

May 13, 2025

Honorable Mayor and City Council
City of Long Beach
California

RECOMMENDATION:

Recommendation to authorize the City Manager, or designee, to execute First Amendment to the Settlement Agreement and Release of Claims, regarding Interstate 405 Improvement Project, with the Orange County Transportation Authority (OCTA) and California Department of Transportation (Caltrans), and all other documents and amendments related thereto. (Citywide)

DISCUSSION

On October 24, 2017, the City of Long Beach entered into a Settlement Agreement and Release of Claims with OCTA and Caltrans to resolve litigation related to the construction of the Interstate 405 Improvement Project, an improvement project on Interstate 405 between State Route 73 and Interstate 605 which ended the freeway widening at the City of Long Beach (City). The City had alleged that the environmental impact report (EIR) for the project failed to sufficiently analyze and mitigate traffic impacts in Long Beach, in violation of the California Environmental Quality Act (CEQA). Although OCTA and Caltrans denied the allegations, the parties agreed to a settlement that provided \$11,165,000 of funding to the City towards specific traffic mitigation measures. On October 9, 2018, Council approved appropriations in the Capital Projects Fund in the Public Works Department by \$11,165,000, offset by settlement funds from OCTA and Caltrans to be spent on traffic improvements in the affected area.

This First Amendment to the Settlement Agreement and Release of Claims proposes modifications to certain approved improvements and reallocates specific payments to ensure efficient use of the funds provided through the Settlement Agreement. The settlement funds will be spent on traffic improvements in the affected area, such as improvements at intersections of Willow Street and Los Coyotes, Los Coyotes and Bellflower, and Willow Street and Bellflower; State Route 22 (SR-22) on/off ramp at Studebaker/ College Park Drive; and Studebaker – Loynes Complete Street Project.

This matter was reviewed by Principal Deputy City Attorney Erin Weesner-McKinley on April 14, 2025, and by Budget Management Officer Nader Kaamoush on April 28, 2025.

TIMING CONSIDERATIONS

City Council action is requested on May 13, 2025, to ensure funds are available for improvement as projects begin construction activities.

FISCAL IMPACT

This First Amendment to the Settlement Agreement and Release of Claims maintains the settlement payments of \$11,165,000 provided by OCTA and Caltrans, which is currently appropriated in the Capital Projects Fund Group in the Public Works Department. Of the total \$11,165,000 appropriated in October 2018, the City has spent \$2,766,430 on ongoing planning and design efforts for the projects originally identified in the Settlement Agreement, including the installation of arched rail fencing in the existing medians at 7th Street and Pacific Coast Highway/Bellflower Boulevard.

The First Amendment to the Settlement Agreement and Release of Claim modifies the approved list of improvements and commits the City to minimum spending a total of \$4,000,000 on improvements at the intersections of Willow Street and Los Coyotes, Los Coyotes and Bellflower, and Willow Street and Bellflower, and State Route 22 (SR-22) on/off ramp at Studebaker/College Park Drive. However, staff anticipates spending a total of \$4,800,000 for these projects. Unused funds from other projects in the Settlement Agreement are available for reallocation to Studebaker – Loynes Complete Street Project, which will provide corridor improvements to a roadway directly adjacent to areas impacted by the Interstate 405 Improvement Project and intersecting with SR-22 and the 405 Freeway.

This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. The number of additional local jobs created by this project will not be known until the contractors have completed their hiring and construction has commenced.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



Eric Lopez
Director
Public Works

APPROVED:



APRIL WALKER
ASSISTANT CITY MANAGER