

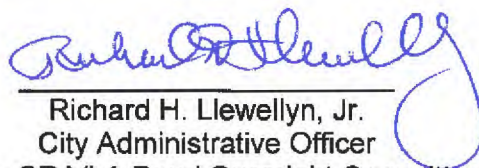
0111-31341-0114

TRANSMITTAL

TO Council	DATE 7-15-19	COUNCIL FILE NO. 14-1174-S53
FROM CRA/LA Bond Oversight Committee	COUNCIL DISTRICT 2	

At its Special Meeting on July 11, 2019, the CRA/LA Bond Oversight Committee approved recommendations in the attached Economic and Workforce Development Department (EWDD) report and instructed staff to transmit to Council for consideration. Council approval of the report recommendations would authorize the appropriation of up to \$250,000 in CRA/LA Excess Non-Housing Bond Proceeds from the North Hollywood Redevelopment Project Area (Tax-Exempt Series 2006-G) for the Lankershim Plaza Improvements 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. Lewellyn, Jr.
 City Administrative Officer
 Chair, CRA/LA Bond Oversight Committee

RHL:YC/JVW:nsh15200008

Attachment – July 11, 2019 EWDD Report – Lankershim Plaza Improvements Project

CITY OF LOS ANGELES

CALIFORNIA

JOHN L. REAMER, JR.
INTERIM GENERAL MANAGER



ERIC GARCETTI
MAYOR

Item 5

ECONOMIC AND WORKFORCE
DEVELOPMENT DEPARTMENT

1200 W. 7TH STREET
LOS ANGELES, CA 90017

July 11, 2019

Council File:14-1174-S53
Council District No.: 2
Contact Person & Extension:
Daisy 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 \$250,000 IN CRA/LA EXCESS NON-HOUSING BOND PROCEEDS FROM THE NORTH HOLLYWOOD PROJECT AREA (TAX-EXEMPT SERIES 2006-G) FOR THE LANKERSHIM PLAZA IMPROVEMENTS 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 the Lankershim Plaza Improvements Project (Project), consisting of appropriating and withholding expenditure of funds for the Project pending the completion, review and consideration of planning and environmental documents related to the reconstruction of a plaza at 5225 Lankershim Boulevard, is not a project pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15378(b)(4) because it merely creates a funding mechanism or other government fiscal activity that does not commit the City to a project that may result in a potentially significant impact on the environment, and that preparing preliminary planning and environmental documents is not a project pursuant to CEQA Guidelines Section 15378(b)(5) because it is an administrative activity that will not result in physical changes in the environment;

2. APPROVE up to \$250,000 in tax-exempt CRA/LA Excess Non-Housing Bond Proceeds (EBP) available to Council District (CD) 2 from the North Hollywood Redevelopment Project Area (Project Area) to be utilized for the Project;
3. AUTHORIZE the Department of Public Works, Bureau of Street Services (StreetsLA) to be the implementing department for the Project;
4. AUTHORIZE the Controller, subject to the requirements below and availability of funds and duly executed and encumbered contract(s), to expend up to \$250,000 from Account No. 22L9KN, North Hollywood Tax-Exempt Series 2006-G, for activities related to the Project upon presentation of proper documentation from StreetsLA, and satisfactory review and approval of EWDD in accordance with the terms and conditions of the Bond Expenditure Agreement (BEA);
5. AUTHORIZE StreetsLA to perform limited preliminary planning as may be necessary to conduct the environmental review for Project from the above-noted funds allocated to Project;
6. DIRECT StreetsLA to withhold expending or committing to expend any of the remainder of the above-noted funds allocated to Project until all of the following have occurred:
 - a. StreetsLA has completed the preliminary planning documents and environmental review documents;
 - b. The City has complied with the requirements of CEQA with respect to Project, including obtaining any necessary CEQA clearances; and
 - c. The Board of Public Works (BPW) has considered and approved Project for expenditure of the remaining funds;
7. AUTHORIZE StreetsLA to expend the CRA/LA Excess Non-Housing Bond Proceeds allocation no later than December 31, 2024;
8. DIRECT StreetsLA 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
9. 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 2 Motion (Krekorian-Englander) which was adopted by Council on November 27, 2018 (C.F. 14-1174-S53).

The Motion requested that \$250,000 in tax-exempt EBP in the Project Area within CD 2 be allocated to the Los Angeles Department of Transportation (LADOT) to implement

the Lankershim People Street Improvements Project. Pursuant to subsequent discussions, StreetsLA was designated as the lead department to oversee the renamed Project. Lankershim Blvd. Improvements were identified as a potential project in the Project Area's Bond Spending Plan (BSP) that was adopted by Council on June 24, 2015 (C.F. 14-1174). Sufficient funds for this purpose are available from CD 2's portion of EBP in this Project Area.

The original EBP in the Project Area available to CD 2, consisting of only tax-exempt EBP, was \$3,177,154. This transmittal's proposed \$250,000 in tax-exempt EBP appropriation, along with six (6) other pending motions, will completely exhaust CD 2's EBP in the Project Area.

EWDD ANALYSIS

EWDD met and consulted with CD 2 and StreetsLA regarding Project. StreetsLA will be the implementing department, and will design and construct Project in-house. The Project's objective is to reconstruct the plaza located at 5225 Lankershim Boulevard, and will consist of several enhancements and additions including the installation of additional shade structures, surface treatments, public art, street furniture, planters, kiosk language, and bicycle parking. The initial cost estimate for Project is \$250,000 which will be 100% funded by CD 2's tax-exempt EBP in the Project Area as follows:

Estimated Tax-Exempt EBP Costs

Design and Coordination	\$ 25,000
Shade Structure	\$ 90,000
Street Furniture	\$ 40,000
Surface Upgrades	\$ 50,000
Signage Kiosk	\$ 15,000
Planters	\$ 10,000
Bicycle Parking	\$ 10,000
Contingency	\$ 10,000
Total Estimated Tax-Exempt EBP Costs	\$250,000

Upon Council adoption and City compliance with CEQA, design will commence in October 2019, and construction is expected to be completed by September 2020.

Contract(s) must be executed with funding encumbered no later than September 30, 2019. The EBP allocation must be fully expended no later than September 30, 2024. Deliverables and/or activity reports showing percentages of completion must accompany StreetsLA's signed off original invoices which shall be submitted to EWDD. Disbursements will be authorized pursuant to receipt and satisfactory review and approval by the EWDD to ensure compliance with the BEA, bond covenants and the approved spending categories and amounts outlined in this transmittal.

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

BENEFITS TO THE AFFECTED TAXING ENTITIES

The expenditures set forth in this report will provide community benefits in the Project Area by making Lankershim Boulevard a safer, more attractive place in which to walk and gather. The added shade, furniture, kiosk, and planters will encourage the organization of community events, and will activate this thoroughfare to promote street life, and increase local business. Bicycle parking will expand sustainable transportation options at this location and other destinations along Lankershim. These improvements will enhance the pedestrian-oriented future development of the North Hollywood community.

ENVIRONMENTAL REVIEW

The City of Los Angeles Housing and Community Investment Department provided the analysis below:

The recommended actions are not considered a project pursuant to CEQA. Consistent with CEQA Guidelines Section 15378(b)(4), approving the allocation of funds for Project and concurrently withholding any expenditure of those funds pending the completion, review, and consideration of planning and environmental documents and consideration of whether or not to approve the Project, is not a project. Such actions are intended to only create a funding mechanism or other government fiscal activity that does not commit to a project that may result in a potentially significant impact on the environment. Instead, the funds would be made available to Project, similar to other regular government budgeting activities. Just as such occurs with other City budgeting procedures, no construction of Project will occur until the City has complied with CEQA (including the preparation and consideration of an environmental review document, if needed), and until the BPW has ultimately reviewed and determined whether or not to approve moving forward with, and expending the funds on, Project.

Accordingly, after preparing preliminary planning and environmental documents, StreetsLA's expenditure of the remainder of the funds will not occur until all of the following have occurred: (1) StreetsLA has completed the preliminary planning and environmental review documents; (2) the City has complied with the requirements of the CEQA with respect to Project, including obtaining any necessary CEQA clearances prior to final consideration and approval of Project by the BPW; (3) and BPW has considered and approved Project. This process is intended to ensure compliance with CEQA by evaluating and considering the environmental impacts before deciding whether to proceed with Project. If BPW ultimately determines not to proceed with Project, the remaining funds will not be used on Project.

Also, consistent with CEQA Guidelines Section 15378(b)(5), preparing preliminary planning and environmental documents is not a project pursuant to CEQA because it is only an administrative activity that will not result in physical changes in the environment. Preparing such preliminary documents does not commit the City to completing Project. Rather, such documents merely facilitate assisting BPW with evaluating whether Project will potentially impact the environment when it considers whether to approve Project.

CAO COVENANT REVIEW

The CAO has completed its review of the original bond documents and BSP, and has found that the proposed use of EBP, as presented, is consistent with those documents.

FISCAL IMPACT STATEMENT

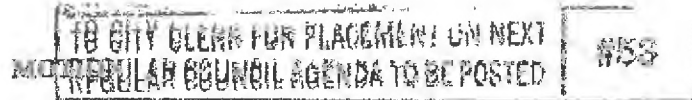
There is no impact on the City's General Fund from the proposed appropriation of CRA/LA EBP. The CRA/LA EBP Fund No. 57D is funded solely from transfers of approximately \$86 million in pre-2011 tax allocation bond proceeds from CRA/LA to the City (C.F. 14-1174 and 14-1174-S36). Said Transfers have been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



JOHN L. REAMER, JR.
Interim General Manager

JLR:SH:DH:NSH:MMS:JL

ATTACHMENT: Motion (Krekorian-Englander) C. F, 14-1174-S53



The People Streets Program (C.F. 13-1592) administered by the Department of Transportation (LADOT) creates plazas and parklets on City streets to enhance the pedestrian experience and safety in a community. A pre-existing People Street located at 5225 Lankershim Boulevard needs improvements to more fully enact the program's intents and benefits. These improvements include purchase and installation of a shade structure, a mural, a small stage, seating, street furniture, and floor refinishing.

Funds are available to Council District 2 through tax-exempt CRA/LA Excess Bond Proceeds from the North Hollywood Redevelopment Project Area that can help fund the Lankershim People Street Improvements Project. 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 for the Lankershim Boulevard Improvements Project in the North Hollywood Redevelopment Project Area is an eligible expense in the Bond Expenditure Agreement and Bond Spending Plan.

I THEREFORE MOVE that the Council authorize the expenditure of up to \$250,000 in tax-exempt CRA/LA Excess Bond Proceeds available to Council District 2 from the North Hollywood Redevelopment Project Area to be utilized by the Department of Transportation to fund the Lankershim People Street Improvements Project; and

I FURTHER MOVE that Council instruct the Economic and Workforce Development Department, with the assistance of the City Administrative Officer, Chief Legislative Analyst, Department of Transportation, Bureau of Sanitation, and any other applicable City department, provide a report with recommendations to the CRA/LA Bond Oversight Committee to allocate \$250,000 in tax-exempt CRA/LA Excess Bond Proceeds available to Council District 2 for the Lankershim People Streets Improvements Project as part of the Lankershim Boulevard Improvements identified in the Bond Expenditure Agreement and Bond Spending Plan for the North Hollywood Redevelopment Project Area.

PRESENTED BY

PAUL KREKORIAN
Councilmember, 2nd District

SECONDED BY

NOV 20 2018