

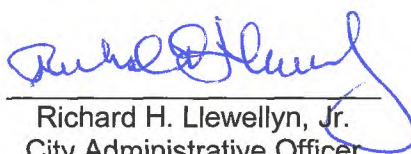
0111-31341-0122

TRANSMITTAL

TO Council	DATE 07-29-2019	COUNCIL FILE NO. 14-1174-S54
FROM CRA/LA Bond Oversight Committee	COUNCIL DISTRICT 2	

At its regular meeting on July 25, 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 \$1,200,000 in CRA/LA Excess Non-Housing Bond Proceeds from the North Hollywood Redevelopment Project Area (Tax-Exempt Series 2006-G and 2008-H) for the Chandler Bikeway Development 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 three transfers totaling approximately \$88.4 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. Llewellyn, Jr.
City Administrative Officer
Chair, CRA/LA Bond Oversight Committee

RHL:YC/JVW:nsh15200018

Attachment – July 25, 2019 EWDD Report – Chandler Bikeway Development Project

CITY OF LOS ANGELES

CALIFORNIA

JOHN L. REAMER JR.
INTERIM GENERAL MANAGER



ERIC GARCETTI
MAYOR

ECONOMIC AND WORKFORCE
DEVELOPMENT DEPARTMENT

1200 W. 7TH STREET
LOS ANGELES, CA 90017

July 25, 2019

Council File:14-1174-S54
Council District No.: 2
Contact Person & Extension:
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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 REVIEW AND
RECOMMENDATION THAT COUNCIL AND MAYOR, AS REQUIRED,
APPROPRIATE UP TO \$1,200,000 IN CRA/LA EXCESS NON-HOUSING BOND
PROCEEDS FROM THE NORTH HOLLYWOOD REDEVELOPMENT PROJECT
AREA (TAX-EXEMPT SERIES 2006-G AND 2008-H) FOR THE CHANDLER
BIKEWAY DEVELOPMENT 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 (BOC) recommend that the City Council, subject to the approval of the Mayor as required:

1. DETERMINE that the Chandler Bikeway Development 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 installation of exercise equipment, ADA improvements and water conservation features, 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 \$1,200,000 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) be utilized for the Project;
3. AUTHORIZE the Department of Public Works, Bureau of Street Services (StreetsLA) to be the implementing department for activities related to the Project;
4. AUTHORIZE the Controller, subject to the conditions below and availability of fund and pursuant to duly executed and encumbered contract(s), to expend funds up to \$1,200,000 from the EBP Fund No. 57D, 22L9KN North Hollywood Tax-Exempt Series 2006-G and 2008-H, for activities related to the Project upon presentation of proper documentation by StreetsLA, and satisfactory review by 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 the Project from the above-noted funds appropriated to the Project;
6. DIRECT StreetsLA to withhold expending, or committing to expend, any of the remainder of the above-noted funds appropriated to the 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 the California Environmental Quality Act (CEQA) with respect to the Project, including obtaining any necessary CEQA clearances; and
 - c. The Board of Public Works (BPW) has considered and approved the Project for expenditure of the remaining funds; and
7. 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-Buscaino) (Attachment) which was adopted by Council on November 27, 2018 (C.F. 14-1174-S54).

This transmittal recommends that up to \$1,200,000 in tax-exempt EBP in Project Area be allocated to StreetsLA (instead of the departments named in motion) to enhance a parkway adjacent to a limited bicycle infrastructure path located at 5225 Lankershim Boulevard in North Hollywood. Chandler Bikeway development was 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 tax-exempt EBP in Project Area available to CD 2 was \$3,177,154. This transmittal's proposed \$1,200,000 tax-exempt allocation, along with 6 approved and pending motions, will exhaust 100% of CD 2's EBP in Project Area.

EWDD ANALYSIS

The Chandler Bikeway was created in 2004 to enhance the limited bicycle infrastructure present in North Hollywood. The bike path has since served as a vital thoroughfare for the community, and the Project in this report would provide upgrades to better utilize the land adjacent to this transportation corridor. Improvements will consist of new recreational plazas with exercise equipment affixed to the ground, ADA improvements for better access, and landscaping and irrigation improvements to enhance water conservation.

StreetsLA will serve as the lead department overseeing and performing the tasks with in-house resources though implementation of Project. The total estimated project cost is \$1,200,000 which will be 100% funded by EBP. Project scope and estimated budget line items are listed as follows:

1. Design and Coordination	\$200,000
2. Plaza Hardscape	\$280,000
3. Exercise Equipment (Affixed to the ground)	\$120,000
4. Accessibility Improvements	\$100,000
5. Landscaping	\$ 90,000
6. Irrigation	\$ 60,000
7. Water Capture Improvements	\$250,000
8. Contingency	<u>\$100,000</u>
Total Estimated Project Cost	\$1,200,000

Upon Council adoption and City compliance with CEQA, design and preparation of construction document is expected to begin in October 2019 and will last 12 months. Installation is expected to begin in October 2020 and will last 6-9 months. Anticipated completion date is July 2021.

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

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

BENEFITS TO THE AFFECTED TAXING ENTITY

The expenditures set forth in this report will provide community benefits in the North Hollywood Project Area in the form of improved recreational amenities along an existing active transportation corridor. The addition of exercise plazas with durable workout equipment will promote community health and fitness, and the plazas will also function as a complimentary land use to the existing bike path that promotes an active, sustainable form of mobility. ADA installation to the plazas will insure greater accessibility for residents of all abilities, and enhanced landscaping and irrigation will insure that the area will remain attractive and clean throughout the year. Project will improve the North Hollywood community residents' quality of life by transforming the Chandler Bikepath and the previously under-utilized spaces nearby into a thriving, active space with multiple uses.

ENVIRONMENTAL REVIEW

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

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 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. But, 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 CEQA with respect to Project, including obtaining any necessary CEQA clearances prior to final consideration and approval of Project by BPW; and (3) BPW has considered and approved Project. This process is intended to ensure compliance with CEQA by evaluating and considering the environmental impact 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 the


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 covenants, and has found that the proposed use of tax-exempt EBP is consistent with those covenants.

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 \$88.4 million in pre-2011 tax allocation bond proceeds from CRA/LA to the City (C.F. 14-1174, 14-1174-S36 and 14-1174-S78). 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-Buscaino) C. F. 14-1174-S54

MOTION

The Chandler Bikeway was created in 2004 to enhance the limited bicycle infrastructure in North Hollywood and has served as a vital thoroughfare for the community since its construction. Improvements to the Chandler Bikeway have recently been identified that would enhance the public experience in the area. These improvements include enhancements to the adjacent parkway, including the addition of exercise equipment, a tot lot, dog run, and street furniture; crosswalk and ADA ramp improvements at Denny Avenue; and, installation of a new mural as well as restoration of an existing mural.

Funds are available to Council District 2 through tax-exempt CRA/LA Excess Bond Proceeds from the North Hollywood Redevelopment Project Area that can be used to assist the Chandler Bikeway Development. 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 Chandler Bikeway Development in the North Hollywood Redevelopment Project Area is identified as an eligible expense in the Bond Expenditure Agreement and Bond Spending Plan.

I THEREFORE MOVE that the Council authorize the expenditure of up to \$1,200,000 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 Recreation and Parks to perform Chandler Bikeway Development; and

I FURTHER MOVE that the 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 \$1,200,000 in tax-exempt CRA/LA Excess Bond Proceeds available to Council District 2 for Chandler Bikeway Development as 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