

TRANSPORTATION and BUDGET AND FINANCE COMMITTEES' REPORT relative to the Transportation Grant Fund request for Fiscal Year 2025-26.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the Controller to establish new appropriations in the amount of \$50,376,022 within the Transportation Grant (TG) Fund No. 655 for eight projects with the amounts listed in Attachment 1 of the City Administrative Officer (CAO) report dated October 29, 2025 (report), attached to the Council file.
2. AUTHORIZE a total increase of \$45,351,601 in appropriations within the TG Fund No. 655 for eight existing projects with the amounts listed in Attachment 2 of the CAO report, attached to the Council file.
3. AUTHORIZE the Los Angeles Department of Transportation (LADOT) to:
 - a. Receive grant funds to reimburse the TG Fund No. 655 for expenditures made directly from the TG Fund.
 - b. Reimburse the General Fund on an annual basis for its costs associated with Fringe Benefits, Central Services, and Department Administration using proceeds that the Department has collected from grantors.
 - c. Reimburse the Proposition C Anti-Gridlock Transit Fund No. 540 on an annual basis for its cost associated with the City staff salaries, overtime, compensated time off, and any other expenditures directly incurred by the Proposition C Anti-Gridlock Transit Fund No. 540 and associated with grant projects.
 - d. Increase appropriations within the TG Fund No. 655 by up to 25 percent of any project budget listed in Attachments 1 and 2 of this Report or any other project accounts, not to exceed \$100,000, provided that the proposed increase is reimbursable through a grant award and subject to the review and approval of the CAO.
 - e. Make any technical adjustments as necessary and consistent with the Mayor and Council actions on administrative and technical matters, subject to the approval of the CAO, and request the Controller to implement these instructions.
4. DIRECT the LADOT to decrease and/or close out project appropriations for completed projects accepted by the Board of Public Works, projects where the City Council made a determination to cancel the project, and/or projects wherein the grant funding lapsed or has been de-obligated.

Fiscal Impact Statement: The CAO reports that there is no General Fund impact. The TG Fund is a revolving account established to receive grant reimbursements for transportation grant funded programs. A total of \$59.3 million in new grants was awarded

to the City, of which \$50.4 million requires the establishment of new appropriations in the TG Fund. In addition, the Department is requesting to increase existing appropriations by \$45.4 million for existing projects, which is within their Council authorized project budgets.

Financial Impact Statement: The CAO also reports that these recommendations are in compliance with the City's Financial Policies in that one-time revenues (grants) are used for one-time expenditures.

Community Impact Statement: None submitted.

Summary:

On November 12, 2025, your Transportation Committee considered an October 29, 2025 CAO report relative to the Transportation Grant Fund request for Fiscal Year 2025-26. According to the report, LADOT indicates that the TG Fund is anticipated to be sufficient to support existing appropriations and the appropriations requested in this Report through the end of the fiscal year. However, given LADOT's current staff resources, billing is behind by nine (9) months and cash flow projections show the TG Fund balance may reach zero (0) reserves by Fall 2026 if action is not taken. After consideration and having provided an opportunity for public comment, the Transportation Committee moved to recommend approval of the report recommendations.

Subsequently, your Budget and Finance Committee considered the matter on December 2, 2025 and concurred with the action of the Transportation Committee. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Transportation Committee

COUNCILMEMBER	VOTE
HUTT:	YES
PARK:	ABSENT
HERNANDEZ:	YES
PADILLA:	ABSENT
NAZARIAN:	YES

RM
11/12/25

Budget and Finance Committee

COUNCILMEMBER	VOTE
YAROSLAVSKY:	YES
BLUMENFIELD:	YES
HUTT:	YES
McOSKER:	YES
HERNANDEZ:	YES

AB
12/02/25

-NOT OFFICIAL UNTIL COUNCIL ACTS-