Taylor Yard G2 River Park Project
Status Report - October/November 2017

Municipal Facilities Committee (MFC) Members
Richard H. Llewellyn, Chair, Interim City Administrative Officer
Sharon M. Tso, Chief Legislative Analyst
Miguel Sangalang, Office of the Mayor

Prepared by the
Project Management Team
Bureau of Engineering
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NOTES:
1. New information or text that has changed since the previous month’s report is identified by a (♦) diamond bullet.
2. Text that is the same as the previous month’s report is identified by a (■) square bullet.
1.0 EXECUTIVE SUMMARY

1.1 Background & Summary

- This Status Report summarizes the overall activities and progress for the new Taylor Yard G2 River Park Project for October/November 2017. It provides updates on schedule, budget, expenditure plan and current project status.

- The Taylor Yard G2 River Park Project develops the approximately 42-acre Taylor Yard G2 parcel of the former Union Pacific Railroad Company (UP) rail yard.

- The Taylor Yard G2-parcel site is Project No. 165 of the City Council adopted Los Angeles River Revitalization Master Plan (CF 07-1342) and is described in the U.S. Army Corps of Engineers (USACE) Los Angeles River Ecosystem Restoration (LARER) Integrated Feasibility Report (also known as the ARBOR or “Area with Restoration Benefits and Opportunities for Revitalization” Study). As a key opportunity area, Taylor Yard G2 is identified as a cornerstone site of the LARER. The Taylor Yard G2-parcel is situated in Reach 6 of the ARBOR Study and is adjacent to the soft-bottomed portion of the Los Angeles River.

- On January 27, 2017, Los Angeles City Council (CF 13-1641) approved the purchase of the Taylor Yard G2 parcel for the LARER Project. This approximately 42-acre parcel is located at 2850 Kerr Street, Los Angeles 90039 in Council District 1.

- On March 1, 2017, the City purchased the Taylor Yard G2 parcel for approximately $60 million with Municipal Improvement Corporation of Los Angeles (MICLA) Commercial Paper. As part of the Purchase and Sale Agreement for the G2 parcel, the UP deposited sale proceeds of $14.715 million into a Remediation Escrow Account to be used to reimburse the City its costs to remediate soil contamination of the Taylor Yard G2 parcel to industrial standards based on the existing California Department of Toxic Substances Control (DTSC) approved remedial action plan. Approval of this remediation by the DTSC is required to receive the reimbursement.

- An Addendum, as certified by the City Council (CF 13-1641), to the LARER Integrated Feasibility Report (IFR) and its Joint Environmental Impact Statement/Environmental Impact Report (EIS/EIR), provides compliance with the California Environmental Quality Act (CEQA) for the acquisition of this parcel.
The Taylor Yard G2 River Park Project includes the following scope and project elements:

<table>
<thead>
<tr>
<th>Taylor Yard G2 River Park Project</th>
<th>Scope &amp; Major Elements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope:</td>
<td>The Taylor Yard G2 parcel is an approximately 42-acre parcel of the former UP rail yard and adjacent to the soft bottomed portion of the Los Angeles River. The scope includes a phased remediation and potentially phased development including interim uses which could align with the long term goals to restore ecosystem values in and along an 11-mile corridor of the river from Griffith Park to Downtown Los Angeles.</td>
</tr>
<tr>
<td>Focus:</td>
<td>The objective is to address required remediation in phases as funding is available while allowing more immediate public use of portions of the site along with identifying and potentially implementing interim and long term site uses.</td>
</tr>
<tr>
<td>Environmental Issues:</td>
<td>Due to known site contamination, all phased uses for the site are contingent on the approval of the DTSC.</td>
</tr>
</tbody>
</table>

### 1.2 Master Project Schedule

- A Master Project Schedule will include a phased approach of Project development, remediation, design and construction as scope and funding are identified. A preliminary draft Project schedule is included in Section 2.0.

### 1.3 Project Budget & Staffing

- The overall Taylor Yard G2 River Park Project budget and staffing will be incrementally implemented in phases as remediation, development, and funding sources are identified and approved.
1.4 Project Status

- The Taylor Yard G2 River Project is in pre-design

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| Taylor Yard G2 River Park Project: | The Bureau of Engineering (BOE) released Task Order Solicitation (TOS) No. 13 to a pre-qualified on-call list of consultants on June 26, 2017 for the implementation plan, site assessments & interim development design services. Status highlights include:

- Five proposals were received on August 14, 2017.

- Interviews for the five proposals were conducted on September 6 & 7, 2017. The interview panel was comprised of representatives from the BOE, California State Coastal Conservancy (SCC), Mountain Recreation & Conservation Authority (MRCA), Bureau of Sanitation (BOS), Department of Cultural Affairs (DCA), Department of Water and Power (DWP) and Department of Recreation and Parks (RAP).

- A public presentation by the consultant team finalists' on their qualifications and approach to developing concepts was made to the community on September 13, 2017. Over 200 community stakeholders were in attendance.

- Comments from community stakeholder were received and covered a wide range of concerns including but not limited to: Community involvement/public outreach; environmental & sustainability; security/public safety; operations & maintenance; habitat; various passive & active facilities; local employment & displacement.
The Selection Committee for TOS No. 13 had recommended award to WSP. Negotiations are ongoing.

- On October 20, 2017, the Board of Public Works authorized the issuance of Task 1 and 2 of TOS No. 13 to WSP to provide engineering services, including the implementation plan, site assessments and interim development design services. Notice to Proceed (NTP) is pending.
On October 3, 2017, the City Council approved the following recommendations (CF 13-1641). These recommendations were previously approved by the MFC on July 27, 2017, the Arts, Entertainment, Parks, and River Committee on August 23, 2017, and the Energy, Climate Change and Environmental Justice Committee on September 19, 2017:

- Authorize the City Engineer, with the assistance from the City Attorney’s Office, to negotiate a California Land Reuse and Revitalization Act (CLRRA) Agreement with Department of Toxic Substances Control (DTSC).
- Authorize the BOE to conduct environmental site investigations and report with the results and recommendations on the level of cleanup for the Taylor Yard G2 Parcel.

A draft voluntary clean-up agreement under CLRRA (CLRRA Agreement) was previously drafted by the DTSC to guide the City remediation of the site under the DTSC supervision. The CLRRA Agreement has been reviewed by the BOE, the City Attorney, the Chief Legislative Analyst’s Office and the Office of the City Administrative Officer, and has been negotiated with DTSC.

On September 6, 2017, the City Council, subject to approval of the Mayor, authorized the following (CF 14-1158-S3). This was previously reviewed and approved by the Arts, Entertainment, Parks, and River Committee on August 23, 2017, the Public Works and Gang Reduction Committee on August 16, 2017, and the BPW on July 26, 2017:

- Acknowledge the May 31, 2017 Council approval (CF 14-1158-S3), authorizing the City Engineer, to negotiate and execute an agreement with the SCC for a grant award of Proposition 1 Bond in the amount of $2,000,000 as a source of funds.
- A loan from the Public Works Trust Fund (PWTF), Fund No. 834/50 in the amount of $700,000, to front fund the Taylor Yard G2 River Park project until sufficient SCC grant funds are received to repay the loan.
- The Office of Accounting (OAA) to release the PWTF Loan as soon as the SCC grant award is received from BOE.
- The OAA to assess and collect monthly interest on the loans at a rate that the Office of Finance is using to allocate interest to various investment pools. Any unpaid interest at the end of the year will be added to the principal amount of the loan.
- The OAA to transfer $700,000 from the PWTF Fund No. 834/50 to the Engineering Special Services Fund, Fund No. 682/50 and to appropriate said amount in the Engineering Special Services Fund, Fund No. 682/50 to a new Appropriation Unit entitled Taylor Yard G2 and to make payments for the completion of the Taylor Yard G2 River Park Project.
- Reimbursements in the amount of $700,000 from the $700,000 from the SCC to be deposited in the Engineering Special Services Fund and subsequently to be transferred back to the PWTF as directed by the City Engineer.
- The Controller to make technical corrections as necessary.

On August 24, 2017, the State Wildlife Conservation Board approved the $20 million State Proposition 84 Grant and the Draft Easement Agreement with the Santa Monica Mountains Conservancy (SMMC)/Mountain Recreation and Conservation Authority (MRCA). The easement agreement and the Memorandum of Understanding (MOU) will outline the duties
of the MRCA and the City in the remediation and development of the easement area and will require City Council approval.

- On June 15, 2017, the SCC granted an agreement for $2 million in Proposition 1 funds to perform environmental site assessments and develop an Implementation Plan with recommended concepts for both interim uses of the site and long-term development that could be consistent with the ARBOR Study.

- On May 26, 2017, the City Council adopted a motion (CF 14-1158-S3) to authorize the City Engineer to negotiate and execute an agreement with the SCC for a grant award of Proposition 1 Bond in the amount of $2,000,000 as a source of funds.

- On March 1, 2017, the acquisition of the Taylor Yard G2 parcel from the UP was completed under the terms of the Purchase and Sale Agreement with the UP.

- On February 16, 2017, the BOE and the City Attorney initiated discussions with the DTSC for a proposed VCA to govern clean-up of the site.

- On February 2, 2017, the BOE recorded the CEQA Notice of Determination for the G2 parcel land acquisition.

- On January 27, 2017, City Council (CF 13-1641) approved the purchase of the Taylor Yard G2 parcel for the LARER Project in the amount of $59,315,000, plus related costs not to exceed $60 million.

### 1.5 Project Management Activities

- The Project Management Team (PMT) is coordinating the formation of two Advisory Stakeholders Committees (ASC). One will focus on technical stakeholders and the other on community stakeholders. A kick-off meeting is scheduled for December 6, 2017.

- The PMT is organizing Community site tours in January 2018 to provide the public a first-hand look of the site. Details are forthcoming.

- Members of the PMT participated in the Mujeres de la Tierra’s Dia de los Muertos event along the Los Angeles River on November 1, 2017. Informational flyers were provided and sign-up for future information was provided to the community.

- On October 24, 2017, the BOE and WSP identified preliminary tasks for establishing a detailed schedule, creating a stakeholder engagement plan, and site investigation work plan.

- On October 23, 2017, the Mayor’s Office and the BOE hosted a site visit as part of a L.A. River bus tour offered by the Urban Land Institute’s Fall Conference.

- On October 20, 2017, the SCC provided official written approval of all conditions precedent of Grant Agreement 16-119 for the $2 million Prop 1B funding. This approval allows for the implementation of the project work plan and selected consultant, WSP and its subcontractors, to proceed.

- A site investigation work plan for remediation scope is being developed by the PMT and WSP, with a target goal for DTSC approval of the work plan and site investigations to begin in February 2018.
DTSC Brownfield grant work for site investigation in Area-A was completed in October by the Wood Group, a consultant under DTSC. This is the 2-acres south of the future Kerr Rd. The results of this work will be incorporated into WSP’s site-wide analysis.

On August 24, 2017, the $20 million MRCA grant a Draft Easement Agreement and were approved by the Wildlife Conservation Board. The PMT continues to coordinate and follow-up on issues on the proposed SMMC/MRCA Easement Agreement. Negotiations with the MRCA on the size and location of the easement area are ongoing. The Easement Agreement will include a Memorandum of Understanding (MOU) that will outline the duties and responsibilities of the MRCA and the City in the remediation and development of this easement area.

The PMT continues to coordinate and follow-up on issues on two Metrolink Tail Track issues on the G2 parcel:

1. A short term License Agreement (“License”) to allow the City and Metrolink to co-use the current Tail Track Lease area while Metrolink is building-out its Tail Track Easement areas. The co-uses of this area will be the City’s environmental remediation and build out of initial public improvements, and Metrolink’s periodic railcar parking on the area. The Subject area lies along the Western boundary of G2 near the L.A. River.

2. A Purchase and Sale Agreement (“PSA”) under which Metrolink will purchase additional width area for its existing Easement from the City (at FMV) following a City determination that Metrolink’s widened operation will not conflict with adjoining oil and fiber optic pipelines. The subject area lies along the Eastern boundary of G2 near the UP owned rail tracks.

The annual groundwater monitoring for 2017 was issued through a TOS issued to Geosyntec on June 1, 2017, and is now complete.

The PMT continues to coordinate and follow-up on issues on site security. The Fencing Covenant in the Purchase and Sale Agreement with the UP requires the City to fence and secure Metrolink’s Tail Track Easement Area. On May 22, 2017, General Services Department (GSD) secured the perimeter of the site to secure it from public access until it is assessed, remediated, and deemed safe for public access by the DTSC. Recreation and Parks provided sign fabrication.

On August 2, 2017, final Addendum No. 6 was issued for the TOS for site assessments, implementation plan/pre-design report & detailed design for interim uses.

On July 6, 2017 a Pre-Proposal meeting and site walk were held for the 24 firms on the Pre-Qualified On-Call Wastewater & Environmental Engineering Consultants, and interested sub-consultants.

On May 30, 2017, a pre-solicitation informational briefing was held for all Pre-Qualified On-Call Wastewater & Environmental Engineering Consultants.
1.6 Key Items for the MFC

A. Item: California Land Refuse & Revitalization Act (CLRRA) Agreement

Status: The BOE and City Attorney have negotiated with the Department of Toxic Substances Control (DTSC) for a CLRRA Agreement for G2 to meet industrial standards pursuant to the existing Response Plan (RAP), or an amended Response Plan depending on the results of further environmental site investigations and future intended use for the site. It is anticipated that G2 may be used as open space which will require different remediation strategies than industrial uses. The City will assess the site and remedies, if necessary, under the oversight of the DTSC.

Recommendation: The BOE is requesting authority for the City Engineer to execute a CLRRA Voluntary Clean-up Agreement with DTSC and to forward this recommendation to City Council.

Action: A separate report for this recommendation will presented to the MFC for approval.
2.0 SCHEDULE

2.1 Master Schedule

- This Preliminary Schedule indicates Major Tasks/Phases of the Project. The dotted vertical bar is the current date as of this report.

- The Taylor Yard G2 River Park Project has a phased master schedule for remediation, project development, and implementation, starting with site acquisition. This phased development approach will allow for current and future scope to be identified as funding and authorizations become available.
3.0 BUDGET

3.1 Project Budgets and Use of Funds

-The following table outlines the proposed budget (CF 13-1641), current allocated funding, and the total expenditures to date:

-The overall Taylor Yard G2 River Park Project budget will be incrementally implemented in phases as remediation, development, and funding sources are identified and approved.

<table>
<thead>
<tr>
<th>BUDGET ITEM</th>
<th>PROPOSED BUDGET (CF 13-1641)</th>
<th>CURRENT ALLOCATED FUNDING</th>
<th>TOTAL EXPENDITURES TO DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Acquisition &quot;As Is&quot; (&quot;As Is&quot; budget of $44,600,000 = $59,315,000 - 14,715,000)</td>
<td>$44,600,000</td>
<td>$44,600,000.00</td>
<td>$44,600,000.00</td>
</tr>
<tr>
<td>Site Acquisition (CF 13-1641) MICLA 298/40/40L</td>
<td></td>
<td>59,315,000</td>
<td></td>
</tr>
<tr>
<td>Remediation to Industrial Standards (UPRRC Remediation Escrow Account )</td>
<td></td>
<td>(14,715,000)</td>
<td></td>
</tr>
<tr>
<td>Site Assessments, Pre-Design, Design, Construction for Interim Uses</td>
<td>$14,100,000</td>
<td>$2,114,879.00</td>
<td>$16,752.92</td>
</tr>
<tr>
<td>Contaminated Soils Fund</td>
<td></td>
<td>14,879</td>
<td></td>
</tr>
<tr>
<td>State Coastal Conservancy Grant 682/90/tbd Taylor Yard G2: PWTF Cash Flow</td>
<td></td>
<td>2,000,000</td>
<td></td>
</tr>
<tr>
<td>City Brownfield Program: DTSC Brownfield</td>
<td></td>
<td>50,000</td>
<td></td>
</tr>
<tr>
<td>EPA Brownfield</td>
<td></td>
<td>50,000</td>
<td></td>
</tr>
<tr>
<td>Site Remediation</td>
<td>$120,739,898</td>
<td>$15,362,670.00</td>
<td>$242,910.00</td>
</tr>
<tr>
<td>Site Management: MICLA 298/40/40L</td>
<td></td>
<td>647,670</td>
<td></td>
</tr>
<tr>
<td>Remediation to Industrial Standards (UPRRC Remediation Escrow Account )</td>
<td></td>
<td>14,715,000</td>
<td></td>
</tr>
<tr>
<td>Fish &amp; Wildlife Habitat Restoration &amp; Recreation Improvements</td>
<td>Future Federal USACE</td>
<td>$25,401,187</td>
<td>$ -</td>
</tr>
<tr>
<td>Other Site Improvements for Future Phases</td>
<td></td>
<td>$13,877,563</td>
<td>$ -</td>
</tr>
<tr>
<td>Project Contingency &amp; Escalation</td>
<td></td>
<td>$33,437,587</td>
<td>$ -</td>
</tr>
<tr>
<td>TOTAL PROPOSED BUDGET (as of 1/6/2017 per CF 13-1641)</td>
<td>$252,156,235</td>
<td>$62,077,549</td>
<td>$44,859,663</td>
</tr>
</tbody>
</table>
3.2 Potential Sources of Funds

Potential funding includes the following sources per CF 13-1641:

<table>
<thead>
<tr>
<th>Approximate Potential Funding Sources</th>
<th>Comments/Status</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Prop 1 State Water Board</td>
<td>Awarded through grant programs. Pending application and area allocations</td>
<td>25,000,000</td>
</tr>
<tr>
<td>2. Mountain Recreation Conservation Authority (MRCA): Prop 84</td>
<td>Grant &amp; Draft Easement Agreement approved by Wildlife Conservation Board on 8/24/2017. MOU &amp; Council approval pending.</td>
<td>20,000,000</td>
</tr>
<tr>
<td>3. State Prop 84 through SMMC - Development</td>
<td>Funding is identified for G2 improvements</td>
<td>5,000,000</td>
</tr>
<tr>
<td>4. LA County Measure A</td>
<td>To be awarded through grant program, pending guidelines. Annual allocation application requires processing</td>
<td>12,000,000</td>
</tr>
<tr>
<td>5. State Cap &amp; Trade Proceeds</td>
<td>Grant application processes through multiple State programs</td>
<td>10,000,000</td>
</tr>
<tr>
<td>6. Private Sponsorship &amp; Philanthropy</td>
<td>Grant application processes to seek funding from multiple organizations</td>
<td>5,000,000</td>
</tr>
<tr>
<td>7. Proposition O</td>
<td>Set-aside. Pending reallocation from land acquisition to be implemented by Council</td>
<td>12,400,000</td>
</tr>
<tr>
<td>8. Other Federal Sources</td>
<td>Potential grants or partnerships with: US Bureau of Reclamation, National Park Service, Environmental Protection Agency, etc.</td>
<td>5,000,000</td>
</tr>
</tbody>
</table>

**APPROXIMATE POTENTIAL FUNDING**

$ 94,400,000

3.2 Public Works Trust Fund Interest

City Council (CF 14-1158-S3) approved a $700,000 loan from the Public Works Trust Fund (PWTF) to cash flow the $2 million State Coastal Conservancy grant for site assessments and implementation plan for the project. The interest earned as assessed by Public Works, Office of Accounting will be paid back to the PWTF Fund 834 and directed by the City Engineer. The status of the interest earned will be reported here periodically as assessed. The current average annual interest rate is 1.174%.
4.0 PROJECT STATUS

4.1 Project Status Detail

The following table details each component of the overall Taylor Yard G2 River Park Project:

<table>
<thead>
<tr>
<th>Taylor Yard G2 River Park Project</th>
<th>Location: CD 1 - Gil Cedillo</th>
<th>Site assessments, development of an implementation plan, design and construction of near term uses at the approximately 42-acre L.A. River-adjacent Taylor Yard G2 Parcel.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Design Services: WSP, USA Inc.</td>
<td>Size: approx. 42 acres</td>
</tr>
<tr>
<td></td>
<td>Contractor: TBD</td>
<td>Funding: MICLA, Contaminated Soils Fund, State Coastal Conservancy, City Brownfield Program</td>
</tr>
<tr>
<td></td>
<td>Project Manager: Katherine Doherty (213) 847-0395</td>
<td>Project is in Pre-Design:</td>
</tr>
<tr>
<td></td>
<td>Project Engineer: Lyndsay Naish (213) 847-2023</td>
<td>o The Board of Public Works authorized the issuance of Task 1 &amp; 2 of TOS No. 13 to WSP to provide engineering services, including the implementation plan, site assessments and interim development design services on 10/20/2017. NTP is pending.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>o SCC provided formal authorization of the Prop 1B Grant on 10/20/2017.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>o A detailed project schedule, engagement plan &amp; site investigations work plan are in process.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>o The perimeter of the G2 site has been secured with fencing &amp; “No Trespassing” signage to prevent public access until it is assessed, remediated &amp; deemed safe by DTSC</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Constr. Estimate: $TBD</th>
<th>Bid Amount: $</th>
<th>CO’s to date: $(0.00%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constr. Contract: $</td>
<td>Payment to Date: $</td>
<td>(0.0%)</td>
</tr>
</tbody>
</table>

32% Pre-Design
5.1 DISTRIBUTION LIST

Richard H. Llewellyn Jr.,
Interim City Administrative Officer Office of the City Administrative Officer (CAO)
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Maria Cardenas CAO
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Matias Farfan CLA
Enid Gomez General Services Department (GSD)
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Comments or suggestions regarding the Taylor Yard G2 River Park Project Status Report may be directed to Christopher F. Johnson, BOE, at 213-485-1165 or email at Christopher.Johnson@lacity.org