

ARTS, PARKS, HEALTH, EDUCATION, AND NEIGHBORHOODS COMMITTEE REPORT,  
ORDINANCE OF INTENTION FIRST CONSIDERATION, and RESOLUTION relative to the  
2022-23 Proposition K Assessment.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. APPROVE the May 4, 2022 L.A. for Kids Steering Committee report.
2. ADOPT the City Engineer's Report for the 2022-23 Proposition K Assessment (Attachment 10 to the May 4, 2022 L.A. for Kids Steering Committee report).
3. PRESENT and ADOPT the accompanying RESOLUTION OF INTENTION to levy an assessment authorized by Proposition K, pursuant to the Landscaping and Lighting Act of 1972 (Attachment 11 to the May 4, 2022 L.A. for Kids Steering Committee report).
4. PRESENT and ADOPT the accompanying ORDINANCE OF INTENTION, dated May 4, 2022, to levy an assessment authorized by Proposition K, pursuant to the Landscaping and Lighting Act of 1972 (Attachment 12 to the May 4, 2022 L.A. for Kids Steering Committee report).
5. APPROVE the 2022-23 Proposition K Maintenance funding awards totaling \$8.24 million as detailed in Attachment 9 to the May 4, 2022 L.A. for Kids Steering Committee report.
6. APPROVE the reprogramming of 2021-22 funding allocations as reflected in Attachment 1 and Attachment 13 to the May 4, 2022 L.A. for Kids Steering Committee report.
7. APPROVE the 2021-22 Proposition K inflation awards totaling \$5.68 million as reflected in Attachment 14 to the May 4, 2022 L.A. for Kids Steering Committee report.
8. APPROVE the 2021-22 Proposition K additional specified "GAP" funding awards totaling \$8 million as reflected in Attachment 15 to the May 4, 2022 L.A. for Kids Steering Committee report.
9. AUTHORIZE the City Engineer to execute or amend grant agreements with Proposition K grantees that are recommended for 2021-22 project allocations(Attachment 1 to the May 4, 2022 L.A. for Kids Steering Committee report), as needed to effectuate the 2021-22 maintenance awards (Attachment 9 to the May 4, 2022 L.A. for Kids Steering Committee report) and reprogramming actions (Attachment 13 to the May 4, 2022 L.A. for Kids Steering Committee report), subject to approval of the City Attorney.

10. AUTHORIZE the Controller to adjust accounts pursuant to instructions to be provided by the City Administrative Officer (CAO), for current year maintenance awards (Attachment 9 to the May 4, 2022 L.A. for Kids Steering Committee report), reprogramming actions (Attachment 13 to the May 4, 2022 L.A. for Kids Steering Committee report), inflation awards (Attachment 14 to the May 4, 2022 L.A. for Kids Steering Committee report), and additional Specified (GAP) funding awards (Attachment 15 to the May 4, 2022, within the following Proposition K funds:
- a. Projects Fund No. 43K
  - b. Maintenance Fund No. 43L
  - c. Administration Fund No. 43M.
11. INSTRUCT the City Clerk to publish notice by **MAY 26, 2022**, of a public hearing to take place on **JUNE 7, 2022** at 10:00AM, during the regular Council meeting.
12. REQUEST the City Attorney to prepare and present the Ordinance Confirming the Assessment for Fiscal Year (FY) 2022-23 to be considered during the public hearing on June 7, 2022.
13. INSTRUCT the City Clerk to set an agenda item for public hearing on the Council agenda for **JUNE 7, 2022**, to include the following actions:
- a. Acknowledge that the City Council's action is exempt from the California Environmental Quality Act (CEQA) under Article II, Section 2.i of the City's CEQA guidelines, because the underlying project has already been evaluated and processed in accordance with the City CEQA Guidelines, with respect to the projects in List 3 of Attachment 8 of the May 4, 2022 L.A. for Kids Steering Committee report.
  - b. Acknowledge that a Mitigated Negative Declaration has been prepared for the project and submitted under Council file no. 22-0247, and will be reviewed, and considered by the City Council as part of the final approval of the project.
  - c. Acknowledge that these are projects that may be considered for funding after CEQA compliance; no further action is required at this time with respect to the projects in List 5 of Attachment 8 of the May 4, 2022 L.A. for Kids Steering Committee report.
  - d. Present and adopt the Ordinance Confirming the Assessment, as prepared and transmitted by the City Attorney, confirming the assessments and approving the diagram for the District for FY 2022-23.

- e. Instruct the City Engineer to record a Notice of Assessment with the County Recorder.
- f. Approve the 2022-23 Five Year Plan for the L.A. for Kids Program and related schedules, as set forth in Attachments 1, 2, 3, 4, and 7 of the May 4, 2022 L.A. for Kids Steering Committee report.
- g. Approve the 2022-23 allocation of administrative funds up to the following amounts within Proposition K Fund No. 43M, as set forth in Attachment 7 of the May 4, 2022 L.A. for Kids Steering Committee report, PW/Bureau of Engineering \$214,290; PW/Board/Office of Accounting 136,457; Office of City Administrative Officer (CAO) 78,000; and Office of the Chief Legislative Analyst (CLA) 33,356, for a total of \$462,103
- h. Instruct the Information Technology Agency (ITA) to prepare the assessment file containing the assessment levy information confirmed by the City Council for 2022-23 for each parcel in the Assessment District and make it available to the Bureau of Engineering to verify and transmit to the County.
- i. Authorize the City Engineer to negotiate and execute Proposition K grant agreements with grantees that are recommended for 2022-23 project allocations (Attachment 1 of the May 4, 2022 L.A. for Kids Steering Committee report) except for competitive projects awarded to City departments, subject to approval of the City Attorney.
- j. Authorize the Controller to:
  - i. Set up accounts for the 2022-23 Proposition K assessment in the following Funds pursuant to instructions to be provided by the CAO: Proposition K Projects Fund No. 43K; Proposition K Maintenance Fund No. 43L; and Proposition K Administration Fund No. 43M.
  - ii. Increase the 2022-23 appropriations for the ITA by \$50,000 from Proposition K Fund No. 43K/10, Account No. (TBD) - Information Technology Agency to Fund No. 100/32, Account No. 9350 - Communication Service Request.
  - iii. Transfer \$140,000 in prior year balances from Proposition K Fund No. 43K/10, originally allocated for the Central and Trinity Recreation Centers to the Southern Pacific Trails (aka Slauson Connect), project, in order to effectuate the reprogramming of funds previously authorized under Council file no. 20-1124:

From: 43K/10 - Proposition K Projects Fund

10K898 - PRJ - Trinity Recreation Center	\$20,000
10K020 - PRJ - Central Recreation Center	\$20,000
10L898 - PRJ - Trinity Recreation Center	\$25,000
10L020 - PRJ - Central Recreation Center	<u>\$75,000</u>
Total	\$140,000

To: 43K/10 - Proposition K Projects Fund

10K888 - PRJ - Southern Pacific Trails	\$40,000
10L888 - PRJ - Southern Pacific Trails	<u>\$100,000</u>
Total	\$140,000

- iv. Establish a new account within the HATS Fund No. 43G/10, and transfer and appropriate \$750,000 from the Cash Balance available within the Fund, as follows, Account Number, TBD; Account Title, Anderson Senior Center; in the amount of \$750, 000.
- v. Transfer cash from Proposition K Fund No. 43K/10, on an as-needed basis upon proper documentation from the ITA, and approval by the Bureau of Engineering Program Managers and the CAO.
- vi. Transfer assessment revenues to the appropriate program funds in the following distribution:

Proposition K Fund	Percentage Distribution	Year 26 Total
43K/10 - Capital Projects	68.16 percent	\$17,043,969
43K/10 - Maintenance	29.97 percent	7,493,928
43M/10 - Administration	1.85 percent	462,103
<b>Total:</b>	<b>100 percent</b>	<b>\$25,000,000</b>

- k. Authorize the reprogramming of \$328,000 in competitive funds to the Algin Sutton Pool and Splashpad Project from the eligible C-List as incorporated into the Year 26 funding allocation recommendation for the upcoming year, as detailed in Attachments 1 and 13 of the May 4, 2022 L.A. for Kids Steering Committee report.
- l. Instruct the City Engineer, CAO, CLA, and Board of Public Works, Office of Accounting to submit journal voucher requests supported by the documentation of work order charges for program administrative and project construction management staffing costs to the CAO.

- m. Instruct the Department of General Services (GSD) and the Department of Recreation and Parks (RAP) to submit expenditure reports to the BOE and the CAO on a monthly basis.
- n. Authorize the City Engineer to make technical corrections to the City Engineer's Report to reflect the intent of the Council action.
- o. Authorize the CAO to make funding adjustments and prepare technical adjustments as needed to fully commit annual assessment funds and carry out the intent of the Council action; and, Authorize the Controller to implement those technical adjustments.
- p. Authorize the Controller, pursuant to instructions provided by the CAO, to revert residual funds within Proposition K Funds to the originating Proposition K project accounts for projects completed by the GSD and the RAP as part of ongoing program reconciliation activities.

Fiscal Impact Statement: The L.A. for Kids Steering Committee reports that adoption of an Ordinance and Resolution of Intention to levy the Proposition K: L.A. for Kids Assessment for FY 2022-23 indicates the Council's intention to levy assessments totaling \$25 million to acquire and construct park and recreational and cultural facilities serving youth. The assessment can only be used for capital improvements, acquisition of land, Proposition K Program administration and maintenance of completed projects. The operating cost for Proposition K projects completed in future years will be funded by the annual operating budget adopted for City departments and with independent funding for projects operated by external entities.

Proposition K will provide \$7.96 million in the current fiscal year, and \$5.01 million in the upcoming fiscal year, for City cost recovery. These monies provide reimbursements for program administration and maintenance of completed projects. In total, there are ten City Departments that qualify for cost recovery through the program, which include: the Bureau of Construction Administration, Bureau of Engineering, City Attorney, Cultural Affairs, ITA, CAO, CLA, Public Works Accounting, the Zoo Department and the Department of Recreation and Parks.

The RAP reports an annual fiscal impact of \$9.62 million once active Proposition K projects, currently in various stages of development, become operational over future years. This includes \$4.19 million for maintenance and \$5.43 million for operations as detailed in Attachments 5 and 6 of the May 4, 2020, L.A. for Kids Steering Committee report, attached to the Council file. The fiscal impact for completed projects will be partially offset by Proposition K maintenance funding. However, this annual offset will no longer be available once the program sunsets in 2026-27. In 2021-22, RAP will receive an award of \$7.01 million for current year maintenance awards, detailed in Attachment 9 of the May 4, 2020, L.A. for Kids Steering Committee report.

Financial Policies Statement: The L.A. for Kids Steering Committee reports that the actions recommended in this report comply with the City's Financial Policies.

Community Impact Statement: None submitted

Summary:

On May 10, 2022, your Committee considered the May 4, 2022 L.A. for Kids Steering Committee report, Ordinance, and Resolution relative to the 2022-23 Proposition K Assessment. The report, attached to the Council file, provides background information and includes the recommended 2022-23 expenditure plan and funding earmarks for 2023-24 through 2026-27. Recommendations for current year budget adjustments and award of 2021-22 maintenance and inflation funds are also provided.

After additional discussion and providing an opportunity for public comment, the Committee recommended that Council approve the recommendations contained in the Steering Committee report as detailed in the above recommendations. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

ARTS, PARKS, HEALTH, EDUCATION, AND NEIGHBORHOODS COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
LEE:	YES
BONIN:	ABSENT
WESSON:	YES

EV 21-1145\_rpt\_aphen\_05-10-22

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**