

Communication from Public

Name: Los Feliz Improvement Association
Date Submitted: 04/06/2023 06:00 PM
Council File No: 20-1536-S4
Comments for Public Posting: Please see attached letter.



advocacy and action
for Los Feliz

2022-2023

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April 6, 2023

RE: STAP Audit Request Council File #20-1536-S4

Los Feliz Improvement Association (LFIA), the association for all residents of Los Feliz, has concerns about the cost increases to the City's Sidewalk and Transit Amenities Program (STAP).

Per an article by Jack Humphreville on CityWatch: (<https://citywatchla.com/index.php/la-watchdog/26295-bus-shelter-program-raises-many-questions>)

In September, the Los Angeles City Council approved a ten year contract with Tranzito-Vector where T-V has the right to sell advertising on almost 700 bus shelters in exchange for installing and maintaining 3,000 bus structures in all of the City's fifteen Council Districts. ... As part of this deal, the City agreed to fund all the related capital expenditures which were expected to be \$237 million. In return, the City would receive 60.5% of all advertising revenues. ... Subsequent to approving the contract, the capital expenditure program increased by almost 50% to over \$350 million because of the need to repair the surrounding sidewalks. At the same time, the revenue participation did not increase and remains at 60.5%. These additional capital expenditures will eliminate a significant portion of the above mentioned \$150 million "profit."

It's time for us to find out what the bottom-line for this program really is. The Office of the Controller should perform a formal audit of the program and report back with realistic revenue projections. It's bad enough that residents of the City will be forced to endure digital ads, urban blight, and privacy issues stemming from this program, but enduring these for little or no financial gain calls into question the validity of the contract and the leadership of a City that would accept such a contract.

Sincerely,
The Board of Directors of LFIA

Amy Gustincic
President

CC: Rick Cole, Chief Deputy Controller
Matt Szabo, City Administrative Officer
Nithya Raman, Councilmember, Council District 4
Jennifer Hull, Field Deputy, LA Council District 4
Mehmet Berker, Senior Deputy for Transportation, Infrastructure, and Public Space, CD4