



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 7/11/2023

To: Board of Directors of the Sonoma County Agricultural Preservation and Open Space District
Department or Agency Name(s): Sonoma County Agricultural Preservation and Open Space District
Staff Name and Phone Number: Steph Tavares-Buhler, 565-7362
Vote Requirement: 4/5th
Supervisory District(s): Fifth District

Title:

Denner Ranches (0587) Conservation Easement Acquisition

Recommended Action:

Adopt a resolution of the Board of Directors of the Sonoma County Agricultural Preservation and Open Space District to:

- A) Authorize the purchase of a conservation easement over the Denner Ranches Property for total of up to \$11,500,000 and escrow costs;
 - B) Determine that the acquisition is consistent with the Sonoma County Agricultural Preservation and Open Space District's Expenditure Plan and the 2020 Sonoma County General Plan;
 - C) Authorize the President of the Board of Directors to execute a conservation easement over the Property, and associated certificates of acceptance;
 - D) Make certain determinations pursuant to the California Environmental Quality Act and direct the filing of a notice of exemption;
 - E) Dedicate the conservation easement to open space purposes pursuant to Public resources Code Section 5540;
 - F) Authorize General Manager to perform all other actions to complete this transaction.
- (4/5th Vote Required) (Fifth District)

Executive Summary:

The Sonoma County Agricultural Preservation and Open Space District (Ag + Open Space) Manager proposes to purchase a conservation easement over the 489-acre Denner Ranches property located 4415 Denner Ranch Road Santa Rosa, California ("Property"). The conservation easement will protect the Property's agricultural, scenic, and natural resource values while allowing extensive planned habitat restoration and flood prevention activities in the Laguna de Santa Rosa.

Discussion:

Property Characteristics/ Project Significance

Denner Ranches is a 489-acre property, located along River Road and Oakwild Lane between Forestville and Santa Rosa, California. The Property is adjacent to Ag + Open Space's Indian Valley conservation easement as well as a planned conservation easement and proposed restoration project on the Lafranchi-Laguna property.

The Property is immediately adjacent to, and in the historic footprint of the Laguna de Santa Rosa (the

“Laguna”). Restoration of this part of the Laguna is a high priority for local and regional habitat and stormwater management organizations. Conservation of this property will help to achieve state and regional climate goals including protection of critical water resources in a changing climate. The Property is one of the largest intact properties remaining in the Laguna and contains several creeks including Mark West Creek and Hartman Creek as well as remnants of Ballard Lake. There are 46 acres of federally designated critical habitat for California tiger salamander on the Property. There are also significant stands of large valley oak trees.

The Property has been used for agriculture for at least 100 years and consists of mostly flat, low-lying terrain used for row crops and pasture when not flooded. The upland areas are used for buildings, pasture, and a 42-acre vineyard. Agricultural income is supplemented with weddings and limited commercial bird hunting.

The Property is visible from public roads, primarily from River Road. The Property is primarily undeveloped, as most residential development has been on separately owned inholding parcels. The Property has been historically used for agriculture as well as a farm stand, grazing, personal recreation, hunting, and open space.

The Property exists as three Assessor’s parcels but is considered a single legal parcel. It is unlikely to be approved for further division due to a 1978 minor subdivision that required the merger of the three historic parcels (the merger was never completed). Current Property improvements include a dirt road, utility lines, a cell phone tower, a Sonoma Water wastewater treatment facility, agricultural barns and outbuildings, agricultural worker housing, and fencing along the Property boundaries. The Property is surrounded by rural residential properties.

Project Structure

Ag + Open Space staff have negotiated a conservation easement that ensures the Property stays as a single parcel, with a single primary residence, preserves the Property’s scenic qualities, and protects the Property’s natural and agricultural resources. Agriculture is broadly permitted throughout most of the Property, but the easement will limit further vineyard development to an additional 20 acres and will retire marginal cropland along the Laguna. Within the federally designated critical habitat, identified as “Limited Agricultural Areas” in the conservation easement, any uses including certain agricultural uses and allowed commercial uses must be consistent with the preservation of habitat for the California tiger salamander. Natural Areas have been designated along creeks and streams to provide a vegetated buffer to protect and enhance water quality and natural resource values. Agriculture is only permitted in the Natural Areas pursuant to an Ag + Open Space-approved management plan. Additionally, two areas of the Property are identified for voluntary future habitat restoration, including potential restoration of Ballard Lake. Following restoration, the Property will provide additional flood control benefits on this and surrounding properties.

Conformance with Adopted Plans

Vital Lands Initiative

The Denner Ranches project is essential for the Water, Wildlands, Agricultural Lands, and Community Identity categories of Ag + Open Space’s Vital Lands Initiative. Conserving this Property meets multiple objectives described in the Vital Lands Initiative as follows:

- Protect areas with multiple conservation features;
- Protect properties that increase connectivity between protected areas;

Agenda Date: 7/11/2023

- Protect areas most threatened with development or conversion, including unique and scenic landscapes;
- Protect areas important for climate change and extreme event resiliency and adaptation;
- Protect the highest priority riparian corridors and headwater streams, and aquatic habitats and the lands that support this connectivity.
- Protect critical wildlife movement corridors and intact habitat areas, including rare, unique, or particularly diverse vegetation communities; and
- Protect lands that support diverse, sustainable, and productive agriculture, with an aim of creating a balanced portfolio of protected lands that represents the diverse types of agriculture in Sonoma County.

Sonoma County General Plan 2020

The project furthers several goals and policies in Sonoma County's General Plan 2020, specifically in the Land Use, Open Space and Resource Conservation, Agriculture, and Water Resources Elements as noted in, but not limited to, the following:

- Preservation of lands currently in agricultural production and lands with soils and other characteristics that make them potentially suitable for agricultural use. Retain large parcel sizes and avoid incompatible nonagricultural uses. (Goal LU-9)
- Preserve roadside landscapes that have a high visual quality. (OSRC-3)
- Preserve the unique rural and natural character of Sonoma County. (OSRC-6)
- Protect and enhance the County's natural habitats and diverse plant and animal communities. (Goal OSRC-7)
- Protect and enhance Riparian Corridors and functions along streams, balancing the need for agricultural production ... and other land uses within the preservation of riparian vegetation, protection of water resources, flood control, bank stabilization, and other riparian functions and values. (OSRC- 8)
- Encourage conservation of soil resources to protect their long-term productivity and economic value. (OSRC- 10)
- Protect, restore, and enhance the quality of surface and groundwater resources (WR-1).
- Protect existing groundwater recharge areas. (Objective WR-2.3)
- Reduce economic pressure for conversion of agricultural land to non-agricultural use (Objective AR-2.4)
- Maintain the maximum amount of land in parcel sizes that a farmer would be willing to lease or buy for agricultural purposes. (Goal AR-3)

Ag + Open Space's Expenditure Plan

The project is consistent with Ag + Open Space's Expenditure Plan because it preserves agriculturally productive land, riparian corridors and biotic habitat areas, and scenic landscape units.

Fiscal Oversight Commission Approval

On March 10, 2023, Ag + Open Space's Fiscal Oversight Commission, in approving Resolution No. 2023-003, concluded that Ag + Open Space is not paying more or receiving less than the fair market value for acquisition the conservation easement. □

CEQA

Pursuant to California Code of Regulations section 15317, Ag + Open Space's acceptance of the easements is exempt because it will maintain the open space character of the area. Alternatively, pursuant to Public Resources Code section 21080.28(a) & (c), Ag + Open Space's purchase of the conservation easement is exempt from CEQA because the purpose of the transaction is to preserve the natural condition of the property including plant and animal habitats; restoration of natural conditions including plant and animal habitats; for continuing agricultural use of the land; prevention of encroachment of development into flood plains; and preservation of open space.

Dedication

Consistent with Ag + Open Space practice, the Board is asked to dedicate the conservation easement to open space purposes pursuant to Public Resources Code Section 5540. By taking this action, Ag + Open Space is

restricting its ability to convey or relinquish the protections embodied in the conservation easement.

Prior Board Actions:

N/A

FISCAL SUMMARY

Expenditures	FY 23-24 Adopted	FY24-25 Projected	FY 25-26 Projected
Budgeted Expenses	\$11,500,000		
Additional Appropriation Requested			
Total Expenditures	\$11,500,000		
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other	\$11,500,000		
Use of Fund Balance			
Contingencies			
Total Sources	\$11,500,000		

Narrative Explanation of Fiscal Impacts:

Ag + Open Space has adequate appropriations in its FY 23-24 budget for the \$11,500,000 conservation easement acquisition and all associated costs, which is funded by Sonoma County voter approved Measure F.

Staffing Impacts:

Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

1. General Plan Map 2020 Denner Ranches
2. Location Map Denner Ranches
3. Site Map Denner Ranches
4. Resolution Denner Ranches

Related Items "On File" with the Clerk of the Board:

1. Certificate of Acceptance Denner Ranches

Agenda Date: 7/11/2023

2. Notice of Exemption Denner Ranches
3. Draft Conservation Easement Denner Ranches
4. Draft Project Structure Map Denner Ranches
5. Appraisal Report Denner Ranches