

**AGENDA FOR THE SPECIAL MEETING OF THE
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE
RANCHO PALOS VERDES REDEVELOPMENT AGENCY**

**CITY OF RANCHO PALOS VERDES
CITY HALL COMMUNITY ROOM
30940 HAWTHORNE BOULEVARD
RANCHO PALOS VERDES, CALIFORNIA, 90275**

WEDNESDAY, AUGUST 28, 2013 AT 1:00 P.M.

Members:

Stefan Wolowicz (Vice-Chair), Lydia Cano, Ken Dyda, Kit Fox, Marvin Martinez, Gregory O'Brien, Jr., Michael Seth Schneider

AGENDA POSTED: August 22, 2013

WEBSITE: www.palosverdes.com/rpv/

CALL TO ORDER

- A. Roll Call.
- B. Flag Salute.
- C. Approval of Agenda.
- D. Introduce New Member.

REGULAR BUSINESS

1. Election of Chair and Vice-Chair (oral report).
2. Consider approval of minutes for February 27, 2013 meeting.
3. Receive update of pending legislation, Frequently Asked Questions, and other developments relevant to redevelopment agency dissolution (oral report).
4. Consider approval of Abalone Cove Shoreline Park Improvements Project – Land and Water Conservation Fund Contract (Lynch).
5. Discussion of draft Long-Range Property Management Plan (oral report).
6. Discussion of Alternate Oversight Board Members (oral report).

7. Public comment for items not on the agenda.
8. Member suggested agenda items for future meetings.
9. Consider future meeting schedule and updated timeline.

RECESS TO ABALONE COVE SHORELINE PARK

10. Presentation of landslide and other property issues related to Abalone Cove Shoreline Park (oral report).

RECESS TO SOUTH BAY ARCHERY RANGE

1. Presentation of landslide and other property issues related to the Archery Range open space parcel (oral report).

RECESS TO CHERRY HILL LANE

2. Presentation of landslide and other property issues related to Cherry Hill Lane parcels (oral report).

RECONVENE TO CITY HALL COMMUNITY ROOM

3. Adjournment.

SUPPORTING DOCUMENTATION: Supporting documentation can be obtained at the following locations during normal business hours: Rancho Palos Verdes City Hall, Finance & Information Technology Department, 30940 Hawthorne Boulevard, Rancho Palos Verdes, CA 90275. You can also view the agenda and staff reports and related documents at the Successor Agency's website www.palosverdes.com/RPV.

AMERICAN WITH DISABILITIES ACT: In compliance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please call the City Clerk's Office at (310) 544-5208 at least 48 hours prior to the meeting.

Written materials, including emails, submitted to the Oversight Board are public records and may be posted on the Successor Agency's website. Accordingly, you may wish to omit personal information from your oral presentation or written materials as it may become part of the public record regarding an agenda item.

Materials related to an item on this Agenda submitted to the Oversight Board after distribution of the agenda packet are available for public inspection at the front counter of the lobby of the City Hall Administration Building at 30940 Hawthorne Boulevard, Rancho Palos Verdes during normal business hours.

**MINUTES FOR THE SPECIAL MEETING OF THE
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE
RANCHO PALOS VERDES REDEVELOPMENT AGENCY**

**CITY OF RANCHO PALOS VERDES
CITY HALL COMMUNITY ROOM
30940 HAWTHORNE BOULEVARD
RANCHO PALOS VERDES, CALIFORNIA, 90275**

WEDNESDAY, FEBRUARY 27, 2013

CALL TO ORDER

Chair Clark called the meeting to order at approximately 1:03 p.m. in the Community Room at Rancho Palos Verdes City Hall for the purpose of conducting business pursuant to the Agenda.

1. ROLL CALL

Roll call was answered as follows:

PRESENT: Dyda, Fox, Schneider, Vice-Chair Wolowicz, and Chair Clark
ABSENT: Cano, Martinez

Also present were Deputy Director of Finance and Information Technology Downs, Senior Administrative Analyst Mills, and Successor Agency Legal Counsel Carol Lynch of Richards Watson Gershon (via conference phone).

2. APPROVAL OF AGENDA

Member Dyda motioned to approve the agenda as presented, and Member Schneider seconded.

The motion passed on the following roll call vote:

AYES: Dyda, Fox, Schneider, Vice-Chair Wolowicz, and Chair Clark
NOES: None

REGULAR BUSINESS

1. CHAIRMAN'S OPENING REMARKS

None.

2. APPROVAL OF MINUTES FOR JANUARY 14, 2013 MEETING

Member Dyda motioned to approve the January 14, 2013 minutes as presented, and Member Fox seconded.

The motion passed on the following roll call vote:

AYES: Dyda, Fox, Schneider, Vice-Chair Wolowicz, and Chair Clark

NOES: None

3. RECEIVE UPDATE OF PENDING LEGISLATION, FREQUENTLY ASKED QUESTIONS, AND OTHER DEVELOPMENTS RELEVANT TO REDEVELOPMENT AGENCY DISSOLUTION

Staff provided a short oral report about information received from the county regarding the property appraisal process and the long range property management plan. Legal Counsel answered Member questions.

4. CONSIDER APPROVAL OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) FOR JULY THROUGH DECEMBER 2013 AND ADOPTION OF RESOLUTIONS

Vice-Chair Wolowicz motioned to approve ROPS13-14A as presented and adopt the related resolutions. Member Schneider seconded the motion.

The motion passed on the following roll call vote:

AYES: Dyda, Fox, Schneider, Vice-Chair Wolowicz, and Chair Clark

NOES: None

The Oversight Board adopted Resolution OB 2013-03, A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE RANCHO PALOS VERDES REDEVELOPMENT AGENCY APPROVING A RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE SIX-MONTH FISCAL PERIOD COMMENCING JULY 1, 2013 AND ENDING DECEMBER 31, 2013 PURSUANT TO HEALTH AND SAFETY CODE SECTION 34180, AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH.

The Oversight Board adopted Resolution OB 2013-04, A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE RANCHO PALOS VERDES REDEVELOPMENT AGENCY APPROVING AN ADMINISTRATIVE BUDGET FOR THE SIX-MONTH FISCAL PERIOD COMMENCING JULY 1, 2013 AND ENDING DECEMBER 31, 2013, AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH.

MISCELLANEOUS

5. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

None.

6. MEMBER SUGGESTED AGENDA ITEMS FOR FUTURE MEETINGS

Vice-Chair Wolowicz motioned to add the topic of alternate Board Members and replacement Board Members to the next agenda. Chair Clark seconded the motion.

The motion passed on the following roll call vote:

AYES: Dyda, Fox, Vice-Chair Wolowicz, and Chair Clark

NOES: Schneider

7. CONSIDER FUTURE MEETING SCHEDULE AND UPDATED TIMELINE

Staff suggested that the next meeting would likely be scheduled for September, and that an email to coordinate dates would be sent to Board Members.

8. CHAIRMAN'S CLOSING REMARKS

None.

9. ADJOURNMENT

Member Dyda motioned to adjourn the meeting. Member Fox seconded the motion. Hearing no objection, Chair Clark adjourned the meeting at approximately 1:32 p.m.

ATTEST:

Larry Clark, Chair

Kathryn Downs, Recording Person

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MEMORANDUM

**TO: HONORABLE CHAIR AND MEMBERS OF THE
OVERSIGHT BOARD OF THE SUCCESSOR AGENCY
TO THE RANCHO PALOS VERDES REDEVELOPMENT
AGENCY**

FROM: CAROL LYNCH, CITY ATTORNEY

DATE: AUGUST 28, 2013

**SUBJECT: ABALONE COVE SHORELINE PARK IMPROVEMENT
PROJECT – LAND AND WATER CONSERVATION
FUND GRANT CONTRACT**

**REVIEWED: DENNIS MCLEAN, DIRECTOR OF FINANCE AND
INFORMATION TECHNOLOGY**

Project Manager: Ara Mihranian, AICP, Deputy Community Development Director

RECOMMENDATION

Adopt the attached resolution, which includes the following recommended actions of the Oversight Board:

1. Accept the terms of the Land and Water Conservation Fund (LWCF) Grant Contract and Associated Deed Restrictions, which was awarded in 2011 to the City for the Abalone Cove Shoreline Park Improvement Project;
2. Authorize the Memorandum of Unrecorded Grant Agreement be recorded against the Property, and
3. Forward the Grant Contract and Memorandum of Unrecorded Grant Agreement to the State Department of Finance.

EXECUTIVE SUMMARY

The purposes and restrictions of the 2011 LWCF grant appear to be consistent with the purposes and restrictions of two prior LWCF grants (one of which was obtained by the

County of Los Angeles to purchase Abalone Cove Park, and one of which was obtained by the City to improve part of the Park). Because the terms of the prior LWCF grants govern the use of Abalone Cove Shoreline Park, Staff recommends that the Oversight Board accept the terms of the Grant Contract and the Deed Restrictions associated with the current LWCF grant, which was awarded to the City for the Abalone Cove Shoreline Park Improvement Project; authorize the Memorandum of Unrecorded Grant Agreement be recorded against the Property, and direct Staff to forward this matter to the State Department of Finance.

BACKGROUND

Acquisition and Ownership of the Park by the County.

In 1975, the County of Los Angeles (County) acquired several lots that comprise the Abalone Cove Park Property from private owners with Land and Water Conservation Fund (LWCF) Program grant funds (\$1,428,000) provided by the federal government through the California Department of Parks and Recreation. An agreement setting forth the conditions that were attached to acceptance of the funds was executed by the County and the State. The agreement prohibits the conversion of “any property or facility acquired or developed pursuant to this agreement to other than a public outdoor recreation use without the prior approval of the Liaison Officer and the Director.”

In 1977, two years after acquiring the property that comprises the Park, the County entered into an agreement with the State Department of Fish and Game to designate the 124.42 acre area as the Abalone Cove Ecological Reserve. The Reserve covers the beach and extends into the ocean.

Conveyance of the Park Property to the Redevelopment Agency.

In 1988, the County conveyed the Park property to the former Rancho Palos Verdes Redevelopment Agency (Agency) pursuant to the Reimbursement and Settlement Agreement that was entered into between the Agency, the County and the City in connection with the settlement of the Horan litigation. The Horan lawsuit had been filed by private property owners whose properties had been damaged by movement of the Abalone Cove Landslide. That Landslide, which has been significantly slowed due to the successful use of dewatering wells and sewers, also caused damage to the Park property.¹ Accordingly, the Horan agreement reflected that fact, and the Agency agreed, to accept the Park property from the County “as is.” The Agency also accepted the Park property subject to the agreements discussed above.

Because the Agency never had any revenues to operate and maintain the Park, the Agency Board authorized the City to operate and manage the Park and maintain the improvements.

1. Recent GPS measurements demonstrate that the Abalone Cove Landslide still adversely affects the stability of the Park.

Former LWCF Grant to the City

The LWCF program provides matching grants for acquisition or development of lands and facilities that provide or support public outdoor recreation. In the late 1980s, the City applied to the State for a LWCF grant to make improvements to several City park properties, including Abalone Cove Shoreline Park. The City was awarded a LWCF grant in the amount of \$274,000 (BB-19-349) under the 1986 and 1988 State Park Bond Acts. A preliminary review of the State and City records disclose that the scope of work at Abalone Cove Park was to improve the access road, the parking lot, and the restroom building. Staff is seeking to obtain the documentation regarding this grant from the State, to review the terms and conditions of that grant. Staff believes that the former LWCF grant would have had restrictions and conditions similar to the conditions and restrictions that are being imposed in connection with the Current LWCF Grant.

Current LWCF Grant to the City

On November 1, 2010, pursuant to Council authorization at its October 19, 2010 meeting, the City filed a LWCF grant application with the California State Parks and Recreation Department for improvements at Abalone Cove Shoreline Park. The City applied for the grant because it manages the Park. On December 7, 2011, State Parks notified the City that it is the recipient of the LWCF grant (50% reimbursement grant), in the amount of \$332,588, for the Abalone Cove Park Improvement Project (the total cost for the Project is estimated at \$665,176).

On March 27, 2012, the City Manager, as the City's Authorized Agent designated in the Council-adopted Resolution 2010-99, executed the Grant Contract on behalf of the City as the grant applicant. On December 18, 2012, the City Council approved a contract to Meléndrez to provide plans, specifications and cost estimate for the Abalone Cove Shoreline Park Improvements project in an amount not to exceed \$52,500 and authorized Staff to spend up to a maximum of \$4,030 (allowance) for possible unforeseen design work, for a total of authorization of \$56,530.

The conceptual project plan for which the grant was awarded needed to be developed into actual construction plans. Therefore, a focus group of interested persons was engaged to assist the City and Melendrez in finalizing the project plan (the focus group originally helped shape the conceptual plan that accompanied the grant application). The focus group has been asked to provide input on the final design. Over the past several months, the focus group has met six times and has provided input on various design aspects of the project such as trail routes, park furnishings (benches and picnic tables), trash bins, shade structures, trailhead features, outdoor classrooms, exploration play area, etc.

The final construction plans were presented to the focus group at its August 12th meeting and are scheduled to be presented to the City Council at its upcoming September 3rd meeting. Once the construction plans have been approved by the City Council, the City will initiate the construction bid process with construction anticipated to occur early 2014.

LWCF Grant Time Limits

According to the terms of the LWCF grant, this project is required to be completed by June 30, 2014 (unless a time extension is granted by State Parks). Due to this deadline, the City is operating under an aggressive schedule and anticipates having the final design completed within the next few weeks so that the construction bid process can commence with construction beginning soon thereafter. Actual construction is anticipated to take approximately 5 months and is tentatively scheduled to occur during the off-peak Park use season. If all goes according to schedule without any major delays, the project is expected to be completed in advance of the grant deadline.

DISCUSSION

Memorandum of Unrecorded Grant Agreement

Like the prior LWCF grant that was awarded to the County, the award of the recent LWCF grant also requires that a Memorandum of Unrecorded Grant Agreement (MOUGA) be executed and recorded against the Property. By so doing, notice of the grant agreement and its restrictions will be provided. The MOUGA refers to the Grant Agreement, which states that the property has restrictions for future improvements; that the property is to be maintained and operated for public outdoor recreational purposes as described in the Section 6(f)(3) map, and that the property cannot be sold or transferred without written approval from the State of California. Any future contemplated improvements or modifications are subject to approval by the State of California. This restriction will encumber the entire property, including the portions that are proposed to be within the City's Palos Verdes Nature Preserve (which also requires deed restrictions for conservation purposes).

On August 6, 2013, this item was considered by the Successor Agency. At that time, the Board of Directors of the Successor Agency approved the Agreement and the Deed Restrictions that are associated with the Land and Water Conservation Fund grant and authorized the MOUGA be recorded against the Park property.

Because the document is to be recorded against the Park property, Staff also is requesting the Oversight Board to accept the terms of the Grant Contract and the associated Deed Restrictions, and to authorize the Memorandum of Unrecorded Grant Agreement be recorded against the Property. For the same reasons, Staff also intends to present these items for approval to the State Department of Finance.

At the next meeting of the Successor Agency in September, Staff anticipates that they will present the Long Range Property Management Plan to both the City Council and the Board of Directors of the Successor Agency, which will include a recommendation that the Abalone Cove Park Property be kept in governmental use. This means that the Park property would be transferred to the City so the City would be able to keep the Property and use it for park and open space purposes, which are consistent with the City's General Plan and purposes of the grants that were awarded to the County and the City.

FISCAL IMPACTS

Because the City operates the Park on the property and expends funds to maintain the Park, it is not anticipated that the Successor Agency or the Oversight Board will incur any financial obligation as a result of these actions.

ALTERNATIVE

The Oversight Board could decline to approve the recordation of the MOUGA against the property, which probably will cause the City to lose the grant for the improvements to the Park. This would adversely affect the City's ability to continue to improve and maintain the Park for use by the public.

CONCLUSION

The Abalone Cove Park property is subject to the prior LWCF grants that were awarded to the County and the City. Based on the information that Staff has been able to locate to date, it appears that, like the current grant, the prior LWCF grants imposed restrictions on the use of the Property and require it to be used and maintained in a manner that is consistent with the grants' purposes.

The purposes and restrictions of the current LWCF grant are consistent with the purposes and restrictions of the prior LWCF grants. Accordingly, Staff recommends that the Oversight Board adopt the attached Resolution, which: accepts the terms of the Grant Contract and the Deed Restrictions associated with the Land and Water Conservation Fund grant that was awarded to the City for the Abalone Cove Shoreline Park Improvement Project; authorizes the Memorandum of Unrecorded Grant Agreement be recorded against the Property, and directs Staff to forward this matter to the State Department of Finance.

ATTACHMENTS

- A. Resolution
- B. Grant Contract
- C. Form of Memorandum of Unrecorded Grant Agreement

ATTACHMENT A

RESOLUTION NO. OB 2013 _____

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE RANCHO PALOS VERDES REDEVELOPMENT AGENCY AUTHORIZING CERTAIN ACTIONS WITH RESPECT TO A GRANT TO FUND IMPROVEMENTS TO ABALONE COVE PARK, WHICH WAS OWNED PREVIOUSLY BY THE RANCHO PALOS VERDES REDEVELOPMENT AGENCY.

RECITALS:

A. Pursuant to Health and Safety Code Section 34175(b) and the California Supreme Court's decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.* (53 Cal.4th 231(2011)), on February 1, 2012, all assets, properties, contracts, leases, books and records, buildings, and equipment of the former Rancho Palos Verdes Redevelopment Agency (the "Agency") transferred to the control of the Successor Agency to the Agency (the "Successor Agency") by operation of law.

B. Abalone Cove Shoreline Park was owned by the former Rancho Palos Verdes Redevelopment Agency and, accordingly, has been transferred to the Successor Agency.

C. In 1975, the County of Los Angeles (County) acquired several lots that comprise the Abalone Cove Park Property from private owners with Land and Water Conservation Fund (LWCF) Program grant funds (\$1,428,000) provided by the federal government through the California Department of Parks and Recreation. An agreement setting forth the conditions that were attached to acceptance of the funds was executed by the County and the State. The agreement prohibits the conversion of "any property or facility acquired or developed pursuant to this agreement to other than a public outdoor recreation use without the prior approval of the Liaison Officer and the Director.

D. In 1977, two years after acquiring the property that comprises the Park, the County entered into an agreement with the State Department of Fish and Game to designate the 124.42 acre area as the Abalone Cove Ecological Reserve. The Reserve covers the beach and extends into the ocean.

E. In 1988, the County conveyed the Park property to the former Rancho Palos Verdes Redevelopment Agency (Agency). Because the Agency never had any revenues to operate and maintain the Park, the Agency Board authorized the City to operate and manage the Park and maintain the improvements.

F. In the late 1980s, the City applied to the State for a LWCF grant to make improvements to several City park properties, including Abalone Cove Shoreline Park. The City was awarded a LWCF grant in the amount of \$274,000 (BB-19-349) under the 1986 and 1988 State Park Bond Acts to improve the access road, the parking lot, and

the restroom building. Like the prior LWCF grant, this grant includes restrictions on the use of the Property.

G. On November 1, 2010, pursuant to Council authorization at its October 19, 2010 meeting, the City filed a LWCF grant application with the California State Parks and Recreation Department for improvements at Abalone Cove Shoreline Park. The City applied for the grant because it manages the Park. On December 7, 2011, State Parks notified the City that it is the recipient of the LWCF grant (50% reimbursement grant), in the amount of \$332,588, for the Abalone Cove Park Improvement Project (the total cost for the Project is estimated at \$665,176).

H. Like the prior LWCF grant that was awarded to the County, the award of the recent LWCF grant also requires that a Memorandum of Unrecorded Grant Agreement (MOUGA) be executed and recorded against the Property. By so doing, notice of the grant agreement and its restrictions will be provided. The MOUGA refers to the Grant Agreement, which states that the property has restrictions for future improvements; that the property is to be maintained and operated for public outdoor recreational purposes as described in the Section 6(f)(3) map, and that the property cannot be sold or transferred without written approval from the State of California. Any future contemplated improvements or modifications are subject to approval by the State of California. This restriction will encumber the entire property, including the portions that are proposed to be within the City's Palos Verdes Nature Preserve (which also requires deed restrictions for conservation purposes).

I. On August 6, 2013, the Board of Directors of the Successor Agency approved the Agreement and the Deed Restrictions that are associated with the Land and Water Conservation Fund grant and authorized the MOUGA be recorded against the Park property.

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE RANCHO PALOS VERDES REDEVELOPMENT AGENCY HEREBY FINDS, DETERMINES, RESOLVES, AND ORDERS AS FOLLOWS:

Section 1. The above recitals are true and correct and are a substantive part of this Resolution.

Section 2. The purposes and restrictions of the current LWCF grant are consistent with the purposes and restrictions of the prior LWCF grants. Accordingly, the Oversight Board accepts the terms of the Grant Contract and the Deed Restrictions associated with the Land and Water Conservation Fund grant that was awarded to the City for the Abalone Cove Shoreline Park Improvement Project and authorizes the Memorandum of Unrecorded Grant Agreement be recorded against the Property.

Section 3. The staff of the Successor Agency is hereby directed to transmit to DOF this Resolution together with written notice and information regarding the action

taken by this Resolution. Such notice to DOF shall be provided by electronic means and in a manner of DOF's choosing.

Section 4. The staff and the Board of the Successor Agency are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable to effectuate this Resolution and any such actions previously taken are hereby ratified.

Section 5. This Resolution has been reviewed with respect to the California Environmental Quality Act (Public Resources Code Section 21000 *et seq.*) ("CEQA"). The Project to apply for the grant and to construct certain improvements at Abalone Cove Park was reviewed by the City of Rancho Palos Verdes, the lead agency for the Project. The City determined that the Project is, pursuant to CEQA, classified as a Categorical Exemption pursuant to Class 1 (Section 15301), Class 3 (Section 15303) and Class 4 (Section 15304) since the Project consists of minor improvements to existing recreational amenities (i.e. public trails, picnic areas, overlooks, landscaping, fencing and minor site grading) intended to enhance public accessibility of an existing park. A Notice of Exemption was posted between December 2, 2010 and January 4, 2011. The Oversight Board, as a responsible agency, hereby relies upon the environmental review that was conducted by the City as the lead agency in taking the actions set forth in this Resolution and hereby directs that staff of the Successor Agency file notice of this determination with the County of Los Angeles.

PASSED AND ADOPTED this _____ day of _____.

Chair

ATTEST:

Secretary

ATTACHMENT B

State of California — The Resources Agency
DEPARTMENT OF PARKS AND RECREATION
Land and Water Conservation Fund
Grant Contract Provisions

Part I - Definitions

- A. The term "NPS" or "Service" as used herein means the National Park Service, United States Department of the Interior.
- B. The term "Director" as used herein means the Director of the National Park Service, or any representative lawfully delegated the authority to act for such Director.
- C. The term "Manual" as used herein means the Land and Water Conservation Fund State Assistance Program Manual.
- D. The term "project" as used herein means a Land and Water Conservation Fund grant which is subject to the project agreement and/or its subsequent amendments.
- E. The term "State" as used herein means the State or Territory which is a party to the project agreement, and, where applicable, the political subdivision or public agency to which funds are to be transferred pursuant to this agreement. Wherever a term, condition, obligation, or requirement refers to the State, such term, condition, obligation, or requirement shall also apply to the recipient political subdivision or public agency, except where it is clear from the nature of the term, condition, obligation, or requirement that it is to apply solely to the State. For purposes of these provisions, the terms "State," "grantee," and "recipient" are deemed synonymous.
- F. The term "Secretary" as used herein means the Secretary of the Interior, or any representative lawfully delegated the authority to act for such Secretary.

Part II - Continuing Assurances

The parties to the project agreement specifically recognize that the Land and Water Conservation Fund project creates an obligation to maintain the property described in the project agreement and supporting application documentation consistent with the Land and Water Conservation Fund Act and the following requirements. Further, it is the acknowledged intent of the parties hereto that recipients of assistance will use monies granted hereunder for the purposes of this program, and that assistance granted from the Fund will result in a net increase, commensurate at least with the Federal cost-share, in a participant's outdoor recreation. It is intended by both parties hereto that assistance from the Fund will be added to, rather than replace or be substituted for, State and local outdoor recreation funds.

A. The State agrees, as recipient of this assistance, that it will meet the following specific requirements and that it will further impose these requirements, and the terms of the project agreement, upon any political subdivision or public agency to which funds are transferred pursuant to the project agreement. The State also agrees that it shall be responsible for compliance with the terms of the project agreement by such a political subdivision or public agency and that failure by such political subdivision or public agency to so comply shall be deemed a failure by the State to comply with the terms of this agreement.

B. The State agrees that the property described in the project agreement and the signed and dated project boundary map made part of that agreement is being acquired or developed with Land and Water Conservation Fund assistance, or is integral to such acquisition or development, and that, without the approval of the Secretary, it shall not be converted to other than public outdoor recreation use but shall be maintained in public outdoor recreation in perpetuity or for the term of the lease in the case of leased property. The Secretary shall approve such conversion only if it is found to be in accord with the then existing comprehensive statewide outdoor recreation plan and only upon such conditions deemed necessary to assure the substitution of other recreation properties of at least equal fair market value and of reasonably equivalent usefulness and location pursuant to Title 36 Part 59.3 of the *Code of Federal Regulations*. This replacement land becomes subject to Section 6(f)(3) protection. The approval of a conversion shall be at the sole discretion of the Secretary, or his designee.

Prior to the completion of this project, the State and the Director may mutually alter the area described in the project agreement and the signed and dated project boundary map to provide the most satisfactory public outdoor recreation unit, except that acquired parcels are afforded Section 6(f)(3) protection as Fund reimbursement is provided. In the event the NPS provides Land and Water Conservation Fund assistance for the acquisition and/or development of property with full knowledge that the project is subject to reversionary rights and outstanding interests, conversion of said property to other than public outdoor recreation uses as a result of such right or interest being exercised will occur. In receipt of this approval, the State agrees to notify the Service of the potential conversion as soon as possible and to seek approval of replacement property in accord with the conditions set forth in these provisions and program regulations. The provisions of this paragraph are also applicable to: leased properties acquired and/or developed with Fund assistance where such lease is terminated prior to its full term due to the existence of provisions in such lease known and agreed to by the Service; and properties subject to other outstanding rights and interests that may result in a conversion when known and agreed to by the Service.

C. The State agrees that the benefit to be derived by the United States from the full compliance by the State with the terms of this agreement is the preservation, protection, and the net increase in the quality of public outdoor recreation facilities and resources which are available to the people of the State and of the United States, and such benefit exceeds to an immeasurable and unascertainable extent the amount of money furnished by the United States by way of assistance under the terms of this agreement. The State agrees that payment by the State to the United States of an amount equal to the amount of assistance extended under this agreement by the United States would be inadequate compensation to the United States for any breach by the State of this agreement. The State further agrees, therefore, that the appropriate remedy in the event of a breach by the State of this agreement shall be the specific performance of this agreement or the submission and approval of a conversion-of-use request as described in Section II.B above.

D. The State agrees to comply with the policies and procedures set forth in Manual. Provisions of said Manual are incorporated into and made a part of the project agreement.

E. The State agrees that the property and facilities described in the project agreement shall be operated and maintained as prescribed by Manual requirements and published post-completion compliance regulations (Title 36 Part 59 of the *Code of Federal Regulations*).

F. The State agrees that a permanent record shall be kept in the participant's public property records and available for public inspection to the effect that the property described in the scope of the project agreement, and the signed and dated project boundary map made part of that agreement, has been acquired or developed with Land and Water Conservation Fund assistance and that it cannot be converted to other than public outdoor recreation use without the written approval of the Secretary of the Interior.

G. Nondiscrimination

1. By signing the LWCF agreement, the State certifies that it will comply with all Federal laws relating to nondiscrimination as outlined in the Civil Rights Assurance appearing at Part III-I herein.
2. The State shall not discriminate against any person on the basis of residence, except to the extent that reasonable differences in admission or other fees may be maintained on the basis of residence as set forth in the Manual.

Part III - Project Assurances

A. Applicable Federal Circulars

The State shall comply with applicable regulations, policies, guidelines and requirements as they relate to the application, acceptance and use of Federal funds for this federally assisted project, including:

- OMB Circular A-102, Uniform Administrative Requirements for Grants and Cooperative Agreements with State and Local Governments;
- 43 CFR Part 12, Administrative and Audit Requirements and Cost Principles for Assistance Programs, Department of the Interior;
- A-87, Cost Principles for State, Local, and Indian Tribal Governments; and
- A-133, Audits of States, Local Governments, and Non-Profit Organizations.

B. Project Application

1. The Application for Federal Assistance bearing the same project number as the agreement and associated documents is by this reference made a part of the agreement.
2. The State possesses legal authority to apply for the grant, and to finance and construct the proposed facilities. A resolution, motion or similar action has been duly adopted or passed authorizing the filing of the application, including all understandings and assurances contained herein, and directing and authorizing the person identified as the official representative of the State to act in connection with the application and to provide such additional information as may be required.
3. The State has the capability to finance the non-Federal share of the costs for the project. Sufficient funds will be available to assure effective operation and maintenance of the facilities acquired or developed by the project.

C. Project Execution

1. The project period shall begin with the date of approval of the project agreement or the effective date of a waiver of retroactivity and shall terminate at the end of the stated or amended project period unless the project is completed or terminated sooner in which event the project shall end on the date of completion or termination.
2. The State shall transfer to the project sponsor identified in the Application for Federal Assistance or the Description and Notification Form all funds granted hereunder except those reimbursed to the State to cover eligible administrative expenses.
3. The State will cause work on the project to be commenced within a reasonable time after receipt of notification that funds have been approved and assure that the project will be prosecuted to completion with reasonable diligence.
4. The State will require the facility to be designed to comply with the Architectural Barriers Act of 1968 (Public Law 90-480) and DOI Section 504 Regulations (43 CFR Part 17). The State will be responsible for conducting inspections to insure compliance with these specifications by the contractor.
5. The State shall secure completion of the work in accordance with approved construction plans and specifications, and shall secure compliance with all applicable Federal, State, and local laws and regulations.
6. In the event the project covered by the project agreement, cannot be completed in accordance with the plans and specifications for the project; the State shall bring the project to a point of recreational usefulness agreed upon by the State and the Director or his designee.
7. The State will provide for and maintain competent and adequate architectural/engineering supervision and inspection at the construction site to insure that the completed work conforms with the approved plans and specifications; that it will furnish progress reports and such other information as the NPS may require.
8. The State will comply with the terms of Title II and Title III, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646), 94 Stat. 1894 (1970), and the applicable regulations and procedures implementing such Act for all real property acquisitions and where applicable shall assure that the Act has been complied with for property to be developed with assistance under the project agreement.
9. The State will comply with the provisions of: Executive Order 11988, relating to evaluation of flood hazards; Executive Order 11288, relating to the prevention, control, and abatement of water pollution, and Executive Order 11990 relating to the protection of wetlands.
10. The State will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, approved December 31, 1976. Section 102(a) requires the purchase of flood insurance in communities where such insurance is available, as a condition for the receipt of any Federal financial assistance for construction or acquisition purposes, for use in any area that has been identified as an area having special flood hazards by the Flood Insurance Administration of the Federal Emergency Management Agency. The phrase "Federal financial assistance" includes any form of loan, grant, guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect Federal assistance.

11. The State will assist the NPS in its compliance with Section 106 of the National Historic Preservation Act of 1966 as amended (16 U.S.C. 470), Executive Order 11593, and the Archaeological and Historic Preservation Act of 1966 (16 U.S.C. 469a-1 et seq.) by (a) consulting with the State Historic Preservation Officer on the conduct of investigations, as necessary, to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to effects (see CFR Part 800.8) by the activity, and notifying the Federal grantor agency of the existence of any such properties, and by (b) complying with all requirements established by the Federal grantor agency to avoid or mitigate adverse effects upon such properties.

12. The State will comply with "Minority Business Enterprises" and "Women's Business Enterprises" pursuant to Executive Orders 11625 and 12138 as follows:

(1) Place minority and women business firms on bidder's mailing lists.

(2) Solicit these firms whenever they are potential sources of supplies, equipment, construction, or services.

(3) Where feasible, divide total requirements into smaller needs, and set delivery schedules that will encourage participation by these firms.

(4) The Department of the Interior is committed to the objectives of this policy and encourages all recipients of its grants and cooperative agreements to take affirmative steps to ensure such fairness.

The National Park Service Regional Offices will work closely with the States to ensure full compliance and that grant recipients take affirmative action in placing a fair share of purchases with minority business firms.

13. The State will comply with the intergovernmental review requirements of Executive Order 12372.

D. Construction Contracted for by the State Shall Meet the Following Requirements:

1. Contracts for construction shall comply with the provisions of 43 CFR Part 12 (Administrative and Audit Requirements and Cost Principles for Assistance Programs, Department of the Interior).

2. No grant or contract may be awarded by any grantee, subgrantee or contractor of any grantee or subgrantee to any party which has been debarred or suspended under Executive Order 12549. By signing the LWCF agreement, the State certifies that it will comply with debarment and suspension provisions appearing at Part III-J herein.

E. Retention and Custodial Requirements for Records

1. Financial records, supporting documents, statistical records, and all other records pertinent to this grant shall be retained in accordance with 43 CFR Part 12 for a period of three years; except the records shall be retained beyond the three-year period if audit findings have not been resolved.

2. The retention period starts from the date of the final expenditure report for the project.

3. State and local governments are authorized to substitute copies in lieu of original records.

4. The Secretary of the Interior and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the State and local governments and their subgrantees which are pertinent to a specific project for the purpose of making audit, examination, excerpts and transcripts.

F. Project Termination

1. The Director may temporarily suspend Federal assistance under the project pending corrective action by the State or pending a decision to terminate the grant by the Service.

2. The State may unilaterally terminate the project at any time prior to the first payment on the project. After the initial payment, the project may be terminated, modified, or amended by the State only by mutual agreement.

3. The Director may terminate the project in whole, or in part, at any time before the date of completion, whenever it is determined that the grantee has failed to comply with the conditions of the grant. The Director will promptly notify the State in writing of the determination and the reasons for the termination, together with the effective date. Payments made to States or recoveries by the Service under projects terminated for cause shall be in accord with the legal rights and liabilities of the parties.

- (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- (c) Making it a requirement that each employee to be engaged in the performance of a grant be given a copy of the statement required by paragraph (a);
- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will:
- (1) Abide by the terms of the statement; and
 - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
- (e) Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- (f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted:
- (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).
- The State must include with its application for assistance a specification of the site(s) for the performance of work to be done in connection with the grant.

I. Civil Rights Assurance

The State certifies that, as a condition to receiving any Federal assistance from the Department of the Interior, it will comply with all Federal laws relating to nondiscrimination. These laws include, but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-1), which prohibits discrimination on the basis of race, color, or national origin; (b) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), which prohibits discrimination on the basis of handicap; (c) the Age Discrimination Act of 1975, as amended (42 U.S.C. 6101 et. seq.), which prohibits discrimination on the basis of age; and applicable regulatory requirements to the end that no person in the United States shall, on the grounds of race, color, national origin, handicap or age, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity conducted by the applicant. **THE APPLICANT HEREBY GIVES ASSURANCE THAT** it will immediately take any measures necessary to effectuate this agreement.

THIS ASSURANCE shall apply to all aspects of the applicant's operations including those parts that have not received or benefited from Federal financial assistance.

If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the Applicant by the Department, this assurance shall obligate the Applicant, or in the case of any transfer of such property, any transferee, for the period during which it retains ownership or possession of the property. In all other cases, this assurance shall obligate the Applicant for the period during which the Federal financial assistance is extended to it by the Department.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts or other Federal financial assistance extended after the date hereof to the Applicant by the Department, including installment payments after such date on account of applications for Federal financial assistance which were approved before such date.

The Applicant recognizes and agrees that such Federal financial assistance will be extended in reliance on the representations and agreements made in this assurance, and that the United State shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the Applicant, its successors, transferees, assignees, and subrecipients and the person whose signature appears on the grant agreement and who is authorized to sign on behalf of the Applicant

J. Debarment and Suspension

Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transactions

(1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission or embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statement, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

The State further agrees that it will include the clause "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions" appearing below in any agreement entered into with lower tier participants in the implementation of this grant. Department of Interior Form 1954 (DI-1954) may be used for this purpose.

Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions

(1) The prospective lower tier participant certifies, by submission of this application that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this application.

K. Hold Harmless

The Grantee shall indemnify the State of California and its officer, agents and employees against and hold the same free and harmless from any and all claims, demands, damages, losses, costs, and/or expenses of liability due to, or arising out of, either in whole or in part, whether directly or indirectly, the organization, Development, construction, operation, or maintenance of the Project.

ATTACHMENT C

Part IV
Recording requested by, and
When recorded, return to:

State of California
Department of Parks and Recreation
Grants and Local Services Division
P.O. Box 942896
Sacramento, CA 94296-0001

County: _____
(BASED ON PROJECT LOCATION)

APN: _____
(PROJECT'S ASSESSOR PARCEL NUMBER)

Space above this line for Recorder's use

Memorandum of Unrecorded Grant Agreement

This Memorandum of Unrecorded Grant Agreement (Memorandum), dated as of _____
(DATE SIGNED BY GRANTEE), is recorded to provide notice of an agreement between the State of
California, acting by and through the Department of Parks and Recreation (DPR), and the
_____ (GRANTEE).

RECITALS

- A. On or about _____ (DATE CONTRACT EXECUTED), DPR and Grantee entered into a certain Grant Agreement No. _____ (DPR CONTRACT #) , pursuant to which DPR granted to Grantee certain funds for _____ (DPR PROJECT #), for the acquisition and/or improvement of certain real property more particularly described in attached "Exhibit A" and incorporated by reference (the "Real Property").
- B. Under the terms of the Grant Agreement, DPR reserved certain rights with respect to the Real Property acquired or improved with the grant funds.
- C. Grantee desires to execute this Memorandum to provide constructive notice to all third parties of certain rights reserved by DPR under the Grant Agreement.

NOTICE

- 1. The Real Property (including any portion of it or any interest in it) may not be sold or transferred without the written approval of the State of California, acting by and through the Department of Parks and Recreation (DPR), or its successor, provided that such approval shall not be unreasonably withheld as long as the purposes for which the Grant was awarded are maintained.

For additional terms and conditions of the Grant, reference should be made to the Grant Agreement which is on file with the DPR located at: Office of Grants and Local Services, 1416 Ninth Street, Room 918, Sacramento, CA 95814.

Department of Parks and Recreation:

GRANTEE:

By: _____
Signature Date

By: _____
Signature Date

Printed Name and Title

Printed Name and Title
Authorized Representative