

COASTAL CONSERVANCY

Staff Recommendation  
September 5, 2024

**RICHMOND RANCH ACQUISITION PROJECT**

Project No. 24-019-01  
Project Manager: Laura Cholodenko

**RECOMMENDED ACTION:** Authorization to disburse up to \$1,500,000 to the Santa Clara Valley Habitat Agency to acquire approximately 1,218 acres of the 3,654-acre Richmond Ranch for the protection, restoration, and enhancement of open space, wildlife corridors, natural resources, viewsheds, and grazing lands; and for public access and California Native American tribal cultural uses, in Santa Clara County.

**LOCATION:** 7500 San Felipe Road, San Jose, Santa Clara County

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EXHIBITS

Exhibit 1: [Project Location Maps](#)

Exhibit 2: [Site Photographs](#)

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 one million five hundred thousand dollars (\$1,500,000) to the Santa Clara Valley Habitat Agency (“the grantee”) to acquire approximately 1,218 acres of the Richmond Ranch (the “Property”) in Santa Clara County (including Santa Clara County’s Assessor’s Parcel Nos. 660-01-014, 660-47-001, 660-50-001, 660-51-001, and 660-55-002, depicted in Exhibit 1 to the accompanying staff recommendation, for the protection, restoration, and enhancement of open space, wildlife corridors, natural resources, viewsheds, and grazing lands; and for public access and California Native American tribal cultural uses.

The 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 the protection, restoration, and enhancement of open space, wildlife corridors, natural resources, viewsheds, and grazing lands; and for public access and California Native American tribal cultural uses. 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.
5. If requested by the Conservancy, the grantee shall permit designation of a segment of the Bay Area Ridge Trail on the Richmond Ranch property.

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.

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## **STAFF RECOMMENDATION**

### **PROJECT SUMMARY:**

Staff recommends the Conservancy authorize disbursement of up to \$1,500,000 to the Santa Clara Valley Habitat Agency (Habitat Agency) to acquire 1,218.02 acres of the Richmond Ranch ("the property") in Santa Clara Valley, (including Santa Clara County's Assessor's Parcel Nos. 660-01-014 (1,151.75 acres), 660-47-001 (2.60 acres), 660-50-001 (10.69 acres), 660-51-001 (45.78 acres), and 660-55-002 (7.20 acres) (Exhibit 1) for the protection, restoration, and enhancement of open space, wildlife corridors, natural resources, viewsheds, and grazing lands; and for public access and California Native American tribal cultural uses. Santa Clara County is one of the most densely populated regions of California, which places increasing pressure on natural communities and the wildlife species that inhabit them. The approximately 1,218-acre property (the property) is in close proximity to existing urban and suburban lands (Exhibit 1,

Figure 1 and 2) and is therefore under threat of development. The Habitat Agency seeks to acquire this property and include it within its network of conserved lands (Reserve System) to:

- Protect habitat for fourteen rare and endangered species that are included in the Santa Clara Valley Habitat Plan, a plan to protect, enhance, and restore natural resources in Santa Clara County, targeting eighteen rare and endangered species and their habitats, while streamlining the environmental permitting process for impacts on threatened and endangered species. Nine of these species are known to occur on the property, including the California red-legged frog, California tiger salamander, Bay checkerspot butterfly, Mount Hamilton thistle, Metcalf Canyon jewelflower, and Santa Clara Valley dudleya (Exhibit 1, Figure 4). The property is also expected to support the monarch butterfly, American badger, and mountain lion.
- Protect habitat connectivity and support wildlife movement between other protected lands in the region (see Exhibit 1, Figure 3). The property provides important habitat linkages for a variety of mammals and invertebrates that move between Joseph D. Grant County Park and Henry W. Coe State Park, as well as along Coyote Ridge from Silver Creek Hills to Anderson Dam and from Santa Teresa Hills to Metcalf Canyon (Exhibit 1, Figure 3).
- Provide public access by enabling future development of a 3,180-foot-long section of the Bay Area Ridge Trail. The trail will support hiking, bicycling, and equestrian use and will link the property with Máyyan 'Ooyákma – Coyote Ridge Open Space Preserve.
- Enhance and restore parts of the property to benefit the natural communities and listed species that occupy the property. Cattle grazing will continue as the primary management tool to conserve sensitive serpentine grassland habitat, while also reducing grassland fuel loads.

Acquisition of the property will prevent residential development, helping protect a large contiguous landscape of open space. Maintaining this landscape allows species to move, find refuge and establish resting and rearing areas, all of which is critical to their survival. The property is being acquired for the purposes of conservation and species recovery and its acquisition will not be counted towards mitigation for impacts of development on threatened and endangered species.

**Site Description:** The 1,218-acre property is part of the larger 3,654-acre Richmond Ranch that borders thousands of acres of protected lands (Exhibit 1, Figure 1). Richmond Ranch is located in the eastern region of Santa Clara County, north of the Máyyan 'Ooyákma –Coyote Ridge Open Space Reserve and Metcalf Motorcycle Park, west of the San Felipe Ranch, and south of Joseph D. Grant County Park (Exhibit 1, Figure 3). Henry W. Coe State Park is within 10 miles of the ranch to the south. The property, as well as the larger Ranch, is primarily composed of California annual grassland, coast live oak forest and woodland, and the sensitive and rare serpentine bunchgrass grassland. The property also supports smaller areas of blue oak and valley oak woodland, and riparian forest as well as ponds, seasonal wetlands, and 9 miles of streams (Exhibit 2).

The Conservation Fund (TCF) purchased the entire 3,654-acre Richmond Ranch for \$16,000,000 in January 2024 from Richmond Ranch ZL1, LLC, a California limited liability company, based on a fair market appraisal and a negotiated bargain sale, due to financial difficulties by the seller and the need to sell quickly. Following the sale, the Habitat Agency purchased 944 acres of the Ranch from TCF with contributing grant funds from Santa Clara Valley Water District. Santa Clara County Parks purchased 1,487 acres from TCF in April 2024. TCF will donate a 4.5 acre parcel to the Habitat Agency, leaving 1,218 acres of Richmond Ranch to be purchased from TCF. The Habitat Agency and County Parks have entered into a Memorandum of Agreement to determine appropriate areas of Richmond Ranch for recreational trails and wildlife conservation areas that will be closed to the public. The Habitat Agency plans to eventually transfer all of its acreage to County Parks and will place a Conservation Easement over the entire 3,654-acre Richmond Ranch.

**Grant Applicant Qualifications:** The Habitat Agency is a Joint Powers Authority comprising the Cities of Gilroy, Morgan Hill, and San Jose, as well as Santa Clara County. Formed in 2013, the Habitat Agency implements the Santa Clara Valley Habitat Plan (Habitat Plan), described under *Project Summary*.

The Habitat Agency has successfully administered multiple state and federal grants for a variety of activities including conservation, restoration, and related land acquisition projects that are integral to the Habitat Plan's implementation. With the support of its funding partners, the Habitat Agency has acquired approximately 14,000 acres of land that are conserved and managed as a Reserve System. The Habitat Agency has an interdisciplinary staff providing specialized expertise in land planning, GIS evaluation, real estate, conservation biology, and habitat management.

**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.**

An appraisal of the property, completed in November 2023, established a valuation of \$11,900,000. Therefore, the purchase price of \$6,500,000 is a little more than half of the assessed value, making this a good investment of state resources.

Conservation of the property helps advance the State's 30x30 goals by protecting approximately 1,218 acres of open space that supports endangered species and creates large and contiguous blocks of land that facilitate wildlife movement.

**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 Habitat Agency will engage local tribes concerning access and shared stewardship goals and aims to make the property available to California Native American tribes for tribal cultural uses such as seed collection and ceremonies. The Habitat Agency is currently working with the Peninsula Open Space Trust on tribal engagement for another property in its Reserve System (Lakeside Ranch) and intends to expand its engagement and access efforts to Richmond Ranch, once acquired.

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

The project is being implemented as part of the Habitat Plan, which requires long-term monitoring and management of all Reserve System lands. Reserve management is designed to maintain and enhance natural communities, habitat for special-status species and other native species, native biological diversity, and ecosystem function. A Reserve Unit Management Plan will be developed that identifies the management and maintenance actions necessary to ensure that desired ecosystem characteristics and functions of the property, including public access, are maintained and enhanced.

The Habitat Agency provides oversight and facilitates a variety of land stewardship activities to achieve the conservation goals of the Habitat Plan. These activities include conservation easement monitoring, water source protection, fencing removal, grazing oversight, vegetation management, invasive species control and wildlife habitat restoration.

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

The project will deliver multiple benefits including protection of open space, wildlife habitat, and wildlife corridors. According to the California Department of Fish and Wildlife (Climate Change Resilience, Areas of Conservation Emphasis), the Ranch is resilient to climate change and will likely remain suitable for populations of plants and wildlife that currently reside in the area. In addition to significant natural resource benefits, the project includes an opportunity to create a section of Bay Area Ridge Trail, helping link regional parks and open space.

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

The Habitat Agency works to implement the Santa Clara Valley Habitat Plan. The Plan was developed by Santa Clara County, four cities, as well as the regional water and transportation agencies. All of these government entities are co-permittees in the Habitat Plan. Other entities that regularly partner with the Habitat Agency for land acquisition, land management, and other conservation actions include Santa Clara Valley Open Space Authority, the Peninsula Open Space Trust, and the Midpeninsula Regional Open Space District. The Habitat Agency has wide ranging support from many different entities across the county that not only support, but also promote and contribute to implementation of the Habitat Plan, including environmental advocates and local ranching interests. See Exhibit 3 for letters of support.

The Habitat Agency will work with stewardship partners such as Students and Teachers Restoring a Watershed and the California Conservation Corps or Grassroots Ecology to host

environmental education and work experience opportunities on the property, which would also benefit systemically excluded communities.

**PROJECT FINANCING**

|                             |                    |
|-----------------------------|--------------------|
| <b>Coastal Conservancy</b>  | <b>\$1,500,000</b> |
| Wildlife Conservation Board | \$5,000,000        |
| <b>Project Total</b>        | <b>\$6,500,000</b> |

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.

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 project will protect natural habitat and connecting corridors by preventing development and allowing low intensity grazing which helps maintain grasslands.

**CONSISTENCY WITH CONSERVANCY’S [2023-2027 STRATEGIC PLAN](#):**

Consistent with **Goal 3.1 Conserve Land**, the proposed project will conserve 1,218 acres of open space that supports implementation of the Santa Clara Valley Habitat Plan.

Consistent with **Goal 3.2 Restore or Enhance Habitats**, the proposed project will protect wildlife corridors to connect already conserved landscapes and waterways.

Consistent with **Goal 3.3 Working Lands**, the proposed acquisition project will support working lands by allowing for managed grazing on the property.

**CEQA COMPLIANCE:**

The project is statutorily exempt from review under the California Environmental Quality Act pursuant to Public Resources Code section 21080.28, which exempts a public agency granting funds for acquisition of land for certain purposes, including restoration of natural conditions, and preservation of open space and land for park purposes. The recommended authorization is to grant funds to a public entity to acquire land to preserve and restore natural resources and to preserve open space and land for public access purposes. Environmental review will occur before any physical changes to the land occur.