COUNTY OF LOS ANGELES
DEPARTMENT OF PARKS AND RECREATION
"Parks Make Life Better!"
Russ Guiney, Director John Wicker, Chief Deputy Director

January 20, 2015

TO: Mayor Michael D. Antonovich
Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe

FROM: Russ Guiney
Director

SUBJECT: **REPORT ON STATUS OF UNALLOCATED FUNDS FROM PROPOSITION A**

On January 6, 2015, Mayor Antonovich asked for a report back on the status of the unallocated funds from Proposition A, as well as a clarification on the discretion your Board has in expending the unallocated funds.

The Regional Park and Open Space District (RPOSD) reports a combined unallocated fund balance from Proposition A to be approximately $162 million.

Proposition A 1992 and Proposition A 1996 provide your Board the discretion to use the Proposition A funds for substitute or alternative projects. RPOSD has traditionally consulted the Supervisorial District where the funding was originally intended to be utilized prior to making a recommendation to your Board.

The $162 million is the approximate combined balance of unallocated funds from the 1992 and 1996 Proposition A measures. The unallocated funds are broken down by specific Proposition A categories, they are as follows:

$143 million in Excess Funds

Excess Funds are those funds that the independent financial consultant finds are remaining from the revenue after amounts are expended for capital outlay, allocated for maintenance and servicing, for debt service and administrative costs. Each June, the RPOSD identifies and declares Excess Funds in its Annual Revenue and Expenditure Report. When Excess Funds are declared, they are divided evenly by Supervisorial District and then into the four categories. The categories and division of the funds are:

1) Big 5 (45%): The five highest priority regional, park, open space and recreation projects in the County (LA River, Baldwin Hills, Santa Monica Mountains, Ballona Creek, and the Whittier/Puente Hills Wildlife Corridor).
2) County (22.5%): Projects within the unincorporated County areas.
3) Cities (22.5%): Projects within the incorporated areas in the County.
4) Competitive (10%): Projects with the Supervisorial District that are awarded in a competitive grant program.

RPOSD staff provides a quarterly report to the Board on these funds. The Excess Funds balances from the September 30, 2014 quarterly report are as follows:

1st District	$36,888,406
2nd District	$19,445,887
3rd District	$11,626,580
4th District	$42,658,121
5th District	$32,717,937
Total:	$143,336,931

$5.6 million in Specified Funds from the 1992 Proposition A (Section 8.3)

There have been four rounds of countywide competitive grant programs from Prop A 1992 Specified Funds. The most recent program was completed in 2000, with over $10 million awarded to 61 projects.

The majority of the $5.6 million remaining from Prop A 1992 funds are specified for competitive grants and will be allocated through a countywide competitive grant program which the RPOSD expects to begin in the spring of 2015.

$13.5 million in Specified Funds from the 1996 Proposition A

These funds are Specified Funds and the majority fall into the projects identified below:

$10,000,000 to Wildlife Corridor Conservation Authority (WCCA)
For acquisition, improvement, and/or restoration of park and natural lands in the Puente Hills Wildlife Corridor east of Colima Road (Section 3.b.14)

- Your Board adopted a Board Letter on March 4, 2014, which included an alternative plan of expenditure for $575,000 of 3.b.14 funds for two Department of Parks and Recreation projects within the Wildlife Corridor. The District is continuing its efforts with 4th District to identify additional projects in the Wildlife Corridor for future approval by your Board.

$500,000 to DCFS for Mac Laren Hall
Recreational improvements (Section 3.a.3. as called out in Section 8.b.)

- Supervisor Solis' staff has indicated, that she will consider alternative use(s) of Mac Laren Hall that will be compatible with a Prop A project. Staff from 1st District and RPOSD will be visiting the site and analyzing the potential project.
- If either the project site or the recipient agency is to be changed, Board action will be required to reallocate the funds to an alternative project via an Alternative Plan for Expenditure.

$2,500,000 to MRCA for an At-Risk Youth Camp
In the Whittier/Puente Hills Wildlife Corridor (Section 3.a.3. as called out in Section 8.b.)

- A suitable project has yet to be identified for the unexpended $2.5 million.
- As with the remaining 3.b.14 funds, RPOSD continues to work with the 4th District to identify alternatives for expenditure of the $2.5 million.

$500,000 to Department of Public Works (DPW) for Competitive Grants
That improve the health of Santa Monica Bay

DPW allocated the majority of this funding ($3.5 million to date) in previous competitive grants. DPW and RPOSD are working together to add the remaining funds to the RPOSD's countywide competitive grant program in spring of 2015.

No unallocated amounts of Per Parcel Funds

There are no unallocated fund balances from either of the Propositions, except for a nominal amount of $300.

If you have any questions, please contact me at (213) 738-2951 or your staff may contact Jane I. Beesley, Administrator of the Regional Park and Open Space District at (213)738-2981.

RG:JIB:lb

c: Chief Executive Office (S. Hamai, R. Goff, R. Robinson)
Acting Executive Office Board of Supervisors (P. Ogawa)
Park Deputies (T. Villegas, K. Katona, M. Chong-Castillo, E. Stibal, S. Nemer)
Regional Park and Open Space District (J. Beesley)