

COASTAL CONSERVANCY

Staff Recommendation
January 17, 2008

PARADISE BEACH ACQUISITION

File No. 07-100-01
Project Manager: Moira McEnespy

RECOMMENDED ACTION: Authorization to disburse up to \$1,270,000 to the Land Conservancy of San Luis Obispo County for acquisition of 143 acres along Paradise Beach for conservation of open space and dunes habitat, Point Sal, northern Santa Barbara County.

LOCATION: Just north of Point Sal, at the southern end of the Guadalupe-Nipomo Dunes complex, northern Santa Barbara County

PROGRAM CATEGORY: Resource Enhancement

EXHIBITS

- Exhibit 1: [Project Location Map](#)
 - Exhibit 2: [Project Site Map](#)
 - Exhibit 3: [Letter of Support from The Dunes Collaborative](#)
 - Exhibit 4: [Other Letters of Support](#)
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RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31251-31270 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes the disbursement of an amount not to exceed one million two hundred seventy thousand dollars (\$1,270,000) to the Land Conservancy of San Luis Obispo County (“LCSLO”) for acquisition of the 143-acre Paradise Beach Property (also commonly known as the “Gragnani parcel,” Santa Barbara County Assessor Parcel Number 113-160-005, as more particularly described in Exhibit 2 which is attached to the accompanying staff recommendation) for conservation of open space and dunes habitat, subject to the following conditions:

1. Prior to the disbursement of any Conservancy funds for acquisition, the LCSLO shall:
 - a. Submit for review and approval by the Executive Officer of the Conservancy (“Executive Officer”) all relevant acquisition documents including but not limited to the appraisal, agreement of purchase and sale, escrow instructions, and documents of title.

- b. Dedicate the Paradise Beach Property for open space and habitat conservation in a manner acceptable to the Executive Officer.
- c. Obtain all other necessary funds to complete the acquisition.
2. The LCSLO shall pay no more than fair market value for the Paradise Beach Property, as established in an appraisal approved by the Executive Officer.
3. Conservancy funding shall be acknowledged by erecting and maintaining a sign that has been reviewed and approved by the Executive Officer.
4. The LCSLO may convey the Paradise Beach Property to the County of Santa Barbara for management as part of its Point Sal Reserve Management Area. If the County of Santa Barbara takes title to the Paradise Beach Property, the County shall manage the Paradise Beach Property consistent with the Point Sal Reserve Management Plan (as amended and updated), and coordinate management of the Paradise Beach Property with The Dunes Collaborative so that management of the property is consistent with management of the greater Nipomo-Guadalupe Dunes public landholdings.
5. On request of the Conservancy and if consistent with the acquisition purposes, the LCSLO and its successors-in-interest shall permit alignment and development of a segment of the California Coastal Trail on the Paradise Beach Property and, through an instrument acceptable to the Executive Officer, shall permanently dedicate the necessary portion of the property for use as a segment of the California Coastal Trail, as aligned. The LCSLO shall also provide, install and maintain, or permit the placement of, signs identifying the property as a segment of the California Coastal Trail. The design, number, and placement of the signs shall be approved by the Executive Officer.”

Staff further recommends that the Conservancy adopt the following findings:

“Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed project is consistent with the Project Selection Criteria and Guidelines, last updated by the Conservancy on September 20, 2007.
2. The proposed authorization is consistent with the purposes and objectives of Chapter 6 of Division 21 of the Public Resources Code, regarding the enhancement of coastal resources.
3. The area in which the Paradise Beach Property is located has been identified in the certified local coastal program for Santa Barbara County as requiring public action to resolve existing or potential resource protection problems.
4. The Paradise Beach Property has resource, scenic and access values of statewide significance and will thus serve greater than local public needs.
5. The Land Conservancy of San Luis Obispo County is a nonprofit organization existing under Section 501(c)(3) of the U.S. Internal Revenue code, whose purposes are consistent with Division 21 of the Public Resources Code.”

PROJECT SUMMARY:

Staff recommends that the Conservancy authorize disbursement of up to \$1,270,000 to the Land Conservancy of San Luis Obispo County (“LCSLO”) for acquisition of the 143-acre Paradise Beach Property (also known as the “Gragnani parcel”) for conservation of open space and dunes habitat.

The passage of the “California Wildlife, Coastal and Parkland Conservation Act of 1988” (Proposition 70) designated funds to both the Conservancy and the County of Santa Barbara to acquire significant natural lands, and thus presented an opportunity to preserve, protect and manage the unique resources between Point Sal and Mussel Point (see Exhibit 1). In November 1989, the Santa Barbara County Board of Supervisors appointed the Land Trust for Santa Barbara County (“LTSBC”) to pursue acquisition of properties in the Point Sal area using County Proposition 70 and Coastal Resource Enhancement (“CREF”) funds. As a first step, the LTSBC prepared the Point Sal Reserve Management Plan (completed in March 1991) using Conservancy funds. The plan was prepared under the guidance of a steering committee that included government agencies and conservation groups, which have expressed a commitment to coordinate their respective conservation efforts for Point Sal. The plan designates an approximately 800-acre Point Sal Reserve Management Area that includes relatively small parcels owned by the federal Bureau of Land Management and the California Department of Parks and Recreation (“State Parks”) and five privately-owned parcels, including the Paradise Beach parcel (shown as the “Gragnani parcel” on Exhibit 2). The plan notes that some of the current recreational and agricultural practices are detrimental to the area’s environmental integrity. The plan thus seeks to manage the area to protect the region’s biological, ecological, cultural, scenic and open space values while maximizing educational and recreational opportunities. Consistent with the plan, two of the privately-owned parcels have since been acquired by the County.

The LCSLO now requests Conservancy Proposition 70 funding to acquire the Paradise Beach Property (the 143-acre “Gragnani parcel”), one of the privately-owned properties. The LCSLO is a member of The Dunes Collaborative, an entity formed by a Memorandum of Understanding after the completion of the Point Sal Reserve Management Plan, to coordinate all the public landholdings within the larger Nipomo-Guadalupe Dunes Complex. The Dunes Collaborative membership includes all public landowners and nonprofit organizations working within the Dunes Complex, including the County of Santa Barbara, as the County also owns the Rancho Guadalupe Park, north of the property; this Park is managed by the Center for Natural Lands Management on behalf of the County. The Dunes Collaborative found the Paradise Beach Property to be “one of the highest priorities for conservation efforts in the entire Dunes Complex” (see letter of support in Exhibit 3). The LCSLO intends to transfer the Paradise Beach Property to the County of Santa Barbara, which will manage the property along with its other Point Sal and Dunes Complex holdings. The Point Sal Reserve Management Plan recommends that the Point Sal Reserve be managed by a single management entity or group, in coordination with adjacent owners in the Nipomo-Guadalupe Dunes complex to the north, and Vandenberg Air Force Base, which lies to the immediate south. The County will work with all stakeholders to manage the Paradise Beach Property, including exploring appropriate public access. If the managing entities eventually decide on a reserve-wide managing entity, the County may seek to

convey its holding to that entity; such a transfer would require the approval of the Conservancy's Executive Officer.

Site Description: The Paradise Beach Property ("Gragnani parcel") comprises 143 acres within the approximately 800-acre Point Sal Reserve Management Area. It is bordered to the north by private parcels, to the east by County-owned parcels, to the south by BLM property, and to the west by Paradise Beach and the Pacific Ocean (see Exhibit 2). Vandenberg Air Force Base lies immediately south of the Reserve. The most significant feature of this property is its inclusion of nearly a half mile of Paradise Beach. This white, sandy beach extends from Mussel Rock to an area of tidepools just north of Point Sal, and supports a well-used marine mammal haulout area within the protected rocky areas of its southern end (as identified in the Point Sal Reserve Management Plan). Paradise Beach is framed by steep bluffs. A sandy upland area of intact coastal dune scrub vegetation exists behind the bluffs and extends inland. The bluff edges contain very unique freshwater seeps identifiable by the presence of willows. Further inland, the coastal dune scrub gives way to heartier central maritime chaparral and central coastal sage scrub communities; the Point Sal Reserve Management Plan also depicts a wildlife dispersal corridor in this area of the property (which connects significant wildlife habitat areas, thus helping to mitigate effects of habitat fragmentation by facilitating dispersal of individuals between substantive patches of remaining habitat). Pre-existing dirt roads and trails exist on the property, including the Paradise Trail, which provides access to the beach, and the Inland West Trail, which is part of a loop trail extending inland to the first ridge tops. The current owners have owned the property since the 1970's and have used it only for camping and occasional hunting. The property is zoned for agriculture (320-acre minimum) and agricultural-related uses (including a primary residence and guesthouse), but there is no known historical use of the property for farming, the land is largely unsuitable for sustained grazing, and there are no permanent structures on the property. Off-site views from the property include expansive vistas of the Pacific Ocean, Mussel Rock, the surrounding hillsides, and range from Point San Luis to the north, to Point Sal and beyond to the south.

As detailed in the Point Sal Reserve Management Plan, the larger Point Sal Reserve Management Area, of which the Paradise Beach Property is a part, is regionally unsurpassed in terms of its natural and cultural resources. The diversity and integrity of the area's geologic formations, biotic habitats and prehistoric sites are unprecedented in mainland California. Several of the area's plant communities are designated as "environmentally sensitive" in the Conservation Element of the Santa Barbara County Local Coastal Plan and Comprehensive Plan ("LCP"), and the area has been designated an "Area of Critical Environmental Concern" by the Bureau of Land Management.

Point Sal lies in the Coast Ranges Geomorphic Province and is composed of Mesozoic and Cenozoic era rocks and structures. The area contains some of the oldest rocks (Jurassic period) reported to be exposed on the Central Coast, comprised of deformed igneous, sedimentary and metamorphic rocks that are believed to have originated during sea floor spreading. Considerable plate tectonic movement brought this piece of ocean plate to the edge of the continent. Point Sal is thus a well-preserved record of the birth of ocean plate material. The rugged shoreline of Point Sal was formed by a combination of erosional forces such as waves, landslides and slumps. Sand dunes, formed by beach sand being blown inland by strong onshore winds, comprise much of the northwest area north of Point Sal Ridge.

Point Sal's location has given rise to an area uniquely rich in plant species. A total of 14 plant communities were identified within the reserve management area (note that the first in the following list is a regionally restricted plant community, and the first three in the list are designated as "environmentally sensitive" in the LCP): central maritime chaparral; central dune scrub; needlegrass grassland; active coastal dunes; foredunes; coastal bluff scrub; central coastal sage scrub; chamise chaparral; ehrharta grassland; non-native (annual) grassland; freshwater seeps; central coast arroyo willow riparian forest; dune slack pond; and freshwater marsh. The Point Sal Reserve Management Plan notes an unusually high percentage of native flora per area (84% of the 323 species), and the presence of 18 endemic species (e.g., species of manzanita, ceanothus, and bush monkey flower). The dune habitats are near the southern end of the Nipomo-Guadalupe Dune System, one of largest, most well-developed and intact dune system remaining on California's southern/central coastal mainland. According to the Point Sal Reserve Management Plan, the area supports 11 species that are federally-listed or candidates for listing as threatened or endangered, and an additional 17 species of local or regional concern because of their restricted distribution and/or susceptibility to population decline. Conspicuous examples of exotic species are iceplant and veldt grass.

This species richness is due to several factors. The region contains unique ridge soils derived from Franciscan volcanics, which are also found on the Channel Islands, making Point Sal floristically more similar to the offshore islands than any other mainland location. The region also contains ancient dunes soils, the Orcutt Sands, which support Maritime Chaparral (an unusual assemblage of species that includes several endemic species). In addition to ancient sands, active, modern sand dunes occur along the coast, with their characteristic suite of species. Furthermore, the region is situated where biogeographic provinces overlap, and there is a mixing of the cool California Current (a Pacific Ocean current that moves south along the western coast of North America) and warmer Southern California Countercurrent. The region thus permits species characteristic of both central and southern California to coexist. According to the Point Sal Reserve Management Plan, 32 species reach their southernmost distributional limits and six reach their northernmost distributional limits in this region.

Similarly, the region is a transitional zone for both marine and terrestrial biota. The mingling of two major ocean currents creates thermoclines and coastal upwelling which affect species' distribution and abundance. For example, the Stellar sea lion and northern fur seal range from the north, while the Guadalupe fur seal and northern elephant seal are more southerly distributed. The region contains six critical habitat areas: wetlands; coastal sand dunes; black-shouldered kite habitat; marine mammal hauling grounds; rocky points and intertidal areas (note that the intertidal areas are designated as "zoologically significant" in the LCP); and seabird nesting and roosting areas. The Point Sal Reserve Management Plan states that 11 federally- or state-listed threatened or endangered species are known to inhabit Point Sal's coastal waters and shoreline; of these 11 species, eight are marine mammals (including the federally endangered southern sea otter) and three are birds (including the federally endangered brown pelican, and the California least tern). The plan also states that 17 species of special concern (one herptile, two mammal, 14 bird) are present or likely to occur in the area.

Finally, the Point Sal Reserve Management Plan states that the region contains an unusually large number of cultural resource sites and an unprecedented site density (e.g., over 7 times higher than at the neighboring VAFB).

Within the Point Sal Reserve Management Area, land use primarily agricultural, historically supporting farming/cultivation, and currently supporting livestock grazing. The Point Sal Reserve Management Plan states that some current recreational and agricultural practices are detrimental to the environmental integrity of Point Sal. According to the plan, the primary sources of habitat degradation, wildlife persecution and archaeological impacts are uncontrolled livestock grazing, off-road vehicle use, poaching (terrestrial and intertidal), and illegal use of firearms. Another concern is unregulated recreational use, which damages vegetation, disturbs wildlife, destroys habitat and results in artifact collecting.

Project History: In December 1989, the Conservancy granted funds to the LTSBC to prepare the Point Sal Reserve Management Plan. The plan designates the Point Sal Reserve Management Area, in which the subject Paradise Beach (“Gragnani parcel”) acquisition lies.

PROJECT FINANCING:

Coastal Conservancy	\$1,270,000
The Nature Conservancy (RWQCB funds)	<u>900,000</u>
Total Project Cost	\$2,170,000

The anticipated source of Conservancy funds for this proposed project is “California Wildlife, Coastal and Park Land Conservation Fund” (Proposition 70) funds, which are designated exclusively for acquisition of coastal dunes and wetlands in San Luis Obispo and Santa Barbara Counties, and are thus consistent with the proposed authorization. The Nature Conservancy’s funds are part of a two million-dollar grant awarded by the Central Coast Regional Water Quality Control Board under the Water Quality Trust portion of the Guadalupe Oil Spill settlement, to be used for acquisitions in, among other places, the Nipomo-Guadalupe Dunes.

CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION:

The proposed project would be undertaken pursuant to Chapter 6 of the Conservancy’s enabling legislation, Public Resources Code Sections 31251-31270.

Consistent with Section 31251, the Conservancy may award grants to nonprofit organizations for the purpose of enhancement of coastal resources, including the cost of acquisition of certain lands within coastal resource enhancement areas. Further consistent with this section, the project will enhance the natural and scenic character of Point Sal by enabling long-term management that will direct public use away from rare plants, enhance the site’s wetland and other sensitive habitats, reduce illegal hunting, and allow coordinated management of the larger Point Sal Reserve Area.

Consistent with Section 31252, protection of the proposed project area is identified as requiring action in the certified County of Santa Barbara Local Coastal Program, as described in the “Consistency with Local Coastal Program Policies” section, below.

Consistent with Section 31253, the level of Conservancy funding for this project has been determined by considering the total amount of funding available for coastal resource enhancement projects, other available fiscal resources, and the relative urgency of the project.

Consistent with Section 31260, the Conservancy may fund the costs of land acquisition as part of an approved coastal resource enhancement project.

**CONSISTENCY WITH CONSERVANCY'S 2007
STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):**

Consistent with **Goal 4, Objective 4** of the Conservancy's 2007 Strategic Plan, the proposed project will protect 143 acres of significant coastal resource property. Consistent with Goal 4's statewide strategy, the proposed project will connect existing public lands to provide large, contiguous blocks, protect habitat and wildlife corridors, support a reserve management plan, and preserve scenic vistas and open space. Consistent with **Goal 5, Objective C**, the proposed project will preserve the coastal terminus of a wildlife corridor.

**CONSISTENCY WITH CONSERVANCY'S
PROJECT SELECTION CRITERIA & GUIDELINES:**

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines, last updated on September 20, 2007, in the following respects:

Required Criteria

1. **Promotion of the Conservancy's statutory programs and purposes:** See the "Consistency with Conservancy's Enabling Legislation" section above.
2. **Consistency with purposes of the funding source:** See the "Project Financing" section above.
3. **Support of the public:** See letters of support in Exhibits 3 and 4.
4. **Location:** The proposed project would be located within the coastal zone of the County of Santa Barbara.
5. **Need:** The County of Santa Barbara has since exhausted its Proposition 70 funds designated for acquisitions in the Point Sal area. Although The Nature Conservancy is allocating its dunes acquisition dollars (RWQCB funds granted under the Water Quality Trust portion of the Guadalupe Oil Spill settlement) to this project, there are not enough funds to carry out the acquisition without using some of the remaining Conservancy Proposition 70 funds slated for dunes protection.
6. **Greater-than-local interest:** As noted in the management plan, the Point Sal Reserve Area has great regional significance. The area is regionally unsurpassed in terms of its natural and cultural resources, and the diversity and integrity of the area's geologic formations, biotic habitats and prehistoric sites are unprecedented in mainland California. The area's dune habitats are near the southern end of the Nipomo-Guadalupe dune system, one of largest, most well-developed and intact dune system remaining on California's southern/central coastal mainland.

Additional Criteria

7. **Urgency:** The property's landowner has indicated that there are other interested buyers, and has expressed a desire to close escrow in Spring 2008.
9. **Leverage:** See the "Project Financing" section above.
12. **Readiness:** The LCSLO stands ready to take title to the property.
13. **Realization of prior Conservancy goals:** See "Project History" above.

15. Cooperation: The proposed acquisition is supported by the region’s dune habitat stakeholders and public landowners. See letter of support from The Dunes Collaborative contained in Exhibit 3, and from other stakeholders in Exhibit 4.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The portions of the *Santa Barbara County Coastal Plan (January 1982, amendments/updates March 1999)* (“LCP”) that have been certified are relevant to the proposed project, and the proposed project is consistent with these certified portions. The Point Sal Reserve Management Area, of which the proposed project is a part, contains environmentally sensitive habitat areas as designated in the LCP. Section 3.9 of the LCP addresses environmentally sensitive habitat areas, and Section 3.9.5 recommends actions. Consistent with Action 3, the proposed project consists of the County pursuing additional measures to ensure long-term preservation of the habitat resources in the Point Sal area, specifically public acquisition. Consistent with Action 4, the proposed project will enable the County (or other appropriate managing entity) to post signs at appropriate locations to restrict public access into sensitive habitat areas. Consistent with Action 5, the proposed project will enable the County to encourage and support efforts to increase public understanding of significant habitat areas via educational programs, interpretive signs and displays, and specific studies.

COMPLIANCE WITH CEQA:

The proposed acquisition is categorically exempt from the California Environmental Quality Act (CEQA) under 14 Cal. Code of Regulations Section 15325 as a transfer of ownership of an interest in land in order to preserve open space and existing natural conditions. Staff will file a Notice of Exemption upon the Conservancy’s approval of the project.