

COASTAL CONSERVANCY

Staff Recommendation

April 27, 2017

CARPINTERIA BLUFFS III ACQUISITION

Project No.16-043-01

Project Manager: Rachel Couch

RECOMMENDED ACTION: Consideration and authorization to disburse up to \$350,000 to the City of Carpinteria to acquire a 21.2-acre coastal bluff parcel commonly known as Carpinteria Bluffs III.

LOCATION: Carpinteria, Santa Barbara County

PROGRAM CATEGORY: System of Public Accessways

EXHIBITS

Exhibit 1: [Carpinteria Bluffs Project Location Maps](#)

Exhibit 2: [Photos](#)

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 the disbursement of up to three hundred and fifty thousand dollars (\$350,000) to the City of Carpinteria (“the City”) to acquire Santa Barbara County Parcel Nos. 001-210-020 and 001-210-024, consisting of approximately 21.2 acres, for the purpose of providing open space, public access, and preserving wildlife habitat, subject to the following conditions:

1. Prior to the disbursement of Conservancy funds, the City shall submit for the review and approval of the Conservancy’s Executive Officer (“the Executive Officer”):
 - a. All title and acquisition documents including, but not limited to, the appraisal, purchase and sale agreement, escrow instructions, environmental and hazardous materials assessment, and title documents.
 - b. A baseline conditions report certified by the City and a monitoring and reporting plan.
 - c. Evidence that sufficient funds are available to complete the acquisition.

2. The City shall pay no more than fair market value for any property acquired pursuant to this authorization, as established by an appraisal approved by the Executive Officer.
3. The City shall permanently dedicate the property for public access, open space, and habitat conservation through an irrevocable offer to dedicate the property or other instrument acceptable to the Executive Officer.
4. Conservancy funding shall be acknowledged by erecting and maintaining a sign on the property, the design and location of which has been 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 authorization is consistent with the purposes and objectives of Chapter 9 of Division 21 of the Public Resources Code, regarding establishment of a system of public accessways to and along the California Coast.
2. The proposed project is consistent with the current Conservancy Project Selection Criteria and Guidelines.

PROJECT SUMMARY:

Staff recommends that the Conservancy authorize the disbursement of up to \$350,000 to the City of Carpinteria (“the City”) to acquire in fee the approximately 21.2-acre Carpinteria Bluffs III Property (the “property”). The property is one of three highly scenic, natural resource rich, coastal bluff-top properties in southeastern Santa Barbara County known as the Bluffs Complex. (See Exhibit 1, p. 2). Once acquired, the City will manage the property for open space, public access, habitat preservation and restoration purposes.

The property is one of the few remaining privately owned coastal open space areas in Carpinteria. Preservation of this parcel has been a long-term goal of the community. In 1998, the Conservancy helped with acquisition of the Carpinteria Bluffs II property, now known as the Carpinteria Bluffs Nature Preserve (See Project History section for more information). The proposed acquisition will continue this effort.

Both locals and tourists alike visit the Carpinteria bluffs, including this property, for their vistas overlooking the Santa Barbara Channel and spectacular scenery. The area offers one of the best opportunities along the entire stretch of Santa Barbara coastline to view beaches, the Channel Islands, marine life, and the Santa Ynez Mountains. The acquisition will permanently protect 21.2 acres as open space and accomplish the following objectives:

- secure public access through the property and allow related public access amenities;
- provide opportunities for future restoration and enhancement of both the ephemeral channel and the seasonal pools located on the property to improve wildlife habitat;
- provide for increased tree canopy and storm water filtration;

- permanently eliminate the threat of resort hotel development, for which the property is currently zoned.

Public Access. Acquisition of the property will facilitate future development of a California Coastal Trail (CCT) pedestrian connection between Carpinteria Bluffs Nature Preserve to the northwest and Rincon County Park to the southeast (see Exhibit 1, refer to Trail Map). This is a critical gap that, if filled, would result in many miles of continuous CCT. In addition, an extension of the Rincon Bike Trail to be built in 2020 is planned to end at the property. The Rincon Bike Trail starts in Ventura and currently ends at Rincon County Park, but the 2020 extension will connect it to the property; this acquisition will serve to connect this extended bike trail and the CCT leading into Carpinteria.

Restoration of Habitat. The land also contains significant habitat values, and while currently in a degraded state, its preservation is important due in part to its proximity to nearby coastal open spaces. Views from the property of the Pacific Ocean where migrating whales, bottlenose dolphins, harbor seals, the Channel Islands and other marine and upland environmental assets can be seen, provide a unique interpretive opportunity. Interpretive signs will be incorporated into this site's improvement program. With acquisition of this property, two-thirds of the lands within the Bluffs Complex, will be permanently protected. The Bluffs I property, adjacent to and west of the Carpinteria Bluffs Nature Preserve will be the only Bluffs Complex property remaining to be conserved.

The proposed project is a collaborative effort between the City of Carpinteria, the Land Trust for Santa Barbara County, and a number of community organizations. The Land Trust secured the property in a short time frame in order to capitalize on a limited-time offer by the owner who had previously been pursuing development of the property. In June 2016, the Land Trust acquired the property using \$3 million raised from the local community in less than 100 days and an additional \$3 million in debt financing. Since June, the Land Trust and the City have been working together to raise additional public and private funding to enable the City to acquire the property from the Land Trust and allow the Land Trust to repay the loan. To date the Land Trust has raised \$5 million for the project from private and foundation sources and is working to raise an additional \$55,250 toward the acquisition. As the Land Trust raises funds, it is paying back the property loan. Later this year, the Land Trust intends to sell the property to the City of Carpinteria in fee for approximately \$945,000. The property will be transferred to the City free of debt.

Under the proposed project, the City will grant a conservation easement to the Land Trust permanently restricting use of the site to resource enhancement and public recreation consistent with the acquisition purposes. In addition to raising such a substantial portion of the acquisition costs, the Land Trust has committed to raising \$600,000 in private endowment funds, which it will administer for maintenance purposes. City funds will also be available for ongoing operations and maintenance. Once in public ownership, the property will be subject to a planning process to involve the community in designing its future. That process will include workshops and other types of citizen involvement, along with the requisite environmental review and permitting. Any improvements will also require a Coastal Development Permit that includes a public hearing notification and hearing process. The City is committed to working with the community during future planning and implementation phases. The City will pursue grants for

planning and restoration projects to enhance the property's biological values and provide public access that respects its sensitive habitats.

Carpinteria has extensive experience in restoring and managing sensitive habitat areas. The City currently manages more than 70 acres of coastal open space, including restored wetlands and other environmentally sensitive areas. Management of the 53-acre Carpinteria Bluffs Nature Preserve, located just up coast from the project site, provides for both natural resources protection and passive recreation. Stewardship of the Carpinteria Bluffs III property will be managed in a similar fashion. The City has partnered with numerous non-profits and agencies over the years, including the Coastal Conservancy, State Parks and others and is well-regarded for its coastal resources stewardship.

Site Description: The Carpinteria Bluffs III property is located south of Carpinteria Avenue, east of commercially zoned property and open space lands and west of Rincon County Beach Park. To the south, Union Pacific Railroad right-of-way runs the length of the property, beyond which are steep coastal bluffs, sandy beaches and the Pacific Ocean. The site is currently designated visitor-serving commercial and zoned resort hotel development. This zoning allows for the development of up to a 225-room hotel, along with restaurants, a conference center, meeting and banquet facilities, health spa and small shops.

The Carpinteria Bluffs III property is roughly 175 feet above the sandy beach. A number of informal trails now traverse the bluff and one access trail leads to the beach. An ephemeral channel runs from the northwest corner of the property for about 1,000 feet to the bluff where an inlet conveys water to the Pacific Ocean. This channel supports a large stand of willows.

Seventeen pool-feature complexes are mapped on the site, eight of which are classified as coastal wetlands. The balance are ephemeral pools. Many of the pools are degraded, but can be restored to provide important wetland features on the property.

Coastal sage scrub and coastal bluff scrub, both identified as environmentally sensitive habitat by the City of Carpinteria, exist on the site. The coastal sage scrub vegetation on the eastern half of the site is dominated by coyote brush, quailbush, lemonade berry, coastal goldenbush and short leaved cliff aster. The coastal sage scrub vegetation on the western portion of the site is dominated by California sagebrush and black sage. Coastal sage scrub is the only habitat in which the California Gnatcatcher, a federally-endangered species, is found. While the northern range of this small dusky gray bird does not extend into Santa Barbara County at this time, it is possible that it might in the future, given habitat shifts caused by climate change, as well as the significant habitat loss that is occurring in Southern California due to extensive residential and commercial development.

The riparian habitat contained in the ephemeral channel and the seasonal pools, as well as the other environmentally sensitive habitats on the property can be used by migratory and resident wildlife. For example, white tailed kites, a Santa Barbara County Species of Special Concern, are known to forage on the Carpinteria Bluffs open spaces.

Due to its location, this property claims stunning views of a large stretch of Carpinteria coastline and the Santa Barbara Channel and National Marine Sanctuary, as well as the Carpinteria Valley and the Santa Ynez Mountains. As such, this property provides an excellent location for a key section of the California Coastal Trail.

Project History: In 1998, the Conservancy provided a \$500,000 grant, combined with a \$1 million loan, to the Land Trust for Santa Barbara County. This assistance enabled the Land Trust to raise close to \$4 million in four months, and successfully complete a 30-year community effort to protect a 52-acre portion of the Carpinteria Bluffs (Bluffs II property). The Land Trust repaid the Conservancy's loan on schedule in 1999, and conveyed the property (plus a management endowment) to the City of Carpinteria for resource protection and park uses. The Land Trust retains a conservation easement over the property.

In 2015, Land Trust staff approached Conservancy staff about assisting with efforts to acquire the property, which had previously been under option for development for several years. At that time, Conservancy staff expressed interest in supporting the acquisition, as long as the City will ultimately own the property. In March 2016, the Land Trust obtained a limited-term option to acquire the property for \$6 million. The Land Trust then initiated a community fundraising effort that secured \$3 million in less than 100 days. In June 2016, the Land Trust exercised its option and acquired the property, subject to a \$3 million deed of trust held by the seller, Burton Hancock Trust. Since June, the Land Trust and the City have been working together to raise additional public and private funding to complete the project.

PROJECT FINANCING

Coastal Conservancy	\$350,000
Natural Resources Agency (Environmental Enhancement Mitigation Program)	\$450,000
Santa Barbara County (pending) (Coastal Resources Enhancement Fund)	\$144,750
Total for City Acquisition	\$944,750
Land Trust -- Private Donors and Foundations	\$5,055,250
Project Total for Land Protection	\$6,000,000

The expected source for the Conservancy funds for this authorization is an appropriation to the Conservancy from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002, ("Proposition 40") (Public Resources Code section 5069.650(b)), which can be used for acquisition and protection of land and water resources consistent with Division 21 of the Public Resources Code. This project is consistent with Division 21 as discussed below. This project meets Proposition 40 priorities because it involves substantial matching funds from both public and private sources. The Conservancy's contribution will be less than 6% of the total value with over 80% of the funding coming from private or local sources.

In-kind contribution of staff time of \$30,000 will be provided by the City toward the acquisition. In addition, as stated above, the Land Trust is donating over \$5 million toward the acquisition

and has committed to raising an additional \$600,000 for a management endowment for the property.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The proposed project is 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 coastline. Consistent with this section, the City's acquisition of this coastal blufftop parcel will help to fill a gap in the California Coastal Trail in this area.

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. This property is in close proximity to the future site of the Carpinteria Rincon Bikeway Project, which will be constructed in 2019, and will allow non-motorized public access from the Bluffs to Rincon County Beach Park and the Pacific Coast Bikeway.

Section 31400.2 authorizes the Conservancy to provide up to the total cost of acquisition by a public agency or non-profit organization. Consistent with Section 31400.2, the amount of funding recommended to be provided by the Conservancy is based on the total amount of funding available for coastal public accessway projects, the fiscal resources of the applicant, the urgency of the project relative to other eligible projects. These factors are considered in the Conservancy's Project Selection Criteria (See Consistency with Conservancy's Project Selection Criteria & Guidelines). The proposed project will leverage matching funds totaling 94 percent of the costs for this project.

CONSISTENCY WITH CONSERVANCY'S 2013 STRATEGIC PLAN GOAL(S) & OBJECTIVE(S), AS REVISED JUNE 25, 2015:

Consistent with **Goal 1, Objective E** of the Conservancy's 2013-2018 Strategic Plan, the proposed project will result in the acquisition and permanent protections by a public agency of a 21.2-acre coastal parcel to facilitate the development of the Coastal Trail.

Consistent with **Goal 4, Objective A**, the proposed project will result in the permanent protection of 21.2 acres of significant coastal resource property.

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 October 2, 2014, 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. **Promotion and implementation of state plans and policies:**

California @ 50 Million calls for preservation and stewardship the State’s Lands and Natural Resources. The project protects 21.2 acres of coastal resource lands and provides access to recreational open space for the public.

California Wildlife Action Plan (California State Department of Fish and Game (now Fish and Wildlife), 2005). The project will further the following statewide recommended actions:
d) State and federal agencies should work with cities and counties to secure sensitive habitats.

Coastal Act (1976), Public Resources Code Section 30210 calls for maximum access, which shall be conspicuously posted, and recreational opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights, rights of private property owners, and natural resource areas from overuse.” Section 30214 calls for public access and recreation that “takes into account the need to regulate the time, place, and manner of public access depending on the facts and circumstances in each case...”

In addition to the public access components of the Coastal Act, this acquisition serves the goals of Public Resources Code Section 30240(a) on environmentally sensitive habitat areas. This section states that, “[e]nvironmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and only uses dependent on those resources shall be allowed within those areas.”

Completing the California Coastal Trail 2003. The project acquires property that will eventually accommodate new sections of California Coastal Trail.

4. **Support of the public:** The project is supported by U.S. Congressman Salud Carbajal, State Senator Hannah Beth Jackson, Assemblymember Monique Limon, First District County Supervisor Das Williams, Citizens for the Carpinteria Bluffs, Carpinteria Valley Association, Environmental Defense Center, Santa Barbara Audubon Society, Santa Barbara County Trails Council, and the Santa Barbara Bike Coalition.
5. **Location:** The proposed project will be located within the coastal zone of City of Carpinteria.
6. **Need:** If project funds were not available from the Coastal Conservancy, the Land Trust and the City would need to raise an additional \$350,000 for the acquisition. Given that the Land Trust is already raising over \$5 million in private funding for the acquisition, raising an additional \$350,000 will strain the community's private funding capacity. If the Land Trust and the City of Carpinteria are unable to raise the additional funds needed to acquire the property, the land will revert to its original private owner and be available for resort hotel development under its current zoning.
7. **Greater-than-local interest:** Visitors come to the south coast of Santa Barbara County from other regions to enjoy the mild climate, accessible beaches, and many recreational amenities this area has to offer. The project will provide visitors with increased access to the coast and will contribute a new segment to the coastal trail, helping to connect the City of Carpinteria with Rincon County Beach Park and points east and west along the Pacific Coast Bikeway.

8. **Sea level rise vulnerability:** The property being acquired is located on a coastal bluff top, 175-200 feet above the sandy beach. As such, it is not vulnerable to sea level rise.

Additional Criteria

9. **Urgency:** The project is zoned for resort hotel development. If the property is not acquired, it could be developed in the future and an opportunity to protect a valuable coastal open space and recreational resource will be lost.
10. **Leverage:** See the “Project Financing” section above.
11. **Readiness:** The City is planning to acquire the property in late summer or early fall of this year.
12. **Realization of prior Conservancy goals:** In 2010, the Conservancy provided a \$50,000 grant to the City of Carpinteria to complete environmental compliance on a segment of the CCT that will connect the Carpinteria Bluffs Nature Preserve to Rincon County Beach Park. This acquisition project will further the Conservancy’s previous goals for public access to and along the Carpinteria coastline. See also Project History section.
13. **Cooperation:** The project entails cooperation among the City, the Land Trust, the County, the California Natural Resources Agency, and several community organizations.
14. **Vulnerability from climate change impacts other than sea level rise:** The property is subject to bluff erosion from more frequent and/or intense storms induced by climate change. The property, and its resources, are vulnerable to drought, which may increase with climate change. Acquiring this property for conservation will prevent intensive development of the site, reducing demand on locally stressed water supplies. Current strategies to adapt to drought, such as water conservation and retaining storm water runoff onsite will also be effective for adapting to climate change over time. Acquiring the property provides an opportunity to increase tree canopy, providing shade and cooling, and retain and filter storm water for use in habitat restoration, enhancing resilience. Retaining storm water onsite as part of future restoration efforts has the potential to decrease blufftop erosion.
15. **Minimization of greenhouse gas emissions:** Removing the threat of development on the property will also reduce the consumption of natural resources and energy that would otherwise occur with construction of a hotel on the property, including the energy used to maintain and access the hotel. Permanent protection and restoration portions of the property will further increase its capacity to mitigate climate change impacts by enhancing the capacity of the site to sequester carbon and contribute to improved air quality.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The *Carpinteria General Plan/Local Coastal Plan*, adopted by the City in 1980 is the approved Local Coastal Program (LCP) for the City of Carpinteria. Public acquisition of the property is consistent with several of the Open Space, Recreation and Conservation Element Policy Objectives (OSC) of the LCP. Policy OSC-1a. calls for protecting and restoring environmentally sensitive habitat areas from development and maintaining them as natural open space or passive

recreational areas. The project will protect the property from resort hotel development and provide natural open space for passive recreation.

The project is also consistent with Objective OSC-2 to preserve and restore the natural resources of the Carpinteria Bluffs and Policy OSC-2c-e, which requires protection of coastal bluff scrub, coastal sage, and riparian habitats. The project will protect these habitats and provide the opportunity to eventually restore them.

Policy OSC 14a calls for increasing coastal and recreational access for all segments of the population, including the disabled and elderly, while protecting natural resources, particularly environmentally sensitive habitat areas. The project will increase coastal and recreational access to the Carpinteria Bluffs for the public while protecting the property's sensitive habitats.

Finally, Objective OSC 15 calls for maintaining the existing trail system and providing additional recreation and access opportunities by expanding the trail system. The project will maintain and expand the Carpinteria Coastal Vista Trail system.

COMPLIANCE WITH CEQA:

The proposed acquisition of the property is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to 14 Cal. Code of Regulations § 15325 as a transfer of ownership of interests in land in order to preserve open space and park purposes. Acquisition of the property by the City will preserve the blufftop property for habitat and open space. The proposed acquisition is also exempt under 14 Cal. Code of Regulations § 15316 as a transfer of land in order to create a park where the land is in a natural condition and the management plan has not yet been prepared. Following acquisition of the property, the City will plan public access improvements and prepare a management plan. Any planned public access improvements, including the CCT, will be reviewed under CEQA.

Upon approval, staff will file a Notice of Exemption for the project.