

COASTAL CONSERVANCY

Staff Recommendation
October 18, 2012

WHISLER WILSON RANCH ACQUISITION

Project No. 11-071-01
Project Manager: Janet Diehl

RECOMMENDED ACTION: Disbursement of up to \$1,000,000 to the Monterey Peninsula Regional Park District to acquire the 317-acre Whisler Wilson Ranch near Point Lobos in Monterey County, for natural resource protection and public access.

LOCATION: Adjacent to Palo Corona Regional Park and Point Lobos Ranch State Park, Carmel Highlands, Monterey County

PROGRAM CATEGORY: Public Access

EXHIBITS

Exhibit 1: [Project Location and Site Map](#)

Exhibit 2: [Site Photographs](#)

Exhibit 3: [Project Letters](#)

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31400-31410 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes disbursement of an amount not to exceed one million dollars (\$1,000,000) to the Monterey Peninsula Regional Park District (“the District”) to acquire 317 acres of real property commonly known as the Whisler Wilson Ranch (Monterey County Assessor Parcel Numbers 416-011-014 and 243-091-001), for open space protection and public access. This authorization is subject to the following conditions:

1. Prior to the disbursement of Conservancy funds for acquisition of the Whisler Wilson Ranch Property (“property”), the District shall submit for the review and approval of the Executive Officer of the Conservancy (“the Executive Officer”):
 - a. All relevant acquisition documents, including, without limitation, the appraisal, purchase agreement, escrow instructions, environmental assessment, and title report.
 - b. Evidence that sufficient funds are available to complete the acquisition.

2. The District shall pay no more than fair market value for the property, as approved by the Conservancy, based on an appraisal of the property.
3. The District shall permanently dedicate the property for open space protection and public access through an instrument approved by the Executive Officer.
4. After acquisition of the property and as part of its general development plan for the District's adjacent park holdings and the property, the District shall include a feasibility analysis for use of the property for camping purposes and shall consider the applicable environmental factors.
5. Conservancy funding shall be acknowledged by erecting and maintaining a sign on the property or in a nearby public staging area, the design and location of which is to 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 current Project Selection Criteria and Guidelines.
2. The proposed authorization is consistent with the purposes and objectives of Chapter 9 of Division 21(Sections 31400-31410) of the Public Resources Code, regarding the establishment of a system of public accessways to and along the California Coast.
3. The proposed project serves more than local needs."

PROJECT SUMMARY:

The proposed project will provide a \$1,000,000 grant to the Monterey Peninsula Regional Park District ("the District") to purchase and preserve the 317-acre Whisler Wilson Ranch near Point Lobos in Monterey County (Exhibits 1 and 2). This property provides the key to opening vast stretches of Palo Corona Regional Park and Point Lobos Ranch State Park, which were publicly acquired eight years ago at great expense but are either closed to the public for lack of access or accessible only by permit.

Rugged topography and coastal land use regulations along Highway 1 have significantly restricted opportunities for public access to the magnificent public lands east of Point Lobos State Natural Reserve. Both Point Lobos Ranch State Park (directly across Highway 1 from Point Lobos Reserve) and the adjacent 4,350-acre Palo Corona Regional Park are constrained by these restrictions. The state property has never been open to the public, and the regional park is open only through an advance-order permit system, with a limit of 21 permits per day – a restriction imposed by the county due to the lack of accessibility from Highway 1. The District's proposed acquisition of the Whisler Wilson property resolves that access problem for its own parkland and for the state park.

Once the Whisler Wilson "link" is acquired, a trailhead parking lot can be built off of Highway 1 on Point Lobos Ranch State Park that will provide an easy way for people to get into the backcountry of these state and regional parks. Two planning processes are already underway that will facilitate the development of these access improvements as soon as the Whisler Wilson

property is acquired by the District. The California Department of Parks and Recreation (“DPR”) has begun preparing a comprehensive general plan for Point Lobos Ranch and adjacent property that is expected to authorize the trailhead parking area and trail system leading to the Whisler Wilson Ranch and on to Palo Corona. At the same time, the District is preparing its general development plan for submittal to the County to open to the public the 3,700-acre Palo Corona Regional Park backcountry. The District’s plan will identify the development of trails, as well as camping opportunities within the Whisler Wilson property. The timing of both plans should fit perfectly with the District’s acquisition of the Whisler Wilson Ranch.

The District will acquire the property in two phases from the Big Sur Land Trust, which seized the opportunity to buy it last year after a decade of negotiations with the Whisler and Wilson families. Had the Land Trust not acquired the property, a private buyer could have purchased it to develop a luxury ranch estate and a private access road that had already been approved in a coastal development permit. The Land Trust raised private funds to cover the costs of property acquisition until the land can be transferred to the District.

The Land Trust agreed to sell the Whisler Wilson Ranch to the District for \$4 million, its fair market value as established in an appraisal reviewed and approved by the California Department of General Services. If the Conservancy authorizes the proposed grant, the District plans to use half of the grant (\$500,000), plus \$270,000 of other secured funds, to acquire the southern parcel of Whisler Wilson Ranch by the end of this year. The District expects to use the remaining \$500,000 of the proposed Conservancy grant to buy the northern parcel of Whisler Wilson Ranch in December 2014. This two-phased approach will enable the District to accumulate the necessary \$3,000,000 in matching funds from its annual allocation of Habitat Conservation Fund monies restricted to use in this geographical area.

Once both parcels are acquired and the agencies’ planning processes are completed, the District will work with DPR and the Big Sur Land Trust to construct the recommended new access facilities as quickly as possible. The District is currently working with Caltrans on designing potential highway improvements to accommodate the new parking lot. The Land Trust has applied for a River Parkway trail construction grant that is being considered by DPR’s Office of Grants and Local Services. Several nonprofit organizations have expressed interest in assisting with a camping program on the Whisler Wilson Ranch.

Site Description: The Whisler Wilson Ranch is a unique private in-holding in a vast system of parklands. Access to the property is by way of a private road easement that runs east from Highway 1 through Point Lobos Ranch State Park approximately 1.5 miles. This dirt road follows San Jose Creek through a beautiful redwood canyon, and opens into a large meadow when it reaches the Whisler Wilson Ranch property.

San Jose Creek, which runs through the Ranch for more than a mile, supports a healthy population of South-Central California Coast steelhead, a federally listed threatened species. The creek channel is lined with a mixed woodland of redwoods, sycamores, bays and cottonwoods, flanked by open meadowlands and maritime chaparral on the upper slopes. The coastal-influenced micro-climate provides for an impressive display of native wildflowers and flowering bush lupines along the open slopes and floor of the watershed, with an impressive population of Pacific Rhododendron among the stands of Monterey Pine.

The creek canyon's redwood and Monterey pine forests provide habitat for native amphibians, including the California red-legged frog. On the higher parts of the property, mountain lions and golden eagles live in the maritime chaparral, coastal scrub, and mixed coastal prairie grasslands. California condors have been sighted flying over the property.

The elevations within the property range from about 200 feet above sea level at San Jose Creek to 850 feet at the upper ridgelines. The ranch includes several ridge spines, terraces and upland meadows that offer spectacular coastal views to the west towards Point Lobos and Carmel Bay, and to the east toward the Santa Cruz, Gabilan and Santa Lucia mountains. There are three defined pasture areas, historically used for cattle grazing, comprising about 140 acres.

The property is unimproved except for boundary fencing, dirt roads, and a small cabin built in the 1930s located on a meadow overlooking San Jose Creek. The cabin is considered to be a legal non-conforming use, and could be used to support the proposed camping programs.

There are several potential building site locations, according to the appraisal, that appear to be screened from public view from Highway 1 and other public viewing areas. If the property is not publicly acquired, one of those sites could be developed for the "one single family dwelling and permitted accessory or ancillary structures and uses" that are allowed under current zoning.

Project History: Efforts to publicly acquire the Whisler Wilson Ranch stemmed from the public's desire to protect the nearby Point Lobos State Natural Reserve. Ever since it was preserved in 1933, the Reserve has inspired awe in its visitors. Called "the greatest meeting of land and water in the world" by landscape artist Francis McComas, the Reserve is described as a crown jewel of the state park system. People concerned with the preservation of natural resources at Point Lobos started to focus their efforts on the uplands surrounding the Reserve in the late 1990s.

In a 10-year effort to acquire and protect about 10,000 acres of the uplands to the east of Highway 1, public agencies partnered with local and national land trusts to acquire the Palo Corona Ranch for about \$37 million about 10 years ago. Ownership of that acreage was divided between the District and the California Department of Fish and Game, with the Conservancy providing \$9 million toward the District's acquisition of the Front Ranch portion of Palo Corona Regional Park in 2003.

A significant private in-holding between the new state and regional parks remained, however – the Whisler Wilson Ranch. After years of negotiations with the landowner, and discussions with both the District and DPR, the Big Sur Land Trust acquired the property in 2011. Subsequent negotiations between DPR and the District resulted in the mutual agreement that the District should purchase the property from the Land Trust as an addition to Palo Corona Regional Park, and work with DPR to develop trails and other access facilities that will serve both the state and regional parks that adjoin the property. DPR and the District also agreed that the annual \$1.5 million from the Habitat Conservation Fund (Proposition 117) that is typically allocated to DPR one year and to the District the next year will be allocated only to the District for the three years necessary to complete the Whisler Wilson acquisition, anticipated in 2014. In exchange for DPR's allocation, the District will grant fee title to DPR of two equal-value parcels adjacent to Asilomar State Beach. This transfer of District lands to DPR does not affect the fair market value of the Whisler Wilson Ranch.

PROJECT FINANCING

Coastal Conservancy	\$1,000,000.00
Monterey Peninsula Regional Park District	<u>3,000,000.00</u>
Total Project Costs	\$4,000,000.00

The anticipated source of funds for the acquisition project of the Whisler Wilson Ranch is the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, Public Resources Code section 75001 *et seq.* (“Proposition 84”) for state-wide acquisitions, which can be used for the acquisition and protection of land and water resources consistent with Chapter 9 of Division 21 of the Public Resources Code. Consistency of the project with the Conservancy’s statutory mission is discussed below in “Consistency with Conservancy’s Enabling Legislation.”

Proposition 84 requires that, for potential projects that include acquisition or restoration for the purpose of protect natural resources protection, the Conservancy give priority to potential projects that meet one or more of the criteria specified in Public Resources Code Section 75071. The proposed project satisfies the following specified criteria: 1) Landscape/habitat linkage –The property is surrounded by existing protected areas owned by the Monterey Peninsula Regional Park District and the state of California on behalf of the Department of Parks and Recreation, and will provide a link to a 10,000-acre block of protected land; and 2) Watershed protection – The project will contribute significantly to the protection of the San Jose Creek watershed, which provides spawning grounds for the threatened South Central California Coast Steelhead. The District has budgeted \$125,000 this fiscal year to complete a San Jose Creek Watershed Assessment in its ongoing watershed stewardship program.

As required by Section 75071(f), Conservancy staff has submitted to the Natural Resources Agency and has posted on the Conservancy’s website an explanation of how the proposed acquisition meets the criteria for Proposition 84 funding.

CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION:

The proposed project will be undertaken pursuant to Chapter 9 of Division 21 of the Public Resources Code (Sections 31400-31410), regarding public access and enjoyment of coastal resources. Section 31400 states that the Conservancy shall have a principal role in the implementation of a system of public accessways to and along the state’s coastline. Consistent with this section, the Conservancy’s grant will help to provide a new trail linking to the coast.

Section 31400.1 allows the Conservancy to award grants to a public agency for acquisition and development of lands for public access purposes to and along the coast. The proposed grant is consistent with this section because it would improve access along the coast in an area that is visited by a large number of people from the region and beyond.

Section 31400.2 allows the Conservancy to provide up to the total cost of an acquisition by a public agency. Consistent with this section, Conservancy staff has considered a number of factors in determining the amount of funding for the proposed project. The proposed level of

funding was evaluated relative to the total amount of funding available to the Conservancy for coastal public accessway projects, the limited fiscal resources of the applicant, and the project selection criteria discussed below. The proposed grant is consistent with this section because a significant match to Conservancy funds would be provided by the District.

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

Consistent with **Goal 2, Objective B**, the proposed project will result in the creation of a park in the watershed of San Jose Creek, with the goal of developing a trail to tie into the Carmel River Parkway trail system.

Consistent with **Goal 2, Objective C**, the proposed project will result in the opening of coastal areas that are currently inaccessible to the public, including adjacent publicly owned parks.

Consistent with **Goal 4, Objective A**, the proposed project will result in the protection of 317 acres of watershed resource property that provides spawning grounds for the threatened Central-Southern California Steelhead.

**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 November 10, 2011, 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:** The project has widespread public support, as shown by the letters attached to this recommendation as Exhibit 3.
4. **Location:** The proposed project is located within the coastal zone of Monterey County.
5. **Need:** Without funding assistance from the Conservancy, this acquisition would not take place, as the Conservancy's proposed grant represents 25% of the total purchase price. The Land Trust has indicated that it will list the property on the open market to recover its purchase costs if the District is not able to buy the property within the proposed timeframe.
6. **Greater-than-local interest:** The proposed project has exceptional regional significance, both for its recreation potential and natural resource values. People from all over the world who visit Point Lobos State Natural Reserve and Palo Corona Regional Park would benefit from the new trails once the property is publicly acquired. District acquisition of the property also would permanently protect a mile of steelhead habitat in San Jose Creek and remove the threat of private development in the middle of 10,000 acres of conserved lands.

7. **Sea level rise vulnerability:** The property proposed for acquisition is not vulnerable to sea level rise, as it has a minimum elevation of 200 feet above sea level and is located 1.5 miles inland of Highway 1.

Additional Criteria

8. **Urgency:** If state grant funding is not available, the Land Trust has indicated that it will list the property on the open market to recover its purchase costs.
9. **Resolution of more than one issue:** This project will offer opportunities to provide public access to both state and regional parks that are closed or limited to entrance by permit only, while also providing habitat linkage between the two large parks.
10. **Leverage:** Conservancy funds will be leveraged 3:1 with other funding sources. See the “Project Financing” section above.
11. **Readiness:** If the Conservancy approves the proposed grant, the District will be ready to close the first phase of the acquisition by year-end.
12. **Cooperation:** This project is the result of cooperation among the private sector, local and state agencies and the Conservancy. The local nonprofit Big Sur Land Trust has acquired the property at the request of the District and DPR until the necessary public funds can be raised. The District will assume management responsibilities once the property is acquired. DPR will work with the District to develop new parking and trails to provide public access to this property and to existing parks that are now closed to the public.
13. **Vulnerability from climate change impacts other than sea level rise:** Projected climate change impacts may affect existing vegetation patterns on the property. Existing stands of coast redwoods and Monterey pine, which are dependent upon a cool and foggy summer, may have long-term survival challenges if local mean annual temperatures increase. The District will work with regional climate experts to monitor the situation on the Whisler Wilson property over the long term, and will implement management strategies to minimize adverse impacts.
14. **Minimization of greenhouse gas emissions:** The proposed acquisition project will not result in the production of greenhouse gas emissions. Acquisition by the District will preserve existing forest and native vegetation in perpetuity, which has carbon sequestration benefits. Long-term best management practices will be employed by the District to promote sustainability of existing forests and vegetative cover. The District does not permit motorized forms of recreation on its property.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The Whisler Wilson Ranch property lies within the Carmel Planning Area of the certified Local Coastal Program (LCP) of Monterey County, and is identified in that plan as suitable for “Watershed and Scenic Conservation.” The proposed acquisition of the Whisler Wilson Ranch is consistent with the LCP in the following respects:

Section 2.3.3(4) of the Carmel Area Land Use Plan (CLUP) states: “To protect environmentally sensitive habitats and the high wildlife values associated with large areas of undisturbed habitat, the County shall retain significant and, where possible, contiguous areas of undisturbed land in

open space use.” Pursuant to this section, the proposed acquisition of the Whisler Wilson Ranch will enable the District to secure the last and largest private inholding between Palo Corona Regional Park and Point Lobos State Park, creating a stretch of contiguous area of undisturbed land in open space use of close to 10,000 acres.

Section 5.3.2(2) of the CLUP reads in part, “coastal areas suitable for public access shall . . . be protected for such use. When new access is provided . . . an appropriate public agency must assume management responsibility for public use. . . .” Pursuant to this section, the Whisler Wilson Ranch is an area suitable for public access, as it includes a road that leads through Point Lobos State Park directly to Highway 1. The proposed acquisition also complies with this section in that the District will manage the Whisler Wilson Ranch for public use.

COMPLIANCE WITH CEQA:

The proposed acquisition of the Whisler Wilson property is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to 14 Cal. Code of Regulations Section 15316 as a transfer of land in order to establish a park and Section 15325 as a transfer of ownership of interests in land in order to preserve open space for park purposes. The Conservancy’s requirement that the District include in its plan for its properties the feasibility of use of the property for a campground is statutorily exempt pursuant to Section 15262 as the requirement involves a possible future action and, if feasible, the plan will consider environmental factors of the campground. Upon Conservancy approval of the proposed authorization, staff will file a Notice of Exemption for the project.