

DATE: November 18, 2019

TO: RMC Governing Board

FROM: Mark Stanley, Executive Officer

SUBJECT: Item 10: Consideration of a resolution authorizing a grant amendment with the Watershed Conservation Authority for the Vasquez Property Acquisition (RMC 16001)

PROGRAM AREA: Mountains and Foothills

PROJECT TYPE: Acquisition/Planning

JURISDICTION: City Azusa

PROJECT MANAGER: Sally Gee

RECOMMENDATION: That the RMC authorize a grant amendment with the Watershed Conservation Authority (WCA) to revise the budget and task list for the Vasquez Property Acquisition (RMC16001).

PROJECT DESCRIPTION:

Exhibit A – WCA Amendment Request
 Exhibit B – Task List and Timeline
 Exhibit C – Budget

The WCA is requesting to amend the scope of work in the Vasquez Property Acquisition (RMC16001), within the remaining budget, to complete pre-acquisition due diligence work for the adjacent Vasquez Overlook Acquisition. The scope of the current grant includes the acquisition of the Vasquez Property and the completion of a land management and stewardship plan for the property. WCA completed the acquisition in December 2016 and has completed the biological survey of the property in preparation to complete the land management plan.

The WCA had applied through RMC's Prop 68 open call for projects to complete pre-acquisition and acquisition work for the Vasquez Overlook property. Since submitting the application, there has been interest amongst the parties to complete the acquisition by the end of 2019 or by the first quarter of 2020. To complete the acquisition, due diligence activities need to be undertaken ahead of the Prop 68 grant award determinations.

Amending the scope would postpone work to complete the land management plan and re-appropriate the budget to complete pre-acquisition work for the acquisition of the Vasquez Overlook parcel, including preliminary title report review, a Phase 1 Environmental survey, and sale agreements. WCA anticipates that future Prop 68 funds will be used to conduct a biological survey of the new acquisition and development of a Long-term Management Plan that encompasses both Vasquez conservation properties.

BACKGROUND: The WCA acquired ±39.79 acres of undeveloped open space (Vasquez I/ Vasquez Property) located in the San Gabriel Mountain foothills above the City of Azusa within unincorporated Los Angeles County in December 2016, from the San Gabriel Mountains Regional Conservancy (SGMRC), a private not-for-profit conservation organization, focused on the acquisition and watershed restoration of the subject property for over a decade. In late 2015, SGMRC, under threat of foreclosure on their privately held loan with the prior property owner, contacted RMC and WCA staff and offered the transfer of the property to the WCA for watershed and open space protection in the amount equal to the outstanding balance on their outstanding loan. The land was acquired for \$600,000 with the remaining \$120,000 budgeted to complete site planning activities and collaborate with SGMRC on development of a Stewardship Program. This planning work and continued acquisition work aligns with the WCA's efforts in developing the larger vision through the San Gabriel Foothills Acquisition Master Plan and Study project scheduled for completion in 2020.

WCA is currently engaged in site planning to develop a land management and stewardship plan. While in the process of completing the land management plan, the opportunity to acquire the adjacent Vasquez II/ Vasquez Overlook parcel became available. The Vasquez Overlook was identified as a priority parcel for conservation acquisition in the San Gabriel Mountains and Foothills Open Space Acquisition Master Plan (RMC17019), and the property would multiply the benefits of the original Vasquez Property acquisition. Together these acquisitions help preserve one of the last remaining private holdings along the foothill interface between the San Gabriel Valley and the San Gabriel Mountains National Monument for the purpose of watershed restoration, community driven stewardship, and suitable low-impact recreation.

FISCAL INFORMATION: The total project cost for the Vasquez Property Acquisition (RMC 16001) Project is \$720,000, for acquisition of real property within the foothills above Azusa, Assessor Parcel No. 8684-024-036 and related initial planning for restoration and potential public access (RMC Resolution 2016-18). This amendment will not increase the overall grant amount. It will allow a 47% transfer of budget from completing a land management plan to complete pre-acquisition activities for the Vasquez Overlook Acquisition and utilize the contingency to increase the Project Management budget by 66% and allow for indirect costs.

Funding for this project was allocated from the following:

Public Resources Code Division 43

Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84) allocations, Chapters 5 and 7 under statutes:

75050. The sum of nine hundred twenty eight million dollars (\$928,000,000) shall be available for the protection and restoration of rivers, lakes and streams, their watersheds and associated land, water, and other natural resources in accordance with the following schedule:... (g) The sum of seventy two million dollars (\$72,000,000) shall be available for projects within the watersheds of the Los Angeles and San Gabriel Rivers according to the following schedule:

(1) \$36,000,000 to the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy pursuant to Division 22.8 (commencing with Section 32600).....

75060. The sum of five hundred forty million dollars (\$540,000,000) shall be available for the protection of beaches, bays and coastal waters and watersheds, including projects to prevent contamination and degradation of coastal waters and watersheds, projects to protect and restore the natural habitat values of coastal waters and lands, and projects and

expenditures to promote access to and enjoyment of the coastal resources of the state, in accordance with the following schedule:

(3) To the Rivers and Mountains Conservancy\$15,000,000

LEGISLATIVE AUTHORITY AND RMC ADOPTED POLICIES/AUTHORITIES:

Public Resources Code Division 22.8 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 projection. 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

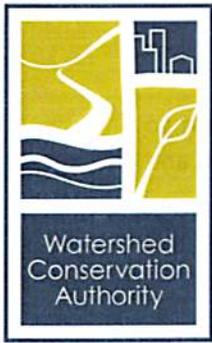
that has jurisdiction in the area in which the conservancy proposes to undertake that activity.

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 2016-18 authorized a grant of Proposition 84 funds in the amount of \$720,000 to the Watershed Conservation Authority for the acquisition of real property and related expenses within the foothills above Azusa, Assessor Parcel No. 8684-024-036 (RMC16001).

RMC Resolution 2018-07 approved a grant extension to the Watershed Conservation Authority for the Vasquez Property Acquisition (RMC16001)



October 2, 2019

Mark Stanley
 Executive Officer
 Rivers and Mountains Conservancy
 100 N. Old San Gabriel Canyon Road
 Azusa, CA 91702

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Mark Stanley

RE: Request to amend RMC16001, the Vasquez Property Acquisition Project

Dear Mr. Stanley,

The Watershed Conservation Authority respectfully requests your consideration to amend RMC16001, the Vasquez Property Acquisition Project, to update the grant scope to complete pre-acquisition and due diligence activities related to acquiring Vasquez II (AIN #: 8684-024-001), a contiguous parcel to the Vasquez I property.

Vasquez II was identified as a priority parcel in Trust for Public Land's prioritization of lands for acquisition for conservation funded through RMC17019 San Gabriel Mountains and Foothills Open Space Acquisition Master Plan. Vasquez II would multiply the benefits of the original Vasquez I acquisition to preserve one of the last remaining private holdings along the foothill interface between the San Gabriel Valley and San Gabriel Mountains National Monument for the purpose of watershed restoration, community driven stewardship, and suitable low-impact recreation. This determination prompted WCA to apply to the Prop 68 program in July 2019 to fund both pre-acquisition and acquisition cost of the Vasquez II property.

Since submitting the application, there has been amplified interest amongst the parties to complete the acquisition, pending award of the Prop 68 grant, by end of this year or by first quarter next year. To do so requires the completion of due diligence activities ahead of the Prop 68 grant award determinations anticipated to be in late November 2019.

Amending Vasquez I tasks (Exhibits A and B) will allow for the following mutually beneficial outcomes to occur in a timely and cost-efficient manner:

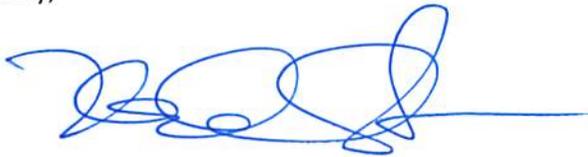
1. Complete pre-acquisition work including preliminary title report review, Phase I Environmental and potential survey work.
2. Engage Legal counsel to guide negotiation, and to strategize access and land purchase options, and to draft a purchase contract that can secure public access over a neighboring parcel (035).
3. Position the project for completing land acquisition within 6 months.

4. Repurpose pre-acquisition funding from any awarded Prop 68 grant for acquisition to complete the biological study and land management plan for the larger land footprint and would allow for an additional biological study to be performed in Spring 2019.
5. Utilization of the remaining RMC 16001 grant funds by December 31, 2019 as requested by RMC. (Exhibit Q)

Amending the scope of work within the remaining budget to conduct due diligence to augment the size of the original acquisition is within the spirit of the scope and goals of the original grant. If Proposition 68 funds are awarded for the acquisition of Vasquez II, the deliverable of the science-based and stakeholder-driven land management plan currently in progress for the original Vasquez I property may be resumed and may cover both parcels.

WCA thanks you in advance for your consideration of our request. If you have questions or concerns please contact Jane Tsong, project manager, at jtsong@wca.ca.gov or 626-815-1019 ext. 103.

Sincerely,



Herlinda Chico

Governing Board Chair

Enclosures:

Exhibit A: Task List/Delivery Schedule

Exhibit B: Tasks and Budget

Exhibit Q: Quarterly Expenditure Projection Report

HC:lj

Exhibit B Updated Budget

RMC16001 Vasquez Property Acquisition Project
(October 2019)

Work Plan Tasks	Original Budget	Proposed budget October 2019	Variance
PM	\$ 8,400	\$ 14,400	6,000
Acquisition	\$ 600,000	\$ 600,000	0
Initial Restoration and Passive Recreational Use Planning	\$ 100,000	\$ 53,000	-47,000
Preacquisition activities for Vasquez II	--	\$ 47,000	47,000
Contingency	\$ 11,600	--	-11,600
Indirect	\$ -	\$ 5,600	5,600
TOTAL	\$ 720,000	\$ 720,000	0

November 18, 2019 – Item 10

RESOLUTION 2019-32

RESOLUTION OF THE SAN GABRIEL AND LOWER LOS ANGELES RIVERS AND MOUNTAINS CONSERVANCY (RMC) APPROVING A GRANT AMENDMENT TO THE WATERSHED CONSERVATION AUTHORITY FOR THE VASQUEZ PROPERTY ACQUISITION PROJECT (RMC 16001)

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 Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84), which provides funds for the RMC grant program; 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, 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 grant is consistent with the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, which provides funds for the RMC grant program.
- 3 FINDS that the actions contemplated by this resolution are exempt from the environmental impact report requirements of the California Environmental Quality Act.
- 4 ADOPTS the staff report dated November 18, 2019.
- 5 APPROVES an amendment of the budget and task list for the Vasquez Property Acquisition Project (RMC 16001).

~ End of Resolution ~

Resolution No. 2019-32

Passed and Adopted by the Board of the
SAN GABRIEL AND LOWER LOS ANGELES RIVERS AND MOUNTAINS
CONSERVANCY on November 18, 2019.

Motion _____ Second: _____

Ayes: _____ Nays: _____ Abstentions: _____

Frank Colonna, Chair

ATTEST:

David Edsall
Deputy Attorney General