COASTAL CONSERVANCY

Staff Recommendation November 30, 2023

HISS PARCEL ACQUISITION

Project No. 23-071-01 Project Manager: Erin Gravley

RECOMMENDED ACTION: Authorization to disburse up to \$2,750,000 to the Big Sur Land Trust to acquire the 84-acre Hiss Parcel in the City of Monterey for natural resource conservation, California Native American tribal cultural resource conservation, habitat connectivity, California Native American tribal access, and public access.

LOCATION: Monterey, Monterey County

EXHIBITSExhibit 1:Project Location MapExhibit 2:PhotosExhibit 3:Project Letters

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 two million seven hundred fifty thousand dollars (\$2,750,000) to the Big Sur Land Trust ("the grantee") to acquire an 84-acre parcel of land in the City of Monterey (Assessor's Parcel No. 259-091-0010) for natural resource conservation, California Native American cultural resource conservation, habitat connectivity, California Native American tribal access, and public access, 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 natural and California Native American tribal cultural resource conservation, habitat connectivity, California Native American tribal access, and public access. The property shall be permanently dedicated to those purposes by an appropriate instrument approved by the Executive Officer.
- 4. 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 5.5 of Division 21 of the Public Resources Code, regarding integrated coastal and marine resource protection.
- 2. The proposed project is consistent with the current Conservancy Project Selection Criteria.
- 3. The Big Sur Land Trust is a nonprofit organization organized under section 501(c)(3) of the U.S. Internal Revenue Code.

STAFF RECOMMENDATION

PROJECT SUMMARY:

Staff recommends the Conservancy authorize a \$2,750,000 grant to the Big Sur Land Trust to acquire the 84-acre Hiss Parcel for purposes of natural resource conservation, California Native American tribal cultural resource conservation, habitat connectivity, California Native American tribal access and public access in the City of Monterey, Monterey County (Exhibit 1).

The area of Tarpey Flats where the Hiss Parcel is located is a high priority conservation target to protect the biologically significant and visually stunning "legacy landscape" found on the last remaining undeveloped, privately-owned marine terrace in the Monterey Peninsula region. The Hiss Parcel has been actively marketed as a commercial development site, and a Preliminary Development Feasibility Study completed in February 2021 outlined a plan for up to 37 single family residences. Directly adjacent to the parcel are housing developments, the Monterey Regional Airport, and Highway 68. By acquiring the property, the Big Sur Land Trust will eliminate the risk of development and preserve its natural and cultural resources. The Hiss Parcel features riparian wetlands and wet meadow habitat, and around a half mile of the Arroyo Del Rey passes through the property, as does another unnamed seasonal creek. Conservation of these habitats would preserve the sediment trap created by

the wetlands, enhance water quality for the downstream areas along the Canyon Del Rey watershed, and avoid potentially increasing the flood risk for downstream communities. These ecosystem services will help reduce climate change impacts related to increased storm flows of water and sediment. These wetlands also help to sequester carbon, and the property's location as a wildlife corridor will allow species to move across landscapes to find more hospitable microclimates.

The location of the Hiss Parcel makes it a valuable wildlife linkage to the last remaining undeveloped marine terraces in the Monterey Peninsula Region, as well as a wildlife corridor between Palo Corona Regional Park and Fort Ord National Monument (see Exhibit 1). Acquisition of the parcel will protect this wildlife corridor and provide opportunities for future enhancement of landscape connectivity in the Tarpey Flats Area. The location of the parcel also presents opportunities to extend public trail networks in the area and could someday be part of a trail connection from Big Sur to Fort Ord.

Cultural resources surveys revealed the area directly surrounding the Hiss Parcel to be of great cultural significance to the Ohlone/Costanoan-Esselen Nation (OCEN). Due to this significance, the Big Sur Land Trust has collaborated with OCEN in the acquisition process.

The Big Sur Land Trust has worked with the landowner since mid-2021 on this acquisition. Once acquired, the Big Sur Land Trust will conduct a biological baseline assessment to develop a property management plan and fundraise for a stewardship endowment to cover core stewardship costs in perpetuity. They will continue to work with OCEN by holding ongoing meetings to explore what type of partnership, ownership, or other stewardship OCEN would like to engage in and how the Big Sur Land Trust can facilitate. Options may include anything from an agreement to facilitate on-going tribal access and use to a cultural easement or eventual ownership of the land by the Tribe. Other possible future uses for the property include public access in the form of trails.

Site Description: The 84-acre Hiss property parcel straddles the entrance road to the Monterra Ranch residential development and abuts Highway 68 at the eastern margin of Monterey near the community of Del Rey Oaks. The property is part of the larger Canyon Del Rey watershed and supports rich wetlands, riparian habitat, perennial and annual grasslands, Coast Live Oak woodlands, and small patches of maritime chaparral and Monterey Pine forest. The habitats on the property are currently in good condition and are used regularly by a variety of wildlife species, confirming the property as a known wildlife corridor. The Arroyo Del Rey Creek flows through the property, making it part of the larger Canyon Del Rey watershed. The property includes 22.8 acres of wetland and riparian habitats located along the Arroyo Del Rey Creek. The property has a narrow 4-wheel drive road extending from the west and northwest toward the center of the property and an abandoned well, but is otherwise undeveloped.

The Hiss Parcel's location makes it a critical connection between conserved lands in the Ryan Ranch and former Fort Ord north of Highway 68 and protected lands to the south, including Monterra Ranch greenbelts, the 850-acre Joyce Stevens Monterey Pine Preserve, and Jacks Peak County Park. Its habitats are used regularly by a variety of species, including deer, coyote, and black bears, confirming the property acts as a wildlife corridor. Its location also provides the opportunity for regional recreational trail connections that link Fort Ord with Jacks Peak and Palo Corona Regional Park.

Grant Applicant Qualifications: The Big Sur Land Trust has conserved over 40,000 acres in Monterey County and is accredited by the Land Trust Alliance. Big Sur Land Trust has previously managed grants from the Wildlife Conservation Board and from the State Coastal Conservancy, including a \$2,500,000 grant for the acquisition of Carr Lake awarded in 2016. The Big Sur Land Trust actively manages public access on six key preserves through hikes, events, and outdoor youth programming. Their relationship with OCEN precedes this project.

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 will permanently protect the property from development and enhance regional climate resilience and adaptation by permanently protecting climate-resilient habitat and protecting a wildlife corridor between large, protected wildland areas. It will also protect an area of California Native American tribal cultural significance. Protection of this property may also make acquiring and protecting more of the Tarpey Flats Area more feasible. Preservation of wetlands such as the ones on the property will help to sequester carbon. The protection of this land advances several goals in the State's 30x30 Executive Order, including: protect and restore biodiversity, expand access to nature, and mitigate and build resilience to climate change.

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.

Big Sur Land Trust has collaborated with OCEN in the development of this project and the acquisition will protect archaeological and cultural resources on the property. Post-closing, Big Sur Land Trust will continue to collaborate with OCEN on the subsequent stewardship of the land.

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

The proposed project will permanently protect the property from development and enhance regional climate resilience and adaptation by permanently protecting habitat connectivity and flood-resilient wetlands, helping to protect downstream areas of the Canyon del Rey watershed. The project will deliver long-term benefits including carbon sequestration by preserving wetlands and avoiding greenhouse gas emissions by prohibiting future development.

The Big Sur Land Trust will use its existing endowment as well as raise private funds to ensure a \$6,000-\$8,000 annual fund to cover core stewardship costs for the Hiss Parcel property. They will manage the property under a long-term property management plan in line with the Conservancy's acquisition purposes and restrictions.

5. Project delivers multiple benefits and significant positive impact.

The project will provide multiple benefits including permanently protecting the property and its resources from development and maintaining a wildlife corridor between adjacent protected spaces. Protection of its wetland habitats will continue carbon sequestration as well as help to trap sediment and filter out pollutants, benefiting downstream areas and potentially reducing flood risk. The Big Sur Land Trust will seek to develop a series of trails on the property for public access compatible with conservation goals and extend regional recreational trail connections that link Fort Ord with Jacks Peak and Palo Corona Regional Park. The project will protect lands of California Native American tribal cultural significance and future uses may include tribal co-stewardship, co-management, access, and/or ownership.

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

The project has been planned in collaboration with OCEN. The Hiss Parcel is adjacent to the Monterra residential department and the grantee has met several times with the Monterra Homeowner's Association. Members have expressed support for Big Sur Land Trust to acquire the Hiss Parcel.

PROJECT FINANCING	
Coastal Conservancy	\$2,750,000
Big Sur Land Trust	\$405,000
Project Total	\$3,155,000

Conservancy funds are anticipated to come from a Fiscal Year 2022-23 appropriation from the General Fund to the Conservancy for the purpose of "urgent sea level rise adaptation and coastal resilience needs" (The Budget Act of 2022, SB 154, as amended by the Budget Act of 2023, SB 101). The coastal resilience funds are available as described in Section 52 of Chapter 528 of the Statutes of 2021, which sets forth a detailed description of the purposes of the coastal resilience funds, including projects that protect coastal watersheds and increase the resilience of coastal ecosystems to climate change impacts. The proposed project is a coastal resilience project that is consistent with this funding source as it will permanently protect 84 acres of property featuring resilient coastal habitats such as wetlands that provide downstream water quality and sediment management. The project will additionally conserve habitat connectivity for wildlife to move between refuge areas as the effects of climate change intensify. Further, in selecting this project for a grant, the Conservancy has considered its Strategic Plan, the State Agency Sea Level Rise Action Plan, geographic areas of vulnerability, disadvantaged communities, and opportunities for federal financial support.

The Big Sur Land Trust is providing the funds for pre-acquisition costs, closing costs, and ongoing stewardship of the property.

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:

Conservancy participation in the proposed project is consistent with Chapter 5.5, Integrated Coastal and Marine Resources Protection (Section 31220) of the Conservancy's enabling legislation, Division 21 of the Public Resources Code. Section 31220(a) authorizes the Conservancy to undertake a project or award grants for coastal watershed projects that meet one or more criteria of Section 31220(b). Consistent with Section 31120(b), the proposed project will achieve the following objectives: protect fish and wildlife habitat within coastal watersheds and coastal waters (Section 31120(b)(2)); reduce unnatural erosion and sedimentation of a coastal watershed by preventing future land uses that could contribute to unnatural watershed erosion and sedimentation (Section 31120(b)(4)); and provide for public access compatible with resource protection and restoration objectives (Section 31120(b)(8)).

Consistent with Section 31220(a), staff has consulted with the State Water Resources Control Board in the development of the project to ensure consistency with Chapter 3 (commencing with Section 30915) of Division 20.4 of the Public Resources Code regarding the Clean Beaches Grant Program.

Consistent with Section 31220(c), the project is consistent with local watershed management plans and water quality control plans adopted by the State Water Resources Control Board and Regional Water Quality Control Boards (see the "Consistency with Management Plan/State Water Quality Control Plan" section below) and has a monitoring and evaluation component included in the project.

CONSISTENCY WITH CONSERVANCY'S 2023-2027 STRATEGIC PLAN:

Consistent with **Goal 1.1 Commit Funding to Benefit Systemically Excluded Communities**, the acquisition will allow the Ohlone/Costanoan-Esselen Nation, a local tribe, the opportunity to access, steward, and/or own land that is culturally significant to them.

Consistent with **Goal 1.2 Return Power to Tribes**, the Ohlone/Costanoan-Esselen Nation is collaborating with Big Sur Land Trust on the acquisition and deciding what future role the tribe will have as discussed in the Project Summary.

Consistent with **Goal 3.1 Conserve Land**, the proposed project will protect 84 acres of land under pressure from developers.

CONSISTENCY WITH LOCAL WATERSHED MANAGEMENT PLAN/STATE WATER QUALITY CONTROL PLAN:

Projects undertaken pursuant to Chapter 5.5 of Public Resources Code Division 21 (Section 31220) must be consistent with local watershed management plans, if available, and with water quality control plans, adopted by the state and regional water boards. In line with the Greater Monterey County Integrated Regional Water Management Plan (2018), the project will purchase fee title on land from a willing seller that will provide integrated water resource management benefits such as sediment control and wetlands preservation; and the project will protect the natural ecological and hydrological functions of creeks and their floodplains. In line with the Canyon Del Rey Master Drainage Plan, the project would help relieve some sedimentation in the Canyon Del Rey Watershed.

The project is consistent with the Water Quality Control Plan for the Central Coast Basin (2019) as it furthers beneficial use objectives for the region, including uses of water that support terrestrial ecosystems including, but not limited to, preservation and enhancement of terrestrial habitats, vegetation, wildlife (e.g., mammals, birds, reptiles, amphibians, invertebrates), or wildlife water and food sources.

CEQA COMPLIANCE:

The proposed acquisition is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Title 14, Section 15325 of the California Code of Regulations because it is a transfer of interests in land in order to preserve open space and existing natural conditions.

Staff will file a Notice of Exemption upon Conservancy approval of the proposed project.