

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 25-26, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8d.(6), Action Item

Prepared By: Dee Lam, Chief
Division of Local Assistance

Subject: **REQUEST TO EXTEND THE PERIOD OF PROJECT DEVELOPMENT
EXPENDITURE FOR A LOCALLY-ADMINISTERED ACTIVE TRANSPORTATION
PROGRAM PROJECT, OFF THE STATE HIGHWAY SYSTEM,
PER THE INTERIM TIMELY USE OF FUNDS POLICY - 2024 AND 2025
SOUTHERN CALIFORNIA FIRES
WAIVER 26-136**

ISSUE:

Should the California Transportation Commission (Commission) extend the period of project development expenditure for the locally-administered Active Transportation Program (ATP) LA River Greenway, East San Fernando Valley Gap Closure project (PPNO 6044), for the time period as identified in the attachment?

RECOMMENDATION:

The California Department of Transportation recommends that the Commission extend the period of project development expenditure for the locally-administered ATP LA River Greenway, East San Fernando Valley Gap Closure project (PPNO 6044), for the time period as identified in the attachment.

BACKGROUND:

In October 2023, the Commission allocated \$4,200,000 for the locally-administered ATP LA River Greenway, East San Fernando Valley Gap Closure project (PPNO 6044). In accordance with ATP Guidelines, the deadline for expenditures for projects allocated in October 2023, is June 30, 2026. However, under the adopted Interim Timely Use of Funds (ITUF) Policy for the 2024 and 2025 Southern California Fires under Resolution G-25-51, a one-time waiver under the adopted ITUF Policy will be considered for projects programmed in the ATP, allowing the total time extension period to be increased to 24 months.

Attachment

**Time Extension/Waiver – Project Development Expenditure
Active Transportation Program**

Project Number: 1
Applicant: City of Los Angeles
County: Los Angeles
District: 07
PPNO: 6044
Allocation Amount: \$4,200,000
Remaining Balance: \$4,200,000
Phase: Project Approval and Environmental Document
Allocation Date: 10/19/2023
Allocation Resolution Number: FATP-2324-08
Number of Months Requested: 24 Months
Extended Deadline: 06/30/2028
Department Recommendation: Support

LA River Greenway, East San Fernando Valley Gap Closure

The City of Los Angeles (City) requests a 24-month time extension for the period of project development expenditure for the Project Approval and Environmental Document (PA&ED) phase of the LA River Greenway, East San Fernando Valley Gap Closure project. The City has experienced delays with project development.

The project proposes to construct Class I, Class III, and Class IV bicycle lanes.

During the 2025 Palisades wildfire, significant City resources and personnel were redirected to the Emergency Operations Center and critical field operations. Specifically, the project manager was reassigned to essential daytime and overnight emergency shifts, resulting in a direct delay in the City's ability to maintain the original project schedule. In addition, the emergency triggered a surge in demand for recovery efforts, which has exhausted the capacity of architectural and engineering firms. These delays require additional time for the City to mitigate project delivery impacts. There have been several emergency public infrastructure projects related to the fires that have pulled resources, both internal staff and contractors. Consequently, capital improvement projects are seeing both design and construction bids rise 20 to 40 percent above historical estimates due to depleted labor pools. The project has completed rebid solicitation and the negotiation of contract services. A notice to proceed for design services will be issued June 2026.

Therefore, the City is requesting a 24-month time extension for the period of project development expenditure for the PA&ED phase from June 30, 2026 to June 30, 2028.