LOS ANGELES COUNTY REGIONAL PARK AND OPEN SPACE DISTRICT

September 1, 2009

The Honorable Board of Directors
Los Angeles County
Regional Park and Open Space District
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Directors:

**ALLOCATE SPECIFIED EXCESS FUNDS
AVAILABLE TO THE SECOND SUPERVISORIAL DISTRICT
TO THE DEPARTMENT OF PARKS AND RECREATION;
AUTHORIZE AWARD AND ADMINISTRATION OF AN EXCESS FUNDS GRANT
AND AUTHORIZE ADVANCE OF FUNDS UNDER SPECIFIED CONDITIONS
TO THE BALDWIN HILLS REGIONAL CONSERVATION AUTHORITY
FOR BALDWIN HILLS ACQUISITION AND DEVELOPMENT
(SECOND DISTRICT) (3 VOTES)**

SUBJECT

The recommended actions will allocate $864,180 in Specified Excess Funds to the Department of Parks and Recreation, and in a related item on today's agenda assign the right to apply for those funds to the Baldwin Hills Regional Conservation Authority for the acquisition of land and development of related recreation facilities and public access in the Baldwin Hills.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the proposed administrative actions are not subject to California Environmental Quality Act (CEQA) as the actions do not meet the definition of a project according to Sections 15378 (b)(4)(5) of the State CEQA Guidelines, because the actions are administrative activities for government grants which by their terms do not involve any commitments to any specific projects which may result in a potentially significant physical impact on the environment.

2. Allocate Specified Excess Funds available to the Second Supervisorial District in the amount of $864,180 to the Department of Parks and Recreation for the acquisition of land and for development of related recreation facilities and public access in the Baldwin Hills.

3. Authorize the Director of the Department of Parks and Recreation, in his capacity as Director of the Los Angeles County Regional Park and Open Space District, to award a grant to the Baldwin Hills Regional Conservation Authority for land acquisition and development project when applicable conditions have been met and to administer the grant as of the date of this action and pursuant to procedures in the Procedural Guide for Specified, Per Parcel, and Excess Funds Projects.

4. Authorize an advance of $864,180 of Specified Excess Funds available to the Second Supervisorial District to the Baldwin Hills Regional Conservation Authority, in the same manner and on the same conditions as previously approved by your Board for the advance of funds from the Safe Neighborhood Parks Proposition of 1996 to the Authority.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

Approval of the recommended actions will allocate $864,180 in Specified Excess Funds available to the Second Supervisorial District to the Department of Parks and Recreation (Department) for acquisition of lands for park, wildlife, natural, and open space purposes, and for development of related recreation facilities and public access in the Baldwin Hills.

In a related item on today's agenda, the Chief Executive Officer, on behalf of the Department, which is a designated recipient of Specified Excess Funds for projects under the 1996 Proposition, is requesting that your Board, in its capacity as the County's Board of Supervisors, assign the right to apply for the funds to the Baldwin Hills Regional Conservation Authority (Authority).

It is also recommended that the Director of the Department of Parks and Recreation (Director) be authorized to award the grant and advance the funds to the Authority when applicable conditions have been met, such as grantee qualifications, consistency between the projects and requirements of the 1996 Proposition and grantee agreement with the CEQA requirements for the project, and to administer the grant under procedures previously approved by your Board.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The proposed recommendations further the Board approved County Strategic Plan Goals of Operational Effectiveness (Goal 1), Children, Family, and Adult Well-Being (Goal 2), and Community and Municipal Services (Goal 3), by enhancing recreational opportunities in the Baldwin Hills area of the Second District.

FISCAL IMPACT/FINANCING

Sufficient appropriation is available for the advance to the Authority, in the amount of $864,180, from the Second Supervisorial District portion of the Los Angeles County Regional Park and Open Space District Excess Funds Project Fund (HD6).

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On April 27, 1999, the Los Angeles County Board of Supervisors authorized the formation of the Authority and assigned to the Authority the right to apply to the Los Angeles County Regional Park and Open Space District for a maximum of $8,250,000 allocated to the County under Section (3), Subsection (b), Paragraph (2) of the 1996 Proposition. On October 19, 1999, your Board authorized that those funds be advanced to the Authority, subject to the Procedural Guide for Specified and Per Parcel Projects (Procedural Guide) adopted by your Board on June 17, 1997, on the conditions that those funds and any interest thereon be used for the specified project, acquisition of lands for park, wildlife, natural and open space purposes, and development of related recreation facilities and public access in the Baldwin Hills, and that any documentation normally required for reimbursement by the District will instead be required prior to any expenditure of the advanced funds.

In FY 2008-09 in two different actions, your Board approved the transfer of cumulative $8,228,000 of the funds previously advanced to the Authority back to the Department of Parks and Recreation for implementation of various park projects. Those actions left a balance of $10,311,614.40 in advanced funds to the Authority. Upon the approval of the recommended actions, the total amount of money advanced to the Authority will be $11,175,794.40.

Any interest on the funds advanced are required to be spent for acquisition and development (as concepts not a specific project) in the Baldwin Hills as specified in the 1996 Proposition and governed by the Procedural Guide. The Project Agreement requires that the Authority maintain the advanced funds in an account separate from any other funds and that the Authority provides the District with quarterly status reports which include a detailed description of all activity of that account. Any documentation normally required by the Procedural Guide to be submitted to the District, prior to the receipt of District funds, are required to be submitted to the District prior to expenditure of funds from the advanced funds account.

The Authority has in the past, and expects to examine a variety of acquisition and development options to carry out its purposes, and requests that it be authorized to continue:

- to expend the grant funds to pay interest costs on acquisitions as allowable acquisition costs;
- to be allowed to pay for pre-construction and pre-acquisition (e.g., planning and preparation of cost estimates) costs on projects undertaken but not completed with these funds, in an amount not to exceed 20 percent of the 25 percent of the grant that is available for non-construction and/or non-acquisition costs; and
- because the Authority does not have staff or other resources needed to carry out a program of community involvement in the planning process, which it considers vital to the success for projects in the Baldwin Hills, it requests that the costs of providing public information remain eligible for District funding.

The 1996 Proposition provides a method for determining each fiscal year the amount of funds available in the following fiscal year to fund capital improvement projects in addition to the amounts specifically identified for projects in the Safe Neighborhood Parks Propositions of 1992 and 1996. The recommended grant would be funded from the Excess Funds available to the Second Supervisorial District from Specified Excess Funds.

The Board may establish additional conditions on grants of Excess Funds. The Director would be authorized to award grants when all applicable conditions have been met. Any funds allocated by the Board, but not encumbered by award of a grant contract in the same fiscal year, shall be available for allocation by the Board in the following fiscal year.

Your Board approved a Procedural Guide on June 2, 2009, to govern the administration of Regional Park and Open Space District grants. This Procedural Guide would appropriately govern the administration of the recommended additional grant as well.

Under the applicable Procedural Guide, interest costs and project definition expenses are not eligible for District funding and only those pre-construction and pre-acquisition costs directly related to projects actually completed would be eligible for District funding. However, the great variety of acquisition and development opportunities available in the Baldwin Hills and the expectation that the Authority will continue to attract significant additional funds for these purposes justify the requested expansion of eligible expenditures.

CONTRACTING PROCESS

A Grant Project Agreement will be entered into and administered under authority delegated to the Director of Parks and Recreation and pursuant to the Procedural Guide approved by the Board June 2, 2009. The Project Agreement will be approved as to form by County Counsel.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The recommended advance of funds will provide for the acquisition and/or development of land in the Baldwin Hills area in the Second Supervisorial District.

ENVIRONMENTAL DOCUMENTATION

All public agency projects funded by the Los Angeles County Regional Park and Open Space District are required to comply with California Environmental Quality Act (CEQA) as a condition of the grant. The lead agency is responsible for preparing the appropriate environmental documentation for the project. The Baldwin Hills Regional Conservation Authority is the lead agency for the acquisition and/or development of land in the Baldwin Hills Area Project.

The proposed administrative actions are not subject to CEQA in that the actions do not meet the definition of a project according to Sections 15378 (b)(4)(5) of the State CEQA Guidelines, because the actions are administrative activities for government grants which by their terms do not involve any commitments to any specific projects which may result in a potentially significant physical impact on the environment.

CONCLUSION

Please instruct the Executive Officer-Clerk of the Board to return one conformed copy of this action to the Chief Executive Office, Capital Projects Division, and to the Department of Parks and Recreation.

Respectfully submitted,

Russ Guiney
Director, Parks and Recreation

RG:IV:LB:OPENSPACEDISTRICT(BHRCA ADVANCE 2009)

c: Chief Executive Officer
Acting County Counsel
Executive Officer, Board of Supervisors