

Date of Hearing: May 12, 2021

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Lorena Gonzalez, Chair

AB 963 (Kamlager) – As Introduced February 17, 2021

Policy Committee: Natural Resources

Vote: 11 - 0

Urgency: No

State Mandated Local Program: No

Reimbursable: No

SUMMARY:

This bill changes the name of the Baldwin Hills Conservancy (BHC) to the Baldwin Hills and Urban Watersheds Conservancy and expands the conservancy's territory to include the southern Ballona Creek Watershed and the Upper Dominguez Channel. This bill also expands the BHC's board and eliminates the 2026 sunset date for BHC.

Specifically, this bill:

- 1) Deletes the following conservancy requirements:
 - a) To approve funded projects that advance the policies and proprieties set forth in the laws governing it.
 - b) To into a memorandum of understanding with DPR that requires the conservancy and DPR to cooperate in the sharing of technical assistance, data, and information.
 - c) By May 1, 2002, approve the master plan and prioritize the following:
 - i) The acquisition of additional recreational and open space and a plan for the management of lands under the jurisdiction of the conservancy, including additional or upgraded facilities and parks that may be necessary or desirable.
 - ii) The planned conveyance of lands acquired and restored, or lands acquired, restored, and developed, to State Parks or to any other public agency once the acquisition and improvements have been finalized.
- 2) Requires the BHC to carry out projects and activities to further the purposes of the conservancy throughout the region and, in doing so, the board must make every effort to ensure that, over time, BHC funding and other efforts are spread equitably across each of the various subregions.
- 3) Requires the conservancy to study the potential environmental and recreational uses of the Baldwin Hills, southern Ballona Creek Watershed, and Upper Dominguez Channel area.
- 4) Requires BHC, on or before January 1, 2023, to develop and adopt a proposed watershed and open-space plan for improvements in the conservancy territory.

- 5) Establishes the Baldwin Hills, Southern Ballona Creek Watershed and Upper Dominguez Channel Urban Watershed Improvement Program to be administered by the conservancy for climate change adaptation improvements, to protect, conserve and restore the health and resilience of the watersheds and communities of the region. Prohibits the program from being construed as requiring the Legislature to appropriate additional funds.

FISCAL EFFECT:

- 1) Cost pressures, likely in the tens of millions of dollars or more, to fund projects in the new jurisdiction (GF, bond or special fund).
- 2) There will be additional unknown significant costs associated with the shift from one of the original the mission of BHC. For example, this bill proposes to delete one of the main purposes for which the BHC was established, that is, to develop a master plan for the original area and acquire and restore lands for conveyance to the Department of Parks and Recreation (State Parks) or other public agencies.

With the expansion of territory, deletion of this provision, and other provisions related to coordinating and sharing resources with the neighboring Kenneth Hahn State Park (Kenny Hahn, this bill significantly increases BHC's potential future annual operating and maintenance costs, possibly by millions of dollars annually (bond or special fund).

COMMENTS:

- 1) **Baldwin Hills.** The BHC jurisdiction covers approximately two square miles and is the smallest of the state's ten conservancies. The BHC is located approximately 6 miles from downtown Los Angeles. There is significant oil production activity in the BHC's jurisdiction. The conservancy restores former oil production lands to open space and makes them available to the public as oil production ceases. The conservancy achieves its goals through projects that preserve and restore wildlife habitat, improve watersheds and provide low-impact recreational and educational uses. The BHC applies for funding from various sources to support projects throughout its territory, which covers western Los Angeles County, in the area surrounding the Baldwin Hills and the Kenny Hahn State Park.

The BHC was to only last for eight years, but has since been extended and its mission is evolving.

- 2) **Issues to Consider.** The BHC currently covers a two square mile area. It provides open space and an education to communities that do not have many other opportunities to experience and learn about nature.

The BHC was the subject of two Department of Finance (DOF) audits, one in 2008, and one in 2017. Both audits found deficiencies. The BHC responded to both audits and agreed to take several corrective actions to address the deficiencies.

Significant funding has been provided to the conservancy through bonds. The BHC received an allocation of \$40 million from Proposition 40 (2002), \$10 million from Proposition 84 (2006), \$10 million from Proposition 1 (2014) and \$6 million from Proposition 68 (2018). The Proposition 1 funds are designated for water quality, water supply and watershed

protection and restoration projects. Another sunset review of the conservancy would allow the Legislature to review the spending of the bond funds and determine if it is appropriate for this conservancy to expand into other areas.

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