



SUMMARY REPORT

Agenda Date: 6/13/2022

To: The Board of Supervisors of Sonoma County, Board of Directors of Sonoma Water

Department or Agency Name(s): Regional Parks and Sonoma Water

Staff Name and Phone Number: Steve Ehret, 707-565-1107; Grant Davis, 707-547-1911; and Ryan Pedrotti, 707- 521-6209

Vote Requirement: Majority

Supervisory District(s): Fifth District

Title:

Acquisition of the 49.14-acre Demuth Property, 9841 Wohler Road, Healdsburg

Recommended Action:

- A. Adopt a resolution of the Board of Supervisors authorizing those actions necessary for the County and/or Sonoma Water to purchase the 49.14-acre Demuth Property, located at 9841 Wohler Road, Healdsburg;
- B. Authorize the General Manager for Sonoma Water to contribute up to \$600,000 towards the purchase of the Demuth Property; and
- C. Delegate authority to the Director of Regional Parks and the General Manager for Sonoma Water to enter into an agreement, in a form approved by County Counsel, for Sonoma Water's \$600,000 contribution towards the purchase price for the Demuth Property in exchange for yet-to-be determined property rights.

Executive Summary:

Regional Parks and Sonoma Water are proposing to acquire the 49.14-acre Demuth Property for a purchase price of \$2,210,000 to support recreational use and potential Sonoma Water infrastructure.

Discussion:

The Demuth property (the "Property") is located at 9841 Wohler Road, Healdsburg. The Property consists of Sonoma County Assessor's parcels 110-220-001, 110-220-009, 110-220-010, 110-220-014, 083-010-044 and 083-010-028. The Property lies just south of Wohler Bridge in close proximity to Riverfront Regional Park, Wohler Bridge Fishing Access, and Steelhead Beach Regional Park. The Property is adjacent to lands owned by Sonoma Water along the river; and has been used for temporary staging for water supply related projects. It is a strategic acquisition, and subject to future planning and analysis, the proposed acquisition is potentially anticipated to help facilitate the Russian River Trail, a multi-use trail from Healdsburg to Highway 1 generally parallel to the Russian River. The Property may also provide suitable areas for public parking facilities, interpretation of the historic Wohler Bridge and river, as well as locations for Regional Park's maintenance facilities.

The 2010 Sonoma County Bicycle and Pedestrian Plan identifies the Russian River Trail (Project Number 208) as a high priority project. The Russian River Trail is a planned regional Class I multi-use trail located between Healdsburg and Highway 1 in the unincorporated area. The trail would link and improve pedestrian and bicycle access and safety for many of the rural communities within the Russian River corridor such as Healdsburg,

Forestville, Rio Nido Guerneville, Monte Rio, and Duncans Mills. Furthermore, the trail creates the opportunity for future connections to existing river parks such as Steelhead Beach Regional Park and Riverfront Regional Park.

Regional Parks has negotiated a Purchase and Sale Agreement for a Purchase Price of \$2,210,000, subject to conditions precedent, including approval of the acquisition by the Board of Supervisors and Board of Directors, and completing due diligence on the Property. The Purchase Price is based on an independent appraisal commissioned by Regional Parks.

Due to its adjacency to lands owned and managed by Sonoma Water, Regional Parks has been coordinating with Sonoma Water as a partner agency for future uses of the Property. Sonoma Water is continuing to evaluate which portions of the property has potential to help support water supply operations.

Funds for the acquisition will come from Parks for All Measure M, Lytton Tribal Mitigation Fund, and Sonoma Water's Water Transmission Common Facilities Fund.

The proposed Concurrent Resolution would (1) approve the acquisition of the Property by the County and/or Sonoma Water; (2) authorize the execution of Certificates of Acceptance; (3) direct the filing of Notices of Exemption in compliance with CEQA; (4) delegate authority for the Regional Parks Director and Sonoma Water General Manager to negotiate and enter into an agreement regarding each agency's potential use and obligations of the property, including approving a \$600,000 contribution by Sonoma Water to the purchase, and (5) authorize all other actions necessary to complete the transaction.

Property

The 49.14-acre property is located just south of Wohler Bridge on the east side of the Russian River, and is divided by Wohler Road. Historically, a portion of the property located adjacent to the River on the west side of Wohler Road was used for gravel mining and when that ceased, was subsequently known as the Clarence Anderson Wohler Road Solid Waste Disposal Site. The site was a disposal location of concrete construction debris, rubble and soils. The current owner, Molly B. Demuth Company ("Demuth") purchased the property in 2015, for the purpose of restoring it and reselling it. Demuth was formally recognized and commended for its efforts to bring the legacy Wohler Road Disposal Site to closure in the Completion and Clean Closure Notice dated February 26, 2020, which is on file with the North Coast Regional Water Quality Control Board, and recorded in Sonoma County.

Today, after Demuth's efforts, the property consists of open fields, two ponds, and limited infrastructure including water, electrical, and fencing improvements on the west east side of Wohler road. On the east side of Wohler Road the property consists of an open field, a wooded upland area, a small warehouse, water, electrical, and fencing improvements.

A Phase I Environmental Site Assessment has been completed and no significant environmental issues were discovered. The field work for the boundary survey has been completed and one small encroachment from an adjacent residential property was discovered. The seller is working with the neighbor to remove the encroachment before closing. An appraisal has been completed and dated July 23, 2021. Regional Parks will be responsible for paying the premium for a title insurance policy and escrow and closing fees, estimated at

\$6,375.00. Combined, Regional Parks estimated costs for the acquisition are \$45,375.

Future Use

Regional Parks and Sonoma Water are continuing to evaluate the property's potential. Once a project is defined by either entity, Regional Parks and/or Sonoma Water will engage the community and conduct all relevant additional studies, and returning to the Board as appropriate.

California Environmental Quality Act. The Board must make findings under the California Environmental Quality Act (CEQA). Regional Parks' acquisition of the Property is categorically exempt from CEQA pursuant to 14 California Code of Regulations Section 15316(b) (transfer of ownership of land in order to create parks). Sonoma Water's acquisition of the Property is exempt from CEQA pursuant to Section 15004 (b)(2)(A), that states that agencies "may enter into land acquisition agreements when the agency has conditioned the agency's future use of the site on CEQA compliance." Further development of the property would be subject to future environmental review pursuant to CEQA.

Strategic Plan:

This item directly supports the County's Five-year Strategic Plan and is aligned with the following pillar, goal, and objective.

Pillar: Climate Action and Resiliency

Goal: Goal 5: Maximize opportunities for mitigation of climate change and adaptation through land conservation work and land use policies

Objective: Objective 2: Develop policies to maximize carbon sequestration and minimize loss of natural carbon sinks including old growth forests, the Laguna de Santa Rosa, and rangelands. Encourage agricultural and open space land management to maximize sequestration

This acquisition will support climate change adaption by preserving the natural state of the property and by supporting resilient water infrastructure.

Prior Board Actions:

May 3, 2022 by Resolution No. 22-0188, Board of Supervisors declared its intention to purchase the Property and publish a Notice of Intent pursuant to Government Code Section 25350.

FISCAL SUMMARY

Expenditures	FY 21-22 Adopted	FY22-23 Projected	FY 23-24 Projected
Budgeted Expenses		\$600,000	
Additional Appropriation Requested		\$1,610,000	
Total Expenditures		\$2,210,000	
Funding Sources			

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General Fund/WA GF			
State/Federal			
Fees/Other		\$2,210,000	
Use of Fund Balance			
Contingencies			
Total Sources		\$2,210,000	

Narrative Explanation of Fiscal Impacts:

Purchase price is funded by \$610,000 of Parks for All Measure M and \$600,000 from Sonoma Water's Water Transmission Common Facilities Fund. An additional \$1,000,000 is planned from the Lytton Fund, which will be considered by the Board on July 12, 2022. If the Board does not approve use of Lytton funding, Measure M fund balance will be used. Acquisition and closing costs associated with the transaction are estimated at \$45,375 and financed by budgeted Measure M and Park Mitigation Fees. Regional Parks will use its operating budget to cover the \$610,000 disbursement to close the purchase in July and will increase Measure M expenditure appropriations in the FY 2022-23 Q1 CBA process.

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

Narrative Explanation of Staffing Impacts (If Required):

None

Attachments:

1. Board of Supervisors Resolution
2. Map

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

1. Certificate of Acceptance
2. Regional Parks Notice of Exemption
3. Grant Deed