



## MEMORANDUM

DATE April 19, 2018  
TO Measure A Steering Committee  
FROM Los Angeles Regional and Open Space Park District  
SUBJECT Revised Policies – Bonding and Grantmaking

The following two policies have been revised to reflect comments received from Steering Committee members, members of the public, Board of Supervisors offices and RPOSD staff.

### REVISED BONDING POLICY

#### Annual Allocations

- **Bonding Allowed** – Local jurisdictions may choose to bond against some or all of their annual allocations<sup>1</sup> in order to make funds available for large capital projects. Bonds will be issued by Los Angeles County on behalf of RPOSD and the requesting jurisdictions.
- **Limitations** – Funds generated through bonding may be used only to finance eligible Measure A capital projects.
- **Minimum Bond Issuance** – RPOSD will request Los Angeles County issue bonds to finance eligible Measure A projects if and when the aggregate requested by local jurisdictions exceeds \$100 million in anticipated bond proceeds, or an alternative amount determined by the Los Angeles County Treasurer/Tax Collector to be financially prudent. No bonds shall be issued at any time when the total demand from eligible jurisdictions is less than \$100 million, or an alternative amount determined by the Los Angeles County Treasurer/Tax Collector to be financially prudent.
- **Timing of Bond Issuance(s)** – Bonds will be issued no more frequently than once every two years, and only in compliance with the minimum bond issuance amount requirements.
- **Commitment to Bond Financing for Eligible Projects** – Each eligible local jurisdiction receiving annual allocations from Measure A shall decide on its own what proportion (if any) of its annual allocation will be used to secure bonds to finance eligible projects.

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<sup>1</sup> Annual allocations include Community-Based Park Investment Program; Neighborhood Parks, Healthy Communities & Urban Greening Program; and allocations to County Cultural Facilities, Department of Parks and Recreation and Department of Beaches and Harbors

- **Limits on Revenue Used to Secure Bond Financing** – RPOSD may limit the percentage of annual allocation that an eligible jurisdiction may use to secure bond financing for eligible projects in order to account for possible reductions in an eligible recipient’s revenue resulting from changes in per capita and/or square feet of structural improvements.
- **Application and Project Description** – Jurisdictions intending to use bonding to finance eligible projects shall submit an application (following normal Measure A procedures being developed at this time) that includes a project description of the intended use(s) of the bond funds with sufficient detail to enable bond counsel to certify that the project(s) being funded qualify the interest paid on the bonds to be exempt from taxes.
- **Timely Completion of Projects** – Bond funded projects must be complete within three years from the time the bond proceeds are made available to the local jurisdiction by Los Angeles County. The time to complete projects may be changed to reflect changes in federal law, regulations, and the interpretations of bond counsel and the Los Angeles County agencies involved in the issuance of bonds. The application materials submitted by jurisdictions intending to use bonding to finance eligible projects shall demonstrate the ability to meet this requirement. Failure to complete project within specified timeframe will results in loss of grantee’s good standing.

### **Competitive Grant Funds**

- **Bonding Allowed** – Bonding of Natural Lands, Local Beaches, Water Conservation and Protection; Regional Recreation, Multi-use Trails, and Accessibility; and Acquisition-only competitive grant program funds shall be allowed. Bonds will be issued by Los Angeles County on behalf of RPOSD.
- **Limitations** – Funds generated through bonding may be used only to finance capital projects that meet the requirements of the specified competitive grant programs.
- **Minimum Bond Issuance** – RPOSD may request Los Angeles County issue bonds to finance eligible projects from the specified competitive grant programs when the aggregate amount required for these projects exceeds \$100 million in anticipated bond proceeds, or an alternative amount determined by the Los Angeles County Treasurer/Tax Collector to be financially prudent. Alternatively, RPOSD may issue bonds when the demand from eligible jurisdictions plus the amount needed for competitive grant projects exceeds the specified minimum bond issuance requirement.
- **Timing of Bond Issuance(s)** – RPOSD shall balance both demand for bonded competitive grant funds and the technical assistance needs of jurisdictions considering applying for competitive grant funds when determining the timing of bond issuance. Any competitive grant funds not bonded shall be available according to the schedule detailed in the Competitive Grant Calendar.

- **Application and Project Description** – Jurisdictions intending to use bonding to finance eligible projects shall submit an application (following normal Measure A procedures being developed at this time) that includes a project description of the intended use(s) of the bond funds with sufficient detail to enable bond counsel to certify that the project(s) being funded qualify the interest paid on the bonds to be exempt from taxes.
- **Timely Completion of Projects** – Bond funded projects must be complete within three years from the time the bond proceeds are made available to the local jurisdiction by Los Angeles County. The time to complete projects may be changed to reflect changes in federal law, regulations, and the interpretations of bond counsel and the Los Angeles County agencies involved in the issuance of bonds. The application materials submitted by jurisdictions intending to use bonding to finance eligible projects shall demonstrate the ability to meet this requirement.

## REVISED GENERAL GRANTMAKING POLICY

RPOSD recognizes the importance of lowering barriers to accessing and administering Measure A funds in order to meet the park need of all residents of Los Angeles County. Measure A includes formula-based funding allocation models for annual allocations in the Community-based Parks Investment Program, the Neighborhood Parks, Healthy Communities & Urban Greening Program, and maintenance and servicing funds. The Neighborhood Parks, Healthy Communities & Urban Greening Program funds are allocated only to High and Very High Need Study Areas. The Per Capita and Structural Improvement formula used for these allocations results in a greater amount of these funds going to densely populated and highly developed areas. This will help to ensure that a portion of funds are utilized in the areas with the highest need. RPOSD has the following grantmaking policies in place for accessing and administering Measure A Funds:

- **Targeting Funds** – A portion of competitive grant funds will be designated for projects in High or Very High Need Study Areas. The portion of funds to be targeted is initially set at 30%. This percent will be evaluated periodically and may increase or decrease in future years. At a minimum, the following grant programs will target funds:
  - Natural Lands, Local Beaches, Water Conservation and Protection Competitive Grants
  - Regional Recreation, Multi-use Trails, and Accessibility Competitive Grants
  - Acquisition-Only Grants

Additional competitive grant programs may include targeted funds in future years.

- **Project Types** – Every competitive grant program will fund project types that are in and/or serve High and Very High Need Study Areas. Descriptions of each competitive grant program cycle will provide examples of project types that could occur in and/or serve High and Very High Need communities.

- **Evaluation Criteria** – All competitive grant programs will include a “Level of Park Need” evaluation criterion. This criterion will consider whether or not a project serves or benefits residents of High or Very High Need Study Areas.
- **Long-Range Planning**– Measure A funding will be consistent with each Study Area’s long-range park planning documents, such as Parks Master Plan, community plan or other adopted planning document.
- **Community Engagement** – RPOSD will require appropriate community involvement and engagement for all projects funded by Measure A.
- **Monitoring and Correction** – RPOSD will consistently monitor, track, and if necessary, adjust the administration of both competitive funding and annual allocations, to ensure that the goals of Measure A are being met.
- **Technical Assistance** – RPOSD will provide technical assistance to potential applicants and grantees throughout the stages of the grant process to ensure that barriers to applying for, receiving, and administering funding are reduced.