

## Memorandum

To : The Conservancy  
The Advisory Committee

Date: December 9, 2013

From :  Joseph T. Edmiston, FAICP, Hon. ASLA, Executive Director

Subject: **Agenda Item 12: Consideration of resolution authorizing a grant to the Los Angeles River Revitalization Corporation, a non-profit organization for Phase 2 of project planning and design for the Taylor Yard (G-2 site), Upper Los Angeles River Watershed.**

Staff Recommendation: That the Conservancy adopt the attached resolution recommending a grant to the Los Angeles River Revitalization Corporation, a non-profit organization for Phase 2 of project planning and design for the Taylor Yard (G-2 site), Upper Los Angeles River Watershed of Proposition 50 funds in the amount of \$200,000.

Legislative Authority: Public Resources Code Section 33204.2(a) provides that the Conservancy may award grants to non-profit organizations.

Background: The Los Angeles River Revitalization Corporation (LARRC) has submitted a grant application for a second phase of project planning and design to further the acquisition of and to develop plans for the Taylor Yard (G-2 site), along the Los Angeles River (LA River). An initial grant in 2011 from the Conservancy funded efforts by the LARRC to conduct real estate analysis, appraisal, research, and seller negotiations, culminating in a Letter of Intent (term-sheet) agreement to purchase the site by December 31, 2013. The LARRC requests a second phase of project funding in order to complete the acquisition of this important River parcel.

If the G-2 site is acquired with the financial support of the City of Los Angeles in accordance with the current term-sheet deadline, the LARRC proposes to utilize the Conservancy funds to develop water quality benefits and environmental remediation strategies to incorporate into community engagement, planning, and design for the site. Should the acquisition not be completed according to the term-sheet, LARRC would prioritize this funding to complete the acquisition process. In either scenario, real estate research, environmental remediation cost estimates beyond the Department of Toxic Substances Control (DTSC) Draft Workplan, and post-environmental conceptual design, complementary to the vision of the United States Army Corps of Engineers (USACE) Alternate 20, are included in the planned scope.

The LARRC was established in 2009 as a result of the Los Angeles River Revitalization Master Plan (LARRMP) to promote responsible development, redevelopment, and revitalization of properties along the LA River corridor in accordance with the LARRMP. This

includes parks, open space, mixed-use buildings, retail opportunities, housing, and business space. The LARRC has strong ties to government agencies because it was established by the City of Los Angeles, but it is a non-profit developer working independently on sustainable river development along the LA River corridor. The LARRC is uniquely positioned in alliance with government to negotiate an acquisition strategy that prioritizes the goals of a River revitalization above all else. The attached proposal describes the acquisition strategy in more detail.

The G-2 site is a critical site to Los Angeles River revitalization and acquiring it would define success for the LA River revitalization movement. The 42-acre site includes nearly one-mile of river frontage to the soft-bottom portion of the River. Primarily because of the large size of G-2 and its proximity to naturalized open space, G-2 has been designated as a prime restoration site for habitat and water quality in the *San Gabriel and Los Angeles River Watershed and Open Space Plan*, the *Los Angeles River Revitalization Master Plan*, and most recently in the USACE *Draft Los Angeles River Ecosystem Restoration Integrated Feasibility Report*. This large site has the potential to treat regional stormwater flows and therefore can impact the long-term water quality of the River. The eventual acquisition of the G-2 site would provide sufficient land area to naturalize the east bank of the River and enhance the riparian habitat within the channel, which are specifically detailed in the USACE's River restoration plan. Its proximity to existing open space and new riverly development – Rio de Los Angeles State Park, Elysian Park, urban riparian zone in the river channel, pocket watershed parks along the opposite bank of the River, and Los Angeles River High School – means that G-2 will tie the open space together to create a regional multiple-benefit space, enhancing habitat connectivity, passive recreation and the water quality of the LA River watershed. The attached proposal describes the history and attributes of the site in more detail.

### **Analysis–Proposition 50 and the Common Ground Plan**

Chapter 10, Section 79570 of the Water Security, Clean Drinking Water Coastal and Beach Protection Act of 2002 (Proposition 50), allocates funds for the “purpose of protecting coastal watersheds, including, but not limited to, acquisition, protection, and restoration of land and water resources and associated planning, permitting, and administrative costs.” Section 79570(c) of the Act specifically allocates funding to the Santa Monica Mountains Conservancy “for protection of the Los Angeles River watershed upstream of the northernmost boundary of the City of Vernon pursuant to Division 23 (commencing with Section 33000) of the Public Resources Code.” Section 79508 provides that watershed protection activities shall be consistent with the *San Gabriel and Los Angeles River Watershed and Open Space Plan (Common Ground)*.

The proposed project planning and design grant constitutes watershed protection activities in the Upper Los Angeles River watershed. The Taylor Yard-G2 site is within the Upper Los Angeles River watershed and is consistent with the Proposition 50 definition of protection. The project to be developed shall contain elements to protect and restore rivers, lakes and streams, their watersheds and associated land, water and other natural resources. The land acquisition and improvement that will be planned with the proposed project planning and design grant will be required to fit within the definitions of eligible activities: development, preservation, protection, interpretation, and/or restoration.

The project planning and design grant is consistent with the *San Gabriel and Los Angeles Rivers Watershed and Open Space Plan* as required by Section 79508 of the Water Code. The *San Gabriel and Los Angeles Rivers Watershed and Open Space Plan*, also known as and hereinafter referred to as the "Common Ground" plan, was jointly developed by the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy and the Santa Monica Mountains Conservancy. The purpose of the plan is to “articulate a vision for the future of the San Gabriel and Los Angeles Rivers Watersheds” and “provide a framework for future watershed and open space planning.” The plan outlines a holistic approach to watershed protection and development, organized by a set of Guiding Principles. These broad principles are designed to accommodate the varying priorities and needs of projects in the region.

Project planning and design of G2 site is consistent with the following Guiding Principles:

- Coordinate Targeted Land Acquisition with Regional and Local Land Use Planning
- Acquire Land for Flood Management, Wetlands, Cleansing of Water, and Compatible Uses
- Connect Open Space with a Network of Trails
- Establish Riverfront Greenways to Cleanse Water, Hold Floodwaters, and Extend Open Space
- Coordinate Watershed Planning Across Jurisdictions and Boundaries
- Encourage Multiple-Objective Planning and Projects
- Create, Expand and Improve Public Open Space Throughout the Region
- Improve Quality of Surface Water and Groundwater

To help guide decision making in watershed planning and project selection, the Common Ground plan includes a set of Project Evaluation Criteria (Appendix F), developed to help the agencies determine “regionally significant” land acquisition, park, trail, and restoration projects. The G2 site scores highly as a project in the following categories: Trail Resource Value, Other Recreational Resource Value, Urban Resource Value, Watershed Resource Value, Access Value, Partnership Value and Economic Opportunity Value. Specifically, the site will provide a significant contribution to an existing or proposed natural corridor or

greenway. G2 is a key component in all the Best Value Alternatives of the USACE *Draft Los Angeles River Ecosystem Restoration Integrated Feasibility*. At 42 acres, G2 will be a measurable addition to accessible parkland in the Elysian Valley area. Additionally, the site is of great significance to multiple partner government agencies including the City of Los Angeles. As such, the project planning and design grant for G2 is consistent with the Common Ground plan as required by Section 79508 of the Water Code.

This project is also consistent with the Conservancy's Strategic Objectives to further cooperation with local Governments in the region to secure Open Space and Parkland and expand efforts to integrate nature into the urban environment.

#### **Analysis - General Obligation Bond Law**

The General Obligation Bond Law provides that bond funds may be used for the construction and acquisition of "capital assets." Capital assets include major maintenance, reconstruction, demolition for purposes of reconstruction of facilities, and retrofitting work that is ordinarily done no more often than once every 5 to 15 years or expenditures that continue or enhance the useful life of the capital asset (Government code Section 16727 (a)). Capital assets also includes equipment with an expected useful life of two years or more, and tangible physical property with an expected useful life of 10 to 15 years. Section 16727 (a) also allows bond funds to be used for costs that are incidentally but directly related to construction or acquisition including costs for planning, engineering and other design work.

The activities that LARRC proposes to fund with this grant constitute planning of land acquisitions and improvement projects to protect land and water resources, protect and restore rivers, lakes and streams, their watersheds and associated land, water and other natural resources. Thus, the proposed activities fall within the definition of "capital assets" or are incidentally but directly related to acquisition or construction, and therefore are proper under the General Obligation Bond Law.