

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: November 30, 2022

To: Honorable City Council
c/o City Clerk, Room 395, City Hall
Attention: Honorable Mike Bonin, Chair, Transportation Committee

From: Connie Llanos, Interim General Manager 
Department of Transportation

Subject: **ACTIVE TRANSPORTATION PROGRAM (ATP) CYCLE 6 UPDATE**

SUMMARY

This report provides an update on the nine applications submitted to the Active Transportation Program Cycle 6 funding cycle in June 2022 and recommends establishing a local match policy for future grant applications (Council File 14-0499-S6).

RECOMMENDATION

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

1. DIRECT the Los Angeles Department of Transportation, Bureau of Street Services, and Bureau of Engineering to report back on the final list of awarded projects and identify additional staff resources needed to successfully implement the awarded Active Transportation Program (ATP) Cycle 6 projects.
2. DIRECT the City Administrative Office (CAO) and the City Legislative Analyst (CLA) to report back on a proposed leveraging and local match policy for grant projects; and

BACKGROUND

The Los Angeles Department of Transportation (LADOT), the Bureau of Street Services (StreetsLA), and the Bureau of Engineering (BOE) submitted nine applications for the Active Transportation Program (ATP) Cycle 6 funding opportunity on June 15, 2022. In October 2022, the California Transportation Commission (CTC) staff released funding recommendations for six of the nine applications submitted by the City of Los Angeles. The City's total recommended award amount is \$208 million, with a local match/leverage commitment of \$54 million (**Attachment A**). The CTC will vote to finalize these recommendations on December 6, 2022. The Southern California Association of Government (SCAG) will approve additional funding recommendations in June 2023, which will likely fund at least one additional project submitted by the City of Los Angeles.

DISCUSSION

For ATP Cycle 6, LADOT used the Mobility Investment Program (MIP) project inventory to identify, evaluate, and prioritize candidate projects. The LADOT MIP is the City's tool to inventory and plan for mobility investments that realize the City's transportation policy vision. The MIP provides a detailed look at the City of Los Angeles' planned transportation infrastructure improvements, operation of mobility services, and other specific initiatives that enhance the equity, safety, sustainability, and reliability of our transportation system.

LADOT also followed the criteria outlined in the Council-approved transportation grant project selection and prioritization process (Council File 14-0499-S5). These criteria include policy consistency, project readiness, grant eligibility and competitiveness, timeline requirements, and project implementation and resource needs assessment (**Attachment B**).

CTC staff recommended funding for four of the five projects that Metro supported in Cycle 6. City of Los Angeles ATP applications that received Metro grant writing assistance in the past six cycles had a 60% success rate, resulting in \$295 million dollars for active transportation projects in the City of Los Angeles.

Leveraging

The ATP Cycle 6 Guidelines did not require applicants to commit local match funding, but they did encourage agencies to leverage local funds for medium and large infrastructure projects to increase project competitiveness. Project applications that include local match funding can receive up to five (5) maximum points if the leverage funding reaches over 20% of the project's total cost.

In grant cycles that do not require a local match, lead departments typically calculate how much of the project budget can be absorbed through staff salaries to identify the appropriate local match amount. This allows the City to increase project competitiveness without committing spending special funds. Lead departments can also leverage existing committed funding to strengthen the applications. To increase project competitiveness in ATP Cycle 6, LADOT proposed to leverage City staff salaries for the awarded projects for a total amount of \$15 million. LADOT also proposed to leverage \$12.3 million in dedicated Vision Zero funding as additional local match for projects that supported capital improvements along LADOT's Vision Zero Priority Corridors.

Council directed LADOT to further commit transportation special funds to increase local match in order to bring all project applications up to a minimum of four points, and to increase project applications with a proposed four points up to five. To meet these obligations for the six projects recommended for funding, the City will need to commit an additional \$11 million.

The six City of Los Angeles projects recommended for funding in Cycle 6 scored 91 and above, well above the threshold, and did not score more competitively based on the increased local match. Projects not awarded scored 83 or below, too far below the funding threshold to benefit from additional local match points. Attachment A outlines the local match commitment for each of the City's project applications.

LADOT also analyzed previous cycles to determine whether additional local match commitments could have affected funding recommendations. In the previous five cycles of ATP funding, the City has submitted 38 unfunded ATP applications. Of those projects, six unfunded projects had maximized local

match points, but scored one (1) or two (2) points too low to receive funding. Maximizing the local match points did not affect the overall outcome of this group of projects. However, this does not diminish the significance of local match points in more competitive cycles when funding is more limited statewide.

Moving forward, for grant opportunities that do not require a local match commitment, LADOT recommends developing a leveraging policy that increases competitiveness without overcommitting City resources. This policy should build upon the Council-adopted transportation grant funding approach (14-0499-S5). In that Council File, Council tasked the Mobility Grant Task Force to review upcoming grant opportunities and determine the expected funding share for each cycle. Based on the expected funding share, the Task Force establishes an appropriate total for applications based on the City's expected share of funding and available staff resources for application preparation and project delivery. A leveraging policy could add an additional step for determining leveraging opportunities inclusive of an appropriate local match amount.

Additional Staff Resource Needs

Over the past six cycles, the City of Los Angeles has been incredibly successful in securing ATP funding for transformative projects with a total of 43 awards. In cycles four, five, and six, the City consistently received six funding awards per cycle. ATP funding is very competitive and increasingly project applications must become more extensive to receive awards. In recent cycles, project scopes increasingly cover larger footprints, deliver more extensive project elements, require additional coordination with stakeholders and partner agencies, and have grown exponentially in dollar value. This trend creates increasing strain on project development and project delivery staff who both apply for and deliver ATP projects, in addition to many other external and internal funded capital projects. ATP funded projects also come with very aggressive timely use of funds criteria that are not lenient to project delays.

Given the City's tremendous success over the last several cycles, and again in ATP Cycle 6, staff at LADOT, StreetsLA, and BOE are identifying the additional staff resources needed to implement these projects. For ATP Cycle 6, staff are needed to deliver the six projects recommended for funding by the CTC, and may need additional staff if a seventh project is funded by SCAG in Spring 2023. LADOT, StreetsLA, and BOE will also assess any additional staff needed to compete in future cycles of ATP grant funding.

FISCAL IMPACT

The total match for ATP Cycle 6 project recommendations amounts to \$54.180 million. This includes \$43.168 million for staff costs, Vision Zero dedicated funding, and other committed funding, and \$11.012 million for additional local match commitment. Once the CTC issues its final recommendations, the City will need to identify the additional local match commitment (\$11.012 million) from available and appropriate funding sources during the development of each fiscal years' budget, or as needed throughout future fiscal years (**Attachment A**). There is no immediate impact on special funds, however, future year appropriations and front funding by the Mayor and City Council will be necessary to execute memoranda of understanding for accepting grant awards.

DM:cr/rg
attachments

Attachment A: Active Transportation Program (ATP) Cycle 6 Funding

Active Transportation Program (ATP) Cycle 6 Funding							
	Project Title	Funded?	Total Project Cost (Thousands)	ATP Award Amount (Thousands)	Original City Local Match Commitment	Additional Local Match Commitment	Total Local Match
1	Western Our Way: Walk and Wheel Improvements	Yes	\$47,765	\$37,737	\$10,028	\$0	\$10,028
2	Osborne Street Path to Park Access Project	Yes	\$49,832	\$42,295	\$3,488	\$4,049	\$7,537
3	LA River Greenway East San Fernando Valley Gap Closure	Yes	\$49,401	\$34,401	\$15,000	\$0	\$15,000
4	Skid Row Connectivity and Safety Project	Yes	\$47,566	\$38,599	\$3,330	\$5,637	\$8,967
5	Wilmington Safe Streets	Yes	\$40,784	\$32,331	\$8,453	\$0	\$8,453
6	Normandie Beautiful: Creating Neighborhood Connections in South LA	Yes	\$27,774	\$23,579	\$2,869	\$1,326	\$4,195
7	Boyle Heights Community Connectivity Project	No	\$37,725	\$32,019	\$2,641	\$3,065	\$5,706
8	SRTS Central City Active Transportation Neighborhood Network Project	No	\$36,238	\$30,766	\$0	\$0	\$0
9	Hollywood Walk of Fame Safety & Connectivity Project: Phase One	No	\$29,505	\$24,605	\$0	\$0	\$0
		Total for Funded Projects*	\$263,122	\$208,942	\$43,168	\$11,012	\$54,180

*Does not include project #7 at this time although future SCAG funding may fund this project

Attachment B: Grant eligibility checklist for reference purposes

<u>CITYWIDE TRANSPORTATION PLANNING AND PROJECT GRANT APPLICATION STRATEGY</u>						
Project Eligibility Checklist for Mobility Projects						
PROJECT NAME:						
	<i>Item/Category</i>	<i>Reference Link(s)</i>	<i>Yes</i>	<i>No</i>	<i>Action Item</i>	<i>Notes</i>
A	Policy Consistency					
1	Is the project compliant with the Mobility Plan 2035?	Mobility Plan 2035	•	•		
2	Is the project compliant with the Complete Streets Act?	Complete Streets Act	•	•		
3	Does the project adhere to the Mobility Plan 2035 settlement agreement (as applicable and if on a MP35 designated network)?	Mobility Plan 2035 Settlement Agreement	•	•		
4	Does the project adhere to the LADOT Lane Reconfiguration Guidelines (as applicable and if there is repurposing of travel lanes)?	Lane Reconfiguration Guidelines	•	•		
B	Project Readiness					
1	Is the project classified as Development in Phase 3-6 using the LADOT Planning & Development Guide?	Planning & Development Guide	•	•		
2	Is the Council Office consultation completed?		•	•		
3	Has the project met minimum community engagement requirements, per department guidelines?	Planning & Development Guide	•	•		
C	Grant Eligibility and Competitiveness					
1	Have you submitted a Concept Nomination Form and/or a Project Initiation Form at least 60 calendar days before a grant application deadline?	Concept Nomination Form Project Initiation Form	•	•		
2	Does the project meet grant eligibility criteria?		•	•		

3	Is the project ranked as 'competitive' for the subject funding source?		•	•		
D	Timeline Requirements					
1	Have you consulted with LADOT Advanced Planning staff to review proposed project concept, scope, and budget at least the following business days in advance of grant deadline? <ul style="list-style-type: none"> ■ Planning & Capital Projects*: 50 days ■ Grant on Unexpected Cycle**: 40 days 		•	•		
2	Have you submitted the grant eligibility checklist and project application for LADOT review at least the following business days in advance of grant deadline? <ul style="list-style-type: none"> ■ Planning & Capital Projects*: 35 days ■ Grant on Unexpected Cycle**: 25 days 		•	•		
E	Project Implementation Assessment					
1	Are adequate resources available to implement the project if grant funding is received? If 'NO' consider identifying staff support needs in staff report OR reconsider applying.		•	•		
2	Is the project interdepartmental in nature? If 'YES', identify which departments and/or agencies would be affected in the notes section. <ul style="list-style-type: none"> ■ LADOT ■ StreetsLA ■ BOE ■ Bureau of Street Lighting (BSL) 		•	•		
F	Project Benefits					
	Does the project have opportunities for co-benefits? If 'YES', identify the co-benefits in the notes section. <ul style="list-style-type: none"> ■ Stormwater ■ Shade ■ Cooling ■ Economic Development ■ Other 		•	•		