



MEMORANDUM

DATE March 8, 2018
 TO Measure A Steering Committee
 FROM Los Angeles County Regional Park and Open Space District (RPOSD)
 SUBJECT Recommendations on Measure A Funding for Acquisition-Only Projects

The purpose of this memorandum is to provide background information on acquisition projects and recommendations on an approach to funding acquisition-only projects with Measure A funds.

Discussions at previous Steering Committee meetings have highlighted the need for funds dedicated to acquisition-only projects. These discussions have focused on the difficulty of anticipating and planning for acquisition projects, as they are contingent on conditions in the real estate market and landowners’ plans. Discussions have also emphasized the importance of acquisitions in High and Very High Need Study Areas, where land suitable for recreation can be difficult to secure, and the acute need to acquire land for trail connections and access, wildlife corridors, and critical habitat protection.

Background

The most frequently prioritized project type documented in the 2016 Countywide Parks Needs Assessment (PNA) was park infrastructure, followed by land acquisition and community recreation centers. The total cost of priority acquisition projects was \$1,528,000,000, equivalent to 28-percent of the total cost (\$5,537,492,000) of all priority projects identified by local agencies. By project quantity, acquisition projects account for 13 percent of the projects identified.¹ As shown in Table 1 below, 46 percent of the requested acquisition funds were for High or Very High Need Study Areas. It is important to note that priority projects are limited to local agency projects. Additional acquisition projects were identified by other entities as part of the PNA and indicate that the regional need for acquisition may be greater than reflected in the priority projects list.

TABLE 1. 2016 PARKS NEEDS ASSESSMENT PRIORITY ACQUISITION PROJECTS BY NEED LEVEL

Need Level	Acquisition Cost	% of All Acquisition Costs	Acres	Number of Projects
Very Low	\$334,296,079	22%	153.55	31
Low	\$397,027,513	26%	239	33
Moderate	\$91,036,382	6%	79.5	27
High	\$137,330,454	9%	71.6	34
Very High	\$568,409,368	37%	162.5	57
TOTAL	\$1,528,099,796	100%	706.15	182

¹ In total, 182 land acquisition projects were prioritized and the average cost of these projects was \$8,400,000.

Measure A can fund acquisition projects under both the both the *Natural Lands, Local Beaches, Water Conservation and Protection (Category 3)* and *Regional Recreation, Multi-Use Trails, and Accessibility (Category 4)* competitive grant programs and under the *Community-Based Park Investment (Category 1)* and *Neighborhood Parks, Healthy Communities & Urban Greening* grant programs. Measure A requires that at least 70 percent of awarded grants be used for development and acquisition costs, yet does not specify the amount or percentage of funds that should be dedicated to acquisition costs only.

Precedents for Acquisition Spending

Acquisition is an important strategy for both urban and wildland/open space projects. Recognizing this, numerous grant programs that fund acquisition projects and many Parks Departments specify funds for acquisition. However, acquisition and development are often grouped together in a project, and therefore acquisition costs or funding can be difficult to separate out. Available data indicates a wide variance in acquisition spending as a percent of overall funding for both grant programs and regional park and recreation departments.

Acquisition spending under Proposition A is well-documented and provides a relevant precedent for Measure A. Under Proposition A, approximately 10 percent of awarded projects involved acquisition and 22 percent of total funds were dedicated to projects involving acquisition. As shown in Table 2, below, this is comparable to the PNA priority project list for agencies/cities.

TABLE 2. COMPARISON OF PROPOSITION A FUNDING AND PARKS NEEDS ASSESSMENT PRIORITIES

	PROPOSITION A (ACTUAL DEDICATION OF FUNDS)	PARK NEEDS ASSESSMENT (PRIORITIZED PROJECTS)
PROJECTS INVOLVING ACQUISITION	10% of awarded projects involved acquisition	13% of prioritized projects involve acquisition
FUNDS DEDICATED TO ACQUISITION	22% of funds were dedicated to projects involving acquisition	28% of funds for prioritized projects were for acquisition

Recommendations

Acquisition-only projects can be associated with high costs, may have less detailed plans for project development, and are often time-sensitive due to the real estate market. These projects are also critical to expanding the acres of land dedicated to parks and open space in the County.

- **Timing.** To ensure timely access to funding for acquisitions, an **annual competitive grant process** should be used to fund acquisition-only projects.
- **Acquisition Funding Target.** Sixteen percent of *Natural Lands, Local Beaches, Water Conservation and Protection (Category 3)* funds and fourteen percent of *Regional Recreation, Multi-Use Trails, and Accessibility (Category 4)* funds should be specifically designated for the annual competitive acquisition-only program. This would result in \$1M from each of the two programs, for **a total of \$2M annually**, or fourteen percent of the funds available for those grant programs. Acquisition projects will also be eligible for funding through the competitive *Natural Lands, Local Beaches, Water Conservation and Protection (Category 3)* and *Regional Recreation, Multi-Use Trails, and Accessibility (Category 4)* grant programs. The

County Department of Parks and Recreation and the County Department of Beaches and Harbors may also use funds for acquisition projects. It is anticipated that the total percentage of Category 3 and Category 4 funds used for acquisition will equal or surpass the numbers documented for Proposition A and in the PNA.

- **Evaluation Criteria for Acquisition-Only Competitive Grants.** These funds should prioritize **urgent acquisitions in High and Very High Need Study Areas**, and **urgent acquisitions for trail connections and access, wildlife corridors, and critical habitat**.
- **Monitoring and Course Correction.** The outcomes of the acquisition-only grants should be monitored over time with consideration to the type, size, location, and grantee for projects submitted and projects awarded. In addition, operations and maintenance costs will grow as new amenities are acquired and may result in a shift in need from acquisition to development, operations, and maintenance.