000,000	N/A
	Rosa Parks Learning Center Stormwater Capture	\$ 1,500,000	Measure W
New Projects	Lincoln Park	\$ 1,600,000	Measure W
	Ballona Creek TMDL	\$ 11,431,269	Measure W, other partnering agencies
Total:		\$ 20,531,269	

Subsequently, at a special meeting on April 22, 2021, Prop O AOC approved the recommendations of the COAC to fund the five projects noted above.

FISCAL IMPACT STATEMENT

There is no impact to the General Fund for project implementation as funding will be provided by the Proposition O Bond Fund. Potentially, there may be an impact to the General Fund for any ineligible staffing costs and operation and maintenance (O&M) costs. Upon project completion, these O&M costs will be addressed through the City’s annual budget process.

FINANCIAL POLICIES STATEMENT

The recommendations provided in this report are in compliance with the City’s Financial Policies as funding for the proposed projects is funded from bond proceeds which are supported by voter-approved property tax revenue.