



SUMMARY REPORT

Agenda Date: 5/11/2021

To: The Board of Directors of Sonoma County Agricultural Preservation and Open Space District, County of Sonoma Board of Supervisors

Department or Agency Name(s): Sonoma County Agricultural Preservation and Open Space District, Sonoma County Regional Parks

Staff Name and Phone Number: Louisa Morris, 565-1537; Steve Ehret, 565-1107

Vote Requirement: 4/5th

Supervisorial District(s): First District

Title:

Calabazas Creek Regional Park and Open Space Preserve Transfer and Funding

Recommended Action:

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

1. Determining that the transfer of fee title to the Calabazas Creek Property to the County of Sonoma, subject to a conservation easement and recreation covenant, is consistent with Ag + Open Space's Expenditure Plan and the 2020 Sonoma County General Plan;
2. Authorizing the General Manager to execute a transfer agreement with Regional Parks;
3. Authorizing the President to execute a grant deed transferring fee title to the Calabazas Creek Property to the County of Sonoma;
4. Authorizing the President to execute a conservation easement and recreation covenant over the property, and associated certificates of acceptance;
5. Consenting to the recordation of an irrevocable offer of dedication in favor of Ag + Open Space pursuant to Public Resources Code §5565.5;
6. Dedicating the conservation easement interest to park and open space purposes pursuant to Public Resources Code section 5540;
7. Directing the filing of a Notice of Exemption in compliance with the California Environmental Quality Act; and
8. Authorizing recordation of all instruments necessary to accomplish the transaction, and directing the General Manager, in consultation with County Counsel, to take all other actions necessary or appropriate to transfer fee title to the County and to establish a permanent conservation easement and recreation covenant over the property.

Adopt resolution of the Board of Supervisors of Sonoma County Regional Parks:

1. Authorizing the Director to execute a transfer agreement with Ag + Open Space;
2. Accepting the fee title to the Calabazas Creek Property;
3. Authorizing and directing the Chair to execute a conservation easement, recreation covenant and irrevocable offer of dedication in favor of Ag + Open Space; and
4. Directing the filing of a Notice of Exemption in compliance with CEQA; and

5. Authorizing recordation of all instruments necessary to accomplish the transaction, and directing the Director of Regional Parks, in consultation with County Counsel, to take all other actions necessary or appropriate to accept fee title to the Property and to establish a permanent conservation easement and recreation covenant over the Property.
(4/5) (First District)

Executive Summary:

The Sonoma County Agricultural Preservation and Open Space District (Ag + Open Space) acquired the 1,285-acre Calabazas Creek (“Property”) in 2004 to preserve the natural and scenic resources while providing for public recreation. Originally, it was anticipated that the Property would be owned and operated by California State Parks to expand Sugarloaf Ridge State Park, but due to budgetary constraints and policy changes, State Parks was unable to accept title to the Property. Regional Parks expressed interest in partnering with Ag + Open Space to acquire and open the park and open space preserve Ag + Open Space proposes to transfer the Property to the County of Sonoma and to receive, in return, a Conservation Easement and Recreation Covenant. (4/5th vote required). Ag + Open Space also proposes to provide grant funding to Regional Parks under Ag + Open Space’s Initial Public Access and Operations and Maintenance Policy. (Majority vote required.)

Discussion:

Acquisition and Property Significance

Ag + Open Space purchased the Calabazas Creek Property in 2004 for \$9.115 million. The Property consists of approximately 1,285 acres at the northeast end of Sonoma Valley, east of Highway 12 off Nuns Canyon Road. The Property is visible from Highway 12, which is a designated Scenic Corridor and within a designated Scenic Landscape Unit. In addition, the Property is visible from other parks in the area, including Sugarloaf Ridge State Park.

The Property consists of a wide variety of ecosystems, including grasslands, riparian habitat and corridors, streams, wetlands and seeps, redwood-Douglas fir forests, manzanita chaparral forests, and oak woodlands, providing habitat and corridors for wildlife movement. The following special status plant species and associations are currently found on the Property: Sonoma ceanothus, Narrow-flowered California brodiaea, Napa false indigo, Napa biscuitroot, Biolett’s erigeron, Steelhead, Foothill yellow-legged frog, Northern spotted owl, Peregrine falcon, Nuttall’s woodpecker, and California giant salamander.

In addition to offering opportunities for public recreation, the Property also offers a potential alignment for an access trail to the Bay Area Ridge Trail, an over 500-mile regional trail system that travels through nine counties and encircles the entire San Francisco Bay Area.

Transfer Agreement

With a four-fifths vote of its Board of Directors, Ag + Open Space will transfer the Property to Sonoma County Regional Parks pursuant to California Public Resources Code Section 5540.6, which allows Ag + Open Space to

convey property that has been dedicated to park and open space purposes to another public agency, subject to a requirement that the agency continue to use the property for park and open space purposes and not to convey the property without voter approval. Regional Parks intends to accept the Property subject to these restrictions, which are contained in the conservation easement.

To facilitate the transaction, Ag + Open Space and Regional Parks propose to enter into a transfer agreement that commits each agency to the following actions, as further described below:

- Transfer of the Property to the County, to be managed by Regional Parks.
- Recordation of a conservation easement to protect the natural, scenic, and recreational values of the Property.
- Recordation of a recreation covenant to ensure that the Property remains available for public outdoor recreation and education in perpetuity.
- Ag + Open Space funding is made available to Regional Parks, through reimbursement, for operation and maintenance activities and initial public access to the property.

Ag + Open Space and Regional Parks propose to transfer the Property by August 31, 2021.

Conservation Easement and Recreation Covenant

When the County receives title to the Property, it will convey to Ag + Open Space a conservation easement that generally limits uses and activities on the Property to protection of natural and scenic resources and compatible recreation and educational activities. In addition, the conservation easement requires that revenue generated on the Property be utilized to offset the expenses of operating the Property and other District-protected regional park and open space preserves. Regional Parks will prepare a Master Plan addressing and balancing resource protection and public use.

Ag + Open Space will also receive a recreation covenant over the Property, obligating the County to provide public access in perpetuity. Pursuant to the recreation covenant, the Property will be opened to the public for outdoor recreational and educational use. In connection with the recreation covenant, the County will record an irrevocable offer of dedication that will allow transfer of Calabazas Creek back to Ag + Open Space should Regional Parks, for any reason, become unable to keep the Property open to the public.

2020 Sonoma County General Plan

The transfer of fee title to the County and Ag + Open Space's receipt of the conservation easement and recreation covenant is consistent with 2020 Sonoma County General Plan policies. The Property is within a General Plan-identified Scenic Landscape Unit and has a General Plan designated trail (Class 1 Bikeway on Highway 12). The transaction supports the following General Plan goals:

- Maintaining important open spaces around the county's cities in a largely open or natural character. (LU-5)
- Preserving important biotic resource areas and scenic features with consistent uses and intensities. (LU-10)
- Retaining the largely open, scenic character of important Scenic Landscape Units. (OSRC-2)

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- Identified as potential Bay Area Ridge Trail segment (Figure OSRC-3) Preserving roadside landscapes that have a high visual quality as they contribute to the living environment of local residents and to the county's tourism economy. (OSRC-3)
- Protecting and enhancing the county's natural habitats and diverse plant and animal communities. (OSRC-7)
- Protect and enhance Riparian Corridors and functions along streams, balancing the need for agricultural production, urban development, timber and mining operations, and other land uses with the preservation of riparian vegetation, protection of water resources, flood control, bank stabilization, and other riparian functions and values. (OSRC-8)
- Establishing a countywide park and trail system that meets future recreational needs of the county's residents while protecting agricultural uses, with an emphasis on trails near urban areas and on public lands. (OSRC-17)

Ag + Open Space Acquisition Plan: Vital Lands Initiative

The transfer of fee title to the County and Ag + Open Space's receipt of the conservation easement and recreation covenant is consistent with Ag + Open Space's *Vital Lands Initiative*, in the Community Identity category, Healthy Communities category, Water category, and Wildlands category, specifically in policies to:

- Protect unique and scenic landscapes.
- Protect priority greenbelt areas.
- Protect lands that provide visual relief from urbanized areas and highly travelled roads, including the most visible ridgelines and mountaintops and valleys.
- Prioritize projects that increase passive or low-intensity recreational opportunities using easements and recreation covenants.
- Ensure that Ag + Open Space protected lands transferred to recreational partners are open to the public and continue to protect conservation features.
- Partner with public agencies and non-profit organizations to ensure that all communities have open space to enjoy.
- Protect the highest priority riparian corridors and headwater streams.
- Protect the highest priority aquatic habitats and associated upland areas that support rare, unique, or special-status aquatic plants and animals.
- Protect the highest priority oak woodlands, shrublands, grassland, and other non-woody species.
- Protect rare, unique, or particularly diverse vegetation communities.
- Protect highest priority habitats for rare, unique, or special-status terrestrial plants and animals.
- Protect lands critical for supporting high native biodiversity.
- Protect critical wildlife movement corridors and intact habitat areas.

Ag + Open Space Fee Lands Strategy

The Calabazas Creek Property is identified as a Tier One property for transfer in Ag + Open Space's approved *Fee Lands Strategy Update* (February 2021).

Funding: Transfer Agreement

Ag + Open Space will provide \$194,000 in funding to Regional Parks for sediment source reduction road work projects that are underway at this Property, identified in a Pacific Watershed Associates Road Assessment.

Funding: Initial Public Access and Operation and Maintenance Funding Request

Regional Parks has requested funds from Ag + Open Space (see Transfer Agreement between the County and Ag + Open Space on file with the Clerk of the Board) pursuant to Ag + Open Space’s Initial Public Access and Operations and Maintenance Policy (IPAO&M Policy), which allows Ag + Open Space to provide funding, for a period of three (3) years after transfer, to operate and maintain as well as to assist in providing initial public access on recreational properties purchased with the open space sales tax.

Regional Parks has requested \$648,000 to assist with capital costs including: planning for and construction of initial public access improvements on the Property, specifically for planning, CEQA, permitting, parking, trail construction, two bridges, dirt road work, and signage necessary to provide initial public access.

Regional Parks has requested \$175,000 for operation and maintenance costs during the first three years of ownership, including programmed, supervised access. Regional Parks will use revenue and fees from day use parking, camping, special events, and special use permits to cover any remaining costs that are not eligible for Ag + Open Space funding.

Regional Parks has also requested \$66,000 to fund park previews and guided outings, to occur before the initial public access trail work is completed.

Thus, Regional Parks’ total request for funding under the IPAO&M Policy is \$889,000. The total budget for IPAO&M is \$1,064,000 which includes a contribution of \$175,000 from Regional Parks.

Initial Public Access and Operations and Maintenance Fund Status

Per the Expenditure Plan, Ag + Open Space is allowed to expend up to 10% of its sales tax revenue on initial public access and operations and maintenance costs (IPAO&M). For FY 20-21, the beginning IPAO&M fund balance was \$9,165,062.

In addition, it is anticipated that Ag + Open Space will receive approximately \$2,589,379 in sales tax revenue in this new fiscal year towards eligible IPAO&M costs for FY 20-21. Ag + Open Space has three existing IPAO&M agreements with recreational partners with available balances that total \$2,719,223. The District anticipates additional requests for IPAO&M funds for at least three additional properties this fiscal year, including Wright Hill Ranch, Paulin Creek, and McCormick Ranch. There are sufficient funds in the IPAO&M fund for the Calabazas Creek IPAO&M request as well as these anticipated future requests.

Fiscal Oversight Commission Approval

On April 15, 2021, the Fiscal Oversight Commission, in approving Resolution No. 2021-001, concluded that Ag + Open Space is not receiving less than the fair market value for transfer of the Property, subject to the conservation easement and recreation covenant that will be received in turn from Regional Parks.

California Environmental Quality Act

The Board must make findings under the California Environmental Quality Act (CEQA) for both the proposed transfer of the property and for decisions regarding proposed funding.

Ag + Open Space’s transfer of the property and receipt of the conservation easement and recreation covenant is exempt from CEQA Pursuant to Public Resources Code section 21080.28, 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; preservation of historical resources; and preservation of open space or lands for park purposes. Until such time as the future master plan has been approved by the Board of Supervisors, the Property will continue to be operated and maintained by Regional Parks consistent with the existing District-approved management plan. Environmental review in accordance with CEQA will occur before any project approval that authorizes physical changes to that land.

Prior Board Actions:

- Fee Acquisition of Calabazas Creek (Resolution # 03-1256, dated December 9, 2003)
- Approval of Real Property Title Correction (Resolution #16-0407, October 25, 2016)
- Approval of Management Plans for Calabazas Creek and Wright Hill Ranch Open Space Preserves (Resolution # 17-0096, dated February 21, 2017)

FISCAL SUMMARY

Expenditures	FY21-22 Projected	FY 22-23 Projected	FY 23-24 Projected
Budgeted Expenses	296,330	296,340	296,330
Additional Appropriation Requested	58,330	58,340	58,330
Total Expenditures	354,600	354,800	354,600
Funding Sources			
General Fund/WA GF	58,330	58,340	58,330
State/Federal			
Fees/Other	296,330	296,340	296,330
Use of Fund Balance			
Contingencies			
Total Sources	354,600	354,800	354,600

Narrative Explanation of Fiscal Impacts:

IPAO&M expenditures will be over Ag + Open Spaces' FY 21-22, 22-23, and 23-24 and will be eligible for Operations and Maintenance Fund classification. Appropriations will be made in the IPAO&M fund in those years to include this commitment.

\$889,000 was included in Regional Parks FY 2021-2022 Budget. The additional \$175,000 will be included in Q1 Consolidated Budget Adjustment.

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

Narrative Explanation of Staffing Impacts (If Required):

Attachments:

1. General Plan 2020 Location Map
2. Calabazas Creek Site Map
3. Calabazas Creek Location Map
4. Resolution of Agricultural Preservation and Open Space District Board of Directors
5. Resolution of County of Sonoma Board of Supervisors

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

1. Calabazas Creek Conservation Easement
2. Calabazas Creek Recreation Conservation Covenant
3. Transfer Agreement between the County and Ag + Open Space
4. Grant Deed from Ag + Open Space to the County
5. Certificate of Acceptance (County) Fee Title of Calabazas Creek
6. Certificate of Acceptance (Ag + Open Space) Conservation Easement
7. Certificate of Acceptance (Ag + Open Space) Recreation Conservation Covenant
8. Notice of Exemption (Ag + Open Space)
9. Notice of Exemption (County)
10. Irrevocable Offer of Dedication (County)