Date: March 24, 2013

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Memorandum

To: The Conservancy

The Advisory Committee

From

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

Subject: Agenda Item 11: Consideration of resolution authorizing a grant of Proposition 84 Funds to Community Conservation Solutions for the Green Solution Project: Upper Los Angeles River Watershed, Phase IV.

<u>Staff Recommendation</u>: That the Conservancy adopt the attached resolution authorizing a grant of Proposition 84 funds to Community Conservation Solutions for the Green Solution Project: Upper Los Angeles River Watershed, Phase IV.

<u>Legislative Authority</u>: Section 33204.2(a) of the Public Resources Code provides that the Conservancy may award grants to nonprofit organizations.

Background:

Phases I-III of this project were previously funded by the Conservancy. These Phases prioritized potential sites for stormwater capture and water quality improvement projects on existing public lands in the Upper Los Angeles River Watershed. These proposed projects integrate natural treatment of stormwater and urban runoff with native habitat restoration and creation of new parks and open space in park-poor and undeserved communities. Phase III focused on specific public land uses: elementary, middle and high schools; colleges; and vacant lands.

Phase IV will further evaluate these projects, analyze park and recreation parcels in the Upper Los Angeles River Watershed and integrate them into the prioritization of storm water capture projects for implementation. From this, Community Conservation Solutions will develop concept site reports for up to four priority projects.

A matching grant from the State Coastal Conservancy will help fund this work. In addition, this information will be used further to provide an analysis of energy savings, resulting potential reduction in greenhouse gas emissions, and integration of the water supply and reuse, energy and greenhouse gas emissions reduction benefits.

Please see the attached grant application and supporting materials from Community Conservation Solutions for further details.

Analysis - Proposition 84 and the Common Ground Plan

The State of California has authorized expenditure of funds from Proposition 84, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, to the Santa Monica Mountains Conservancy for capital outlay and grants for protection and restoration of land and water resources in the watershed of the Upper Los Angeles River and the Santa Monica Bay and its watersheds.

"Protection" is defined in Proposition 84 as those actions necessary to prevent harm or damage to persons, property or natural resources or those actions necessary to allow the continued use and enjoyment of property or natural resources and includes acquisition, development, restoration, preservation and interpretation.

"Preservation" means rehabilitation, stabilization, restoration, development and reconstruction, or any combination or those activities.

"Restoration" is defined in Proposition 84 to mean the "improvement of physical structures or facilities and, in the case of natural systems and landscape features includes, but is not limited to, projects for the control of erosion, the control and elimination of exotic species, prescribed burning, fuel hazard reduction, fencing out threats to existing or restored natural resources, road elimination, and other plant and wildlife habitat improvement to increase the natural system value of the property."

The proposed project constitutes watershed protection, preservation and restoration activities in the Upper Los Angeles River watershed. The site is within the Upper Los Angeles River watershed and is consistent with the Proposition 84 definition of protection. The project contains elements which protect and restore the Los Angeles River watershed and associated land, water and other natural resources.

Proposition 84 allocated the sum of \$36 million to the Conservancy for implementation of watershed protection activities throughout the watershed of the Upper Los Angeles River pursuant to section 79508 of the water code (Public Resources Code section 75050(g)(2)).

Water Code section 79508 provides that watershed activities shall be consistent with the San Gabriel and Los Angeles River Watershed and Open Space Plan (Common Ground). 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).

Agenda Item 11 March 24, 2014 Page 3

The project 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.

Analysis - General Obligation Bond Law

Proposition 84, as codified in Public Resources Code section 75081, also requires adherence to the General Obligation Bond Law which provides that bond funds may be used for the construction and acquisition of "capital assets" which are defined in Government Code section 16727. 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 in incidentally but directly related to construction or acquisition including costs for planning, engineering and other design work.

The activities that Community Conservation Solutions proposes to fund with this grant constitute planning of 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.