

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: July 16, 2024

CAO File No. 0590-00098-5281

Council File No. 24-0600-S12

Council District: Citywide

To: The City Council

From: Matthew W. Szabo, City Administrative Officer



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Edwin Gipson II

Date: 2024.07.15

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Reference: C.F. 24-0600-S12 - LOS ANGELES NEIGHBORHOOD INITIATIVE FUNDING

Subject: **2024-25 LOS ANGELES NEIGHBORHOOD INITIATIVE FUNDING**

RECOMMENDATION

That the Council, subject to the approval of the Mayor authorize the Controller to appropriate \$550,000 from the Measure M Local Return Fund 59C, Department 94, Cash Balance to a dedicated project account within the same fund titled, "Los Angeles Neighborhood Initiative," for a potential contract with the Los Angeles Neighborhood Initiative to provide project management, including community outreach, and construction costs of the improvements in designated transit-oriented neighborhoods.

SUMMARY

In prior years, contracts with LANI had up to \$550,000 in funding through the Proposition C Anti-Gridlock Transit Improvement Fund (Prop C) to provide community-driven streetscape improvements, community outreach and engagement services, and planning and construction of transit amenities. This level of appropriated funds has been provided in previous Adopted City budgets for 16 of the past 17 years. However, the entire \$550,000 of the 2020-21 appropriation remained uncommitted in January 2024 and was identified for reduction in the 2023-24 Mid-Year Financial Status Report (C.F. 23-0600-S116). Furthermore, during preparation of the 2024-25 Budget, \$250,000 remained uncommitted until May 2024 and the Prop C Fund required a \$19.3 million subsidy from the General Fund. As a result, the continued funding of the LANI contract was not recommended during the budget process.

After adoption of the 2024-25 Budget, on June 12, 2024, the Budget, Finance and Innovation Committee instructed this Office to find up to \$550,000 of available funds needed to support a contract with Los Angeles Neighborhood Initiative (LANI). As a result, this Office verified the continuing need for all \$550,000 with LANI and identified \$550,000 in the cash balance of the Measure M Local Return Fund to support the contract. These funds are anticipated to cover centralized project management and community outreach costs as well as matching construction costs for improvements in underserved neighborhoods.

FISCAL IMPACT STATEMENT

Approval of the recommendations in this report will have no additional impact on the General Fund. Subsequent year costs will be subject to funding made available through the budget process.

FINANCIAL POLICIES STATEMENT

The recommendations provided in this report comply with the City Financial Policies in that the proposed expenditures will be limited and subject to the availability of approved budgeted funds.

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