

COASTAL CONSERVANCY

Staff Recommendation

April 18, 2024

**STONIER RANCH CONSERVATION EASEMENT ACQUISITION**

Project No. 24-010-01

Project Manager: Laura Cholodenko

**RECOMMENDED ACTION:** Authorization to disburse up to \$1,683,000 to the California Rangeland Trust to acquire a conservation easement over approximately 1,402-acres of Stonier Ranch for the protection of open space, wildlife corridors, viewsheds, natural resources, and grazing lands, in Santa Clara County.

**LOCATION:** 41230 San Antonio Road, Santa Clara County

---

EXHIBITS

Exhibit 1: [Project Location](#)

Exhibit 2: [Site Maps](#)

Exhibit 3: [Photos](#)

Exhibit 4: [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 one million six hundred eighty-three thousand dollars (\$1,683,000) to the California Rangeland Trust (“the grantee”) to acquire a conservation easement over approximately 1,402-acres of Stonier Ranch (the “Property”) in Santa Clara County (including Santa Clara County’s Assessor’s Parcel Nos. 070-12-013 (240 acres), 070-12-015 (40 acres), 070-12- 028 (160 acres), 070-12-031 (250 acres), 070-12-033 (160 acres), 070-12-035 (240 acres), 627-19-033 (117.24 acres), 627-29-022 (156.28 acre), and 627-29-033 (39.07 acres) (see Exhibit 2, Figure 1) for the protection of open space, wildlife corridors, viewsheds, natural resources, and grazing lands. 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, conservation easement 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 conservation easement, as established in an appraisal approved by the Executive Officer.
3. The easement interest acquired under this authorization shall be managed and operated for the protection of open space, wildlife corridors, viewsheds, natural resources, and grazing lands. 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 4.5 of Division 21 of the Public Resources Code, regarding the San Francisco Bay Area Program.
2. The proposed project is consistent with the current Conservancy Project Selection Criteria.
3. The California Rangeland 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 disbursement of up to \$1,683,000 to the California Rangeland Trust (CRT) to acquire a conservation easement over 1,402.59 acres of Stonier Ranch, Santa Clara County (see Exhibit 1; and Exhibit 2, Figure 2), for the protection of open space, wildlife corridors, viewsheds, natural resources, and grazing lands.

Permanent protection of grazing land is becoming increasingly important in the face of climate change, yet cattle ranches in California are being lost to more resource-intensive developed uses. CRT therefore seeks to acquire and place a conservation easement over a portion of this working cattle ranch to:

- Protect habitat connectivity between unconnected sections of the Henry W. Coe State Park system, and to support wildlife movement between other protected lands in the

region (see Exhibit 2, Figure 5). According to the California Department of Fish and Wildlife (Climate Change Resilience, Areas of Conservation Emphasis), the Ranch is in an area considered to be relatively buffered from the effects of climate change, where plants and wildlife may seek refuge from the effects of climate change.

- Protect natural resources; the Stonier Ranch easement area supports myriad water features including sections of East Fork Coyote Creek, Grizzly Creek, numerous intermittent streams, vernal pools, and at least five year-round stockponds that support wildlife as well as low-intensity grazing operations (see Exhibit 2, Figure 7); it also supports Important Bird Areas (see Exhibit 2, Figure 11); and is part of a scenic landscape that can be viewed from the adjacent Henry W. Coe State Park and other nearby public lands.
- Preserve low-intensity commercial livestock opportunities for future generations of cattle ranchers (according to the California Important Farmland Finder, the ranch is predominantly considered grazing land); and stimulate the regional economy (livestock contributed a \$4,966,000 economic value in Santa Clara County according to the 2022 Santa Clara County Crop Report).

The conservation easement will eliminate development of full-scale rural residential, intensive agriculture, and harvestable, commercial timber uses. The easement will restrict future development to three areas of the property, one 5-acre area in the north where the Ranch headquarters and agricultural buildings are located, and two 2-acre areas where there are other existing agricultural buildings (see Exhibit 2, Figure 8). Any new structures developed within these three areas would be limited in size, consistent with County-specific restrictions for land zoned as agricultural ranchland. Outside of these developed areas, the conservation easement will allow low-intensity grazing and low-intensity recreational hunting and fishing. The landowner intends to continue existing leases for low-intensity grazing (per a winter range grazing lease that supports between 50-100 head of cattle each season) and hunting (such as for wild, invasive pigs), which helps pay property taxes and preserve the family's 60+ year ranching legacy. The easement is supported by both natural resource and recreation organizations (see Exhibit 4, Project Letters).

CRT has adopted a robust Stewardship Policy and Monitoring Protocol that guides the long-term monitoring and landowner management of all easements in its over 394,000-acre portfolio. CRT monitors and provides reports for all conservation easements on an annual basis.

**Site Description:** Stonier Ranch is situated along the eastern edge of Santa Clara County; Henry W. Coe State Park sits adjacent to the south (see Exhibit 2, Figure 2). The entire ranch including both the easement and non-easement area is 2,962 acres (Exhibit 2, Figure 1a) and is used to graze cattle.

The easement area of the Ranch is located within the East Fork Coyote Creek Hydrological Unit Code-12 Watershed and contains the upper reaches of East Fork Coyote Creek and Grizzly Creek that effectively drain into the larger Coyote Creek, eventually flowing into Coyote Lake at Coyote Lake Harvey Bear Ranch County Park, managed by the Santa Clara County Parks and Recreation Department (see Exhibit 2, Figure 7).

The easement area of the Ranch has ample residential and agricultural infrastructure to support long-term grazing operations, including two single family residences, two cabins, two barns, storage sheds, water tanks, and corrals (see Exhibit 2, Figure 8), and is uniquely positioned in a region with access to agricultural markets in San Jose, Livermore, and Patterson.

The easement area features habitats typical of California’s Coastal Range, including rugged, steep cliffs and outcroppings interspersed with open valley floors, grasslands, mixed oak woodlands, foothill pine forest, mixed chaparral/scrub, and riparian habitats (see Exhibit 3).

**Grant Applicant Qualifications:**

CRT has successfully managed state, federal, and private grants on nearly every conservation easement it has acquired since 1998 (not including donated easements) and has a history of successful past performance managing and completing Conservancy grants (i.e., Hearst Ranch, Wong Asuncion Ranch). In 2023 alone, CRT successfully acquired nine conservation easements, while securing over \$10,000,000 in public and private grant funding. CRT’s dedicated staff is trained to manage grant funds, deliver reporting requirements, and accounting of expenditures.

**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 approximately 1,400 acres of grazing lands that support open space, wildlife corridors, viewsheds, and natural resources, thereby contributing to the State’s 30x30 goals.

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

The proposed project involves placing land under a conservation easement for perpetuity. CRT will ensure the easement purposes are carried out, as it has adopted a robust Stewardship Policy and Monitoring Protocol that guides the long-term monitoring and landowner management of all easements in its over 389,000-acre portfolio.

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

The proposed project will deliver multiple benefits including protection of open space, wildlife corridors, viewsheds, natural resources, and grazing lands.

**PROJECT FINANCING**

<b>Coastal Conservancy</b>	<b>\$1,683,000</b>
Wildlife Conservation Board (application pending)	<u>\$1,683,000</u>

**Project Total**

**\$3,366,000**

Conservancy funds are anticipated to come from an FY 2022/23 appropriation from the General Fund to the Conservancy for “urgent sea level adaptation and coastal resilience needs using nature-based solutions or other strategies.” (The Budget Act of 2022, SB 154 as amended by the Budget Act of 2023, SB 101). The climate resilience 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, including projects for the purpose of the San Francisco Bay Area Conservancy Program. The proposed project is consistent with this funding source because it is within the San Francisco Bay Area and helps achieve the goals for the San Francisco Bay Area Conservancy Program established pursuant to Chapter 4.5 of Division 21 of the Public Resources Code.

The project total in the above table reflects CRT’s best estimate, derived from Santa Clara County Rangeland per acre values according to the California Chapter, American Society of Farm Managers & Rural Appraisers’ 2023 Trends in Agricultural Land & Lease Values California & Nevada Booklet. The range of per acre values in Santa Clara County is \$2,000 – \$10,000, where CRT used the median per acre value of \$6,000 to determine the estimated conservation easement value. CRT will follow with an appraisal, and the Conservancy will not contribute to a purchase price that exceeds the actual appraised and approved fair market value.

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 4.5 of Division 21 of the Public Resources Code. Section 31162 authorizes the Conservancy to award grants for projects in the nine-county San Francisco Bay Area to help achieve regional resource goals.

Section 31162(b) authorizes the Conservancy to award grants for projects that protect natural habitats and connecting corridors, watersheds, scenic areas, and other open space resources of regional importance. The proposed conservation easement will protect natural habitat and connecting corridors by preventing development and allowing low intensity grazing which helps maintain grasslands.

**CONSISTENCY WITH CONSERVANCY’S 2023-27 STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):**

Consistent with **Goal 3.3 Working Lands**, the proposed project will support working lands via dedication of a permanent conservation easement on 1,402 acres.

**CEQA COMPLIANCE:**

Acquisition of a conservation easement over the Stonier Ranch property is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to 14 Cal. Code of Regulations Section 15325 because it involves the transfer of ownership interests in

land to preserve open space and to allow for continued agricultural use of the property. Staff will file a Notice of Exemption upon approval of the project.