



State of California – Natural Resources Agency
DEPARTMENT OF FISH AND WILDLIFE
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GAVIN NEWSOM, Governor
CHARLTON H. BONHAM, Director



June 17, 2021

Ms. Hannah Spencer
Supervising Planner
County of Sonoma
Permit and Resources Management Department
2550 Ventura Avenue
Santa Rosa, CA 95403

Subject: County of Sonoma – Application Number: AGP21-0006

Dear Ms. Spencer:

The purpose of this communication is to provide an update on the status of the Alton Lane Conservation Bank (“ALCB”) and address questions the County of Sonoma (“County”) has concerning the California Department of Fish and Wildlife’s (“CDFW”) approval process of the ALCB:

- 1.) Update Regarding the ALCB Status in the Bank Approval Process. The ALCB is in the bank approval process stage with CDFW and the U.S. Fish and Wildlife Service (“Service”);
- 2.) Vacate or Subordinate Certain Recorded Documents. Subordinate or vacate (through nonrenewal or termination) certain encumbrances currently recorded against the Land (defined below); and
- 3.) Fund an Endowment and Make Site Improvements. Alton Preserve, LLC, a California limited liability company, owns the approximately 41.13 acres of real property upon which the ALCB would be established (the “Land”), and as the proposed “Bank Sponsor” of the ALCB, will be required to fund an approved management endowment and make agreed upon improvements to ALCB in conjunction with its formation.

The following presents a general discussion of these issues.

Approval Status for ALCB

In order to form the ALCB, CDFW and the Service must approve and sign a Conservation Bank Enabling Instrument (“CBEI”) and Bank Sponsor must grant CDFW a Conservation Easement (“CE”) over the Land. The Service will be a third-party beneficiary to the CE.

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In October 2020, CDFW asked the Bank Sponsor to help resolve certain encumbrances affecting title that appeared duplicative and/or obsolete in an effort to eliminate confusion and potential conflict between the language in the instruments currently encumbering the Land and the new CE. The Bank Sponsor subsequently approached the County to determine if the County would agree to vacate, or subordinate to the CE, certain County restrictions, including two Land Conservation Agreements (a/k/a Williamson Act Contracts), two Scenic Easements, and an easement to allow septic inspection recorded against the Land. CDFW also offered to try to consolidate its existing conservation easements encumbering portions of the Land with the new CE.

To be clear, the new CE granted to CDFW will require preservation of certain natural resources as its primary purpose which should also ensure that the scenic quality of both the ALCB and Land remain in their natural state per the requirements of the CBEI and the new CE.

In summary, CDFW expects that the CBEI and the CE will be more restrictive than the County's existing Scenic Easements.

CDFW's Long-Term Plan for ALCB

After the ALCB has closed (i.e. met the requirements for bank closure under the CBEI), CDFW will decide whether it is in the best interest of the State to acquire fee title to the Land. Acquiring fee title to the Land would allow CDFW to combine the ALCB with the adjacent Alton North Conservation Bank, which CDFW owns, and would facilitate management of both sites.

CDFW's Request for Assistance

Before the CBEI and CE are executed to establish the ALCB, CDFW is requesting the County's assistance and cooperation in making the following changes to the encumbrances affecting the Land:

Septic Easement. CDFW is requesting the County remove the existing septic easement as an encumbrance affecting the Land and affecting CDFW's Alton South Conservation Site assessor's parcel numbers 034-042-081 and 034-042-091. The septic easement would remain on assessor's parcel number 034-042-092, which is the parcel on which the septic system was constructed originally.

There is direct access to the septic system from Piner Road so access across the other two parcels, encumbered by the Septic Easement, does not appear to be necessary.

County's Scenic Easements. CDFW is requesting that the County enter into a subordination agreement that subordinates the County's two recorded Scenic Easements to the new CE to be recorded over the Land.

Land Conservation Agreements (a/k/a Williamson Act Contracts). CDFW has been informed that the Bank Sponsor, with the County's assistance, signed and notarized cancellation notices to terminate the Williamson Act Contracts encumbering the Land and has returned the cancellation notices to the County to process. It is CDFW's understanding that the County will sign and record the terminations and provide copies to the Bank Sponsor and CDFW.

Financial Requirements for Establishing ALCB

ALCB, which comprises 41.13 acres, was formed in three steps with the objective of providing wetland mitigation and Burke's goldfields/Sonoma sunshine plant mitigation for development sites on the Santa Rosa Plain.

- First Parcel. August 1, 1989 – 29.00 acres
- Second Parcel. February 22, 1990 – 5.71 acres
- Third Parcel. December 30, 1999 – 6.42 acres

Since these formation dates, ALCB has been functioning as a mitigation site; however, the site was established without properly funding an endowment to help maintain it. As such, the site has been functioning without the supporting endowment it needs, and, as a result, no continuing land management work to support and maintain wetlands mitigation has been done on ALCB

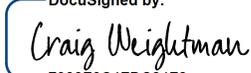
In connection with the formation of ALCB, CDFW and the Service are requiring that the following additional actions be taken by the Bank Sponsor:

- Endowment. Fund an endowment of \$1,309,399. This endowment will be held by the National Fish and Wildlife Federation and used to operate the ALCB.
- Initial and Capital Costs. Complete a schedule of initial activities and capital improvements. The Bank Sponsor, at a cost of \$230,110, has completed these activities.
- Interim Period Bank Operations. Fund the operations of ALCB until the endowment has been funded fully for three years. The estimated cost of this activity is \$182,152.

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Thank you for your consideration and assistance helping CDFW and the Service establish the ALCB. Please feel free to contact me at craig.weightman@wildlife.ca.gov or (707) 339-1332 with any questions you may have or if further clarification is required.

Sincerely,

DocuSigned by:

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Craig J Weightman
Habitat Conservation Program Manager
Bay Delta Region