

CITY OF LOS ANGELES

CALIFORNIA

CAROLYN M. HULL
GENERAL MANAGER

**ECONOMIC AND WORKFORCE
DEVELOPMENT DEPARTMENT**

444 S. FLOWER STREET
LOS ANGELES, CA 90071



KAREN BASS
MAYOR

July 23, 2024

Council File:14-1174-S98
Council District No.: 6
Contact Person & Extension:
Daisi Hernandez: (213) 718-0136

CRA/LA Bond Oversight Committee
c/o Andre Perry
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 \$503,373 PLUS ALL EARNED INTEREST IN CRA/LA EXCESS NON-HOUSING BOND PROCEEDS FROM THE PACOIMA/PANORAMA CITY REDEVELOPMENT PROJECT AREA (TAXABLE SERIES 2003-A & 2006-B AND TAX-EXEMPT SERIES 2006-C & 2009-D) FOR THE TOBIAS PARK IMPROVEMENTS 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 recommend that the City Council, subject to the approval of the Mayor as required:

1. DETERMINE that the Tobias Park Improvements Project (Project) consisting of replacing existing play equipment, constructing an accessible pathway, installing new perimeter fencing along Tobias Avenue and Van Nuys Boulevard, and improving features of the landscape, is categorically exempt from provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Article XIX, Section 15301, 15302(b), and 15304(b, f). The Project is also exempt under the City of Los Angeles CEQA Guidelines Article III, Section 1, Class 1(12), Class 2(2), and Class 4(3, 12);

2. APPROVE up to \$201,510 in tax-exempt CRA/LA Excess Non-Housing Bond Proceeds (EBP) available to Council District (CD) 6 from the Pacoima/Panorama City Redevelopment Project Area (Project Area) to be utilized for the Project;
3. APPROVE up to \$34,820 in taxable and \$267,043 in tax-exempt EBP plus all earned interest (Interest) available to CD 6 from the Project Area to be utilized for the Project subject to a term extension of the Bond Expenditure Agreement (BEA) from the CRA/LA, a Designated Local Authority;
4. AUTHORIZE the Department of Recreation and Parks (RAP) to be the implementing department for activities related to the Project;
5. AUTHORIZE the Board of Recreation and Parks Commissioners to negotiate and execute contracting documents as required with duly procured contractor(s) to effectuate the Project subject to prevailing wage requirements;
6. DIRECT RAP to transmit copies of all executed contract(s) under Project to EWDD;
7. DIRECT RAP to file a CEQA Notice of Exemption (NOE) with the City Clerk and Los Angeles County Clerk upon Council approval;
8. DIRECT RAP to report on its work accomplishments to the Office of the City Administrator Officer (CAO), and fund expenditures to EWDD on a quarterly and as-needed basis;
9. AUTHORIZE the Controller, subject to the availability of funds, to expend up to \$34,820 plus Interest from the EBP Fund No. 57D, Account Nos. 22L9MT and 22S9MT Pacoima/Panorama City Taxable Series 2003-A and 2006-B, and up to \$468,553 plus Interest from Account Nos. 22L9MN and 22S9MN Pacoima/Panorama City Taxable Tax-Exempt Series 2006-C and 2009-D, for activities related to the Project upon presentation of proper documentation by the RAP, and satisfactory review and approval of the EWDD in accordance with the terms and conditions of the BEA;
10. AUTHORIZE the Controller to disburse all EBP and Interest allocated to the Project remaining after December 15, 2024 from the EBP Fund No. 57D, Account Nos. 22L9MT and 22S9MT Pacoima/Panorama City Taxable Series 2003-A and 2006-B, and Account Nos. 22L9MN and 22S9MN Pacoima/Panorama City Tax-Exempt Series 2006-C and 2009-D, to a third-party escrow company upon receipt of appropriate transfer instructions from EWDD; and
11. AUTHORIZE the 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.

SUMMARY

Transmitted herewith for your review, approval, and further processing are recommendations pursuant to a CD 6 Motion (Lee - De Leon) which was adopted by Council on June 28, 2023 (C.F. 14-1174-S98).

This transmittal recommends that up to \$503,373 in taxable and tax-exempt EBP plus Interest in the Project Area within CD 6 be allocated to RAP to implement improvements at Tobias Park located at 9122 Tobias Avenue. Parks and open space, including acquiring or improving land for public open space, parklets, and public plazas, is 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 6's share of EBP and Interest in the Project Area.

The original taxable and tax-exempt EBP in Project Area available to CD 6 was \$6,233,034. After the 16% (\$130,500) taxable administrative EBP, the net remaining EBP was \$6,102,534. This transmittal's proposed allocation, along with three (3) ongoing or completed projects, will completely exhaust CD 6's EBP in the Project Area.

EWDD ANALYSIS

EWDD has met and consulted with CD 6 and RAP regarding the Project and the scope of work. RAP will serve as the implementing department and oversee design and construction of all park improvements. The anticipated park improvements include replacing existing play equipment, constructing an accessible pathway, installing new perimeter fencing along Tobias Avenue and Van Nuys Blvd, and improving features of the landscape.

RAP will negotiate and execute contract(s) with duly procured contractor(s) from its list of pre-qualified on-call contractors and/or vendors to construct the improvements.

The Project's allocation of \$34,820 taxable EBP, \$468,553 tax-exempt EBP, and Interest (\$599,843 as of September 30, 2023) is sufficient to cover 100% of the Project's estimated cost of \$1,103,216. The EBP will be utilized as follows:

Fencing and Landscaping	\$181,510
Playground/site	\$851,706
Accessible Path of Travel	\$50,000
<u>Survey</u>	<u>\$20,000</u>
Total Estimated Cost	\$1,103,216

The Project's design phase will commence immediately upon approval with an anticipated completion date of October 2024. The bid and award phase would take an estimated two (2) months through December 2024, and construction would commence thereafter with an anticipated completion date of April 2025.

It should be noted that a portion of the scope of work will not be completed ahead of the current January 16, 2025 BEA deadline to disburse all EBP. As such, RAP has bifurcated the scope of work by elements which it anticipates will be completed by the

deadline as follows:

Item	Anticipated To Be Completed Prior to the BEA Disbursement Deadline	Anticipated To Be Completed After the BEA Disbursement Deadline	TOTAL
Fencing and Landscaping	\$181,510	\$0	\$181,510
Playground	\$0	\$851,706	\$851,706
Accessible Path of Travel	\$0	\$50,000	\$50,000
Survey	\$20,000	\$0	\$20,000
TOTAL	\$201,510	\$901,706	\$1,103,216

The portion of the scope which cannot be completed by the BEA disbursement deadline would only be approved and implemented if the City receives a term extension to the BEA. CD 6 will utilize other sources to fund the portion of the scope which cannot be completed by the deadline if the City does not receive an extension.

Deliverables and/or activity reports showing percentages of completion must accompany RAP'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 BEA, and that the approved spending categories and amounts adhere to those outlined in this transmittal.

RAP will report on its work accomplishments to the CAO, and report funds expended to the 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 Project will provide community benefits to the surrounding neighborhood by upgrading the quality of park experience, especially for children and seniors. Improved pathways will increase park accessibility and encourage walking and exercise. The new play equipment will create a safer and more enjoyable play experience for children. The fencing will help to secure the park and preserve the condition of the new amenities as recreational assets for as long as possible. The added sense of security will encourage greater utilization of the park space and promote an increased sense of calm and tranquility. The improved landscaping will increase the aesthetic quality of the park and will be a beautifying element in the neighborhood. These improvements will attract more residents, while fostering improved health, safety and community.

ENVIRONMENTAL REVIEW

The Los Angeles Housing Department provided the environmental analysis below:

The Project consists of park improvements including replacing existing play equipment, constructing an accessible pathway, installing new perimeter fencing along Tobias Avenue and Van Nuys Blvd, and improving features of the landscape. The Project is categorically exempt from provisions of the CEQA pursuant to State CEQA Guidelines, Article XIX, Section 15301, 15302(b), and 15304(b, f). The Project is also exempt under the City of Los Angeles CEQA Guidelines Article III, Section 1, Class 1(12), Class 2(2), and Class 4(3, 12). A Notice of Exemption shall be filed by RAP with the City Clerk as well as the Los Angeles County Clerk upon Project approval by City Council.

CAO COVENANT REVIEW

The CAO has completed its review of the original bond documents and covenants, and has found that the proposed use of excess bond proceeds, as presented, is consistent with those covenants.

FISCAL IMPACT STATEMENT

There is no impact on the City's General Fund from the proposed appropriation of CRA/LA EBP. The CRA/LA EBP Fund No. 57D is funded solely from transfers of approximately \$86 million in pre-2011 tax allocation bond proceeds from CRA/LA to the City (C.F. 14-1174 and 14-1174-S36). Said transfers have been deposited with the Office of the Controller.


Carolyn Hull (Jul 24, 2024 13:34 PDT)

CAROLYN M. HULL
General Manager

CMH:FJ:DH:JML

ATTACHMENTS: 1. Motion (Lee - De Leon) C. F. 11-1174-S98

The City of Los Angeles has long been devoted to furthering the public’s access to open space, including the dedication of 16,000 acres of parkland within the City’s boundaries. Improving this parkland for public use has also been a historic priority for Los Angeles, which maintains and operates 422 playgrounds, 184 recreation centers, 30 senior centers and more.

Tobias Avenue Park, located at 9122 Tobias Avenue in Council District Six and within the Pacoima/Panorama City Redevelopment Project Area, has been identified as in need of safety enhancements to further improve the City’s public open space experience. Various necessary safety enhancements have been identified which include the installation of new fencing, playground equipment, and playground resurfacing.

Funding is available from CRA/LA Excess Non-Housing Bond Proceeds (EBP) available to Council District Six from the Pacoima/Panorama City Redevelopment Project Area (PPC RPA) previously allocated to the Allegheny Park Project (C.F. 14-1174-S60 & -S81). In 2019, the City Council approved the use of over \$4.1 million of EBP funding toward acquisition, demolition, design and development costs related to the Allegheny Park Project. Subsequent to Council’s 2019 actions, the City was awarded a Proposition 68 Grant (Prop 68) in the amount of \$6,986,400 to serve as the primary funding source for the design and development of the Project. As a result, approximately \$1.03 million of EBP funding is no longer needed for the Allegheny Park Project. Council action is needed to reprogram a portion of the remnant EBP funds from the Allegheny Park Project to the Tobias Park Improvement Project and to release the remaining balance of remnant EBP funds to their original source.

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 EBP 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 tax-exempt EBP toward a park and open space project within the Pacoima/Panorama City PPC RPA is identified as an eligible expense in the CRA/LA Bond Expenditure Agreement and Bond Spending Plan.

I THEREFORE MOVE that the Council action of June 18, 2019, relative to approving the use of \$3,432,300 in taxable and tax-exempt CRA/LA Excess Non-Housing Bond Proceeds (EBP) from the Pacoima/Panorama City Redevelopment Project Area (PPC RPA) to the Allegheny Park Property Acquisition Project (C.F. 14-1174-S60) BE AMENDED to reduce the approved amount to \$3,395,163.64 and that the balance of \$37,136.36 be reverted to its original source.

I FURTHER MOVE that the Council action of September 25, 2019, relative to approving the use of \$100,000 in tax-exempt EBP from the PPC RPA to the Allegheny Park Property Demolition Project (C.F. 14-1174-S81) BE AMENDED to reduce the approved amount to \$3,997.80 and that the balance of \$96,002.20 be reverted to its original source.

I FURTHER MOVE that the Council action of November 6, 2019, relative to approving the use of \$570,234 in taxable and tax-exempt EBP, plus all earned interest, from the PPC RPA to the Allegheny Park Planning and Design Project (C.F. 14-1174-S60) BE AMENDED to reduce the approved amount to \$200,000 and that the balance of \$370,234, plus all earned interest, be reverted to its original source.

I FURTHER MOVE that the Economic and Workforce Development Department (EWDD), with the assistance of the City Administrative Officer, Chief Legislative Analyst, Department of Recreation and Parks (RAP), and any other applicable City department, provide a report with recommendations to the CRA/LA Bond Oversight Committee to allocate \$396,000 in tax-exempt EBP available to Council District Six from the PPC RPA for the Tobias Park Improvement Project, a park and open space improvement project as identified in the CRA/LA Bond Expenditure Agreement and Bond Spending Plan.

I FURTHER MOVE that \$396,000 in tax-exempt EBP available to Council District Six from the PPC RPA be utilized by RAP to fund the Tobias Park Improvement Project upon City Council approval of the forthcoming CRA/LA Bond Oversight Committee and Economic Development Committee report.

I FURTHER MOVE that EWDD, as the administrator of the CRA/LA EBP Program, take all actions necessary to document and effectuate the changes in the budgets noted above.

I FURTHER MOVE that RAP be authorized to prepare Controller instructions to transfer funds related to this matter, make any technical corrections necessary consistent with Council’s actions on this matter, and authorize the Controller to implement these instructions.

PRESENTED BY: [Signature] for GD6
SECONDED BY: [Signature]

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