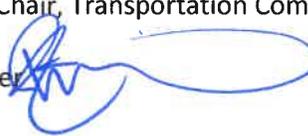


**CITY OF LOS ANGELES**  
**INTER-DEPARTMENTAL MEMORANDUM**

Date: August 28, 2024

To: The Honorable City Council  
c/o City Clerk, Room 395  
Attention: Honorable Heather Hutt, Chair, Transportation Committee

From: Laura Rubio-Cornejo, General Manager  
Department of Transportation 

Subject: **AUTHORITY TO ACCEPT GRANT FUNDING FROM THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS FOR THE JOINT STBG/CMAQ/CRP SOLICITATION**

**SUMMARY**

The Los Angeles Department of Transportation (LADOT) requests retroactive authority for submitting six grant applications to the Southern California Association of Governments (SCAG) by February 16, 2024 to compete for the Joint Surface Transportation Block Grant (STBG), Congestion Mitigation and Air Quality (CMAQ), and Carbon Reduction Program (CRP) Solicitation for the projects included in this report. LADOT also requests authorization to accept the grant funds awarded for three projects and enter into the related project agreements.

**RECOMMENDATION**

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

1. AUTHORIZE the previous submission of grant applications by the General Manager of LADOT and/or Director of the respective lead City department to the SCAG Joint STBG/CMAQ/CRP solicitation for the six projects included in this report;
2. AUTHORIZE LADOT to accept grant funds in an amount up to \$15,089,919 from the 2024 Joint STBG, CMAQ, CRP Solicitation for the Expo Northvale Gap Closure Project and the Mid-City Low Stress Bicycle Enhancement Corridors Project;
3. AUTHORIZE the Bureau of Streets Services (BSS) to accept grant funds in an amount up to \$6,639,750 from the 2024 SCAG Joint STBG, CMAQ, CRP Solicitation for the Western Our Way: Walk and Wheel Improvements Project; and
4. AUTHORIZE the General Manager of LADOT and the Director of the Bureau of Street Services) to enter into agreements with the necessary agencies to initiate the three projects awarded funding.

**BACKGROUND**

The STBG program allocates federal funds to preserve and improve the conditions and performance of highways, bridges, public roads, pedestrian and bicycle infrastructure, and transit capital projects. CMAQ supports transportation projects with federal funds to reduce congestion and improve air quality for areas that do not meet the National Ambient Air Quality Standards and for areas now in compliance.

The CRP, established by the Infrastructure Investment and Jobs Act, funds projects that decrease carbon dioxide (CO2) emissions that result from on-road, highway sources. For the SCAG region, approximately \$130 million in STBG and \$57 million in CMAQ funds are available from federal Fiscal Year 2023 to 2026. An additional \$92 million in local CRP funds is allocated for the same period.

On January 4, 2024, SCAG announced the joint solicitation for project nominations under the STBG, CMAQ, and CRP which has an estimated budget of \$147 million from the Federal Highway Administration (FHWA) for the Los Angeles region. On January 10, 2024, Metro announced a solicitation for project nominations for the Los Angeles County area. In response to a recent federal Corrective Action for the SCAG region, the distribution of program funds no longer follows a percentage or population-based formula. Instead, SCAG, operating as the Metropolitan Planning Organization (MPO), allocates these funds through a competitive project nomination process. Metro, as the county transportation commission, solicited and received applications from subregional jurisdictions by February 16, 2024. The period of time between when applications were solicited and due to Metro was shorter than 60 days, which was not sufficient time for the grant coordination team to seek Council authorization prior to the application due date.

Metro staff advanced countywide applications to the Metro Board for approval on March 28, 2024 and submitted applications for funding consideration to SCAG (Attachment A). SCAG announced project awards on June 6, 2024 (Attachment B). SCAG awarded full funding to three projects and a fourth project is on the contingency list. Two projects were not awarded funding. The full project list submitted for funding consideration is in Attachment C.

## **DISCUSSION**

### Scoring Criteria

The California Transportation Commission (CTC) evaluated projects based on alignment with the SCAG's adopted Regional Transportation Plan Sustainable Communities Strategy (RTP/SCS), support of Connect SoCal Performance Measures, and advancement of Federal Transportation Performance Management Goals. CTC also considered direct or indirect benefits to Priority Equity Communities, anticipated carbon reduction, and relative cost effectiveness of projects.

### Local Match Requirements

A non-federal local match of 11.47% is required for this program. The use of toll credits for these funding opportunities is subject to availability at the time the project is programmed in the FTIP. If toll credits are not deemed eligible by SCAG, the City will identify a cash match in lieu of toll credit funding. Attachment C outlines candidate projects and proposed local match funding sources.

### Project Selection, Prioritization, and Development

LADOT followed the criteria outlined in the Council-approved transportation grant project selection and prioritization process (Council File 14-0499-S5). The criteria includes policy consistency, project readiness, grant eligibility and competitiveness, timeline requirements, project implementation, and resource needs assessment. LADOT used the Mobility Investment Program (MIP) project inventory to identify, evaluate, and prioritize candidate projects for this grant opportunity in collaboration with the Bureau of Street Services and the Bureau of Engineering. In accordance with the funding availability

timeline, staff advanced projects that are designed and can obligate funding prior to Fiscal Year 28/29. Staff selected projects that have other federal funding sources that meet federal funding requirements. In addition, staff included projects that have funding gaps. All projects meet core criteria of the grant eligibility checklist: CTC prioritization, regional priorities, performance measures, equity, air quality improvements (CMAQ), and carbon reduction (CRP).

### Next Steps

The City of Los Angeles was awarded full funding for three projects and one project is on the contingency list. Projects on the contingency list may be awarded if additional funding becomes available due to an awarded project's inability to deliver or increased overall funding apportionment. SCAG will alert jurisdictions if projects on the contingency list are considered for funding in the future.

For the three awarded projects, LADOT and BSS project managers will coordinate with Metro to add the projects into the Federal Transportation Improvement Program (FTIP) database to access programmed funding. SCAG requires project managers to complete an alignment confirmation form for projects programmed with CRP funds and an air quality analysis for projects programmed with CMAQ funds. Once the funds have been approved in the FTIP, the projects can move forward with the Caltrans obligation process. To initiate front funding for these reimbursable grants, LADOT will request appropriation increases through the Fiscal Year 2024-25 Transportation Grant Funding (TGF) Report. Project managers for awarded projects must obligate funds by September 30, 2029.

### **FISCAL IMPACT**

Should there be sufficient toll credits available as eligible local match, there will be no impact to the City's General Fund. In the case that toll credits are not available, the City will need to identify alternative sources to meet the required 11.47% local match. Attachment C identifies the local match funding source should toll credits not be available.

There is no immediate impact on special funds; however, for projects awarded grant funding, City agencies, in conjunction with the Office of the City Administrative Officer, will identify the recommended front funding appropriations from available and appropriate funding sources in that current fiscal year to deliver the projects (i.e., design, project management, construction and inspection). Funding in subsequent budget years will be determined by the Mayor and Council each year as part of the annual budget process.

LRC:DM:cr/rg

Attachment A: Metro Board Report (March 20, 2024)

Attachment B: SCAG Transportation Committee Meeting (June 6, 2024)

Attachment C: List of Submitted STBG/CMAQ/CRP Projects

**Attachment C: List of Submitted STBG/CMAQ/CRP Projects**

Project Name	Proposed Project Limits	Project Lead	Council Office	Outcome	Requested Funding Amount	Awarded Funding Amount	Local Match Amount	Local Match Funding Source*
<b>Expo Northvale Gap Closure Project</b>	300ft West of Putney Rd. to Motor Ave. approximately 100 ft North of the I-10 freeway.	LADOT	5	Awarded	\$13,279,500	\$13,279,500	\$1,943,409	TDA - Fund 207, Fund 540, Measure R, Fund 59c
<b>Mid-City Low Stress Bicycle Enhancement Corridors Project</b>	La Cienega Blvd. to La Brea Ave., 2nd St. to Willoughby Ave., Willoughby Ave. to Hollywood Blvd.	LADOT	5 & 13	Awarded	\$1,810,419	\$1,810,419	\$483,629	Prop C (Salaries)
<b>Western Our Way: Walk and Wheel Improvements Project</b>	Western Ave. from Martin Luther King Jr. Blvd to Century Blvd. Denker and Gramercy Blvds from MLK Jr. to Century Blvd.	BSS	8	Awarded	\$6,639,750	\$6,639,750	\$860,250	Prop C (Salaries)
<b>Liechty MS and Neighboring Schools Project</b>	0.25-mile within 10th St. ES, Gratts LAYS, Gratts EEC, and Liechty MS in Central Los Angeles	LADOT	1	Contingency	\$2.2M	TBD	\$285,000	TBD
<b>SR 710 Valley Blvd MultiModal Transportation Improvements Project</b>	Valley Blvd. and Mission Rd. between the SR 710 terminus and Union Station.	BOE	14	Not Awarded	\$10M	---	---	---
<b>Mission Mile: Sepulveda Visioning for a Safe and Active Community</b>	Sepulveda Blvd. between Rinaldi St. and Rayen St., and Brand Blvd. between Sepulveda Blvd. and Memory Park Ave. in San Fernando Valley	BSS	7	Not Awarded	\$15M	---	---	---

\* Local funds needed should toll credits not be available at the time the project is programmed in the FTIP