

California Department of Transportation (Caltrans)
Special Experimental Project 14 (SEP-14) Livability Initiative
City of Los Angeles – Century Boulevard Extension Project

A. Introduction

The California Department of Transportation (Caltrans) submits this work plan for the City of Los Angeles' Century Boulevard Extension Project (Project) for review and approval under the provisions of FHWA's livability Initiative Under Special Experimental Project No. 14 (SEP-14) as published in the Federal Register on June 25, 2010.

The Project is a critical element of a larger project involving the redevelopment of an existing 1950s public housing and community and the associated infrastructure for an approximate 120-acre specific plan area within the Watts neighborhood of the City of Los Angeles (Jordan Downs Redevelopment Project). This includes construction of a new ½ - mile road extending Century Boulevard from Grape Street to Alameda Street, as well as four local intersections, which are proposed to be extended for the development of local streets for internal neighborhood circulation to connect housing to commercial uses as well as recreational and educational facilities.

The Jordan Downs Redevelopment Project, not part of this SEP-14 request, will create a mixed-use, economically-diverse transit-oriented community (TOD) for an existing underserved population in which residents predominantly meet the household income requirements of 30% to 60% Area Median Income (AMI). The proposed Jordan Downs Redevelopment Project includes acquisition of a 21-acre property in order to allow for the development of up to 1,100 additional homes, approximately 10 acres of neighborhood-serving retail as well as 9 acres of public parks and open space. With the anticipated additional residential and commercial density, the adjacent arterials surrounding the project such as Century Boulevard, Grape Street, 97th and 103rd Streets will be impacted by the added traffic congestion. To relieve the burden of all the projected additional vehicular density, the creation of the Century Boulevard corridor connector between Grape Street and Alameda Street is one of the most effective solutions incorporating a mitigated traffic control to avoid saturation within the residential zone. The creation of the extension corridor with a non-arterial Collector at the east end of Century Boulevard between Grape Street and Alameda Street will provide one lane of traffic in each direction westbound and eastbound and with parking and bike lanes along the street.

The new Jordan Downs Urban Village (JDUV) will reconnect to the surrounding neighborhood with a new street linking the terminus of Century Boulevard with Tweedy Boulevard. The Project is designed as a multi-modal neighborhood street with residential buildings on both sides. The new corridor will lead to the Central Park and the heart of

activities for the redeveloped community. Following the open space enhancements, Century Boulevard will be extended to connect with Tweedy Boulevard as a modified Collector Street having a 74 feet wide right-of-way.

The Project is a key component of the Jordan Downs Urban Village Specific Plan in the City of Los Angeles (City), Los Angeles County, California. This estimated \$13.5M extension project is funded in part by U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG), State of California Proposition C (Prop C), Housing Authority of City of Los Angeles (HACLA) match, State of California Housing and Community Development's (HCD) Affordable Housing and Sustainable Communities grant (Cap & Trade) and FHWA funds. Approval of the Work Plan would allow the contract to combine these funding resources to procure a single, integrated project while complying with the training, employment and contracting requirements of HACLA and HUD's Section 3 to the greatest extent feasible.

Since Century Boulevard will serve as utility corridor for the Jordan Downs residential and commercial development (Private Development), completion of the Project is a condition for the Private Development finance agreements. As such, any delays caused to the Project construction will jeopardize financing and grants for the Private Development.

B. Purpose

The purpose of this work plan is to evaluate the effectiveness of using one procurement and contracting process that will combine the requirements of the FHWA, CDBG, Prop C, HCD and HACLA funds in a single contract. This will avoid duplication of efforts and the schedule delays of re-advertising and avoiding loss of funds and bonding default penalties that otherwise may incur with the Private Development. The requirements associated with these programs would ordinarily be incompatible under a single contract as FHWA funds prohibit local hire preferences. Section 3 does not require preferential hiring. It does require bidders to do some extra outreach work (make good faith efforts) to notify low income residents and businesses about possible contracting and job opportunity, if any that are created by the federal funds being expended. Further, Section 3 requires contractors and subcontractors awarded contracts to convey to the City the result of their outreach by reporting if any hires were Section 3 residents or Section 3 businesses. HACLA's "local hire" program requires contractors and subcontractors report if they hired (1) residents of Jordan Downs public housing development, (2) residents from other Housing Authority of the City of Los Angeles (HACLA) public housing developments in Watts, and (3) to residents of the City of Los Angeles. FHWA regulations prohibit preferential hiring. However, for contracts approved under FHWA's SEP-14 program, the prohibition on hiring preferences would be waived to the extent needed to accommodate Section 3 and HACLA's requirements.

Again, purpose of this request is to permit a local municipality, the City of Los Angeles, California to utilize two (2) sources of federal funds in the same transportation project – Surface Transportation Program Local (STPL) funding from FHWA and CDBG funding

from HUD. This request is in accordance with the instructions in the Federal Register/Vol. 75, No. 122/Friday, June 25, 2010/Notices 36471.

Approval of this procedure would avoid splitting the Project into two separate projects that will cause re-design, re-advertisement and duplication efforts. HUD's Section 3 and HACLA's requirements mean additional effort must be made to notify businesses and individuals living in the local area of the Project about possible job and contracting opportunities and additional effort must be made to submit reports on the results of these efforts. Approval of this SEP-14 request will allow more of the available funding to be utilized for revitalization of the area while complying with training, employment, and contracting requirements of HACLA's and HUD's Section 3, to the greatest extent feasible. A cost savings is recognized by avoiding; 1) Bonding penalties and loss of grants for the Private Development 2) duplication of payment for Site Security, Protection of Traffic, Mobilization, and Inspection, as well as avoiding any potential economic impacts to the area because of the construction duration of one project versus two. Specifically, two projects would require two different inspection contracts and would impact the traveling public for two separate contract durations.

C. Scope

The proposed Century Boulevard Extension Project is a major component of the JDUV Specific Plan, which would create a mixed-use, economically-diverse transit-oriented development (TOD) for an underserved population. The redeveloped Jordan Downs would consist of up to 1,800 newly-built homes, 10 acres of neighborhood –serving retail, as well as 8 acres of public parks, open space, and community facilities in the Specific Plan area. As a result, the proposed Century Boulevard is designed as a neighborhood center street. Therefore, the Century Boulevard is reclassified from Major Highway Class II to a Modified Collector Street as part of the JDUV Specific Plan.

This project will extend Century Boulevard from Grape Street to Alameda Street, a distance of approximately 2,600 feet with a 2-lane roadway, sidewalks on both sides, Class II bike lane, pedestrian/bike facilities and landscaping.

This project will also include street lights, traffic signals, striping & signage, storm drain system, sewer system, water system, undergrounding power, telephone and cable, landscaping, and green street elements. All utility implementation is part of the scope in this project.

In addition to Century Boulevard Extension Project, the Private Development will construct buildings and retail stores as part of the JDUV.

The funding provided by this FHWA, HUD, Prop C, HCD and HACLA match will allow the City to commence the project construction immediately upon the award.

1. Competition

- a. The City advertised the construction contract for the Century Boulevard Extension Project for competitive bidding, on September 26, 2016 in accordance with its standard open bidding procedure and Federal DBE requirements.
- b. To the extent practicable without interfering with the ability to conduct the project in a timely and cost-effective manner, the City has instructed all bidders, contractors, and subcontractors on this project to endeavor to fulfill HACL A and HUD local outreach and reporting efforts in the implementation of the contract, such instruction were given by including certain documents to that effect in the bid package.
- c. For purposes of compliance with HUD Section 3 requirements, "Section 3 residents and business concerns" is defined as follows:
 - i. "Residents" are residents of public housing, or individuals that reside in Los Angeles County and whose income does not exceed the low or very low income levels set by the HUD every year for the Los Angeles area.
 - ii. "Business Concerns" are either a business that is 51 percent or more owned by Section 3 Residents; or businesses whose permanent, full time employees include persons, at least 30 percent of whom are currently Section 3 Residents, or within three years of the first date of employment with the firm were Section 3 Residents; or Businesses that provide evidence of a commitment to subcontract in excess of 25 percent of the dollar amount of all subcontracts to be awarded to businesses that meet the qualifications described here.
- d. The approval of this SEP-14 procedure would avoid splitting the project into two separate construction contracts, allow more of the available funding to be utilized for revitalization of the project area, and provide a single larger contract which gives the contractor more options to fulfill the hiring requirements. For example, a total cost savings is recognized by avoiding re-design, re-advertisement, duplication of payment for Site Security and Protection of Traffic, Mobilization, and Inspection as well as avoiding any unnecessary potential economic impacts to the area from project construction delays such as loss of grant funds or bonding penalties.

2. Livability

- e. The deployment of these FHWA/CDBG-funded improvements will foster the redevelopment of the blighted, vacant area with new mixed-use, jobs-center development that will utilize the regional bus transit system and bike lanes, reduce vehicular-pedestrian conflicts within JDUV, and thereby promote greater transportation efficiency.

- f. By supporting additional mixed use development, reduced vehicle trips out of JDUV (which is drastically underserved by commercial and retail businesses), and walking, the Century Boulevard Extension Project will have dedicated bicycle lanes in each direction, landscaped parkways, and pedestrian amenities. Commercial uses will be located within the JDUV that will be accessed from the project. Finally, the Metropolitan Transit Authority (Metro) will re-route a nearby existing bus line so that it runs along Century Boulevard and through the JDUV community improving transit accessibility. In conclusion, the new Century Boulevard Extension Project with all the above-mentioned improvements and accessibility will serve as the “Main Street” of JDUV.
- g. This complete street approach will help induce additional business investment in this struggling Watts area by enhancing the attractiveness and safety of the transportation system, and helping attract commercial and retail partners to the JDUV.
- h. In the City of Los Angeles, the Land Use Element of the City’s General Plan is comprised of 35 community plans. The Southeast Los Angeles Community Plan is the established plan encompassing the Specific Plan area. The Southeast Los Angeles Community Plan envisions Century Boulevard extending through the JDUV Specific Plan area as a modified collector. However, presently, there is no connecting corridor between Grape Street and Alameda Street/Tweedy Boulevard as Century Boulevard terminates at Grape Street on the western edge of the JDUV Specific Plan area. The proposed Century Boulevard extension is a major component of the JDUV Specific Plan, which would create a mixed-use, economically-diverse transit-oriented development (TOD) for an underserved population, consisting of residents who meet the household income requirements of 30 percent to 60 percent of the Area Median Income (AMI). The redeveloped Jordan Downs would consist of up to 1,800 newly-built homes, 7.2 acres of commercial use, as well as 8 acres of public parks, open space, and community facilities in the Specific Plan area. This project is the culmination of community visioning, land use planning and acquisition, rezoning, and economic development planning. JDUV has conducted substantial market feasibility and land use analysis for redevelopment of the site, and has identified how main street infrastructure improvements will foster community livability and redevelopment. This reinvestment in established, mixed-use urban areas favors the improvement for the existing Jordan Downs community. The Jordan Downs project is built on a foundation of community visioning, land use, and engagement with public and community groups. As an economically-distressed, public housing, minority community, HACLA remains committed to involving all segments of the population in this redevelopment and infrastructure upgrade effort.

3. Sustainability

Due to the nature of this project in that it is a true combination of transportation, livability, and streetscape improvements, it would be difficult to provide any quantitative data or information about the reduction of emissions or fuel consumption as a result of the project. The project is expected to reduce impacts to the environment with Vehicle Mile Traveled (VMT) reductions through mixed-use, walkability and bike lane improvements. The project will provide for increased access and use of pedestrian and bicycle use, not only for recreational purposes, but also as people come into the project area for the access to jobs and services, thereby reducing usage of fossil fuels and the emissions associated with fossil fuels.

D. Funding

The Century Boulevard Extension project is funded as follows:

Phase	Fund Code	Fed Funds	State/Local Funds	Total	HACLA Share
Design	CDBG(HUD)	\$750,000	\$0	\$1,440,000	\$690,000

Phase	Fund Code	Fed Funds	State/Local Funds	Amount	Balance
Construction Budget				\$14,152,690	\$14,152,690
Construction	STPL(FHWA)	\$5,898,000	\$350,000	\$5,898,000	\$8,254,690
Construction	CDBG(HUD)	\$1,750,000	\$0	\$1,750,000	\$6,504,690
Construction	HCD	\$0	\$2,005,583	\$2,005,583	\$4,499,107
Construction	Gas Tax	\$0	\$0	\$350,000	\$4,149,107
Construction	HACLA	\$0	\$0	\$4,149,107	\$0

E. Expected Economic Benefits

Procuring a single integrated contract for this project as opposed to divide it into two different contracts for roadway, sidewalks, bike lanes, and landscaping and/or underground work per the funding limitations is estimated to save approximately \$463,000 due to the following efficiencies and it will satisfy grants schedule:

- *Advertisement costs* – \$1,000 (four ads in the newspaper –vs- eight)
- *Reproduction costs*– \$ 2,000 (one set of bid documents printed –vs- two)
- *Engineering design costs* – \$50,000 (separating scope for FHWA and HUD)
- *Mobilization/demobilization costs* – \$35,000 (Additional project mobilization)
- *Traffic control costs* – \$ 25,000 (Traffic Control requirements for another project)
- *Inspection costs* – \$ 100,000 (Inspection reports for entire \$1.75M project)
- *Construction management costs* – \$150,000 (one set of preconstruction meetings, one project closeout, one bid tab preparation, one bidder responsibility check, one submittal review/material doc on many materials that would be on both contracts –vs- two)
- *Site Security* - \$100,000 (Site security is required for all contractors.)

In addition, bonding penalty of \$78,000 per month beginning February 1, 2018 for Phase IA alone. (Completion of Century Blvd Extension project is condition of securing Certificate of Occupancy for the Jordan Downs housing development.)

F. Schedule

Due to the Bonding penalties and impacts to the grants for the Jordan Downs Private Development, this project has aggressive award and construction schedules as follows:

<u>Milestones</u>	<u>Achieved</u>	<u>Targeted Date</u>
Advertised	Yes	09/26/2016
Bids Due	Yes	11/09/2016
Award	Yes	01/09/2017
Notice to Proceed	Yes	02/15/2017
Construction Completion	No	02/15/2018

Splitting this project would cause significant schedule delays.

G. Measures

1. The City has already included the HACL A and HUD Section 3 clauses regarding local hiring preference in the bidding documents and the applicable construction documents.

2. To the extent that bid information is available, the City will evaluate the differences in bid prices or total bids with similar projects that do not have the local hiring preferences and explain any potential differences.
3. The City will analyze the anticipated cost savings by avoiding the duplication of payment for Inspection as well as avoiding any potential economic impacts to the area because of the construction duration of one project versus two.
4. The City will monitor the employment, training and contracting preference (outreach efforts) where feasible in accordance with HACLA's and HUD's Section 3 requirements.
5. The City will provide an opinion from both the prime contractor and the contracting agency's representative on whether the Section 3 or HACLA requirements resulted in any additional costs or delays at the end of the project.

There will not be additional contractor incentives to use FHWA SEP-14 local hiring preference procedures.

H. Reporting

During the construction phase of this project, the City will prepare and submit initial and final reports on this project to Caltrans Local Agency Program staff. The initial report will be prepared at the approximate time of award of the contract. The initial report will include an analysis of the information obtained in Section "G. Measures" above, as well as industry reaction to the mix of funding sources, any identifiable effects on the bid prices received, and a copy of the bid tabs. The City will forward a copy of the report to Caltrans who will in turn provide review comments and subsequently forward the final report to FHWA. The City will prepare a final report, after completion of the contract and final Caltrans acceptance. The final report will contain an overall evaluation of the project including the economic benefits of one project versus two, an evaluation of the impacts of HACLA's and HUD's Section 3 requirements, an opinion of both the prime contractor and the contracting agency's representative believed that the outreach efforts and reporting requirements resulted in any additional costs or delays, and any suggestions and recommendations for improving the process. The City will forward a copy of the final report to Caltrans who will in turn provide any review comments and subsequently forward the report to FHWA.