

COASTAL CONSERVANCY

Staff Recommendation  
April 6, 2023

**WALT RANCH ACQUISITION**

Project No. 22-092-01  
Project Manager: Eryan Borgnis Sloane

**RECOMMENDED ACTION:** Authorization to disburse up to \$7,000,000 to the Land Trust of Napa County to acquire 465 acres of the 2,300 acre Walt Ranch Property for habitat preservation, biodiversity protection, climate resilience, improving wildlife corridors, and public access and tribal cultural uses compatible with natural resource protection in the Capell Valley of Napa County.

**LOCATION:** Capell Valley, Napa County

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EXHIBITS

- Exhibit 1: [Project Location Map](#)
  - Exhibit 2: [Photos](#)
  - Exhibit 3: [Project Letters](#)
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**RESOLUTION AND FINDINGS**

Staff recommends that the State Coastal Conservancy adopt the following resolution and findings.

Resolution:

The State Coastal Conservancy hereby authorizes a grant of an amount not to exceed seven million dollars (\$7,000,000) to the Land Trust of Napa County (“the grantee”) to acquire 465 acres of the 2,300 acre “Walt Ranch” Property (Napa County’s Assessor’s Parcel Numbers 032-490-009, -010, -011, -012, -013, and -015), depicted in Exhibit 1 to the accompanying staff recommendation, for habitat preservation, biodiversity protection, climate resilience, improving wildlife corridors, and public access and tribal cultural uses compatible with natural resource protection in the Capell Valley of Napa County.

This authorization is subject to the following conditions:

1. Prior to the disbursement of funds for the acquisition, the grantee shall submit for the review and approval of the Executive Officer of the Conservancy (Executive Officer):
  - a. All relevant acquisition documents for the acquisition including, without limitation, the appraisal, purchase and sale agreement, deed, escrow instructions, environmental or hazardous materials assessment, and title report;
  - b. A baseline conditions report; and
  - c. Evidence that sufficient funds are available to complete the acquisition.
2. The grantee shall pay no more than fair market value for the property, as established in an appraisal approved by the Executive Officer.
3. The property acquired under this authorization shall be managed and operated for habitat preservation, biodiversity protection, climate resilience, improving wildlife corridors, and public access and tribal cultural uses compatible with natural resource protection. The property shall be permanently dedicated to those purposes by an appropriate instrument approved by the Executive Officer.
4. If requested by the Conservancy, the grantee shall permit designation of a segment of the Ridge Trail on the Walt Ranch Property and on all other property interests controlled by the grantee.
5. Grantee shall prepare a management and public access plan for the Walt Ranch Property by May 1, 2026.
6. Conservancy funding shall be acknowledged by erecting and maintaining a sign on the property or in a nearby publicly-viewable area, the design and location of which are to be approved by the Executive Officer.

Findings:

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

1. The proposed authorization is consistent with Chapter 3 of Division 21 of the Public Resources Code, regarding addressing the impacts and potential impacts of climate change on resources within the Conservancy's jurisdiction.
2. The proposed project is consistent with the current Conservancy Project Selection Criteria.
3. The Land Trust of Napa County is a nonprofit organization organized under section 501(c)(3) of the U.S. Internal Revenue Code.

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## **STAFF RECOMMENDATION**

**PROJECT SUMMARY:**

Staff recommends the Conservancy authorize a grant of up to \$7,000,000 to the Land Trust of Napa County (LTNC) to purchase 465 acres of the 2,300-acre Walt Ranch Property (Exhibit 1) for habitat preservation, biodiversity protection, climate resilience, improving wildlife corridors, and public access and tribal cultural uses compatible with natural resource protection in the Capell Valley of Napa County, California (see Exhibit 1). The 465 acres comprise the most southerly parcels of the Walt Ranch Property as indicated in yellow in Figure 3 of Exhibit 1. In this staff report, this 465 acre portion will be referred to as “the property” and acquisition of the property is the proposed project. The remaining 1,835 acres will be purchased using private foundation funds and a bridge loan until the Wildlife Conservation Board can consider authorizing a grant, anticipated to occur in late 2023 (see Project Financing below). The LTNC will acquire the entire Walt Ranch Property as part of a single transaction. The Walt Ranch Property is adjacent to over 5,500 acres of existing, protected lands that have been identified as two priority wildlife corridors by the Bay Area Open Space Council’s 2013 Critical Linkages report, a regional conservation strategy for the Bay Area.

The 2,300 acre Walt Ranch Property is located in a rural area of southeastern Napa County (Exhibit 1). The Walt Ranch Property is undeveloped with no structures other than five acres of vineyards that were installed to test the site’s potential for further vineyard development. The Walt Ranch Property is within two key watersheds, the Napa River and Putah Creek/Lake Berryessa, and contains multiple water resources including seeps, seasonal wetlands, and several streams. The Walt Ranch Property is primarily forested with a mix of hardwood and oak woodlands as well as a wide range of other habitat types including chamise, chaparral, serpentine meadows, montane hardwood, and extensive open grasslands. (see details in the “Site Description” section below).

Due to the complex geology, soil types, and broad range of elevations, the Walt Ranch Property’s numerous habitat types has led to high biodiversity with several special status species present. The high biodiversity has been confirmed by California Department of Fish and Wildlife’s Areas of Conservation Emphasis where the Walt Ranch Property receives the highest ranking statewide for biodiversity (for State Biodiversity Rank, Terrestrial Biodiversity Rank, Terrestrial Irreplaceability Rank, and Terrestrial Connectivity Rank).

The Walt Ranch Property is within a priority area identified in the Bay Area Critical Linkages Report (which identifies large wildlands areas that are vital to ensure the San Francisco Bay region is connected to larger landscapes to the north and south) because it helps connect the large landscape blocks of the Marin Coast/Point Reyes National Seashore and the Mendocino National Forest/Blue Ridge, including the Berryessa Snow Mountain National Monument (see Exhibit 1). Furthermore, the LTNC’s more detailed analysis shows that one wildlife corridor runs north-south along the Vaca Range through Walt Ranch, and another extends east from Walt Ranch into protected lands at Lake Berryessa. Connectivity will be further strengthened because the Walt Ranch Property is adjacent to over 5,500 acres of existing protected lands that have also been identified as “areas essential to meet conservation goals” by the Bay Area Critical Linkages Report. Those protected lands include the 2,200-acre Milliken Reservoir

Property (owned by the City of Napa), the 1,380-acre Sutro Preserve (owned by LTNC), and another 1,900 acres of conservation easements held by LTNC (Exhibit 1).

The Walt Ranch Property is also important for climate resilience as it provides an important migration route for species moving across the wildlife corridors and into higher elevations to avoid the impacts of climate change. The Walt Ranch Property contains varied topography, including steep sections that rise to locally high peaks, providing refugia for plant and animals to move upward. The Walt Ranch Property's elevation can also provide a haven for wildlife and plants from the impacts of sea level rise. While much of Napa Valley could be affected by high rates of sea level rise, this site and the priority wildlife corridor extending through it will be high enough to remain unaffected.

In addition to natural resource preservation, staff recommends funding acquisition of the property so that the property can be used for public access compatible with natural resource protection. The LTNC will be partnering with the Napa County Regional Park and Open Space District (District) to help manage the Walt Ranch Property and while they have not developed a management plan for the Walt Ranch Property yet, there are currently 16 miles of existing trails and roads that could be enhanced for public access. LTNC and the District will work to develop and manage a public access program that will include trails as well as educational opportunities such as expert-led hikes. Given the large size of the property and the existence of roads, there is ample opportunity for LTNC and the District to provide public access that is compatible with the protection of the Walt Ranch Property's habitat resources, wildlife corridors, and climate resilience. In particular, these properties of regional importance support regional trail systems such as the Bay Area Ridge Trail, and the LTNC has committed to allowing Ridge Trail designation and signage on properties it controls, and accompanying access as appropriate (for example, docent-led and/or "by orientation" access at Wildlake Ranch).

The LTNC and District have been working to strengthen partnerships with the local Tribal governments and organizations including the Movimiento Cultural de La Union Indigena, the Onasatis (which include smaller tribes of Mishewal, Mutistul, Mayakamah, and Patwin), Pomo communities, Suscol Intertribal Council, and the Tek Tekh Gabaldon. Once the Walt Ranch Property is acquired, LTNC and the District plan to specially engage the local Tribes to explore options for development of the Walt Ranch Property's management plan. Tribal cultural use compatible with natural resource protection is one of the acquisition purposes.

As aforementioned, the LTNC and the District will be working together to develop a science and community-based management plan once the Walt Ranch Property is acquired. This plan will likely include natural resource enhancement and restoration, public access, educational programming, tribal uses, and the phasing out of existing agricultural uses, which will be allowed to continue until phased out in accordance with the management plan. Future management activities that will likely be outlined in the management plan include erosion protection and grazing for habitat and wildfire benefits.

Without acquisition of the Walt Ranch Property, the threat to the natural values of the Walt Ranch Property is significant. The Walt Ranch Property has recently been approved for extensive agricultural development (i.e. vineyards) and under current zoning, widespread residential and commercial development is also allowed. Agricultural, residential, and

commercial development would severely compromise the Walt Ranch Property's natural resources. The Walt Ranch Property's habitats and rare species would be less resilient to the increasing pressures associated with climate change, such as drought and wildfires. Development would disrupt the functioning wildlife corridors and significantly increase demands on the area's limited water resources, affecting streamflow and groundwater recharge. The extensive groundbreaking needed for development as well as ongoing farming operations would lead to increased carbon emissions and decreased carbon sequestration resulting from the widespread soil disturbance and removal of existing vegetation.

**Site Description:** The Walt Ranch Property is located in a rural area of southeastern Napa County called the Capell Valley. The Walt Ranch Property is within two key watersheds, the Napa River and Putah Creek/Lake Berryessa, and contains multiple water resources - seeps, seasonal wetlands, and several streams - including Milliken Creek, a municipal water source for the 80,000 residents of the City of Napa. The Walt Ranch Property is primarily forested with a mix of hardwood and oak woodlands as well as a wide range of other vegetation types including chamise, chaparral, serpentine meadows, montane hardwood, and extensive open grasslands (Exhibit 2). Due to the complex geology, soil types, and broad range of elevations, the Walt Ranch Property's numerous habitat types has led to high level of biodiversity and numerous special status species. A number of special status species have been documented on the Walt Ranch Property, including: several highly ranked rare plant species (Jepson's leptosiphon, Hollyleaf ceanothus, Napa bluecurls, Narrow-flowered californian brodiaea, Dwarf calicoflower, and Northern californian black walnut) and priority animal species (foothill yellow-legged frog, western red bat, pallid bat, and western pond turtle).

Conservancy funds will be used to purchase 465 acres of the most southerly parcels of the 2,300 acre Walt Ranch Property (Figure 3, Exhibit 1). This area is a very significant portion of the overall Walt Ranch Property. These southerly parcels include all of the almost 6 acres of test vineyards on the entire Walt Ranch Property. It also includes Milliken Creek, a source of municipal water supply for the 80,000 residents of the City of Napa. The habitat is chiefly interior mixed hardwood and lower montane mixed chaparral, but it also includes montane mixed hardwood, black oak, scrub oak, chamise, and grasslands. This area contains numerous rare species, including: Hollyleaf ceanothus, Napa bluecurls, Narrow-flowered californian brodiaea, and foothill yellow-legged frog. This 465-acre area is identified as "essential" (the highest ranking) for achieving the Bay Area's conservation goals as outlined in the Conservation Lands Network.

**Grant Applicant Qualifications:** LTNC is a 501(c)(3) nonprofit whose mission is to preserve the character of Napa County by permanently protecting land. The LTNC has been in operation since 1976 with an established track record of working successfully with a wide range of landowners, funders, and stakeholders. LTNC has completed over 250 real estate transactions, holds and monitors 156 conservation easements, and owns over 16,000 acres of preserves. In the last nine years, LTNC has protected 36,000 acres, through 55 completed acquisitions, working with a wide range of partners and funders, including the State Coastal Conservancy, Wildlife Conservation Board, CAL FIRE, CA Natural Resources Agency, CA Department of

Conservation, CA Department of Fish and Wildlife, Natural Resources Conservation Service, Moore Foundation, and others. In total, LTNC has now protected more than 89,000 acres.

The District was established by the voters of Napa County in 2006, for the purpose of preserving open space resources throughout the county and providing opportunities for the public to learn about and enjoy the natural world. The District currently protects just over 5,000 acres through fee title ownership, and manages another 8,000 acres owned by other public agencies. These lands include 160 miles of trails.

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

The proposed project is consistent with the Conservancy's Project Selection Criteria, last updated on September 23, 2021, in the following respects:

**Selection Criteria**

**1. Extent to which the project helps the Conservancy accomplish the objectives in the Strategic Plan.**

See the "Consistency with Conservancy's Strategic Plan" section below.

**2. Project is a good investment of state resources.**

The proposed project to acquire 465 acres of the 2,300-acre Walt Ranch Property is a good investment of state resources because it will contribute to meeting the state's biodiversity and equitable outdoor access goals as outlined in the Strategic Land Acquisition section of the Governor's 30 x 30 Executive Order. The project has broad support with local community groups, the Napa Resource Conservation District, and state and federal legislators (Exhibit 3). The project will also provide public access to this part of Napa County where there are few opportunities to access open space and protected lands.

**3. Project includes a serious effort to engage tribes. Examples of tribal engagement include good faith, documented efforts to work with tribes traditionally and culturally affiliated to the project area.**

The LTNC and District have been working to strengthen partnerships with the local tribal governments and organizations including the Movimiento Cultural de La Union Indigena, the Onasatis (which include smaller tribes of Mishewal, Mutistul, Mayakamah, and Patwin), Pomo communities, Suscol Intertribal Council, and the Tek Tekh Gabaldon. Once the Walt Ranch Property is acquired, LTNC and the District plan to engage local tribes to explore options for input on the development of the Walt Ranch Property's management plan.

**4. Project benefits will be sustainable or resilient over the project lifespan.**

Acquisition of the Walt Ranch Property will permanently protect the property from development, protecting a critical wildlife corridor connecting three large areas of protected lands across Napa County and habitats for threatened and sensitive species, and preventing greenhouse gas emissions. The project will continue to deliver benefits, including carbon sequestration by preserving oak woodlands, and improving public access for the Bay Area

region. The project will also provide refugia for species moving north and/or up elevation to escape the impacts of climate change.

**5. Project delivers multiple benefits and significant positive impact.**

Acquisition of the Walt Ranch Property will deliver multiple benefits including: 1) permanently protecting the property from development, thereby protecting a critical wildlife corridor in Napa County and habitats for threatened and sensitive species; 2) improving climate resilience with accessible microhabitats created by a variety of water resources and diverse topography; and 3) providing public access to a highly scenic, open-space resource of regional importance in the Bay Area.

**6. Project planned with meaningful community engagement and broad community support.**

After Walt Ranch is purchased, LTNC and the District will begin engaging the local community to develop a public access and management plan for the Walt Ranch Property. For example, LTNC and the District plan to immediately build positive relationships with Circle Oaks Neighborhood as it is the primary residential development adjacent to Walt Ranch. The Circle Oaks Homeowners Association was one of the strong opponents of developing Walt Ranch and is very supportive of the acquisition of the Walt Ranch Property for conservation. LTNC and the District will seek input from the Circle Oaks community on public access and wildfire risk mitigation. They also intend to engage hiking and biking groups for input on the public access plan. Both LTNC and the District have previously worked with biking and hiking groups including the Redwood Trails Alliance, a non-profit trail advocacy organization representing Napa, Lake, and Sonoma Counties. The Alliance has been involved in building more than 10 miles of trails in the last few years, including a joint trail that crosses land owned by LTNC and the District.

For input on the management plan including wildfire risk mitigation, LTNC and the District will work with Napa Communities Firewise Foundation, Napa County Resource Conservation District, CAL FIRE, and Napa County Fire. In particular, the Napa Communities Firewise Foundation is a non-profit organization that coordinates fire risk mitigation across Napa County, working with local Fire Safe Councils. The Walt Ranch Property is within an area designated as a high priority by both CAL FIRE and Firewise, especially because of the potential threat posed by wildfires to the Circle Oaks community. LTNC and the District will work with Firewise and CAL FIRE, both of whom they have worked with before, to identify related management priorities.

There are also several local ranchers and grazers surrounding the Walt Ranch Property who will be engaged as grazing could become an important part of the management plan of Walt Ranch. LTNC currently uses prescribed grazing on a nearby property and they plan to apply what has been learned to the Walt Ranch management with close coordination with local ranchers and grazers.

**WALT RANCH FINANCING**

<b>Coastal Conservancy</b>	<b>\$7,000,000</b>
Wildlife Conservation Board (anticipated)	\$7,000,000

Moore Foundation	\$4,000,000
<b>Walt Ranch Property Total</b>	<b>\$18,000,000</b>

Conservancy funds are anticipated to come from the FY 2022/23 appropriation from the General Fund to the Conservancy for the purpose of climate resilience (The Budget Act of 2022, SB 154). These funds are available as described in Section 52 of Chapter 258 of the Statutes of 2021, which sets forth a detailed description of the purposes of the climate resilience funds. The proposed project is consistent with this funding source because it is for climate resilience purposes pursuant to Section 31113 of the Public Resources Code (as discussed in the following section).

Although the proposed project for the Conservancy grant is the acquisition of 465 acres of the 2,300-acre Walt Ranch Property, LTNC will acquire the entire Walt Ranch at the same time and therefore the cost of the entire acquisition is shown on the table above. The value of the 465 acres has been determined to be more than \$7,000,000. Generally when contributing to acquisition of property, the Conservancy typically views its grant as funding the acquisition of the entire property. However, given LTNC's need for a loan, the large size of Walt Ranch, the significance of this property, and the appraised value of the 465 acres, the Conservancy grant will be designated as funding only the 465 acres as described in this staff recommendation.

The other sources of funding to meet the bargain sale acquisition price of \$18M for the entire 2,300 acres are from the Moore Foundation and the Wildlife Conservation Board (WCB). The acquisition will close using a bridge loan until WCB can consider authorizing a grant in late 2023.

Unless specifically identified as "Required Match," the other sources of funding and in-kind contributions described above are estimates. The Conservancy does not typically require matching funds or in-kind services, nor does it require documentation of expenditures from other funders or of in-kind services. Typical grant conditions require grantees to provide any funds needed to complete a project.

**CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:**

The proposed project is being undertaken pursuant to Chapter 3 (regarding the Climate Ready Program) of Division 21 of the Public Resources Code.

Chapter 3 authorizes the Conservancy to address the impacts and potential impacts of climate change on resources within the Conservancy's jurisdiction (Section 31113(a)). The recommended project will address resources within the Conservancy's jurisdiction because it will be undertaken within Napa County, one of the nine counties of the San Francisco Bay Area (Chapter 4.5 of Division 21 of the Public Resources Code).

Section 31113(b) authorizes the Conservancy to award grants to nonprofit organizations and public agencies to undertake projects that include reducing greenhouse gas emissions and addressing extreme weather events, sea level rise, flooding, and other coastal hazards that threaten coastal communities, infrastructure, and natural resources. Consistent with this section, the recommended project will reduce greenhouse gas emissions by preventing



agricultural, residential, and commercial development on the property and protecting the property's natural resources.

Section 31113(c) states that the Conservancy must prioritize grants for projects that maximize public benefits and have one of several purposes, including reducing emissions of greenhouse gases, preserving and enhancing natural lands, conserving biodiversity, and providing recreational opportunities. Consistent with this section, the recommended project maximizes public benefits (see the "Consistency with Conservancy's Project Selection Criteria" section above) and reduces greenhouse gas emissions associated with development, preserves the property's rich ecological resources including prime oak woodland, grasslands, and wetland habitats, conserves biodiversity, and provides recreational opportunities.

Section 31113(d) states that the Conservancy shall prioritize projects that use natural infrastructure and provide multiple public benefits. Consistent with this section, the recommended project will conserve open space, which is one of the meanings of "natural infrastructure" as defined by Section 31113(d)(4), and provide multiple benefits as described in the Project Selection Criteria section above.

**CONSISTENCY WITH CONSERVANCY'S [2023-2027 STRATEGIC PLAN](#) GOAL(S) & OBJECTIVE(S):**

Consistent with Goal 3 Protect and Restore the Coast, Objective 3.1 Conserve Lands, the proposed project will protect resource lands and increase habitat connectivity of natural habitats including chamise, chaparral, serpentine meadows, montane hardwood, and extensive open grasslands.

**CEQA COMPLIANCE:**

The project is categorically exempt from environmental review under the California Environmental Quality Act (CEQA) pursuant to 14 Cal. Code of Reg. Section 15313, which exempts acquisitions of property for purposes of preserving fish and wildlife habitat; and Section 15325, which exempts acquisitions for purposes of preserving open space and the existing natural conditions of the property, including plant and animal habitats. The proposed acquisition will preserve the existing natural conditions and habitats of the property.

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