

# Memorandum

To : The Conservancy  
The Advisory Committee

Date: June 18, 2018

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

Subject: **Agenda Item 16: Consideration of resolution authorizing grant of funding from Propositions 1, 40, 50, and 84 to the Mountains Recreation and Conservation Authority to pay the balance of a promissory note utilized to acquire Phase 1 the Triangle Ranch property (APNs 2061-031-019, 2063-005-013, 2063-006-022 & 023, and 2063-036-001), Medea Creek, unincorporated Los Angeles County.**

Staff Recommendation: That the Conservancy adopt the attached resolution recommending authorizing grant of funding from Propositions 1, 40, 50, and 84 to the Mountains Recreation and Conservation Authority to pay the balance of a promissory note utilized to acquire Phase 1 the Triangle Ranch property (apns 2061-031-019, 2063-005-013, 2063-006-022 & 023, and 2063-036-001), Medea Creek, unincorporated Los Angeles County in the amount of \$1,350,000.

Legislative Authority: Public Resources Code Sections 33204.2 and 33204.27.

Background: The Mountains Recreation and Conservation Authority (MRCA) closed escrow in March 2018 on the first 60-acre phase of the 320-acre Triangle Ranch property in the unincorporated Agoura Hills area of the Santa Monica Mountains.

The full purchase price of \$5,907,500 included the acquisition price, plus a \$95,000 option payment to secure three additional phases, closing costs, and legal staff time. Partial funding was secured from the Santa Monica Mountains Conservancy (\$2.1million, Proposition 1), and Los Angeles County Regional Park and Open Space District (\$2.5 million, Proposition A). The remainder of the purchase price of Phase 1 was covered by a promissory note from the MRCA in the amount of \$1,307,500. At an interest rate of 4.5% per annum, staff has projected that the outstanding balance on the note will be \$1,326,880 by the end of August.

This action authorizes the award of grant funds to the MRCA from multiple funding sources and will eliminate any risk of the property being foreclosed upon. Staff from MRCA has secured an amended agreement with the owners of the remainder of the Triangle Ranch property to allow for the purchase of future phases of this project.

Staff proposes using remaining appropriated funds from Propositions 40, 50, 84, and the Proposition 1 mountain allocation, to total \$1,350,000.

### **Analysis – Proposition 40**

The “California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002” (Proposition 40) allocated \$40 million to the Santa Monica Mountains Conservancy for the acquisition, development, rehabilitation, restoration, and protection of land and water resources in accordance with the Conservancy Act. This acquisition project is consistent with Proposition 40.

### **Analysis – Proposition 50**

The State of California has authorized expenditure of funds from the Water Security, Clean Drinking Water Coastal and Beach Protection Act of 2002 (Proposition 50) to the Santa Monica Mountains Conservancy, in Chapter 10, Section 79570(c), for 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, and for the acquisition and development of facilities to promote public access to and participation in conservation of land, water, and wildlife resources. This acquisition project is consistent with Proposition 50.

### **Analysis - Proposition 84**

The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84), allocated funds to the Santa Monica Mountains Conservancy in Chapter 7, 75050(g)(2) of the Public Resources Code, for the protection of beaches, bays and coastal waters and watersheds, including projects to prevent the contamination and degradation of coastal waters and watersheds, projects to protect and restore the natural habitat values of coastal waters and lands, and projects and expenditures to promote the access to and enjoyment of the coastal resources of the state. The proposed project consistent with Proposition 84’s policy to promote the access to and enjoyment of coastal resources.

### **Analysis - Proposition 1**

Section 79731(h) of the Water Code allocated funding to the Conservancy for capital outlay and local assistance multi-benefit grants for ecosystem and watershed protection and restoration projects. In December 11, 2017 the Conservancy board granted funds for the first phase of the acquisition, which scored well under the Conservancy’s Proposition 1 Guidelines for Land Acquisition, including analysis of greenhouse gas emissions avoidance of at least 155.27 metric tons of carbon dioxide per year.

### **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.

**Analysis–Consistency with Plans**

The proposed grant is consistent with all applicable plans, including the Santa Monica Mountains Comprehensive Plan, Strategic Plan, Rim of the Valley Trail Corridor Master Plan and Common Ground.