

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

0111-31341-0175
Council File No. 21-0537
and 14-1174-S76
Council District 1

Date: October 7, 2021

To: Los Angeles City Council

From: Matthew W. Szabo, City Administrative Officer
Chair, CRA/LA Bond Oversight Committee

Subject: **TRANSMITTAL – RECOMMENDATION RELATED TO THE ECONOMIC AND WORKFORCE DEVELOPMENT REPORT THAT UPON COUNCIL APPROVAL WOULD AUTHORIZE THE APPROPRIATION OF UP TO \$1,787,544 PLUS ALL REMAINING INTEREST IN CRA/LA EXCESS NON-HOUSING BONDS FROM THE WESTLAKE REDEVELOPMENT PROJECT AREA FOR THE MAYA CORRIDOR PROJECT IN COUNCIL DISTRICT 1.**

At its regular meeting on September 30, 2021, the CRA/LA Bond Oversight Committee approved recommendations in the attached Economic and Workforce Development (EWDD) report, and replaced the language in *Recommendation 11(a)* that states “Delete Recommendation #2 and #9” with the following language:

- “Delete Recommendation #2 from CF 14-1174-76 approving up to \$450,000 in taxable CRA/LA Excess Non-Housing Bond Proceeds (EBP) plus all earned interest (interest) available to Council District (CD) 1 from the Westlake Redevelopment Project Area (Area) to be utilized for the Project”
- “Delete Recommendation #9 from CF 14-1174-76 authorizing the Controller to expend up to \$450,000 plus Interest from EBP Fund No. 57D, Account No. 22L9ST and 22S9ST Westlake Taxable Series 2006-A and 2008-B.”

The revised report is thus transmitted to Council for consideration. Council approval of the report recommendations would authorize the appropriation of up to \$1,787,544 plus all remaining interest in CRA/LA Excess Non-Housing Bond Proceeds from the Westlake Redevelopment Project Area (Taxable Series 2008-B) for the Maya Corridor Project.

FISCAL IMPACT STATEMENT

There is no anticipated fiscal impact to the General Fund resulting from the proposed appropriation. The CRA/LA Excess Non-Housing Bond Proceeds Fund No. 57D is funded solely from transfers totaling approximately \$95 million in bond proceeds from CRA/LA to the City. (C.F. 14-1174) These transfers have been deposited with the Office of the City Controller.

Attachment – September 28, 2021 EWDD Maya Corridor Project Report

MWS:YC/JVW/nsh:15220008

CITY OF LOS ANGELES

CALIFORNIA

CAROLYN M. HULL
GENERAL MANAGER



ERIC GARCETTI
MAYOR

ECONOMIC AND WORKFORCE
DEVELOPMENT DEPARTMENT

1200 W. 7TH STREET
LOS ANGELES, CA 90017

September 28, 2021

Council File: 21-0537 and 14-1174-S76

Council District No.: 1

Contact Persons & Extensions:

Daysi 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 \$1,787,544 PLUS ALL REMAINING INTEREST IN CRA/LA EXCESS NON-HOUSING BOND PROCEEDS FROM THE WESTLAKE REDEVELOPMENT PROJECT AREA (TAXABLE SERIES 2008-B) FOR THE MAYA CORRIDOR PROJECT

The 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 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 Maya Corridor Project (Project), consisting of design and construction for existing street improvements on sidewalks, bus stops, and intersections, is categorically exempt from provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301c. The Project is also exempt under the City of Los Angeles CEQA Guidelines Article III, Section 1, Class 1, Category 3 and Article III, Section 1, Class 4, Category 3;
2. APPROVE up to \$1,787,544 in taxable CRA/LA Excess Non-Housing Bond Proceeds (EBP) plus all remaining interest (Interest) available to Council District (CD) 1 from the Westlake 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 activities related to the Project;
4. AUTHORIZE StreetsLA to approve, negotiate and execute contracting and related documents as required with duly procured contractors subject and pursuant to the approval of the Board of Public Works to effectuate the Project and prevailing wage requirements;
5. DIRECT StreetsLA to transmit copies of all executed contract(s) under the Project to EWDD;
6. DIRECT StreetsLA to file a CEQA Notice of Exemption (NOE) with the City Clerk and the Los Angeles County Clerk upon Council adoption;
7. AUTHORIZE the Controller, subject to the availability of funds and duly executed and encumbered contract(s) and/or amendment(s), to expend up to \$1,787,544 plus Interest from EBP Fund No. 57D, Account Nos. 22L9ST and 22S9ST Westlake Taxable Series 2008-B for activities related to the Project upon presentation of proper documentation by StreetsLA, and satisfactory review and approval of EWDD in accordance with the terms and conditions of the Bond Expenditure Agreement (BEA);
8. AUTHORIZE the Controller to:

- a. Establish a new account and transfer funds within EBP Fund No. 57D as follows:

| Account No. | Account Name | Amount |
|--------------|-------------------------------------|------------|
| From: | | |
| 22L9ST | Westlake Taxable Series 2008-B | \$ 109,377 |
| To: | | |
| 22V186 | StreetsLA/BSS Maya Corridor Project | \$ 109,377 |

- b. Appropriate the amount of \$109,377 from EBP Fund No. 57D, Account 22V186 to StreetsLA Fund 100/Dept. 86 for fiscal year 2021-22 staffing as follows:

| Acct No. | Acct. Name | Amount |
|----------|---------------------|-------------------|
| 001010 | Salaries - General | \$ 89,377 |
| 001090 | Salaries - Overtime | \$ 20,000 |
| | Total | \$ 109,377 |

9. AUTHORIZE StreetsLA to expend the EBP allocation no later than September 30, 2024;
10. DIRECT StreetsLA to report on its work accomplishments to the Office of the City Administrative Officer (CAO), and fund expenditures to EWDD, on a quarterly and as-needed basis;

11. AMEND the Council action of August 30, 2019 relative to the Westlake Safe Routes To School Project (Westlake SRTS) (C.F. 14-1174-S76) within the Project Area in CD 1 as follows:
 - a. Delete Recommendation No. 2 and No. 9
 - b. Add the following Recommendations to BE ADOPTED:
 11. APPROVE up to \$450,000 in taxable EBP and \$317,855 in Interest available to CD 1 from the Project Area to be utilized for Westlake SRTS;
 12. AUTHORIZE the Controller, subject to the availability of funds and duly executed and encumbered contract(s) and/or amendment(s), to expend up to \$450,000 from EBP Fund No. 57D, Account No. 22L9ST Westlake Taxable Series 2006-A and 2008-B, and up to \$317,855 in interest from EBP Fund No. 57D, Account No. 22S9ST Westlake Taxable Series 2006-A and 2008-B for activities related to Westlake SRTS upon presentation of proper documentation by the Los Angeles Department of Transportation (LADOT), and satisfactory review and approval of EWDD in accordance with the terms and conditions of the BEA; and
12. 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; and

SUMMARY

Transmitted herewith for your review, approval, and further processing are recommendations pursuant to a CD 1 Amending Motion (Cedillo-De Leon) which was adopted by Council on June 16, 2021 (C.F. 21-0537) (Attachment 1).

This transmittal recommends that up to \$1,787,544 in taxable EBP plus Interest within the Project Area be allocated to StreetsLA for the Project. Promise Zone Program projects 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 1's portion of EBP and Interest in the Project Area.

The original taxable EBP in the Project Area available to CD 1 was \$3,973,267. After the 16% administrative allocation of \$635,723, there remained \$3,337,544 available to CD 1. There is a total of \$339,746 of interest (as of 6/30/21) available to CD 1 within the Project Area. On August 30, 2019, Council adopted recommendations which allocated all interest earnings in the Project Area within CD 1 to Westlake SRTS. Subsequently, LADOT, which implements Westlake SRTS, determined that Westlake SRTS would be completed while utilizing only \$317,855 of interest earnings. As such, CD 1 desires to cap the Westlake SRTS interest allocation at \$317,855, and the remaining \$21,891 and all future interest earnings will be allocated to the Project. This transmittal's proposed allocation of \$1,787,544 in taxable EBP and Interest, along with four (4) approved motions, will completely exhaust CD 1's EBP in the Project Area.

EWDD ANALYSIS

EWDD has met with CD 1 and StreetsLA regarding the Project. StreetsLA will be the lead department overseeing the scope of work and implementation of the Project. It is anticipated that Project tasks will be performed by both StreetsLA's in-house staff and duly procured contractors.

The Project will highlight and celebrate the rich culture of the Maya people through the addition of several cultural placemaking elements. These elements include a Maya-inspired gateway arch monument, custom crosswalks and scrambles, decorative sidewalk paving, custom bus safety lights, and other enriching street amenities. The proposed enhancements also include tree planting, curb ramp upgrades, and the addition of wayfinding signage. The Project will be located on 6th Street from Park View Street to Loma Drive, and all furniture will be bolted to the ground with anti-vandal hardware.

The \$1,787,544 of taxable EBP plus \$21,891 of Interest (as of 6/30/21) is sufficient to cover 100% of the initial cost estimate as follows:

Estimated Taxable EBP Costs

| | |
|--|--------------------|
| Gateway Arch Structure | \$ 500,000 |
| Sidewalk Upgrades | \$ 250,000 |
| Crosswalk Upgrades | \$ 850,000 |
| Wayfinding Signage | \$ 100,000 |
| Street Furniture | \$ 15,000 |
| Roadway Upgrades | \$ 72,544 |
| Contingency | <u>\$ 21,891</u> |
| Total Estimated Taxable EBP Costs | \$1,809,435 |

The Project will commence upon Council adoption. The anticipated duration is 20 months to cover design and approval, procurement, and construction with completion targeted for April 2023.

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

StreetsLA will report on its work accomplishments to the CAO, and fund expenditures to EWDD, on a quarterly and as-needed basis for their respective reporting to the BOC, 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 providing a more safe and aesthetically attractive hub for the community. The improvements will accomplish a top CD 1 priority by enhancing pedestrian and commuter safety. The enhanced streetscape will support community and economic development by promoting

active modes of transportation to access the new pedestrian amenities and aesthetic improvements. The corridor will be revitalized with vibrant designs and fixtures, including the new gateway arch monument, which will celebrate the legacy and contributions of the Maya people. The tree plantings will add a calming component to the densely populated Westlake community corridor. Taken together, the enhancements will improve the quality of life for community members by creating a safe and culture-rich social hub to allow for increased community engagement and socialization for years to come.

ENVIRONMENTAL REVIEW

StreetsLA provided the environmental analysis below and the draft NOE attached respectively:

The Project proposes design and construction for existing street improvements on sidewalks, bus stops, and intersections. The proposed activities are categorically exempt from provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301c. The Project is also exempt under the City of Los Angeles CEQA Guidelines Article III, Section 1, Class 1, Category 3 and Article III, Section 1, Class 4, Category 3.

A CEQA NOE (Attachment 3) will be filed with the City Clerk and Los Angeles County Clerk upon Council adoption of the Project.

CAO COVENANT REVIEW

The CAO has completed its review of the original bond documents, covenants 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 allocation of EBP. The EBP Fund No. 57D is funded solely from transfers of approximately \$88.4 million in pre-2011 tax allocation bond proceeds from the 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.


Carolyn Hull (Sep 28, 2021 21:10 PDT)

CAROLYN M. HULL
General Manager

CH:FJ:DH:JL:JML

ATTACHMENTS: 1. Amending Motion (Cedillo-De Leon) C. F. 21-0537
 2. Motion (Cedillo-De Leon) C. F. 21-0537
 3. Draft CEQA Notice of Exemption (To be filed by StreetsLA)

ATTACHMENT 1

Motion (Cedillo – De León) relative to funding the Maya Corridor Project, Item 4 on today's Economic Development and Jobs Committee Agenda (C.F. 21-0537) BE AMENDED to REPLACE the moving clauses with the following:

I THEREFORE MOVE that the Council action of November 8, 2019, relative to approving the use of \$2,087,544 in CRA/LA Excess Bond Proceeds available to Council District 1 from the Westlake Redevelopment Project Area to the MacArthur Park Improvements Project (C.F. 14-1174-S75) BE AMENDED to reduce the approved amount to \$300,000 and that the balance of \$1,787,544 be reverted to its original source.

I FURTHER MOVE that the Economic and Workforce Development Department, with the assistance of the City Administrative Officer, Chief Legislative Analyst, Bureau of Streets Services, and any other applicable City department, provide a report with recommendations to the CRA/LA Bond Oversight Committee to allocate \$1,787,544 in taxable CRA/LA Excess Bond Proceeds available to Council District 1, including any future earned interest, for the Maya Corridor Project, a streetscape improvement project within the City's Promise Zone as identified in the Bond Expenditure Agreement and Bond Spending Plan for the Westlake Recovery Redevelopment Project Area.

I FURTHER MOVE that \$1,787,544 in taxable CRA/LA Excess Bond Proceeds available to Council District 1 from the Westlake Recovery Redevelopment Project Area, including any future earned interest, be utilized by the Bureau of Street Services to fund the Maya Corridor Project upon City Council approval of the forthcoming EWDD report.

ATTACHMENT 2

ECONOMIC DEVELOPMENT & JOBS

MOTION

Improving pedestrian and commuter safety is a top priority throughout the City of Los Angeles. The Maya Corridor project (Project) in Council District 1 is a streetscape improvement project that not only looks to achieve enhanced public safety but also celebrates the rich cultural history of the Latino community. The Project is located along 6th Street from Park View Street to Loma Drive and is aimed at highlighting and celebrating the Maya culture. The proposed streetscape improvements include new tree wells, new trees, upgraded curb ramps, sidewalk repairs, and wayfinding signage. Also included in the proposed scope of work are various cultural placemaking elements such as Maya-inspired gateway arch monuments, custom crosswalks and scrambles, decorative sidewalk paving, custom bus safety lights, and other street amenities.

The MacArthur Park Project is an open space improvement project that previously received a Council approved allocation of \$2,087,544 in taxable CRA/LA Excess Non-Housing Bond Proceeds available to Council District 1 from the Westlake Recovery Redevelopment Project Area (C.F. 14-1174-S75). The Department of Recreation and Parks (RAP) is responsible for implementing the project and has indicated that there is a surplus of CRA/LA Excess Non-Housing Bond Proceeds due to alternative funding provided to the MacArthur Park project. This provides an opportunity to reprogram \$1,787,544 of these funds toward another project eligible under the CRA/LA Excess Non-Housing Bond Proceeds program.

Funds are now available to help fund the Maya Corridor 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 taxable CRA/LA Excess Bond Proceeds toward a streetscape project within the Promise Zone and Westlake Recovery Redevelopment Project Area is identified as eligible expenses in the Bond Expenditure Agreement and Bond Spending Plan.

I THEREFORE MOVE that the Economic and Workforce Development Department, with the assistance of the City Administrative Officer, Chief Legislative Analyst, Bureau of Streets Services, and any other applicable City department, provide a report with recommendations to the CRA/LA Bond Oversight Committee to allocate \$1,787,544 in taxable CRA/LA Excess Bond Proceeds available to Council District 1, including any future earned interest, for the Maya

MAY 18 2021



ATTACHMENT 2

Corridor Project, a streetscape improvement project within the City's Promise Zone as identified in the Bond Expenditure Agreement and Bond Spending Plan for the Westlake Recovery Redevelopment Project Area.

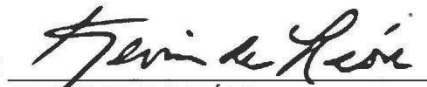
I FURTHER MOVE that \$1,787,544 in taxable CRA/LA Excess Bond Proceeds available to Council District 1 from the Westlake Recovery Redevelopment Project Area, including any future earned interest, be utilized by the Bureau of Street Services to fund the Maya Corridor Project upon City Council approval of the forthcoming EWDD report.



PRESENTED BY: _____

GILBERT CEDILLO
Councilmember, 1st District

SECONDED BY: _____



KEVIN DE LEÓN
Councilmember, 14th District

COUNTY CLERK'S USE

CITY OF LOS ANGELES

CITY CLERK'S USE

OFFICE OF THE CITY CLERK
200 NORTH SPRING STREET, ROOM 360
LOS ANGELES, CALIFORNIA 90012

CALIFORNIA ENVIRONMENTAL QUALITY ACT**NOTICE OF EXEMPTION**

(California Environmental Quality Act Section 15062)

Filing of this form is optional. If filed, the form shall be filed with the County Clerk, 12400 E. Imperial Highway, Norwalk, CA 90650, pursuant to Public Resources Code Section 21152 (b). Pursuant to Public Resources Code Section 21167 (d), the filing of this notice starts a 35-day statute of limitations on court challenges to the approval of the project. Failure to file this notice with the County Clerk results in the statute of limitations being extended to 180 days.

| | | | |
|--|--------------------|---------------------------------|----------------------------|
| LEAD CITY AGENCY City of Los Angeles Bureau of Street Services (StreetsLA) | | COUNCIL DISTRICT 1 | |
| PROJECT TITLE Maya Corridor Project | | LOG REFERENCE ENV: | |
| PROJECT LOCATION 6 th Street from Park View Street to Loma Drive | | | |
| DESCRIPTION OF NATURE, PURPOSE, AND BENEFICIARIES OF PROJECT: Project will highlight and celebrate the rich culture of the Maya people through the addition of several cultural placemaking elements. These elements include a Maya-inspired gateway arch monument, custom crosswalks and scrambles, decorative sidewalk paving, custom bus safety lights, and other enriching street amenities. The proposed enhancements also include tree planting, curb ramp upgrades, and the addition of wayfinding signage. | | | |
| NAME OF PERSON OR AGENCY CARRYING OUT PROJECT, IF OTHER THAN LEAD CITY AGENCY: | | | |
| CONTACT PERSON Ana Tabuena-Ruddy | AREA CODE (323) | TELEPHONE NUMBER 609-3636 | EXT. |
| EXEMPT STATUS: (Check One) | | | |
| | | STATE CEQA GUIDELINES | CITY CEQA GUIDELINES |
| <input type="checkbox"/> MINISTERIAL | | Sec. 15268 | Art. II, Sec. 2b |
| <input type="checkbox"/> DECLARED EMERGENCY | | Sec. 15269 | Art. II, Sec. 2a (1) |
| <input type="checkbox"/> EMERGENCY PROJECT | | Sec. 15269 (b) & (c) | Art. II, Sec. 2a (2) & (3) |
| <input type="checkbox"/> GENERAL EXEMPTION | | Sec. 15060. | n/a |
| <input checked="" type="checkbox"/> CATEGORICAL EXEMPTION | | Sec. 15300 <i>et seq.</i> | Art. III, Sec. 1 |
| Class <u>1 & 4</u> Category <u>1(3) and 4(3)</u> (City CEQA Guidelines) | | | |
| OTHER | | | |
| JUSTIFICATION FOR PROJECT EXEMPTION: The Proposed Project qualifies as an exemption for the following reasons: (1) classifies as operation, repair, maintenance or minor alteration of existing street, sidewalk, and gutter, involving negligible or no expansion of use beyond that previously existing; and does not involve the removal of a scenic resource; (2) that the action is exempt under Article III, Section 1, Class 1, Category 3 (existing facilities-sidewalk repair or maintenance) and Article III, Section 1, Class 4, Category 3 (tree planting) of the City of Los Angeles Environmental Quality Act Guidelines (2002); and (3) that none of the exceptions to the use of a categorical exemption as set forth in Section 15300.2 of the State CEQA Guidelines apply. | | | |
| IF FILED BY APPLICANT, ATTACH CERTIFIED DOCUMENT ISSUED BY THE CITY PLANNING DEPARTMENT STATING THAT THE DEPARTMENT HAS FOUND THE PROJECT TO BE EXEMPT. | | | |
| SIGNATURE | | TITLE Landscape Architect II | DATE |
| FEE: | RECEIPT NO. | REC'D. BY | DATE |

DISTRIBUTION: (1) County Clerk, (2) City Clerk, (3) Agency Record Rev. 11-1-03 Rev. 1-31-06 Word