

DATE / June 14, 2012

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(213) 977-1826Members of the Oversight Board  
1200 W. 7<sup>th</sup> Street, Suite 500  
Los Angeles, CA 90017**OVERSIGHT BOARD TRANSMITTAL:**

Transmitted herewith, is a Board Memorandum adopted by the CRA/LA Governing Board at a Special Meeting held on June 7, 2012 for Oversight Board review and approval in accordance with the Assembly Bill 1x-26 entitled:

**Transfer of Proposition 1C Figueroa Corridor Grant.** Negotiate and execute agreements and documents to transfer a Proposition 1C grant agreement and related consultant contracts, as amended and funded, to the City of Los Angeles Department of Transportation for the completion of various grant funded infrastructure improvements in the City Center and Exposition/University Park Redevelopment Project Areas

**RECOMMENDATION**

That the Oversight Board approve the actions of the Governing Board taken at its Special Meeting held on June 7, 2012.

\_\_\_\_\_  
Christine Essel, Chief Executive Officer

cc: CRA/LA-DLA Governing Board

CRA/LA, A DESIGNATED LOCAL AUTHORITY  
(Successor Agency to the Community Redevelopment Agency of the City of Los Angeles, CA)

**APPROVED**

MEMORANDUM

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ROPS # 145, 896, 1270

**DATE:** JUNE 7, 2012  
**TO:** GOVERNING BOARD  
**FROM:** CHRISTINE ESSEL, CHIEF EXECUTIVE OFFICER  
**STAFF:** JENNY SCANLIN, REGIONAL ADMINISTRATOR  
CAROLYN HULL, REGIONAL ADMINISTRATOR  
NICK SAPONARA, ASSISTANT PROJECT MANAGER

**SUBJECT: TRANSFER OF PROPOSITION 1C FIGUEROA CORRIDOR GRANT.**  
Negotiate and execute agreements and documents to transfer a Proposition 1C grant agreement and related consultant contracts, as amended and funded, to the City of Los Angeles Department of Transportation for the completion of various grant funded infrastructure improvements in the City Center and Exposition/University Park Redevelopment Project Areas.  
DOWNTOWN AND SOUTH LA REGIONS (SD 1 and 2; CD 8 and 9)

**RECOMMENDATIONS**

That the Governing Board, subject to Oversight Board approval, take the following actions:

1. Approve and authorize the Chief Executive Officer (CEO) or designee to negotiate and execute an assignment agreement or similar document to effectuate the transfer of a \$30 million Proposition 1C grant agreement for the Linking South LA to Downtown: Figueroa Corridor project from CRA/LA to the City of Los Angeles Department of Transportation (LADOT);
2. Approve and authorize the CEO or designee to negotiate and execute an amendment to the contract with Troller Mayer Associates (TMA) for the subject project to amend the scope and increase the contracting authority by \$110,595 to be paid with grant proceeds, for a total contract amount not to exceed \$3,650,979;
3. Approve and authorize the CEO or designee to negotiate and execute an assignment agreement or similar document to effectuate the assignment of the TMA contract, as amended, and the purchase order with Deborah Murphy Urban Design + Planning (DMUD+P) for the subject project, from CRA/LA to LADOT; and
4. Approve and authorize the CEO or designee to enter into an agreement with LADOT in the amount of \$397,191 to fund the outstanding commitment of tax increment to cover a portion of the TMA design contract, to be paid from Retained Balances.

**SUMMARY**

In 2008, the Community Redevelopment Agency of the City of Los Angeles (Former Agency) was awarded a Proposition 1C Infill Infrastructure Grant (IIG), a program administered by the State Department of Housing and Community Development (HCD) to provide funds to construct parks, multi-modal transportation improvements and other infrastructure to support the

development of affordable, transit-accessible housing. The grant provides \$30 million for the Linking South LA to Downtown: Figueroa Corridor project (Figueroa Corridor Project) which consists of a number of public improvement projects along and adjacent to the Figueroa Corridor, including: improvements to the Friends of EXPO Center Soccer Fields; reinventing the Gilbert Lindsay Plaza at the Los Angeles Convention Center; construction of the Venice-Hope Recreation Center; and significant streetscape improvements along Figueroa Street, 11th Street and portions of Martin Luther King, Jr. Boulevard (MLK Jr. Blvd.). See Attachment A – Project Map, and Attachment B - Project Summary for a description and status of each of the grant funded projects.

Due to the dissolution of the Former Agency and the need to expeditiously wind down activities of the Successor Entity, CRA/LA staff proposes assigning the grant, which will require active management through 2016, to the City of Los Angeles Department of Transportation (LADOT). LADOT has been involved in the Figueroa Corridor Project from the early stages and is poised to complete the grant implementation and preserve the critical investment of external resources in the City and County of Los Angeles.

In addition, authority to assign grant implementation contracts to LADOT is being requested. This includes a contract with Troller Mayer Associates (TMA), the design consultant for the Figueroa St./11<sup>th</sup> St. and MLK Jr. Blvd. public improvements, and Deborah Murphy Urban Design + Planning (DMUD+P), who provides overall grant administration and compliance support for the grant. An amendment to increase the TMA contract by \$110,595 to cover additional design, traffic modeling, environmental document review and community outreach meetings was conditionally approved by the Board of Commissioners of the Former Agency on November 3, 2011, but was never executed as it was stayed under AB1x-26. Therefore, authorization is also being sought to amend the TMA contract to include the aforementioned changes prior to assignment to LADOT. The \$110,595 increase in the contract amount is to be fully funded by the grant.

A local match was not a requirement of the grant; however, on March 3, 2011, the Former Agency committed \$640,000 in tax increment to fund added scope in the TMA contract, including additional streetscape design and engineering work along Bill Robertson Lane and MLK Jr. Blvd. within and adjacent to Exposition Park. The amended TMA contract is an Enforceable Obligation and is listed on the ROPS (# 896). In addition to assigning the grant agreement and related consultant contracts to LADOT, CRA/LA is requesting authority to transfer \$397,191 to LADOT to fulfill the outstanding tax increment obligation for the TMA contract. These actions will allow the Successor Entity to conclude any and all project management, grant administration and accounting responsibilities for the Figueroa Corridor Proposition 1C grant.

## **DISCUSSION & BACKGROUND**

### **Proposition 1C IIG and the Project**

In 2008, HCD launched the Proposition 1C Infill Infrastructure Grant (IIG) program, a bond-funded initiative approved by voters in 2006, to support the development of affordable housing in transit-accessible urban infill locations. IIG funds were made available for capital improvement projects that improved streetscapes, recreational and community facilities, or other infrastructure projects that facilitate the development of affordable infill housing in transit-rich communities. Proposition 1C also funded individual housing projects through the companion Transit Oriented Development (TOD) grant program.

The Figueroa Corridor stretches three miles through Downtown Los Angeles and into South Los Angeles, embracing landmarks, community and educational facilities, new developments and historic districts and neighborhoods. The Figueroa Corridor has potential to be the unifying

element between Downtown and South Los Angeles, yet the current configuration is dominated by automobile traffic. The creation of a more balanced environment that supports pedestrians, cyclists, public transit riders, as well as motorists, will result in a more livable public realm that promotes economic vitality of the corridor.

The Former Agency, acting in cooperation with two local Business Improvement Districts, submitted an application for the Figueroa Corridor Project, and in June 2008, the Former Agency was awarded a \$30 million grant. The amount of the grant award which the project qualified for is a function of the number of housing units, including affordable units, to be produced in the Qualifying Infill Area (QIA) which is shown in Attachment A - Project Map. A detailed breakdown of the various activities funded through the grant is included in Attachment B. The grant does not require matching funds; however, in addition to Proposition 1C grant proceeds, the Former Agency committed \$640,000 in tax increment of which \$242,809 has been disbursed, to fund added scope in the TMA contract, including additional streetscape design and engineering work along Bill Robertson Lane and MLK Jr. Blvd. within and adjacent to Exposition Park. The Former Agency also committed \$3,945,137 to the Venice Hope Recreation Center project through a Disposition and Development Agreement (DDA). The Venice Hope funds have been fully disbursed.

#### Status of Grant

The Former Agency entered into a grant agreement with HCD for the Figueroa Corridor Project on July 8, 2010. Although the grant was awarded in June 2008, bond market conditions led to a halt in HCD's authority to enter into new contracts or obligations that were funded with general obligation or lease revenue bonds, including the Proposition 1C program, thus delaying the ability to enter into the grant agreement in a timely manner. Accordingly, the State recognized the challenges posed to grantees in meeting the original program requirement to fully disburse funds by February 1, 2012, and through SB 870, authorized extensions of up to three years. It is anticipated that the amendment extending disbursement deadlines will be in place in early June 2012, in advance of the assignment of the grant to LADOT.

To date, approximately \$3.5 million of the \$30 million grant has been disbursed to the CRA/LA as reimbursements for project expenditures. The individual projects funded through the grant are in various stages of development ranging from pre-design, active design development, under construction and completed, as further described in Attachment B – Project Summary.

#### Proposed Assignee: Los Angeles Department of Transportation (LADOT)

In order to serve the dual purpose of winding down the CRA/LA's redevelopment activities and reducing administrative costs in an expeditious manner, while also preserving external grant resources within the City and County of Los Angeles, staff recommends assigning the grant to the City of Los Angeles. HCD has indicated support for the assignment and has requested that a single City department serve as the lead recipient for the grant on behalf of the City. LADOT has been identified as the most qualified and capable assignee for performance of the grant, and has committed to assuming and implementing the grant (Attachment C – LADOT Letter).

The most significant and complex components of the Figueroa Corridor Project, representing approximately \$21.8 million of the grant award, are the streetscape improvements proposed for Figueroa St./11<sup>th</sup> St. and MLK Jr. Blvd. The streetscape improvements may include separated cycle tracks, bus platform and waiting areas, landscaped medians and parkways including tree planting, pedestrian lighting, patterned sidewalk and crosswalk paving, street furniture and other improvements to promote shared use and multi-modal transportation alternatives.



Given the extensive improvements proposed in the public right-of-way, LADOT has been very closely involved in the project from the early stages, and is poised to take on a lead role in implementing the grant. A recent reorganization of LADOT created a new division for project delivery that will assist the department in performing the responsibilities of the Figueroa Corridor Project grant, as well as other CRA/LA transportation-related grant projects that are anticipated to be assigned to LADOT. Furthermore, LADOT has access to other City Departments including those under the jurisdiction of the Board of Public Works (Bureaus of Street Services, Street Lighting, Engineering) and Department of Recreation and Parks, as needed, to supplement their in-house expertise when implementing the various grant funded activities. Furthermore, the assignment of existing contracts, including those for grant administration and compliance support, will allow for a seamless transition and continuity of grant performance.

#### Assignment of Existing Consultant Contracts

##### *Troller Mayer Associates, Inc. (TMA)*

TMA was selected as the lead design consultant for the Figueroa St./11<sup>th</sup> St. and MLK Jr. Blvd. components of the Figueroa Corridor Project through a competitive Request for Proposal (RFP No. NP-11785) process that solicited responses from a prequalified list of landscape architects. TMA was selected not only for its expertise and strong qualifications, but also the proposal's focus on community participation in the design process. TMA provides project management and assembled a highly qualified team of consultants, including planning and design services provided by Melendrez and Jan Gehl Architects, and an extensive subconsultant team with varying areas of technical expertise.

The original TMA contract for \$2,900,384 was entered into on May 15, 2010 and was reimbursable with Proposition 1C grant proceeds. Subsequently, on June 27, 2011, the TMA contract was amended to include additional planning, landscape design and engineering work along Bill Robertson Lane between Exposition Blvd. and MLK Jr. Blvd., and along MLK Jr. Blvd. between Vermont Avenue and Figueroa Street. This additional scope leveraged a related Metro Call for Projects grant award for Menlo Avenue/Bill Robertson Lane which is also proposed through a separate action to be transferred to LADOT for implementation. This amendment increased the contracting authority by \$640,000 for a total maximum compensation of \$3,540,384. The \$640,000 increase was to be paid entirely from and encumbered with Exposition/University Park Redevelopment Property Tax Increment, as approved by the Board of the Former Agency and City Council on March 3, 2011 and March 22, 2011, respectively. To-date, approximately \$1,596,945 has been expended against the TMA contract, of which \$242,809 has been funded with Exposition/University Park Redevelopment Property Tax Increment. Authority is being requested to enter into an agreement with LADOT in order to transfer the \$397,191 in previously committed tax increment, thus allowing the CRA/LA to completely close out any administrative or project management responsibilities for the Figueroa Corridor Project.

Due to the complexity of the Figueroa Corridor Project, finalizing a preferred alternative for the Figueroa St./11<sup>th</sup> St. and MLK Jr. Blvd. public improvements required more design iterations and outreach meetings than anticipated in the original contract scope. Accordingly, an amendment to increase the TMA contract by \$110,595 to cover additional design, traffic modeling, environmental document review and community outreach meetings was conditionally approved by the Board of the Former Agency on November 3, 2011, but was stayed under AB1x-26 and never executed. Authorization is requested to amend the TMA contract to include the aforementioned changes prior to assignment to LADOT in order to facilitate an orderly transition. The \$110,595 increase in the contract amount will be fully funded by the grant and therefore does not require the commitment of additional CRA/LA resources.

*Deborah Murphy Urban Design + Planning (DMUD+P)*

Deborah Murphy, principal of DMUD+P, has an extensive background in urban planning and grant procurement and management. DMUD+P was responsible for writing the grant application, in coordination with CRA/LA, which resulted in the \$30 million award. The Former Agency subsequently retained DMUD+P through a purchase order to negotiate and execute the grant agreement with HCD; the scope was amended on December 8, 2010 to include day-to-day grant administration, including management of the grant contract and grant disbursements, facilitating design coordination and public outreach, and on-going compliance and reporting as required by the grant. To-date, approximately \$156,606 of the \$364,999 purchase order has been expended; the remaining contracting authority under the purchase order is \$208,393. Authority is being requested to assign the purchase order to LADOT. The services performed under the DMUD+P purchase order are fully reimbursable by the grant and therefore do not require the commitment of additional CRA/LA resources.

Basis for Approval

The recommended actions are consistent with and authorized by provisions of Assembly Bill 1x-26, including but not limited to the following:

Chapter 3, Section 34177(i) provides that a successor agency is required to *"continue to oversee development of properties until the contracted work has been completed or the contractual obligations of the former redevelopment agency can be transferred to other parties."* The recommended actions will permit CRA/LA to effectuate the transfer of its obligations to the party or parties described in this board memo.

Chapter 4, Section 34180(h) provides that the following successor agency actions shall first be approved by the oversight board: *"(h) A request by the successor agency to enter into an agreement with the city, county or city and county that formed the redevelopment agency that it is succeeding..."* In order to carry out the recommended actions, it will be necessary for CRA/LA to enter into an assignment agreement and other agreements in which the City of Los Angeles will be a party.

The recommended actions of assigning to other parties the grant-funded project(s) are consistent with the objectives of winding down redevelopment activities and reducing CRA/LA's administrative costs. If the recommended actions are approved, CRA/LA will have no further obligations under the grant award.

SOURCE OF FUNDS

There are no funds associated with the assignment of the Proposition 1C Figueroa Corridor IIG grant agreement to LADOT; however, \$397,191 in previously committed Exposition/University Park Property Tax Trust Funds are necessary to fund a portion of the TMA contract not reimbursed by the grant, and shall be paid from encumbered Retained Balances.

ROPS AND ADMINISTRATIVE BUDGET IMPACT

The executed Proposition 1C Figueroa Corridor IIG grant is currently listed on ROPS (#1270) as a grant receivable line item. Additionally, the TMA and DMUD+P contracts are enforceable obligations listed on ROPS (#896 and #145, respectively). Approval of this item would add the

proposed agreement with the City of Los Angeles to ROPS 3 covering the period January through June 2013, to provide for the transfer of \$397,191 to LADOT. This amount is already encumbered in HO3000 "Public Improvements".

### ENVIRONMENTAL REVIEW

The proposed action does not constitute a "project" according to the California Environmental Quality Act (CEQA). Any future governmental discretionary decisions for approval of an individual proposed project would require environmental review in compliance with CEQA at the appropriate time.

Christine Essel  
Chief Executive Officer

By:



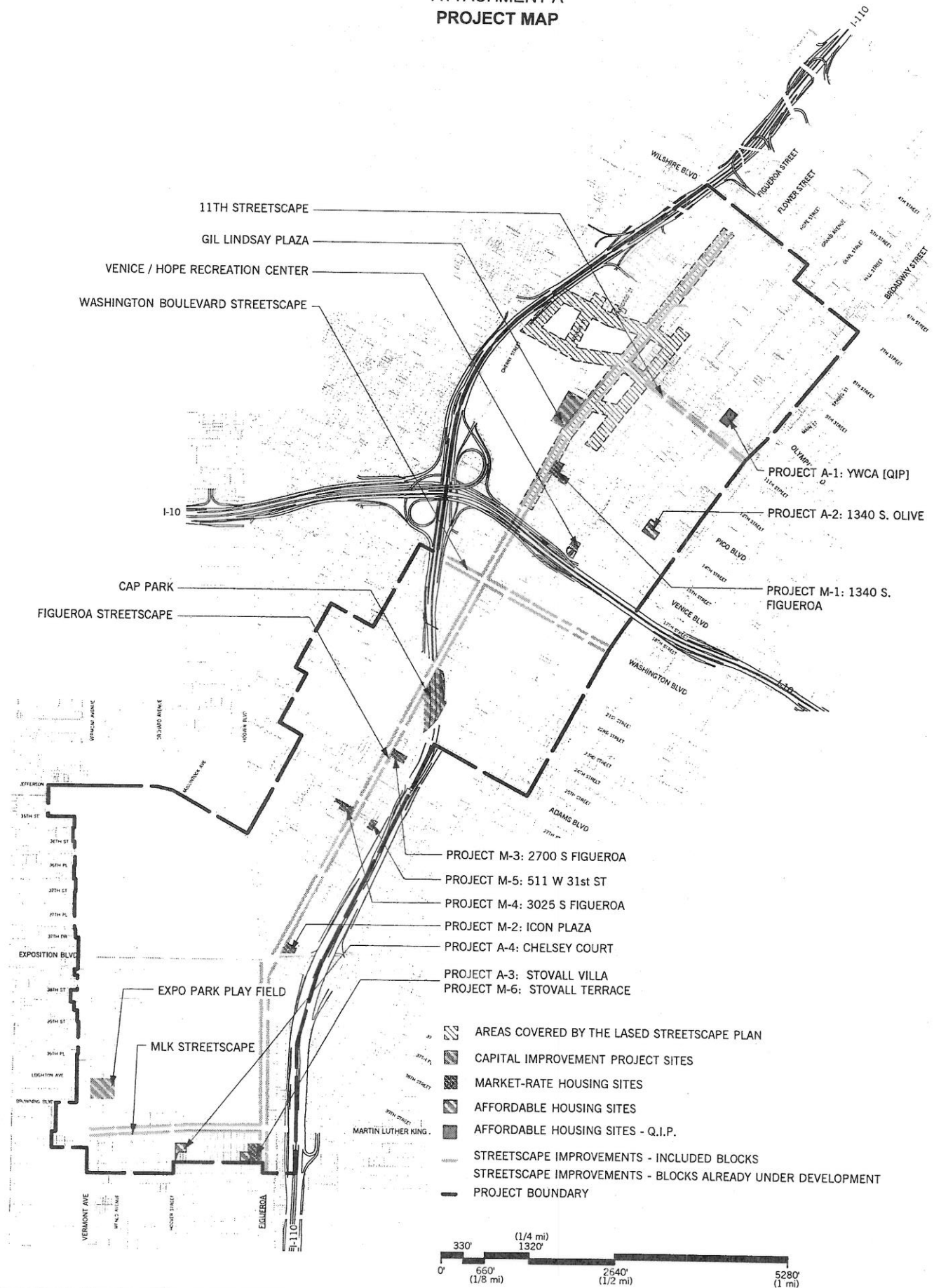
David Riccitiello  
Chief Operating Officer

There is no conflict of interest known to me which exists with regard to any CRA/LA officer or employee concerning this action.

### ATTACHMENTS

Attachment A: Project Map  
Attachment B: Project Summary  
Attachment C: LADOT Letter

# ATTACHMENT A PROJECT MAP



## LINKING SOUTH LA TO DOWNTOWN: FIGUEROA CORRIDOR

FIGURE 10P: QIA AREA WITH CIP PROJECTS AND QUALIFIED AFFORDABLE AND MARKET RATE HOUSING (JULY 2009)

CRA/LA  
RICKS CLEMENTE HALE STUDIOS  
254 S. SPRING STREET, SUITE 300, LOS ANGELES, CA 90013  
818 N. LARCHMONT AVENUE, SUITE 100, LOS ANGELES, CA 90048





ATTACHMENT B  
PROJECT SUMMARY

PROJECT NAME	DESCRIPTION	GRANT AWARD	STATUS
<b>Exposition Center Sports Field</b>	Transform an under-improved open space into a multi-use state-of-the-art sports field to serve South Los Angeles neighborhood.	\$2,000,000	Construction complete; grant proceeds fully disbursed.
<b>Venice Hope Recreation Center</b>	Public-private partnership between CRA/LA and California Hospital Medical Center to develop a 25,000 sf community recreational facility including classrooms, childcare facilities and indoor/outdoor recreational amenities for South Park neighborhood residents.	\$2,000,000	Under construction, expected to be completed August 2012; \$150,000 of grant proceeds disbursed. CRA/LA intends to fully disburse funds prior to transfer.
<b>Washington Blvd. Streetscape</b>	Design and build streetscape improvements including new street trees, transit shelters, and pedestrian lighting to support the existing Blue Line light rail corridor between Figueroa Street and Broadway.	\$750,000	Pre-design, expected to start construction in early 2014, and be completed in early 2015; no grant proceeds disbursed.
<b>MLK Jr. Blvd. Streetscape</b>	Design and build streetscape improvements including new street trees, transit shelters, pedestrian lighting, and new landscaped median to connect Figueroa Street along the southern edge of Expo Park to Vermont Avenue. This further extends the connectivity from South Los Angeles neighborhoods to the Figueroa Corridor and connection to Downtown and the Exposition Light Rail line.	\$1,514,000	Design development, expected to start construction in early 2014, and be completed in early 2015; approximately \$95,000 of grant proceeds disbursed.
<b>Figueroa St. and 11<sup>th</sup> St. Streetscape</b>	Design and build streetscape improvements including cycle tracks, new street trees, transit shelters, pedestrian lighting, and new landscaped medians along portions of Figueroa St. from 7 <sup>th</sup> to 41 <sup>st</sup> St. and along 11 <sup>th</sup> St. from Figueroa St. to Broadway to promote shared use and multi-modal transportation alternatives.	\$20,236,000	Design development, expected to start construction in early 2014, and be completed in early 2015; \$1,300,000 of grant proceeds disbursed.
<b>Gilbert Lindsay Park at the L.A. Convention Center</b>	Transform current Convention Center frontage into a pedestrian friendly, usable open space. This new area will provide additional "park" space for local area residents.	\$2,000,000	Design development, expected to start construction in early 2014, and be completed in early 2015; no grant proceeds disbursed.
<b>Freeway Adjacent Park and Open Space</b>	Funding for engineering, design and construction to build green space ("cap") over or adjacent to the Freeways near Adams and Washington Boulevards to provide needed green and open space for the adjacent park poor neighborhood.	\$1,500,000	<i>HCD reviewing proposals to reallocate funds to other eligible infrastructure project activities.</i>
		<b>\$30,000,000</b>	

**CITY OF LOS ANGELES**  
CALIFORNIA

Jaime de la Vega  
GENERAL MANAGER



**ANTONIO R. VILLARAIGOSA**  
MAYOR

**DEPARTMENT OF TRANSPORTATION**  
100 South Main Street, 10th Floor  
Los Angeles, California 90012  
(213) 972-8470  
FAX (213) 972-8410

May 29, 2012

Members of the Governing Board and Oversight Board  
CRA/LA, A Designated Local Authority  
1200 West 7th Street  
Los Angeles, California 90017

**Subject: CONFIRMING PROJECT ACCEPTANCE**

To Members of the Governing Board and Oversight Board:

The Community Redevelopment Agency of the City of Los Angeles (CRA/LA) was previously responsible for managing and delivering a significant portfolio of transportation-related projects. These grant funded projects primarily consist of public infrastructure and streetscape improvements that encourage walking, increase the use of public transit, provide safe routes to schools, and to support alternative mobility methods.

The legislation approved under AB1x-26 resulted in dissolution of CRA/LA and a hold on the agency's contracting authority. As such, these grant funded projects are at risk, resulting in a potential loss of resources for public infrastructure improvements.

Many of these projects are aligned with the motto of the Los Angeles Department of Transportation (LADOT), "Moving Los Angeles Forward." We are constantly seeking to improve the quality of life here in the City of Los Angeles by delivering great service, improving our operations, and improving our transportation infrastructure. We have expressed our interest in taking over the delivery of a select group of these grant-funded projects to ensure that the City maintains an aggressive portfolio of progressive infrastructure projects.

This letter confirms our commitment to assume the management and delivery of four projects that are being requested by CRA/LA staff to enter into assignment agreement. The following projects require no CRA/LA matching funds, but in some instances require the 20% match provided by the City of Los Angeles Proposition C funds, as previously approved by City Council.

- \$30,000,000 Prop 1C Grant Award, Figueroa Corridor – Linking South LA to Downtown

Members of the Governing Board  
and Oversight Board

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May 29, 2012

- \$2,787,500 Metro Call for Project Grant Award, Boyle Heights Chavez Ave Streetscape/Pedestrian Improvements
- \$1,687,350 Metro Call for Project – Menlo Ave/MLK/Vermont Expo Station Pedestrian Improvements
- \$1,289,394 Metro Call for Project – Downtown LA Inter-Modal Transit Information Wayfinding

My staff has been working in close collaboration with CRA/LA and Mayor's Office staff to confirm this agreement. Please contact Carlos Rios at [carlos.rios@lacity.org](mailto:carlos.rios@lacity.org) or (213) 972-4963 with any follow-up questions for LADOT.

Sincerely,



Jaime de la Vega  
General Manager

c: Carlos Rios