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October 7, 2022

The Honorable Mitch O'Farrell
Chair, Energy, Climate Change, Environmental Justice, and River Committee
Los Angeles City Council

c/o Holly L. Wolcott
City Clerk
City Hall Room 360

Council File 14-1158-S10 - REPORT ON POTENTIAL FUNDING SOURCE FOR THE TAYLOR YARD RIVER PARK PROJECT AND PARTNERSHIP PROPOSAL WITH RIVER LA

Recommendations:

1. Approve a proposed Memorandum of Understanding (MOU), substantially in the form of Attachment 1 of this report, between the Bureau of Engineering (BOE) and River LA, a non-profit public benefit corporation, to establish and define the relationship of support for projects and programs of the 100-Acre Partnership at Taylor Yard (a collaboration of the City of Los Angeles, California State Parks, and the Mountains Recreation and Conservation Authority), including at the City-owned Taylor Yard G2 site.
2. Authorize the City Engineer, or designee, to finalize and execute the MOU with River LA.
3. Instruct the BOE, in cooperation with River LA, to implement the MOU with the assistance of any other City Departments, at BOE's direction.
4. Authorize the BOE to establish a new account in the Engineering Special Services Fund No. 682, Department No. 50, entitled "Friends of Taylor Yard River Park" for



the BOE to accept and deposit funds from River LA, other governmental agencies, and from private donors to support the delivery of the Taylor Yard River Park projects in the 100-Acre Partnership area.

5. Authorize the BOE to expend the funds deposited into the "Friends of Taylor Yard River Park" to support the completion of these projects, contingent on the establishment of a process detailing the use of these funds and developed in cooperation with the Office of the City Administrative Officer and other affected City departments.
6. Authorize the City Engineer to make any accounting and/or technical corrections to the recommendations above to effectuate the intent of the City Council action.

Discussion:

The Los Angeles City Council ("Council") directed the BOE, per Council File 14-1158-S1, as follows: "Instruct BOE and City Administrative Officer to pursue non-City sources of funding for project implementation and regularly provide updates on Federal, State, other agency, philanthropic, and private funding sources." This instruction was part of Council's concurrence with the Taylor Yard Implementation Feasibility Report (IFR). BOE has recently worked with the Mayor's Office to evaluate a proposal from River LA, a non-profit organization dedicated to supporting Los Angeles River revitalization, for River LA to help identify funding opportunities from private and philanthropic sources. Similar relationships exist for fundraising support for capital projects and programs within the City at the Department of Recreation and Parks (RAP), as well as at major peer cities in the United States.

Based on a proposal from River LA and an example MOU between RAP and the Griffith Observatory Foundation, BOE and the Mayor's Office developed the attached MOU (Attachment 1) that would establish a relationship between the City and River LA to manage River LA's sourcing of philanthropic funding for Taylor Yard G2 and 100-Acre Partnership projects and programs, all part of the Taylor Yard River Park Project. The MOU has been reviewed by the City Attorney's Office and found to be acceptable as to form and legality.

The MOU defines the terms whereby River LA will initiate a capital fundraising campaign under a "Friends of Taylor Yard" nomenclature, with an initial goal to raise \$50 million to \$75 million. BOE would guide the formulation of project descriptions for potential donations. River LA would transfer donated funds to the City and retain a portion of the donation for its fund-raising costs. The MOU does not include payment from the City to River LA for any services and can be terminated by either party per its terms.

For questions, please contact Michael Affeldt at (213) 978-2225 or at Michael.affeldt@lacity.org

The Honorable Mitch O'Farrell
October 7, 2022
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Sincerely,

 Electronically Signed by Deborah Weintraub
on 10/07/2022 8:45:05 AM

Deborah Weintraub, AIA
Chief Deputy City Engineer
Bureau of Engineering

Attachment: Proposed MOU with River LA

DW/MA:ab

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Motion 100722.pdf

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF LOS ANGELES
AND
RIVER LA
ESTABLISHING ROLES, RESPONSIBILITIES, AND THE RELATIONSHIP OF SUPPORT TO
TAYLOR YARD RIVER PARK AND RELATED PROJECTS

THIS MEMORANDUM OF UNDERSTANDING (“MOU”), dated as of _____, 2022 is made by and between the City of Los Angeles (“CITY”), a municipal corporation, as represented by the BUREAU OF ENGINEERING (“BOE”), and River LA, a non-profit public benefit corporation.

WHEREAS, The following document outlines a partnership between the CITY and River LA whereby River LA will create an initiative “River LA – Friends of Taylor Yard River Park” in support of funding support for the Taylor Yard River Park Project; and,

WHEREAS, River LA was formed in 2009 as recommended by the CITY’s Los Angeles River Revitalization Master Plan (LARRMP), which was created by CITY leaders, architects, engineers, government agencies, and residents. River LA was charged with helping to implement LARRMP projects along the LA River, to aid in the LA River’s transformation from an undervalued asset into a valuable environmental resource that serves the long-term health, vibrancy, and resilience of our complex urban ecosystem; and,

WHEREAS, The CITY acquired the “G2 parcel” of the Taylor Yard complex in 2017 for the purpose of restoring it in accordance with the LARRMP and the federal Los Angeles Ecosystem Restoration and Recreation project; and,

WHEREAS, BOE’s Taylor Yard Implementation Feasibility Report dated October 2021 and updated in February 2022 sets forth a vision for Taylor yard project features; and,

WHEREAS, A need exists to identify funding to complete projects and programs at Taylor Yard,

NOW THEREFORE, BOE and RIVER LA agree as follows:

1. PURPOSE

1.1. River LA will support the CITY by building an independent, multi-year capital campaign to support funding for the successful development and completion of projects and programs at and related to the Taylor Yard area.

2. CITY agrees:

2.1. The CITY will develop a process by which to receive identified donations from River LA.

- 2.2. If needed, the CITY will develop a process by which to directly receive or MOU with certain donors or development partners, given mutual concurrence with River LA. In such instances, River LA will remain engaged to provide support and expertise, at no additional fee.
- 2.3. The CITY will review and may approve or disapprove of all fundraising material that River LA proposes to use.
- 2.4. The CITY will use received funds exclusively for Taylor Yard-related improvements, projects, and programs.

3. RIVER LA agrees:

- 3.1. River LA will build an independent fundraising campaign that will support the Taylor Yard River Park. The campaign will focus on multiple elements that have been defined in the Taylor Yard Implementation Feasibility Report.
- 3.2. The initial fundraising goal for the first two years of the agreement is \$50 to \$75 million. If that benchmark is reached prior to the end of a two-year period, an additional goal will be set based on time remaining on the agreement.
- 3.3. Develop campaign plan:
 - 3.3.1. The campaign plan will detail the campaign structure needed to make unique and personalized solicitations of individuals, corporations, foundation prospects, and grant funding where applicable.
 - 3.3.2. The plan will include timetables and campaign related marketing, event strategy and public relations plans.
 - 3.3.3. River LA and the CITY team will jointly define project opportunities, and RIVER LA will prepare marketing materials to be shared with potential funding sources. The CITY will have final approval on all materials, including a case for support, funding proposals, letters, and newsletters.
 - 3.3.4. River LA may independently raise a budget for the costs and implementation of outreach.
- 3.4. Conduct prospect identification and review sessions:
 - 3.4.1. Identify donor prospects and determine appropriate asking strategies and donation amounts. Work with the CITY to develop full proposals for funding to the appropriate prospects.
 - 3.4.2. River LA will share ongoing lists of any potential donor outreach with the CITY and coordinate ongoing review sessions.
 - 3.4.3. River LA will develop a “Friends of Taylor Yard” committee to help support donor outreach and prospecting.
- 3.5. Develop gift levels:
 - 3.5.1. Define benefits, privileges, and acknowledgments to donors for corresponding contributions.
 - 3.5.2. Discuss options for storytelling elements at Taylor Yard, (examples include a donor walking path and donor wall).
- 3.6. Provide ongoing leadership and direction:

- 3.6.1. River LA will offer full hands-on management of the campaign. River LA will be engaged and included in all conversations with potential donors from outreach through the final payment of funding.
- 3.6.2. River LA will work with CITY staff and attorneys to execute any necessary contracts.
- 3.7. Fees:
 - 3.7.1. River LA will not be paid any consulting fee for the planning or execution of work on the project but will retain 15% of funding it raises.

4. Parties mutually agree:

- 4.1. While the campaign will operate independently, the CITY will have approval rights over all elements of the campaign, including marketing materials and potential funder outreach.
- 4.2. The CITY will have sole rights to accept or reject any proposed donation.
- 4.3. This campaign will not preclude any other partnership that the CITY has now, or in the future, to develop fundraising for Taylor Yard.
- 4.4. River LA will have exclusive use of the "Friends of Taylor Yard" name for the program.
- 4.5. All external donations raised by River LA will pass through River LA, who will take an operating and expense fee equal to 15% of gross donations. Within 30 days of receiving cleared funds and donations, "Friends of Taylor Yard" will distribute all other funds collected directly to the CITY.
- 4.6. Funds raised and transferred from River LA to the CITY will not be subject to recall or return.
- 4.7. With the CITY's approval, River LA "River LA & Friends of Taylor Yard" may use its own resources to identify and apply for government infrastructure funds that might support elements of Taylor Yard projects. For such applications, River LA will make sure that such applications will not conflict with any CITY efforts.
 - 4.7.1. River LA will always come to the city to secure approval before proceeding with any applications for public funding.
 - 4.7.2. Before proceeding with any public funding application, the CITY and River LA will establish any fees or compensation for River LA, if any, based on the specific funding opportunity guidelines.
- 4.8. River LA is not authorized to offer "naming rights," but if a potential donor is specifically interested in naming rights, River LA may present the opportunity to the CITY for its consideration.
- 4.9. The CITY and River LA will each retain independent ownership of intellectual property that each develops during this partnership.

5. **Indemnification:**

- 5.1. Except for the active negligence or willful misconduct of CITY, or any of its boards, officers, agents, employees, assigns and successors in interest, River LA shall defend, indemnify and hold harmless CITY and any of its boards, officers,

agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by CITY, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or bodily injury to any person, or damage or destruction of any personal property of any CITY indemnified party, arising in any manner by reason of the active negligence or willful misconduct of River LA, Subcontractors, or their boards, officers, agents or employees. The rights and remedies of CITY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this MOU. This provision will survive expiration or termination of this MOU.

- 5.2. Except for the active negligence or willful misconduct of River LA, or any of its boards, officers, agents, employees, assigns and successors in interest, CITY shall defend, indemnify and hold harmless River LA and any of its boards, officers, agents, employees, assigns, and successors in interest from and against all lawsuits and causes of action, claims, losses, demands and expenses, including, but not limited to, attorney's fees (both in house and outside counsel) and cost of litigation (including all actual litigation costs incurred by River LA, including but not limited to, costs of experts and consultants), damages or liability of any nature whatsoever, for death or bodily injury to any person, or damage or destruction of any personal property of any River LA indemnified party arising in any manner by reason of the active negligence or willful misconduct of CITY, Subcontractors, or their boards, officers, agents, or employees. The rights and remedies of River LA provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this MOU. This provision will survive expiration or termination of this MOU.

6. Schedule, Term, and Termination:

- 6.1. This MOU shall be in place for two years from its execution, and the CITY will have the option to extend the agreement for an additional two years.
- 6.2. Either party may terminate this MOU by writing with 90 days' notice.
- 6.2.1. In the case of termination, River LA will be entitled to its fees for any completed donation initiated by River LA.

IN WITNESS WHEREOF, the parties have executed this MOU as of the day and year first above written.

CITY:

Ted Allen, P.E.

City Engineer

Date: _____

APPROVED AS TO FORM:

Michael N. Feuer, City Attorney

By: _____

Assistant City Attorney

Date: _____

River LA:

By: _____

Kate Moulene

CEO

River LA

Date: _____

DRAFT