

DATE: July 9, 2018
TO: RMC Governing Board
FROM: Mark Stanley, Executive Officer
SUBJECT: Item 8: Consideration of a resolution approving a grant extension to the Los Cerritos Wetlands Authority for the Bryant Acquisition (RMC 17013)

PROGRAM AREA: Rivers and Tributaries

PROJECT TYPE: Acquisition

JURISDICTION: Los Cerritos Wetlands Authority

PROJECT MANAGER: Sally Gee

RECOMMENDATION: That the RMC authorize a grant amendment to the Los Cerritos Wetlands Authority for the Los Cerritos Wetlands Acquisition of the Bryant Properties to extend the timeline from June 30, 2018, through December 31, 2020 (RMC17013).

PROJECT DESCRIPTION: This grant amendment request from the Los Cerritos Wetlands Authority (LCWA) extends the grant from June 30, 2018 to December 31, 2020. This extension will allow the LCWA to negotiate the final price of the properties with the owner, obtain approval of cash releases from funding sources for the acquisition, and allow sufficient time for project closure when the acquisition is finalized.

The LCWA currently owns approximately 172 acres of coastal wetland habitat within the Lower San Gabriel River watershed in the Cities of Seal Beach and Long Beach and the LCWA is seeking to acquire the frontage and remaining Bryant-Dakin LLC Properties located along 2nd Street/Westminster Avenue in the City of Long Beach, totaling approximately 18 acres (Los County Assessor Parcel Nos 7237-020-053 and 7237-020-054). The west parcel is approximately 12 acres in size and is south along 2nd Street/Westminster Avenue and the east parcel is approximately 6 acres located on the isthmus just north of the LCWA Property on the east side of the San Gabriel River.

On June 19, 2018, LCWA received approval from the Department of General Services for the final appraisal value of the Bryant Properties. LCWA can now enter final negotiations with the property owner, and proceed with the acquisition. In addition, the State Coastal Commission must obtain approval from their Board to release funds for the acquisition, and this topic will appear in either their Fall or Winter agenda. This amendment provides a revised timeline as Exhibit A, attached, to extend the term of the agreement to December 31, 2020.

Exhibit A – Revised Timeline

Exhibit B – Budget

Exhibit C – Map of Project Area

BACKGROUND: The Los Cerritos Wetlands Authority (LCWA) is a joint powers authority formed by the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy (RMC),

State Coastal Conservancy (SCC), City of Long Beach, and City of Seal Beach. The LCWA was formed to provide a comprehensive program of acquisition, protection, conservation, restoration, and environmental enhancement of the Los Cerritos Wetlands. Since its inception in 2006, the LCWA has acquired 172 contiguous acres of the Los Cerritos Wetlands Complex with funding support from the Coastal Conservancy (\$7 million), Wildlife Conservation Board (\$5.1 million), and private donations. Additionally, the City of Long Beach (a joint partner of the LCWA) has purchased 33-acres for a total acreage of 205-acres of Los Cerritos Wetlands in public trust. Therefore, the LCWA is seeking grant funds to purchase the remaining privately-owned properties, the Bryant Properties, since the LCWA has a willing seller; and with this purchase, it will allow the LCWA to complete a comprehensive environmental document for implementation of the restoration. In August 2015 the LCWA adopted the Final Los Cerritos Wetlands Complex Conceptual Restoration Plan (the CRP can be downloaded for your review at <http://www.intoloscerritoswetlands.org>) with the next step being an environmental review of the CRP's three alternatives or a hybrid alternative that may result in a joint Environmental Impact Report and Environmental Impact Statement (EIS/EIR).

As part of the original land sale to the LCWA in 2006, Bryant Properties retained two parcels that extend across the San Gabriel River along 2nd Street/Westminster Avenue. The west parcel is approximately 12.18 acres in size and is south along 2nd Street/Westminster Avenue. The east parcel is approximately 5.65 acres located on the isthmus just north of the LCWA Property and contains wetlands with the only natural population of the rare *Juncus acutus leopoldii* (southwestern spiny rush). In 2015, the LCWA received a willing seller letter from Stephen Bryant indicating the Bryant Dakin LLC family partnership is a willing seller of the two frontage parcels, please see Exhibit D, Bryant's Willing Seller Letter.

These parcels contain a mixture of alkali meadow, southern coastal salt marsh, salt flats and southern coastal brackish marsh habitats and acquisition of these habitats would provide enhancement of stream flow to support habitats for special status, threatened, endangered and at-risk species, increase groundwater storage, provide resilience to climate change and reconnect flood flows with restored flood plains. Restoration potentials could include connecting the San Gabriel River and Haynes cooling channel as potential sources for improved tidal connections. The alkali meadow, salt flats, ruderal wetlands and ruderal uplands on the west parcel offer great potential for restoration of tidal salt marsh through hydrological alterations. The east parcel could be connected to Zedler Marsh and receive tidal exchange from the Haynes cooling channel or San Gabriel River. Additionally, the acquisition of these coastal wetlands would benefit the Southern California coast in strategically persevering coastal estuaries which will restore ecological health and natural system connectivity, and will benefit local water systems and allow for defensible space for sea level rise.

The Bryant Properties are zoned as a business park (office, commercial, and light industrial) in the Southeast Area Development and Improvement Plan subarea 26b (City of Long Beach 2006); although the City of Long Beach has proposed to rezone these parcels wetlands/open space. The East parcel is located in between the LCWA Phase 1 main parcel and the Haynes Cooling Channel, south of 2nd Street/Westminster Avenue, along the eastern bank of the San Gabriel River. This parcel is zoned to be used entire for wetlands restoration in the Southeast Area Development and Improvement Plan subarea 27 (City of Long Beach 2006). The USGS topographic mapping section, range, or township for the study is located within in the Los Alamitos land grant area. The area is very flat with an elevation close to sea level. The CRP completed a series of technical deliverables to incrementally inform the process, and to enable development of restoration alternatives that included the Bryant Properties. At the initiation of this planning effort relatively little had been reported and known about the

environmental setting of Los Cerritos Wetlands but through the CRP planning efforts the following technical studies were completed: existing site base data mapping and GIS database creation; habitat assessment; soil characteristics; upstream activities impacting the wetlands; hydrologic and hydraulic conditions; opportunities and constraints (including oil operations and infrastructure); Native American and cultural considerations; regional wetland habitat needs; and projected sea level rise.

The purchase of the Bryant Properties will allow for tidal influence into Los Cerritos Wetlands and into the the San Gabriel River estuary. The Byrant Properties while modest in size, are critical pieces of the puzzle for the LCWA to acquire and allow for complete and comprehensive restoration. The LCWA in 2006 purchased Phase 1 (67-acres) of the Bryant Properties but Bryant Dakin LLC at that time retained the frontage property, which measures approximately 17.83 acres. Since, the purchase of the Phase 1 Bryant Properties, the LCWA has work tirelessly to develop a purchase plan of the remaining frontage 17.83-acre property; and in 2015, the LCWA received a willing selling letter from the Bryant Properties (please see Exhibit D: Bryant's Willing Seller Letter). The property landowner is now finally interested in selling the property to the LCWA and if this occurs the land will be set aside into perpetuity for conservation and ecological restoration purposes. The parcel straddles the San Gabriel River and is the frontage between the LCWA's Phase 1 property purchased in 2006 and 2nd Street. The purchase of this property is critical for the LCWA since the alternatives proposed for the restoration has uniquely placed this property to provide tidal wetlands restoration for the entire Los Cerritos Wetlands Complex. Furthermore, the eastern parcel is adjacent to the LCWA's Zedler Marsh Restoration Project, please see Exhibit C. In addition, if acquired, the LCWA will be able to extend the current Los Cerritos Wetlands Stewardship Program, a community-based restoration effort onto this property. The acquisition of this property will also expand habitat for the endangered Belding's Savannah Sparrow and at least six special status plants. Also, this will provide greater opportunities for the community to be involved with the conservation and restoration of a coastal water-dependent natural resource within the State of California.

FISCAL INFORMATION: No change in the budget or total grant amount is proposed with this amendment. This grant was initially authorized from Proposition 1 funds by the RMC on January 23, 2017 in the amount of \$1,000,000 to the LCWA under Resolution 2017-04. Funding sources in addition to RMC funding include US Fish and Wildlife Service in the amount of \$1,000,000.

LEGISLATIVE AUTHORITY AND RMC ADOPTED POLICIES/AUTHORITIES: The Rivers and Mountains Conservancy (RMC) statute provides in part that:

Section 32602: There is in the Resources Agency, the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, which is created as a state agency for the following purposes:

- (a) To acquire and manage public lands within the Lower Los Angeles River and San Gabriel River watersheds, and to provide open-space, low-impact recreational and educational uses, water conservation, watershed improvement, wildlife and habitat restoration and protection, and watershed improvement within the territory.
- (b) To preserve the San Gabriel River and the Lower Los Angeles River consistent with existing and adopted river and flood control projects for the protection of life and property.
- (c) To acquire open-space lands within the territory of the conservancy.

Section 32604: The conservancy shall do all of the following:

- (a) Establish policies and priorities for the conservancy regarding the San Gabriel River and the Lower Los Angeles River, and their watersheds, and conduct any necessary planning activities, in accordance with the purposes set forth in Section 32602.
- (b) Approve conservancy funded projects that advance the policies and priorities set forth in Section 32602.
- (d) To provide for the public's enjoyment and enhancement of recreational and educational experiences on public lands in the San Gabriel Watershed and Lower Los Angeles River, and the San Gabriel Mountains in a manner consistent with the protection of lands and resources in those watersheds.

Section 32614: The conservancy may do all of the following:

- (b) Enter into contracts with any public agency, private entity, or person necessary for the proper discharge of the conservancy's duties, and enter into a joint powers agreement with a public agency, in furtherance of the purposes set forth in Section 32602.
- (e) Enter into any other agreement with any public agency, private entity, or person necessary for the proper discharge of the conservancy's duties for the purposes set forth in Section 32602.
- (f) Recruit and coordinate volunteers and experts to conduct interpretive and recreational programs and assist with construction projects and the maintenance of parkway facilities.

Further, Section 32614 provides that: The conservancy may do all of the following:

- (g) Undertake, within the territory, site improvement projects, regulate public access, and revegetate and otherwise rehabilitate degraded areas, in consultation with any other public agency with appropriate jurisdiction and expertise, in accordance with the purposes set forth in Section 32602. The conservancy may also, within the territory, upgrade deteriorating facilities and construct new facilities as needed for outdoor recreation, nature appreciation and interpretation, and natural resources protection. The conservancy may undertake those projects by itself or in conjunction with another local agency; however, the conservancy shall provide overall coordination of those projects by setting priorities for the projects and by ensuring a uniform approach to projects. The conservancy may undertake those projects with prior notification to the legislative body of the local agency that has jurisdiction in the area in which the conservancy proposes to undertake that activity.

Section 32614.5:

- (a) The conservancy may award grants to local public agencies, state agencies, federal agencies, and nonprofit organizations for the purposes of this division.
- (b) Grants to nonprofit organizations for the acquisition of real property or interests in real property shall be subject to all of the following conditions:
 - (1) The purchase price of any interest in land acquired by the nonprofit organization may not exceed fair market value as established by an appraisal approved by the conservancy.
 - (2) The conservancy approves the terms under which the interest in land is acquired.
 - (3) The interest in land acquired pursuant to a grant from the conservancy may not be used as security for any debt incurred by the nonprofit organization unless the conservancy approves the transaction.

- (4) The transfer of land acquired pursuant to a grant shall be subject to the approval of the conservancy and the execution of an agreement between the conservancy and the transferee sufficient to protect the interests of the state.
 - (5) The state shall have a right of entry and power of termination in and over all interests in real property acquired with state funds, which may be exercised if any essential term or condition of the grant is violated.
 - (6) If the existence of the nonprofit organization is terminated for any reason, title to all interest in real property acquired with state funds shall immediately vest in the state, except that, prior to that termination, another public agency or nonprofit organization may receive title to all or a portion of that interest in real property, by recording its acceptance of title, together with the conservancy's approval, in writing.
- (c) Any deed or other instrument of conveyance whereby real property is acquired by a nonprofit organization pursuant to this section shall be recorded and shall set forth the executor interest or right of entry on the part of the state.

RMC Resolution 2015-19 approved guidelines consistent with the Proposition 1 bond language; RMC Resolution 2016-05 approved review of forty-four grant applications submitted for the Rivers and Mountains Conservancy Proposition 1 Grant Program; RMC Resolution 2016-13 approved the RMC Proposition 1 (2015) Tier 1 and Tier 2 Grant Recommendations; RMC Resolution 2016-23 approved the RMC Proposition 1 Grant Program (2015) Tier 1 and Tier 2 Grant Recommendations and authorized grant distributions of \$20,261,564.

EXHIBIT A: TIMELINE AND TASKLIST: January 23, 2017 – December 30, 2020

| | Task Name/ Number | Performance Period | | | | | | | | | | | | | | | |
|---|---------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | | Jan – Mar 2017 | Apr – Jun 2017 | Jul – Sep 2017 | Oct – Dec 2017 | Jan – Mar 2018 | Apr – Jun 2018 | Jul – Sep 2018 | Oct – Dec 2018 | Jan – Mar 2019 | Apr – Jun 2019 | Jul – Sep 2019 | Oct – Dec 2019 | Jan – Mar 2020 | Apr – Jun 2020 | Jul – Sep 2020 | Oct – Dec 2020 |
| 1 | Wetland Delineation Study | | | | | | | | | | | | | | | | |
| 2 | Real Estate Appraisal | | | | | | | | | | | | | | | | |
| 3 | Landowner Negotiations | | | | | | | | | | | | | | | | |
| 4 | Closing Tasks | | | | | | | | | | | | | | | | |
| 5 | Property Purchase | | | | | | | | | | | | | | | | |
| 6 | Stewardship Plan | | | | | | | | | | | | | | | | |
| 7 | Public Outreach | | | | | | | | | | | | | | | | |
| 8 | GRANT CLOSEOUT | | | | | | | | | | | | | | | | |

EXHIBIT B: BUDGET

| | Task Number/Name | Cost Per Task | RMC Budget | US Fish and Wildlife Services | Other (Non-Profit Partners) |
|---|--|----------------------|--------------------|--------------------------------------|------------------------------------|
| 1 | Wetland Delineation Study | \$50,000 | \$30,000 | \$15,000 | \$5,000 |
| 2 | Real Estate Appraisal | \$5,000 | \$2,500 | \$0 | \$2,500 |
| 3 | Landowner Negotiations | \$10,000 | \$10,000 | \$0 | \$0 |
| 4 | Closing Tasks | \$30,000 | \$15,000 | \$15,000 | \$0 |
| 5 | Property Purchase | \$1,777,500 | \$822,500 | \$955,000 | \$0 |
| 6 | Stewardship Plan | \$15,000 | \$15,000 | \$0 | \$0 |
| 7 | Public Outreach | \$35,000 | \$35,000 | \$0 | \$0 |
| 8 | Project Management and Due Diligence | \$30,000 | \$10,000 | \$15,000 | \$5,000 |
| 9 | Education and Community-based restoration Jan-Jun 2017 | \$70,000 | \$60,000 | | \$10,000 |
| | TOTAL COSTS | \$2,022,500 | \$1,000,000 | \$1,000,000 | \$22,500 |



| | | | | | |
|-------------------------------|--|-------------|--|--------------------|--|
| Los Cerritos Wetlands Complex | | Hellman | | OC Retention Basin | |
| LCWA Properties | | Synergy | | Roads | |
| Bryant | | County Line | | City Of Long Beach | |
| State Lands Commission | | Parks | | Water bodies | |
| LA County DWP | | | | | |



BRYANT DAKIN LLC

P.O. Box 148

Santa Barbara, CA 93102

(949) 466-8716 Cell phone

(805) 689-8128 Office

September 28, 2015

Los Cerritos Wetlands Authority
100 Old San Gabriel Canyon Road
Azusa, CA 91702

Re: Bryant-Dakin Land – Long Beach, CA
(2 parcels, approximately 16.54 (+\-) acres)

To Whom It May Concern:

Bryant Dakin LLC family partnership is willing to sell the two parcels on 2nd Street and Westminster at fair market value. The Bryant Dakin properties are located in the City of Long Beach, County of Los Angeles.

Sincerely,



Stephen B. Bryant
Bryant-Dakin, LLC
Managing Member

July 9, 2018

RESOLUTION 2018-10

RESOLUTION OF THE SAN GABRIEL AND LOWER LOS ANGELES
RIVERS AND MOUNTAINS CONSERVANCY (RMC) APPROVING A
GRANT EXTENSION TO THE LOS CERRITOS WETLANDS
AUTHORITY FOR THE BRYANT ACQUISITION (RMC 17013)

WHEREAS, The legislature has found and declared that the San Gabriel River and its tributaries, the Lower Los Angeles River and its tributaries, and the San Gabriel Mountains, Puente Hills, and San Jose Hills constitute a unique and important open space, environmental, anthropological, cultural, scientific, educational, recreational, scenic, and wildlife resource that should be held in trust to be preserved and enhanced for the enjoyment of, and appreciation by, present and future generations; and

WHEREAS, The people of the State of California have enacted the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (“Proposition 1”) and

WHEREAS, the State of California has authorized an expenditure of funds from Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act of 2014 to the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy for capital outlay and local assistance multi-benefit grants for ecosystem and watershed protection and restoration projects; and

WHEREAS, The RMC may award grants to local public agencies, state agencies, federal agencies, and nonprofit organizations for the purposes of Division 22.8 the Public Resources Code; and

WHEREAS, The proposed project meets an objective of the California Water Action Plan for more reliable water supplies, restoration of important species and habitat, more resilient and sustainably managed water infrastructure; and

WHEREAS, The proposed project meets the goals of reducing greenhouse gas emissions consistent with AB 32; and

WHEREAS, The proposed project is consistent with the San Gabriel and Los Angeles River Watershed and Open Space Plan; and

WHEREAS, The proposed project protects land and water resources; and

WHEREAS, The grantee has requested a grant from Proposition 1, Section 79731 (f) and Section 79735 (a) of the Water Code; and

This action is exempt from the environmental impact report requirements of the California Environmental Quality Act (CEQA); and NOW

Therefore be it resolved that the RMC hereby:

- 1 FINDS that this action is consistent with the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy Act and is necessary to carry out the purposes and objectives of Division 22.8 of the Public Resources Code.
- 2 FINDS that the Proposition 1 RMC Grant Program is consistent with the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (“Proposition 1”), which provides funds for the RMC grant program.

- 3 FINDS the proposed project meets at least one of the purposes of Proposition 1.
- 4 FINDS the proposed project meets at least one of the three objectives of the California Water Action Plan.
- 5 FINDS that the proposed action is consistent with the San Gabriel and Lower San Gabriel and Los Angeles River Watershed and Open Space Plan as adopted by the Rivers and Mountains Conservancy;
- 6 FINDS that the actions contemplated by this resolution are exempt from the environmental impact report requirements of the California Environmental Quality Act.
- 7 ADOPTS the staff report dated July 9, 2018, extending the timeline from June 30, 2018 to December 31, 2020.
- 8 AUTHORIZES a grant of Proposition 1 funds to the grantee: Los Cerritos Wetlands Authority, Los Cerritos Wetlands Acquisition of the Bryant Properties (RMC 17013). Funding amount \$1,000,000

~ End of Resolution ~

Passed and Adopted by the Board of the
SAN GABRIEL AND LOWER LOS ANGELES RIVERS AND MOUNTAINS
CONSERVANCY on July 9, 2018.

Motion _____ Second: _____

Ayes: _____ Nays: _____ Abstentions: _____

Frank Colonna, Chair

ATTEST: _____
David Edsall
Deputy Attorney General