

# SIDEWALK REPAIR PROGRAM

## BASIS FOR THE PROPOSED BUDGET

The 2015-16 Proposed Budget for the Sidewalk Repair Program relates to current year funding as follows:

	General Fund*	Special Funds	Other Funds **	Total
2014-15 Adopted Budget	\$ 27,032,589	\$ 3,421,790	\$ -	\$ 30,454,379
2015-16 Proposed Budget	\$ 14,654,379	\$ 3,422,647	\$ 12,950,000	\$ 31,027,026
Change from 2014-15 Budget	\$ (12,378,210)	\$ 857	\$ 12,950,000	\$ 572,647
% Change	(45.8%)	0.0%		1.9%

\* The 2015-16 General Fund amount includes funds set-aside to pay for attorney's fees and costs, per the settlement of the case entitled *Mark Willits, et al. v. City of Los Angeles*. The 2015-16 General Fund includes an appropriation from the General Fund of \$10.2 million to the new Sidewalk Repair Fund that is in the process of being established via ordinance (C.F. 14-0163-S4) and the reappropriation of prior year unspent funds.

\*\* Other funds consist of projects financed by the proprietary departments (Harbor, Department of Water and Power, and the Department of Airports) for repairs to sidewalks and pedestrian facilities adjacent to their property locations and repair work done in 2014-15. The amounts from these funds are provided for informational purposes only.

Per Council File 14-0163-S4, the City Attorney was requested to work with the CAO to prepare an ordinance to create a Sidewalk Repair Fund to expediently and transparently fund program costs related to sidewalk and curb ramp inspection, repair, and management. Pending final adoption of the ordinance, the new fund is included in the Proposed Budget for 2015-16 in Schedule 29 as the Sidewalk Repair Fund.

A Settlement Agreement was negotiated relative to the class action lawsuit, *Willits v. the City of Los Angeles* and was approved by the Mayor and Council in 2014-15, subject to court approval.

The terms of the Settlement Agreement include the following:

- Annual commitment by the City of \$31 million per year (adjusted every five years to maintain the present value) for 30 years to be used for program access improvements and barrier removal, excluding new construction and alterations;
- Improvements needed to address pedestrian facilities will be prioritized as follows:
  1. City of Los Angeles government offices and facilities;
  2. Transportation corridors;
  3. Hospitals, medical facilities, assisted living facilities and other similar facilities;
  4. Places of public accommodation such as commercial and business zones;
  5. Facilities containing employers; and,
  6. Other areas, such as residential neighborhoods and undeveloped areas.
- In 2015-16, 20 percent (equal to \$6.2 million) of the annual commitment is allocated to the Access Request Program for individual requests for program access fixes;
- In 2015-16, \$5 million is allocated to curb ramp installation remediation;
- During 2014-15, the City will spend \$11 million to make program access improvements (or for other expenditures to implement the Settlement). Therefore, the City may comply with its obligation for the first year (2015-16) by spending \$20 million;
- During the first five years of the Settlement the Plaintiffs may conduct semi-annual inspections of the City's drawings and/or designs, using Plaintiffs' fees, costs, and expenses paid from the annual commitment capped at \$250,000 per year; and,

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- The City shall pay \$15 million for attorney's fees, costs, and expenses to the Class Counsel.

The following table sets forth the proposed Sidewalk Repair Program estimated expenditures for 2014-15 and 2015-16 as follows:

<b>Estimated 2014-15</b>	<b>SOURCE OF FUNDS</b>	<b>Budget 2015-16</b>
\$ 7,032,589	Reappropriation of Prior Year Unspent General Fund.....	\$ 4,454,379
5,000,000	UB General Fund, Sidewalk Repair (less \$15M for legal fees in 2014-15).....	--
--	Sidewalk Repair Fund (Schedule 29 - General Fund).....	10,200,000
3,421,790	Measure R Local Return Fund, Access Ramps.....	3,422,647
--	Proprietary Departments.....	1,950,000
<b>\$ 15,454,379</b>	<b>Total Revenue.....</b>	<b>\$ 20,027,026</b>
	<b>EXPENDITURES</b>	
	General Fund:	
\$ 230,000	Contract Administration.....	\$ 629,260
353,000	Engineering.....	1,015,561
395,000	Street Services.....	3,199,368
1,800,000	Recreation & Parks.....	371,869
4,800,000	Construction/Consulting Contracts.....	9,188,321
--	Monitoring and Fees.....	250,000
	Measure Local Return Fund:	
3,422,000	Measure R Local Return Fund - Access Ramps.....	3,422,647
	Proprietary Depts:	
--	Airports.....	1,300,000
--	Harbor.....	100,000
--	Water and Power.....	550,000
<b>\$ 11,000,000</b>	<b>Total Expenditures.....</b>	<b>\$ 20,027,026</b>
<b>\$ 4,454,379</b>	<b>Remaining Balance to carryover to the next Fiscal Year.....</b>	<b>\$ --</b>