

Memorandum

To : The Conservancy
The Advisory Committee

Date: December 11, 2017

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

Subject: **Agenda Item 16: Consideration of resolution authorizing a grant of Proposition 1 funds to the Mountains Recreation and Conservation Authority for acquisition of easement rights over a portion of APN 5442-002-823 and planning purposes for the G2 project, adjacent to the Los Angeles River, Glassell Park neighborhood, City of Los Angeles.**

Staff Recommendation: That the Conservancy adopt the attached resolution authorizing a grant of Proposition 1 funds to the Mountains Recreation and Conservation Authority for acquisition of easement rights over a portion of APN 5442-002-823, project planning and design for permanent and interim improvements for public access and habitat restoration, and implementation of such improvements for the G2 project adjacent to the Los Angeles River, in the amount of \$10,000,000, Glassell Park neighborhood, City of Los Angeles.

Legislative Authority: Sections 33204.2 and 33204.27 of the Public Resources Code; and Section 79735(a) of the Water Code.

Background: Acquired by the City of Los Angeles in March 2017, the Taylor Yard G2 parcel site (G2) is a critical site for restoration of the Los Angeles River watershed. The 42-acre property includes nearly one mile of river frontage along the soft-bottom portion of the River. This large site has the potential to treat regional stormwater flows and therefore can impact the long-term water quality of the River. Its proximity to existing open space, recreational resources, and interpretive resources, including Rio de Los Angeles State Park, Elysian Park, riparian habitat in the river itself, numerous parks along the opposite bank of the River, and Los Angeles River High School, means that G2 is a singularly unique opportunity to create a regional multiple-benefit park, enhance habitat connectivity, provide recreation and interpretation, improve the water quality of the Los Angeles River watershed, and promote access to the Los Angeles River.

The G2 site was originally used for maintenance and fueling of trains from the 1930s to 2006. Conversion of the property to public parkland and watershed restoration will require a multi-year remediation process to address pollutants on portions of the site. In order to ensure that the Army Corps' Ecosystem Restoration Project can be achieved on this site, and that public recreational access be provided to the maximum extent feasible, it is proposed that the Mountains Recreation and Conservation Authority (MRCA) acquire an easement for open

space, restoration, and recreational purposes from the City. The fee owner of the G2 parcel is obligated to complete environmental remediation on portions of the site, related to the use of the property for maintenance and fueling. An easement would not result in that obligation being transferred to the MRCA.

The MRCA received funding from the California Wildlife Conservation Board (WCB) for acquisition of a 9.28-acre easement at the G-2 site in order to develop public access and habitat restoration improvements. The subject grant will help to fund acquisition of an additional approximately 3.22-acre area from the City of Los Angeles (APN 5442-002-823), totaling approximately 12.5 acres of easement owned by the MRCA and forever protected as public open space. Further, the subject grant will be used for project planning and design and implementation for both permanent and interim improvements at the G2 site.

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 MRCA proposes to fund with this grant constitute acquisition of a capital asset, as well as planning of a land improvement project 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.

Scoring - Competitive Grant Program

Please see the attached Proposition 1 grant application from the Mountains Recreation and Conservation Authority for a detailed description and maps. Scoring under the Conservancy’s Proposition 1 Guidelines results in the G2 project receiving 137 points (out of a possible 137); 96 minimum required), plus 18 out of 18 carbon reduction value points, plus 25 out of 33 possible points under Additional Criteria. **Total points:** (180 out of possible 188).

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Consideration: The application from the Mountains Recreation and Conservation Authority is for \$10,000,000 of Proposition 1 funds.