

MEASURE
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IMPLEMENTATION STEERING COMMITTEE MEETING #8 FEBRUARY 15, 2018



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TODAY'S AGENDA

1. Project Update
2. Bonding
3. Policies, Part 2
 - Category 2 Policies
 - 4.5% Agency Allocation from M&S
 - “Innovation and Oversight” Category Policy
4. Public Comments



- Goal of Measure A
- Topics Addressed to Date
- Your Comments
- Remaining Work



1. PROJECT UPDATE

1. PROJECT UPDATE

Goal of Measure A

“It is the intent of this proposition to provide funds to **benefit property and improve the quality of life throughout the District** by preserving and protecting parks, safe places to play, community recreation facilities, beaches, rivers, open spaces, water conservation, youth and veteran career development, and the urban tree canopy.” *Measure A, Section 4 (page 10)*



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1. PROJECT UPDATE

Topics Addressed to Date

- Definition of Eligible Agencies/Organizations
- RPOSD Enrollment Process
- Expenditure Plan
- Creation of TAP, designation of funds for Planning and Design
- Community Engagement Requirements
- Competitive Grant Guidelines
 - Pre-application Process
 - Approach to Grant Cycles
 - Grant Calendars
 - Award Brackets
 - Project Requirements (Eligibility/Feasibility)
 - Evaluation Criteria



1. PROJECT UPDATE

Topics Addressed to Date

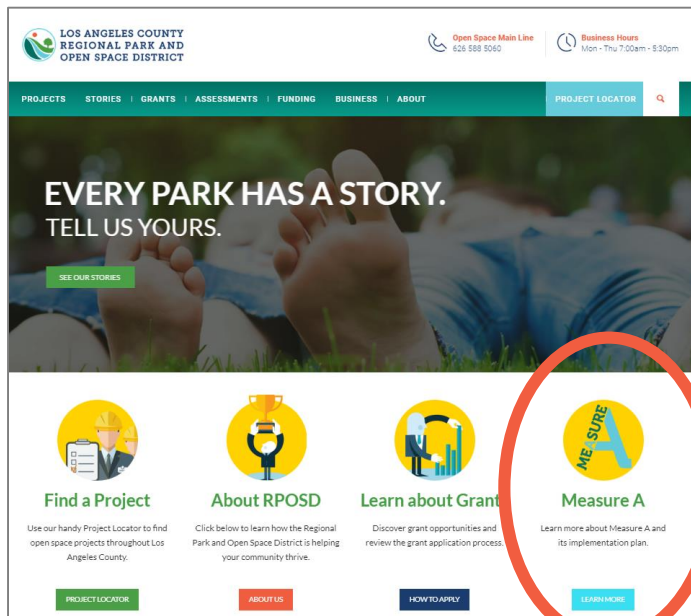
- Policies
 - Sharing Category 1 & 2 Allocations Between SA Policy
 - Unincorporated Islands within City Study Areas Policy
 - Annual Allocation Bonding Policy
 - General Grantmaking Policy
 - Variable Allocations Policy
 - Board of Supervisors Annual Designated Projects Policy
 - Consumer Price Index Update Policy



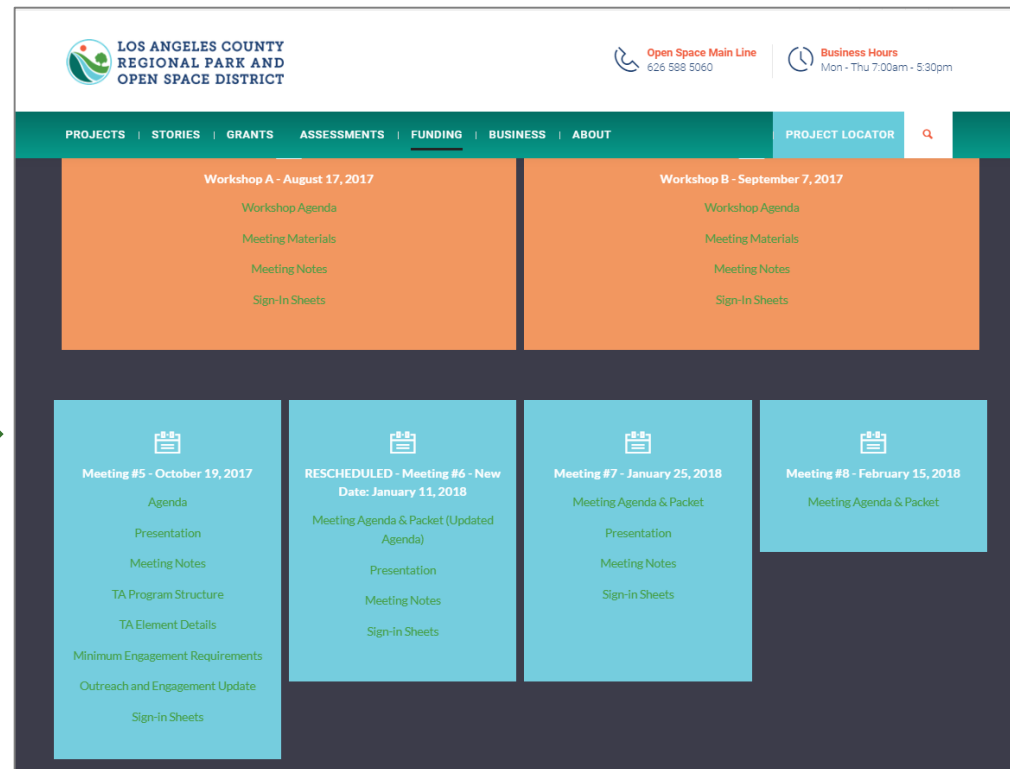
1. PROJECT UPDATE

Topics Addressed to Date

- All meeting materials are available for download on the Measure A pages of RPOSD's website:



www.RPOSD.LAcounty.gov



1. PROJECT UPDATE

Your Comments

- Comments are considered by the RPOSD team through a process of discussion, research, considerations of implications, and finding balance to achieve goals of Measure A
- Schedule results in lag time between when comments are received and when revisions are brought back to Steering Committee
- Written comments are welcome before and after each meeting, although consideration must be given to the overall schedule
- Summary notes of meetings are available on the RPOSD website after each Steering Committee meeting



1. PROJECT UPDATE

Remaining Work

- Continue revisions to previous work, bring revised versions back to Steering Committee
- Address remaining topics:
 - Tracking and Evaluation: Project Status, Fund Distribution, Community Engagement, and Technical Assistance
 - Park Needs Assessment Data Updates
 - Project Delivery/Grant Administration
 - Citizens Oversight Advisory Board Formulation

1. PROJECT UPDATE

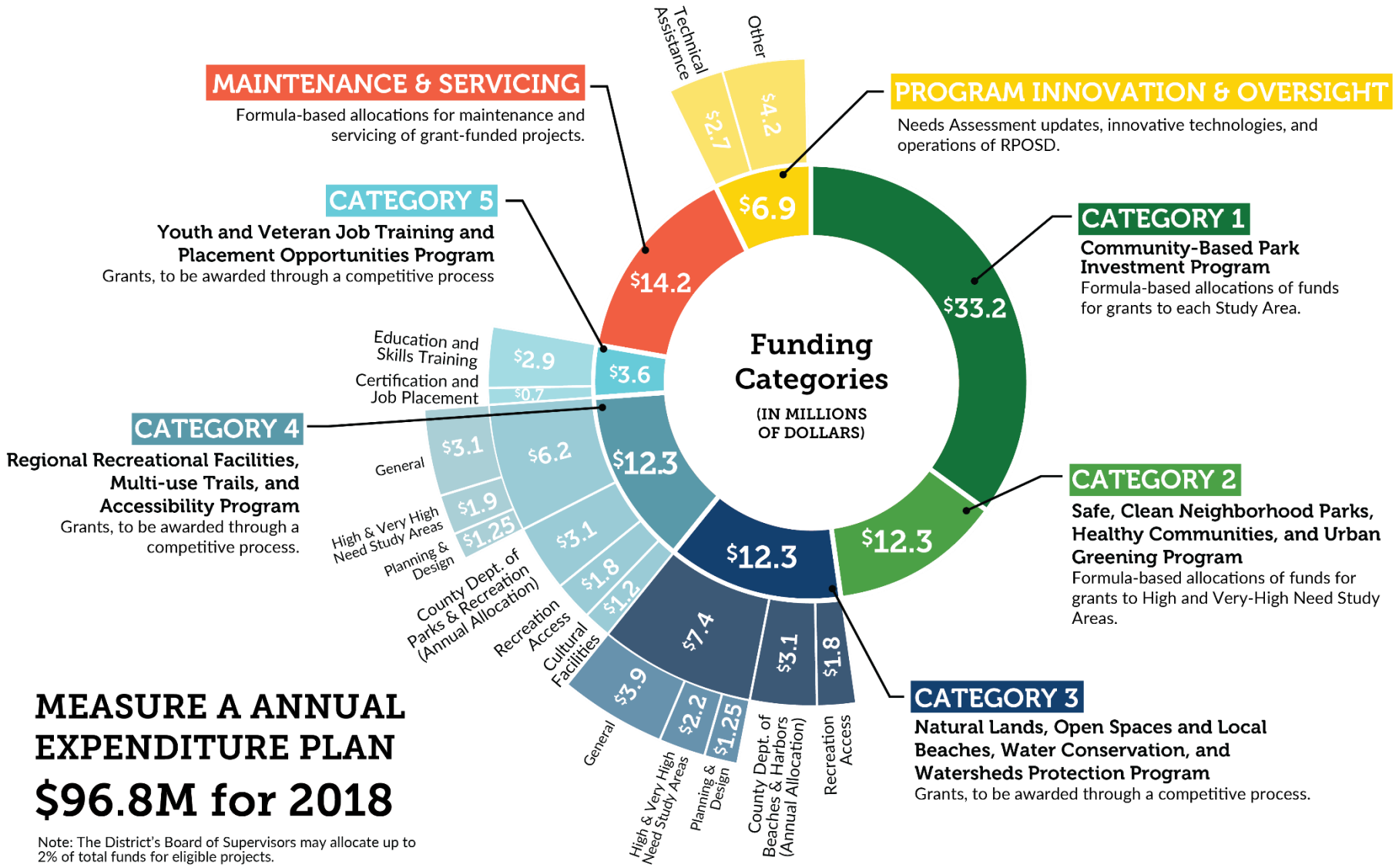
Remaining Work

- Final Draft Grant Guidelines Procedures and Policies Recommendations document will be **sent for your review 2 weeks before final Steering Committee Meeting**
- Document will then be **reviewed by County Counsel and Board of Supervisors**; further revisions may be made
- Final Grant Guidelines Procedures and Policies will be **considered for adoption** by the Board of Supervisors acting as the Board of the Regional Park and Open Space District



- Category 1 & 2 Bonding Approach
- Category 3 & 4 Bonding Scenarios

2. BONDING

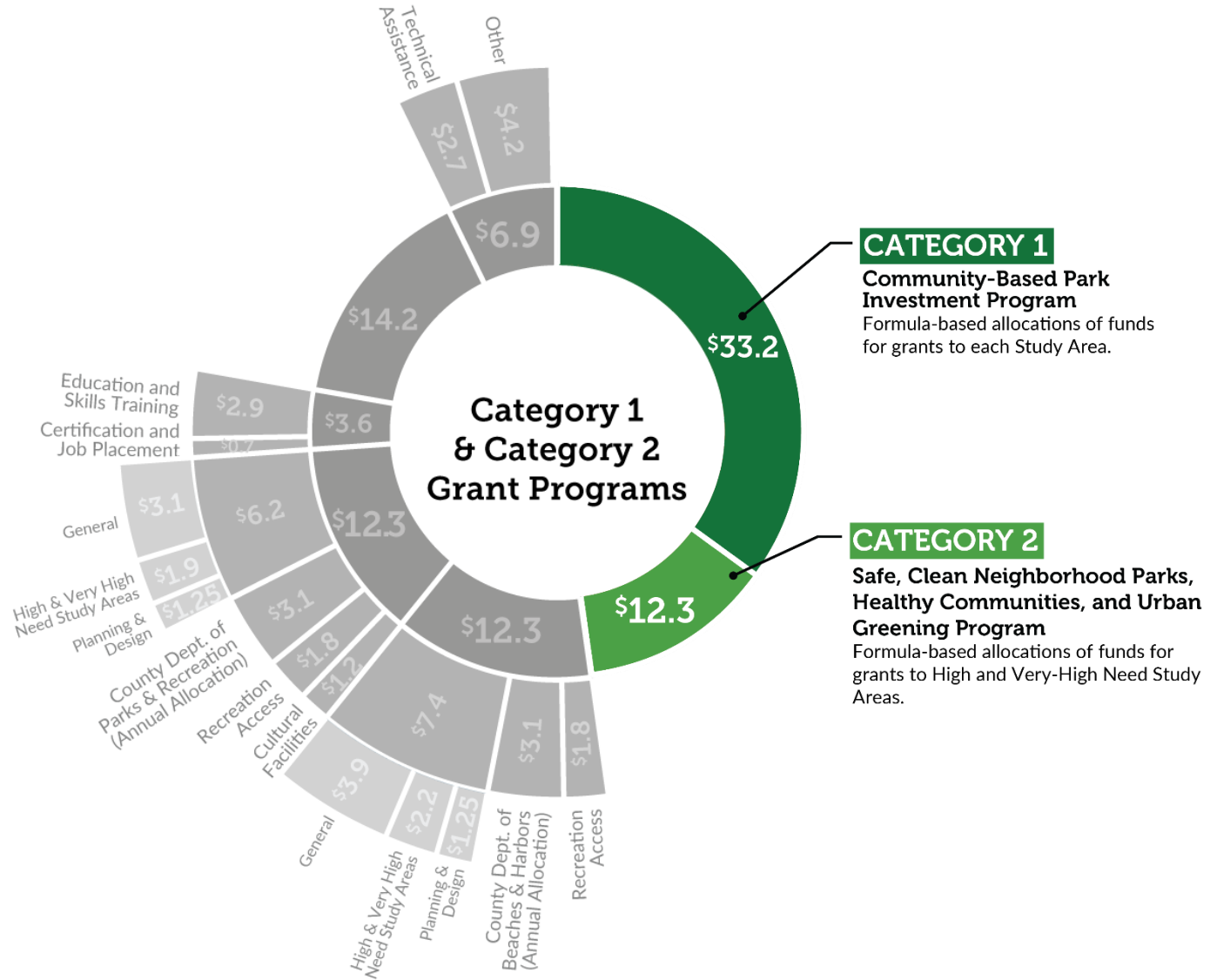


MEASURE A ANNUAL EXPENDITURE PLAN \$96.8M for 2018

Note: The District's Board of Supervisors may allocate up to 2% of total funds for eligible projects.



2. BONDING



CATEGORY 1
Community-Based Park Investment Program
 Formula-based allocations of funds for grants to each Study Area.

CATEGORY 2
Safe, Clean Neighborhood Parks, Healthy Communities, and Urban Greening Program
 Formula-based allocations of funds for grants to High and Very-High Need Study Areas.



2. BONDING

Category 1 & 2 Bonding Approach

- Funds generated through bonding may be used only to finance eligible Measure A capital projects.
- Bonds will be issued by Los Angeles County on behalf of RPOSD and the requesting jurisdictions
- Local jurisdictions may choose to bond against some or all of their Category 1 and Category 2 allocations.
- RPOSD may limit the percentage of Category 1 & 2 revenue used to secure bonds to account for possible reductions in revenue over time.



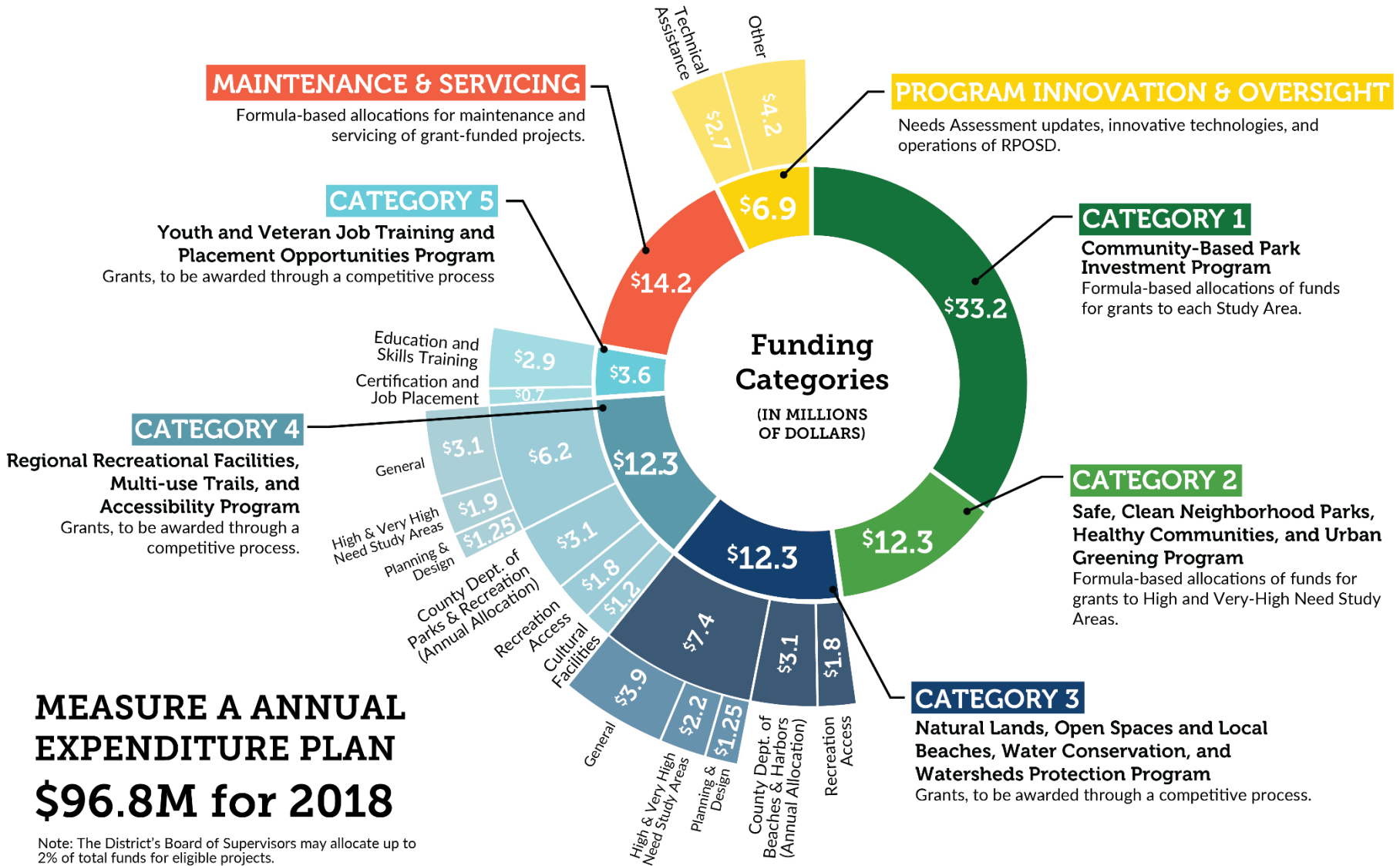
2. BONDING

Category 1 & 2 Bonding Approach

- Bonds will only be issued when the total demand from eligible jurisdictions is \$100 million or more (or an alternative amount determined by LA County Treasurer/Tax Collector to be financially prudent).
- Potential projects must meet bond counsel requirements for certification that the projects being funded qualify the interest paid on the bonds to be exempt from taxes.



2. BONDING



MEASURE A ANNUAL EXPENDITURE PLAN \$96.8M for 2018

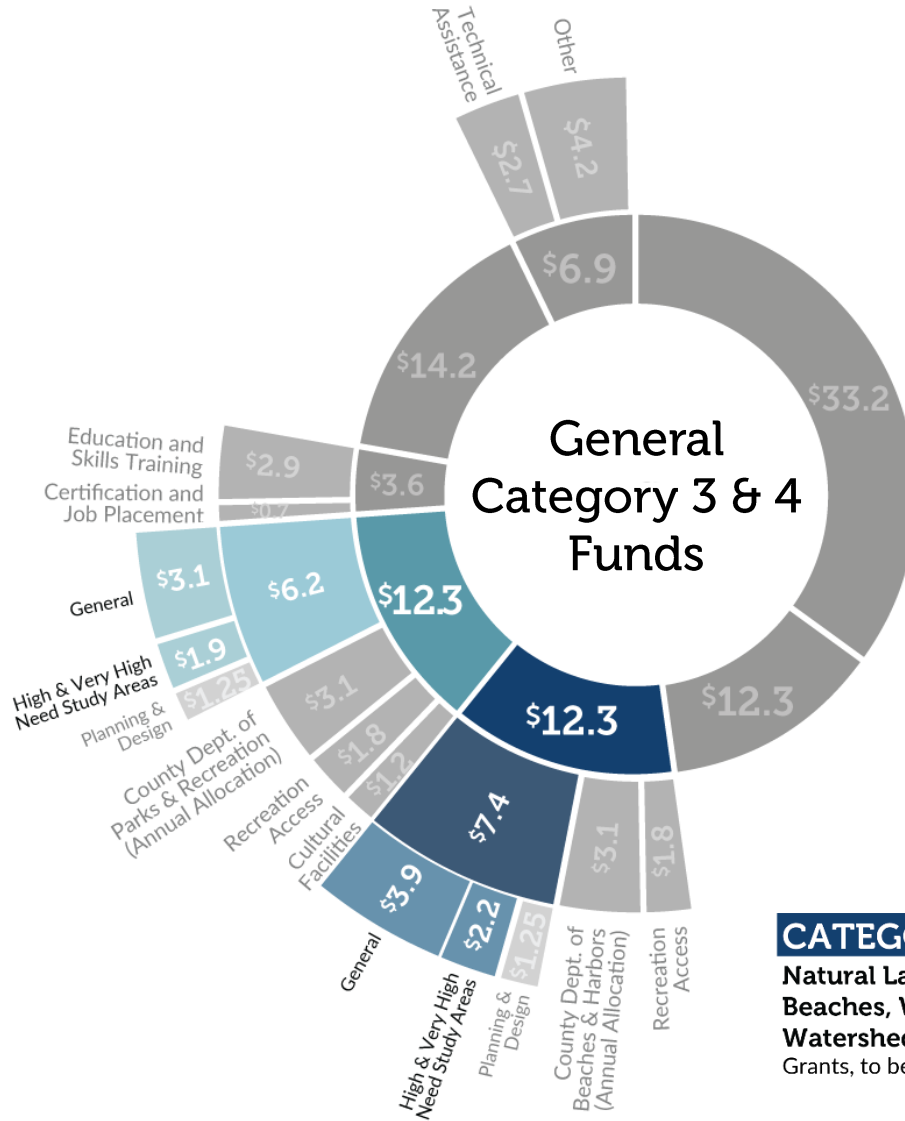
Note: The District's Board of Supervisors may allocate up to 2% of total funds for eligible projects.



2. BONDING

CATEGORY 4

Regional Recreational Facilities, Multi-use Trails, and Accessibility Program
Grants, to be awarded through a competitive process.



CATEGORY 3

Natural Lands, Open Spaces and Local Beaches, Water Conservation, and Watersheds Protection Program
Grants, to be awarded through a competitive process.

2. BONDING

Category 3 & 4 Bonding Scenarios

- **Bonded funds must be spent on capital improvements,** although up to 30% of funds can be dedicated to “soft costs.”
- All projects using bonded funds **must be identified prior to the issuance** of the bond.
- All bond funds **must be expended within three years** of bond issuance.



2. BONDING

Category 3 & 4 Bonding Scenarios

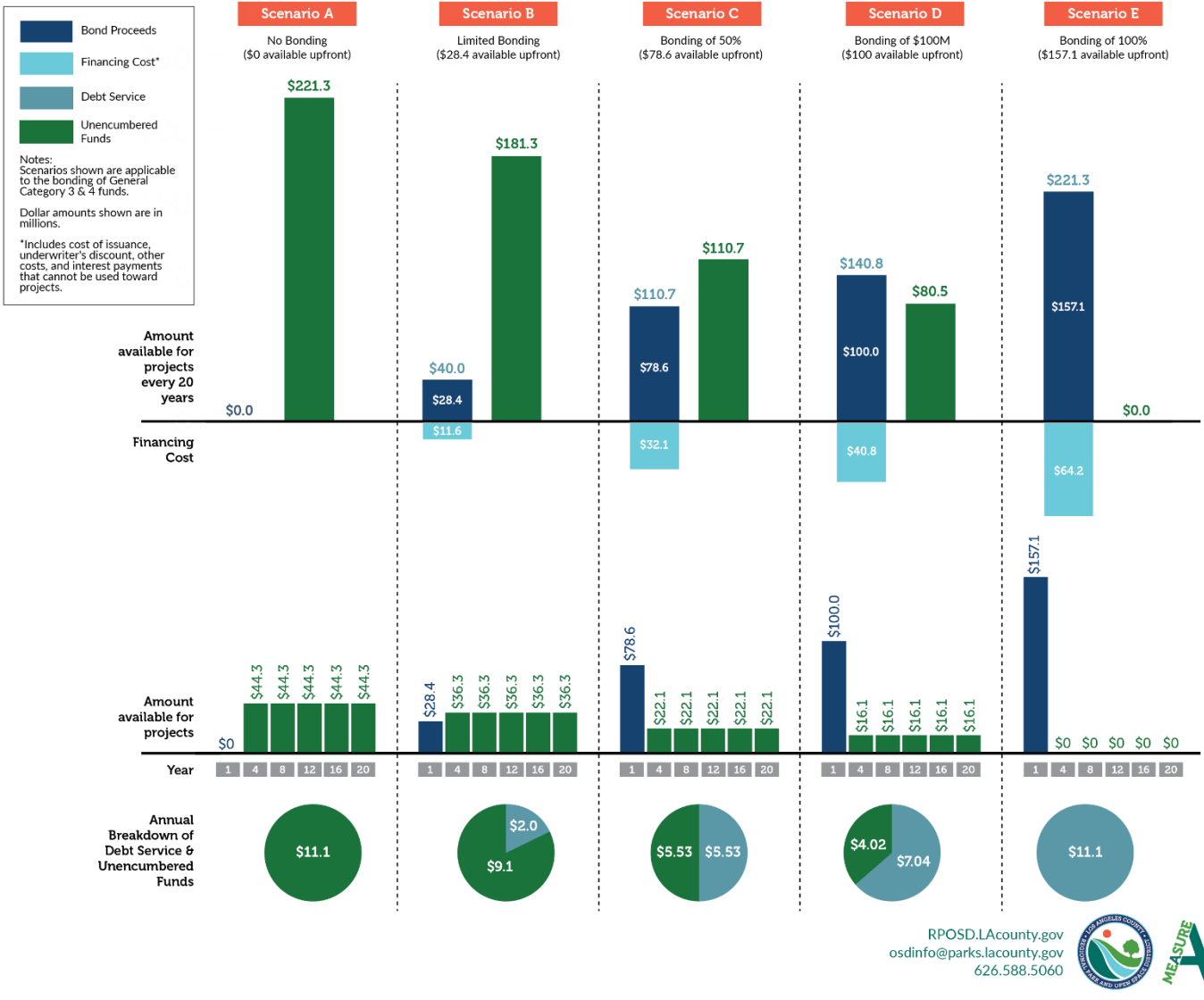
Assumptions:

- In scenarios where less than \$100 million of General Category 3 and 4 funds are bonded, it is assumed that this will be supplemented by bonding of Category 1 and 2 funds to reach \$100 million.
- A 20-year maturity is assumed for all scenarios.
- The financing cost of bonding is calculated using a multiplier of 14.2 times the total amount bonded.



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Figure 1: General Category 3 & 4 Bonding Scenarios



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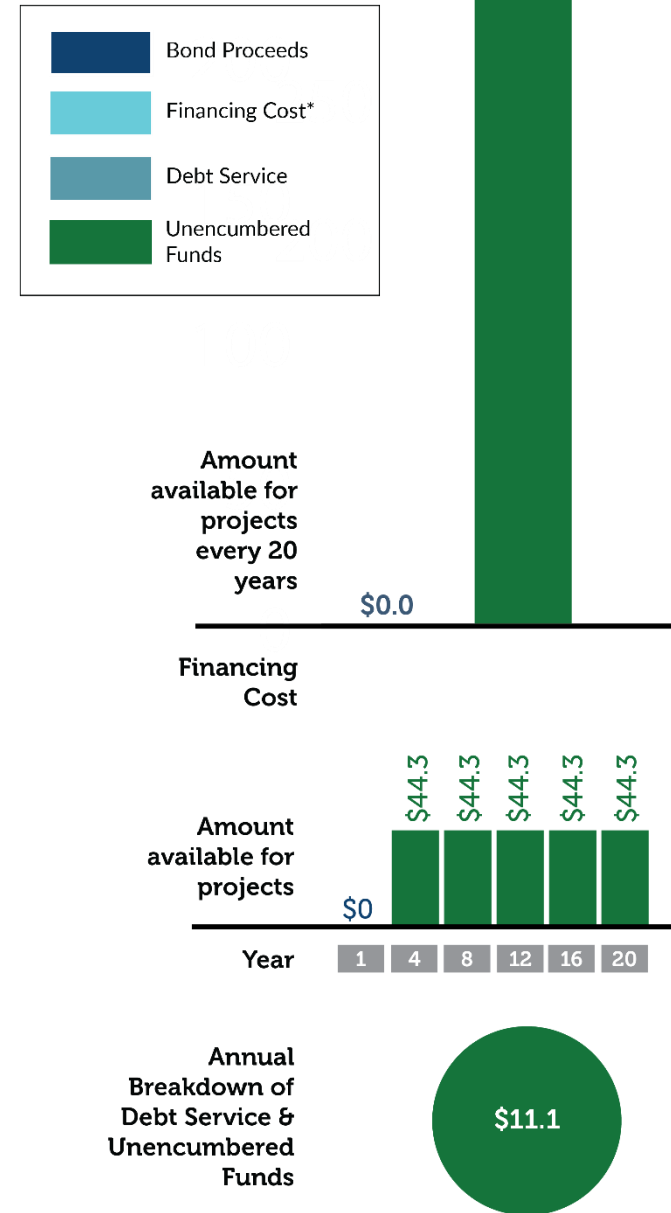


2. BONDING

Category 3 & 4 Bonding Scenarios

Scenario A: No Bonding

- Scenario A would not dedicate any Category 3 or 4 funds to bond funding.
- Scenario A would leave just over \$11 million per year in unencumbered General Category 3 and 4 funds, which would provide \$44.3 million for competitive grants of every four years.

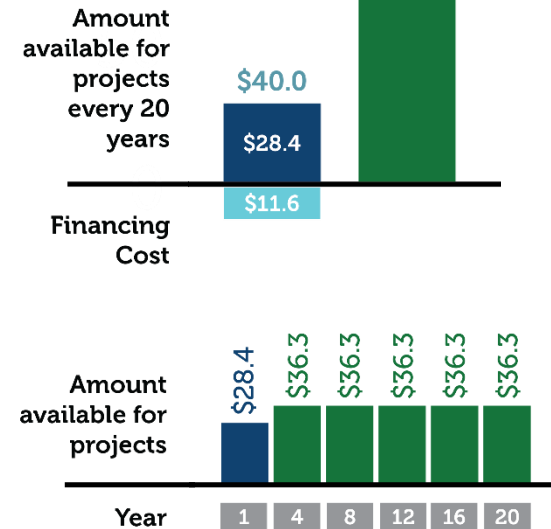
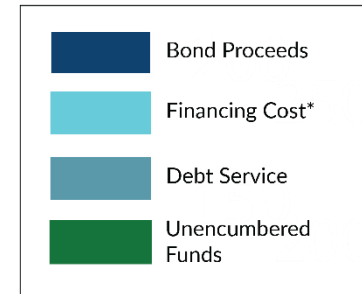


2. BONDING

Category 3 & 4 Bonding Scenarios

Scenario B: Limited Bonding

- Scenario B would dedicate \$2 million per year to bond funding, resulting in total debt service of \$40 million over 20 years.
- Of this \$40 million, \$28.4 million would be available in bond proceeds, while \$11.6 million would go toward financing costs.
- After bonding, Scenario B would leave just over \$9 million per year in unencumbered General Category 3 and 4 funds, providing \$36.3 million for competitive grants every four years.

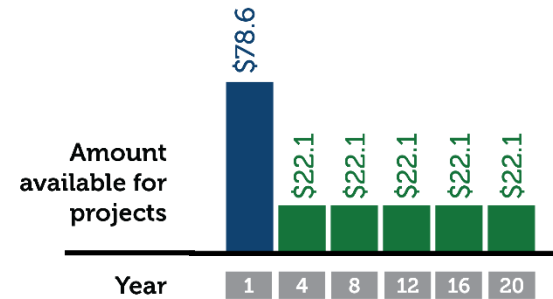
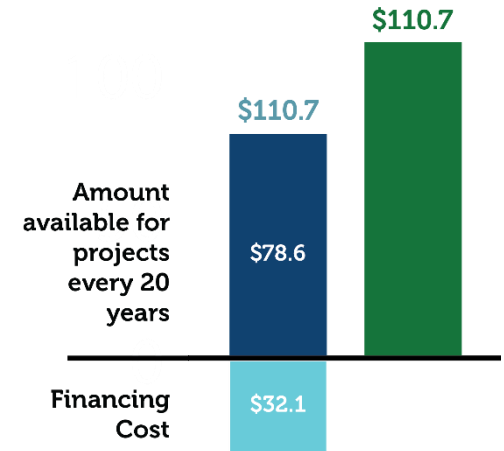


2. BONDING

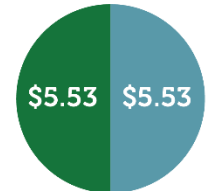
Category 3 & 4 Bonding Scenarios

Scenario C: Bonding 50%

- Scenario C would dedicate just over \$5.5 million per year to bond funding, resulting in total debt service of \$110.7 million over 20 years.
- Of this \$110.7 million, \$78.6 million would be available in bond proceeds, while \$32.1 million would go toward financing costs.
- After bonding, Scenario C would leave just over \$5.5 million per year in unencumbered General Category 3 and 4 funds, providing \$22.1 million for competitive grants every four years.



Annual Breakdown of Debt Service & Unencumbered Funds

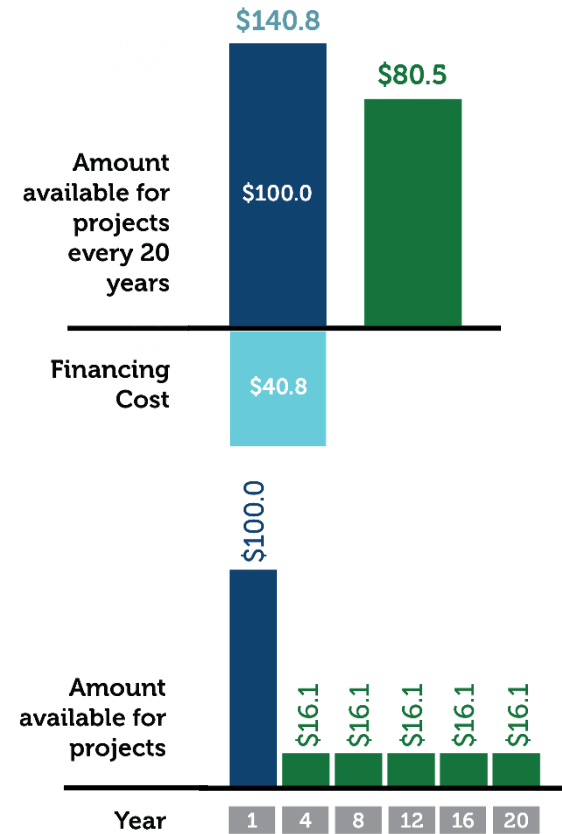


2. BONDING

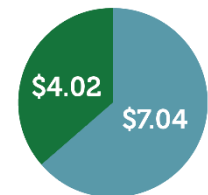
Category 3 & 4 Bonding Scenarios

Scenario D: Bonding \$100M

- Scenario D would dedicate just over \$7 million per year to bond funding, resulting in total debt service of \$140.8 million over 20 years.
- Of this \$140.8 million, \$100 million would be available in bond proceeds, while \$40.8 million would go toward financing costs.
- After bonding, Scenario D would leave just over \$4 million per year in unencumbered General Category 3 and 4 funds, providing \$16.1 million for competitive grants every four years.



Annual Breakdown of Debt Service & Unencumbered Funds

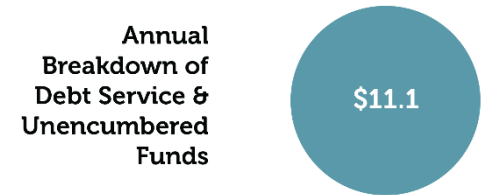
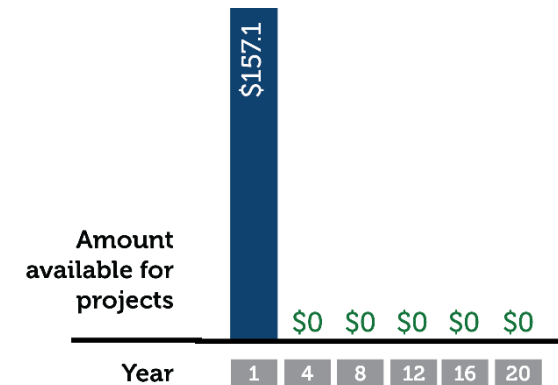
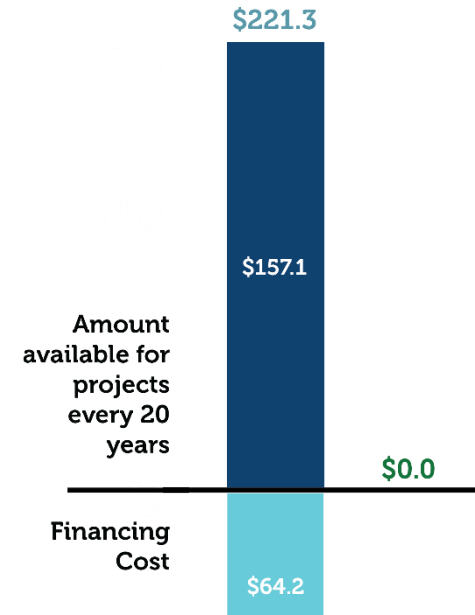


2. BONDING

Category 3 & 4 Bonding Scenarios

Scenario E: Bonding 100%

- Scenario E would dedicate all General Category 3 and 4 funds (just over \$11 million per year) to bond funding, resulting in total debt service of \$221.3 million over 20 years.
- Of this \$221.3 million, \$157.1 million would be available in bond proceeds, while \$64.2 million would go toward financing costs.
- Scenario E has no unencumbered General Category 3 and 4 funds, and there would not be any General Category 3 and 4 competitive grants during the 20 year bonding period.



2. BONDING

Category 3 & 4 Bonding Scenarios

Key Considerations:

- Bonded funds could be used as matching funds for anticipated and existing funding programs at the federal, state, and local levels.
- Using bonded funds for projects may provide a cost benefit, as construction and acquisition costs tend to increase over time.
- Would result in completion of many “shovel-ready” projects in a short timeframe



2. BONDING

Category 3 & 4 Bonding Scenarios

Key Considerations:

- Bonding reduces the total amount of funds available for projects and reduces the amount of funds available for on-going grant cycles.
- Reduced amount of funds for on-going grant cycles increases competitiveness of each cycle.
- Agencies without “shovel-ready” projects may need technical assistance to develop projects, a process which may not be complete prior to the issuance of bonds.

- 
- Category 2 Policies
 - Nonprofit M&S Allocation
 - Innovation and Oversight

3. POLICIES, PART 2

3. POLICIES, PART 2

Category 2 Policies

Measure Reference

- Reducing park need levels in Los Angeles County is one of the desired outcomes of Measure A.



Category 2 Policies

Recommendations

- Any High or Very High Need Study Area that successfully reduces park need and is determined to have Moderate need or better shall continue to receive Category 2 funds for the longest of the following three time periods:
 1. A minimum of five years after the need level has changed; or
 2. Upon the update of the PNA; or
 3. To the extent funds are used for bond service, until the bond matures
- Study Areas that improve to Moderate or better shall no longer be eligible for targeted funds in General Category 3 & 4 competitive grants, as these are targeted to High and Very High Need Study Areas only.

3. POLICIES, PART 2

Nonprofit M&S Allocation

Measure Reference

- Of funds dedicated to M&S, 4.5% are directed to eligible nonprofit organizations that own, operate, or both, parklands consistent with the resolution



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3. POLICIES, PART 2

Nonprofit M&S Allocation

Recommendations

- Funds shall be distributed proportionally, subject to District approval, based on the ratio of the amount of funding available for distribution vs. the funding amount requested by eligible applicants.
- Proposed budgets shall be reviewed by RPOSD for accuracy and all applicants shall be subject to audit of M&S funds.





4. PUBLIC COMMENT

Upcoming Meetings

All future meetings will be held at the LA River Center

- **Steering Committee Meeting #9**

March 1st, 9:30 am-12 noon

Discussion of Scoring Criteria Themes from January 11th
Steering Committee Meeting

NOTE: If you have background information that you would like to share with the Steering Committee prior to this discussion, **please send to jwuyek@placeworks.com by Tuesday, February 20th.**

Background information includes reports, articles, white papers, research summaries, etc.

Please send in PDF format or hyperlink only.



Upcoming Meetings

All future meetings will be held at the LA River Center

- **Steering Committee Meeting #10**
March 15th, 9:30 am-12 noon
Project Status and Fund Distribution Tracking; Engagement
- **Meeting Previously Scheduled for March 29 is CANCELLED**
- **Steering Committee Meeting #11**
April 5, 9:30 am-12 noon
Competitive Grant Scoring Rubrics; Revised TAP; Revised Community Engagement Requirements; Final Bonding Policy, General Grantmaking Policy

