

CITY OF INGLEWOOD

OFFICE OF THE CITY MANAGER



DATE: June 9, 2020

TO: Mayor and Council Members

FROM: Public Works Department

SUBJECT: Resolution Authorizing City Manager to Prepare and Submit an Application to the Local Agency Formation Commission for the County of Los Angeles

RECOMMENDATION:

It is recommended that the Mayor and Council Members adopt a resolution authorizing the City Manager to:

- 1) Prepare and submit an application to Local Agency Formation Commission for the County of Los Angeles ("LAFCO");
- 2) Pay the application filing fee; and
- 3) Take such other steps as reasonably necessary for LAFCO to initiate proceedings for a change of organization by formation of a new community services district (excluding the entering into of any binding commitments or the incurring of any obligations of the City which must be separately authorized by the City Council).

BACKGROUND:

The City is undergoing an economic revitalization that continues to spur development, population and employment growth, which requires improvements in the City's existing transportation infrastructure and resources. To best provide for the planning, funding, and project realization needed to enhance the City's current transportation infrastructure to meet future anticipated demand, it is proposed that an application be filed with LAFCO to establish the Inglewood Transportation Management Community Services District (the "ITMCSD"), a Community Services District ("CSD") dedicated to providing transportation services, including a focus on the administration of certain complex transportation infrastructure projects and mobility services, such as the development and operation of the proposed Inglewood Transit Connector Project (the "ITC"), as hereinafter described(collectively, the "Transportation Management Services").

CSDs are distinct governmental entities from municipalities and, as such, direct legal subdivisions of the State of California governed by the Community Services District Law (Cal. Govt. Code §§61000-61144). Pursuant to the formation requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Cal. Govt. Code §§56000, et. seq.), a new CSD must be created by submitting an application to, and securing the approval of such application by, LAFCO. If approved, LAFCO will place formation of the CSD on an election ballot for voter approval (before which time an application may be freely withdrawn by the applicant). A CSD is generally considered legally formed upon LAFCO's recordation of a Certificate of Completion with the County, which occurs after the voter approval election results are certified.

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Once formed, a CSD can undertake obligations and activities required for capital improvements, acquire property and manage, finance, and otherwise oversee the provision of services within its purview. A CSD can also retain its own dedicated management, staff, and consultant support and maintain fiscal independence from the municipality(ies) within whose territorial limits it lies. A CSD may opt to have a municipality's city council act as its governing body and/or utilize the civil service system in its hiring practices, if so desired. A CSD also has the authority in its own right to receive and deploy state, federal, regional, and municipal funds.

DISCUSSION:

The ITMCSD's jurisdictional boundary would be coterminous with the City boundaries and the members of the City Council would act as the members of the ITMCSD's governing body.

The ITMCSD would be dedicated to providing the Transportation Management Services, which could include the planning, design, implementation, construction, management, operation, and/or maintenance of: (1) connectivity improvements associated with the proposed ITC, including any future extensions of the ITC; (2) remote parking and/or bus or shuttle program(s) and/or related facilities provided within the City, including any such program(s) operated for everyday connectivity within the City or in connection with events at SoFi Stadium, The Forum and the proposed Inglewood Basketball and Entertainment Center ("IBEC"); and (3) other services and transportation or traffic improvements and infrastructure projects that can address first/last mile issues, enhance connectivity to the Metro Crenshaw/LAX Line's three transit stations in the City which are under construction (and, by extension to LAX), increase the prevalence of higher-occupancy travel modalities, and generally reduce traffic congestion in City neighborhoods, key roadway networks and transportation corridors. The foregoing are illustrative examples the Transportation Management Services and not a comprehensive list.

Each of the Transportation Management Services will be undertaken by the ITMCSD only upon direction by its governing body (which would consist of the members of the City Council) and only after a program- or project-specific environmental clearance process has been completed in accordance with state and local requirements. The ITMCSD would be vested with all ancillary powers and authority needed to engage in the activities required to carry out the Transportation Management Services.

Creating the ITMCSD provides various benefits by allowing for the recruitment of specialized, dedicated personnel; alleviating any undue burden that would otherwise be placed on existing municipal personnel and ensuring they have adequate time and resources to focus on non-ITMCSD related day-to-day functions; and creating a fiscally independent entity, whose revenue and obligations are separate from those of the City.

Most importantly, the ITMCSD is essential for implementation of the proposed ITC, which consists of a 1.6-mile, \$1 billion elevated fixed guideway transit system anticipated to carry about 6.9 million passengers annually. The ITC would provide a public transit connection between the Los Angeles County Metropolitan Transportation Authority ("Metro") Crenshaw/LAX Line, the City's Market Street area and downtown district, and the multiple key attractions near Hollywood Park (i.e. the Forum, SoFi Stadium, the Hollywood Park Casino, the Hollywood Park retail and shopping center, and the proposed IBEC). The City is now preparing environmental clearance documents for the ITC, anticipated to be completed by late Winter 2020.

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Each ITMCSD project or program would have its own spending and financial plan, including a complete sources and uses analysis. As an example, the City has prepared a detailed financial plan for the proposed ITC, which will be funded by a combination of grants from the California State Transportation Agency ("CalSTA"), Metro, and the South Bay Cities Council of Governments ("SBCCOG"); private developer contributions for residential and commercial development projects in the City; private developer financing from the ITC's ultimate developer; and future City revenue. To date, the City has secured commitments to over \$329 million in funding from CalSTA and the SBCCOG (the terms and conditions of which will be presented to the City Council in due course).

The ITMCSD would not levy any property taxes, assessment, fees or other charges for the purposes of providing the Transportation Management Services. The City does, however, contemplate imposing certain assessments, fees or charges itself and pledging those to the ITMCSD from time to time. Additionally, increased and new General Fund revenues for the ITMCSD's use are in the process of being identified. These new revenues could derive from multiple funding sources including but not limited to general property taxes, parking taxes, sales taxes, transit occupancy taxes, businesses license fees, advertising revenues, broadband fiber optic revenues, private developer financing, infrastructure impact fees and others. Additional funding for various projects or programs may also be sourced from public grants or other public sources.

Should LAFCO approve the application for formation of the ITMCSD, the ITMCSD would be included on the March 2021 ballot for voter approval.

ENVIRONMENTAL DOCUMENTATION:

The formation of the ITMCSD is categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15320 (Changes in Organization of Local Agencies) and/or Section 15061(b)(3) (Common Sense Exemption) because the ITMCSD is proposed to be a subsidiary district with the same boundaries as the City. Upon the City Council's approval of the recommended actions, a Notice of Exemption will be filed with the Los Angeles County Clerk in accordance with Section 21152 of the California Public Resources Code.

FINANCIAL/FUNDING ISSUES AND SOURCES:

The overall funding approach for the various Transportation Management Services is described above. With respect to the filing and application processing, the costs are anticipated to be approximately \$4,000 of which are available in the Fiscal Year 2019-2020 budget under account code no. 001-099-9930-45098 (General Fund – Non Departmental – Miscellaneous – Special Exp-Misc Activities).

LEGAL REVIEW VERIFICATION:

Administrative staff has verified that the legal documents accompanying this report have been submitted to, reviewed, and approved by the Office of the City Attorney.

BUDGET REVIEW VERIFICATION:

Administrative staff has verified that this report, in its entirety, has been submitted to, reviewed and approved by the Budget Division.

FINANCE REVIEW VERIFICATION:

Administrative staff has verified that this report, in its entirety, has been submitted to, reviewed and approved by the Finance Department.

DESCRIPTION OF ANY ATTACHMENTS:

Attachment No 1 – Resolution

APPROVAL VERIFICATION SHEET

PREPARED BY:

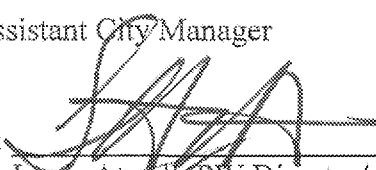
Louis Atwell, P.E., Public Works Director and Assistant City Manager

COUNCIL PRESENTER:

Louis Atwell, P.E., Public Works Director and Assistant City Manager

DEPARTMENT HEAD/

ASSISTANT CITY MANAGER APPROVAL:


Louis Atwell, PW Director/Asst. City Mgr.

CITY MANAGER APPROVAL:


Arlie Fields, City Manager

1 RESOLUTION NO.: _____

2 A RESOLUTION OF APPLICATION OF THE INGLEWOOD
3 CITY COUNCIL AUTHORIZING THE CITY MANAGER TO
4 PREPARE AND SUBMIT A PROPOSAL ("APPLICATION") TO
5 THE LOCAL AGENCY FORMATION COMMISSION FOR THE
6 COUNTY OF LOS ANGELES ("LAFCO") AND FOR LAFCO TO
7 INITIATE PROCEEDINGS FOR A CHANGE OF
8 ORGANIZATION FOR THE FORMATION OF THE
9 INGLEWOOD TRANSPORTATION MANAGEMENT
10 COMMUNITY SERVICES DISTRICT ("ITMCSD" or
11 "DISTRICT")

12 WHEREAS, the City is a charter city that was incorporated in 1908; and

13 WHEREAS, the City Charter was adopted on December 14, 1926, and filed with the
14 Secretary of State on January 27, 1927; and

15 WHEREAS, the City Charter provides for the provision of transportation services and
16 improvements; and

17 WHEREAS, there are existing and planned sporting, entertainment and retail venues
18 under construction in the City; and

19 WHEREAS, the City's comprehensive mobility plan to address an anticipated influx of
20 residents and visitors as a result of current and ongoing development includes an elevated
21 transit system connecting existing and planned sporting, entertainment and retail venues in
22 the City to the LA Metro Crenshaw Line; and

23 WHEREAS, it is anticipated that during a 50-year projected lifetime, the elevated transit
24 system alone will decrease vehicle miles driven by 2.3 billion and eliminate an equivalent of
25 768,992 metric tons of carbon dioxide equivalent; and

26 WHEREAS, the City's mobility plan overall will improve resident and visitor access to
27 existing and planned housing, employment, sporting, entertainment and retail centers within
28 the City and connect the City to the greater Los Angeles metropolitan area; and

1 WHEREAS, the formation of the proposed District is categorically exempt from the
2 California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines Section
3 15320 (Changes in Organization of Local Agencies) and/or Section 150161(b)(3) (Common
4 Sense Exemption); and

5 WHEREAS, the LAFCO process will require the preparation of various documents and
6 the payments of filing fees and subsequent expenses.

7 NOW, THEREFORE, the City Council of the City of Inglewood does hereby resolve as
8 follows:

9 **SECTION 1.**

- 10 1. The City Manager is authorized to prepare and submit to LAFCO a proposal for a
11 proposed change of organization (district formation) and to provide any and all
12 additional or supplemental forms, data, information, plans and documentation as
13 LAFCO staff may request and require from time to time during the processing of the
14 proposal, excluding the entering into of any binding commitments or incurring any
15 obligations of the City which must be authorized by the City Council.
- 16 2. The City Manager is authorized to pay the filing fee to LAFCO and to pay such additional
17 sums as may be invoiced from LAFCO for services rendered in the processing of the
18 proposal.
- 19 3. The City Manager is authorized to coordinate his efforts with such resources as may be
20 needed to process the proposal and to pay the invoices for the resources with whom
21 he coordinates.
- 22 4. The proposal is to be made pursuant to the Cortese-Knox-Hertzberg Local Government
23 Reorganization Act of 2000 commencing with Section 56000 of the California
24 Government Code as follows:
 - 25 a. The nature of the proposal is a change of organization for the formation of the
26 District for the purposes of providing enhanced transportation services within
27 the City.
 - 28 b. The boundaries of the District will be the boundaries of the City as shown on

1 the attached map, Exhibit "A," which is incorporated herein by reference.

2 c. The affected territory within the proposed District is inhabited.

3 d. The affected territory within the proposed District is within the Sphere of
4 Influence of the City.

5 e. Upon the City Council's approval of the initiation of formation of the proposed
6 ITMCSD, a Notice of Exemption will be filed with the Los Angeles County Clerk in
7 accordance with Section 21152 of the California Public Resources Code.

8 f. It is desired that the proposed change of organization provides for and is made
9 subject to the following terms and conditions:

10 i. No portion of the current property tax will be allotted from various
11 other taxing agencies.

12 ii. The District is proposed to be formed as a subsidiary district of the City
13 of Inglewood, as authorized by Government Code Section 61007(c), in
14 which the directors of the District shall be the City Council of the City.

15 g. The description of the proposal area is as follows:

16 i. The boundaries of the proposed District are the boundaries of the City.

17 h. The reasons for this proposal are as follows:

18 i. Current and planned development projects in the City will result in
19 additional residents and visitors from across the State and the greater
20 Los Angeles metropolitan area traveling within the City boundaries, such
21 that additional local transportation services are needed to reduce and
22 potentially prevent traffic congestion and emissions resulting from
23 regular vehicular traffic; and

24 ii. Formation of the proposed District is the most efficient and effective
25 means of providing financial and operational independence for
26 administration of the proposed transportation services given that the
27 size, scope and complexity of the services to be deployed, managed and
28 operated by the District differ greatly from those the City provides for its

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residents.

5. This Resolution of Application to Initiate Proceedings is hereby adopted and approved by the City, and LAFCO is hereby requested to initiate proceedings for the formation of a district as authorized and in the manner provided by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

SECTION 2.

The Clerk of the City is hereby authorized and directed to file a certified copy of this Resolution with the Executive Officer of the Local Agency Formation Commission for the County of Los Angeles.

SECTION 3.

BE IT FURTHER RESOLVED that the City Clerk shall certify to the adoption of this Resolution and the same shall be in full force and effect immediately upon adoption.

Passed, approved and adopted this _____ day of _____, 2020

CITY OF INGLEWOOD

James T. Butts, Jr.,
Mayor

ATTEST:

Yvonne Horton,
City Clerk

AYES:

NOES:

ABSTAIN:

ABSENT:

EXHIBIT A MAP OF PROPOSED DISTRICT

