

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

0220-05879-0000

Date: August 11, 2021

To: The City Council

The Mayor

From: Matthew W. Szabo, City Administrative Officer



Subject: **ALLOCATION OF FEDERAL CORONAVIRUS RESPONSE AND RELIEF
SUPPLEMENTAL APPROPRIATIONS ACT (CRRSAA) TRANSPORTATION
FUNDS**

RECOMMENDATIONS

That the Council, subject to approval of the Mayor:

1. Approve the recommended appropriation of Federal Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) funds to the projects as shown in Attachment 1;
2. Authorize the General Manager of the Department of Transportation, the Director of the Bureau of Street Services and the Director of the Bureau of Engineering, and/or their designees, to execute and file any and all documents required to secure the CRRSAA funds, provide required reports associated with the CRRSAA funds and fulfill the intent of the Council and Mayor; and,
3. Authorize the Department of Transportation, with the concurrence of the City Administrative Officer, to make technical corrections to fulfill the intent of the Council and Mayor.

SUMMARY

With the adoption of the 21-22 Fiscal Year Budget, the Council and Mayor programmed \$6,000,000 (of \$18,752,630) of Federal Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) street repair funds provided to the City and instructed that this Office report back on the use of the remaining \$12,752,630 (C.F. 21-0600, Budget and Finance Recommendation Number 22, Approved 15-0, May 20, 2021). This report fulfills that instruction.

BACKGROUND

The Federal Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), enacted in December 2020, provided:

- \$14 billion for additional transit program support; and,
- \$10 billion for highway programs.

As a result, on Thursday, April 22, 2021, LA County Metro (Metro) authorized a disbursement of funds to the City from both components of the CRRSAA money:

- \$19,594,099 to the City for Transit purposes. These funds will be placed in the Proposition A Fund; and,
- \$18,752,630 million to the City for federal street projects. These funds will be provided on a reimbursement basis consistent with the existing Surface Transportation Program (STP), must be spent on streets within the Federal Street system (City's arterial streets, not residential or rural roadways) and must be committed by September 30, 2024.
- There is no match requirement and no competitive grant process; and,
- A City front-funding source will be required to access these funds.

The instruction of the Council and Mayor to report back was designed to allow a thoughtful process for strategically allocating these funds. Therefore, we have discussed the allocation of the remaining \$12,752,630 with the Department of Transportation, the Bureau of Engineering, the Bureau of Street Services, the Chief Legislative Analyst, and the Mayor's Office. The recommendations included in this report (Attachment 1) reflect the combined wisdom of all these parties.

As a result of the discussions among City staff, it is recommended that the City maximize the benefit to the City by prioritizing consideration to filling funding gaps in existing City projects or programs, especially those that already have federal money and have already met the requirements associated with use of Federal dollars. The reasons are as follows:

- Sufficient City projects with existing federal funds and with funding gaps exist to support this strategy;
- Adding federal funds to existing City projects that do not already have federal funding can delay the project and/or potentially increase overall project costs;
- Filling existing funding gaps with CRRSAA funds will reduce the need to close those gaps with local funds (i.e. Measure M, Prop C, Measure R, Gas Tax, SB1) and allow the selected projects to advance to construction; and,
- The City has been very successful in the last couple of years in securing funding for street projects (\$476M) and is currently hoping for additional awards from existing grant applications (\$154M or more). With the impact of the recent hiring freeze and Separation Incentive Program, the City is being challenged to adjust staffing resources and project management strategies in order to quickly complete the existing projects. Therefore, using CRRSAA funding to start new projects at this time is not recommended.

Metro has reviewed the proposed project allocations for consistency with the CRRSAA legislation and determined that the recommended projects are eligible for funding.

The recommended project allocations in Attachment 1 show the Fiscal Year when the CRRSAA funds are currently projected to require front funding. Even though these projects are currently in progress, it is not anticipated that front funding associated with the recommended CRRSAA allocations will be required until Fiscal Years 2022-23 and 2023-24. There will be no need to adjust the current Fiscal Year budget. Therefore, it is recommended that the required front funding be identified through the annual budget process.

FISCAL IMPACT STATEMENT

There is no General Fund impact. Approval of this report will result in the City receiving an additional \$12,752,630 in Federal Coronavirus Relief funding. Front-funding needs will need to be identified in future City budgets. These grants do not require a funding match and are 100 percent reimbursable.

Attachment 1

MWS/DHH:06220010

City of LA CRRSAA Project Allocations

CD	Recommended Project	Project Limits/Description	Lead Dept (contact)	Total Project Budget	Has Federal Funds Already	FY Front Funding Required	Proposed CRRSAA Allocation	Project fully funded with CRRSAA Allocation?
ALL	Pavement Preservation Swap	Citywide, on federally eligible Streets	CAO/CLA	\$6,000,000	Y	2021-22	\$ 6,000,000	Y
2,3,5,6,8,9,10.,15	HSIP Cycle 8 (Access Ramps) New Signals budget gap	Various primary intersections citywide	DOT (Michael Hunt)	\$8,912,450	Y	2022-23	\$ 1,000,000	Y
5	Expo/Northvale Bike Path Project	Metro/CT right of way and Northvale between 400' west of Dunleer Dr to Putney Rd	DOT (Crystal Killian)	\$25,013,000	Y	2022-23	\$ 5,293,000	Y
14	Cesar Chavez Ave/Lorena St/Indiana St - Roundabout	Cesar Chavez Ave / Lorena St/ Indiana St	BOE (Michael Haddadin)	\$18,933,000	Y	2022-23	\$ 1,500,000	Y
4	LA River Phase IV	LA River from Riverside Dr to Forest Lawn	DOT (Crystal Killian)	\$7,741,000	Y	2023-24	\$ 4,959,630	N
				\$70,555,912			\$ 18,752,630	