

COASTAL CONSERVANCY

Staff Recommendation
December 2, 2004

VALLEJO SWETT RANCH ACQUISITION

File No. 04-099
Project Manager: Ann Buell

RECOMMENDED ACTION: Authorization to disburse up to \$200,000 to the Solano Land Trust toward the acquisition of the 905-acre Vallejo Swett Ranch in Solano County.

LOCATION: The Vallejo Swett Ranch is located in the City of Vallejo, east of Highway 80 and north of the City of Benicia, Solano County (Exhibits 1 and 2).

PROGRAM CATEGORY: San Francisco Bay Area Conservancy

EXHIBITS

Exhibit 1: Project Location in the San Francisco Bay Area

Exhibit 2: Regional Map

Exhibit 3: Site Map

Exhibit 3a: Assessor Parcel Map

Exhibit 4: Photographs

Exhibit 5: Ridge Trail Map

Exhibit 6: Tri-City and County Cooperative Planning Area

Exhibit 7: Letters of Support

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31000 *et seq.* of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes disbursement of an amount not to exceed two hundred thousand dollars (\$200,000) to the Solano Land Trust toward the acquisition of the Vallejo Swett Ranch in Solano County, Assessor Parcel Numbers 182-040-02, 182-040-04, 182-040-11, 182-050-04, and 182-050-05, as shown on Exhibits 3 and 3a to the accompanying staff recommendation.

This authorization is subject to the following conditions:

1. Prior to the disbursement of any Conservancy funds for acquisition, the Solano Land Trust shall:
 - a. Submit for review and approval of the Executive Officer all relevant acquisition documents including but not limited to, the appraisal, agreement(s) of purchase and sale, escrow instructions, and documents of title.
 - b. Provide evidence to the Executive Officer that all additional funds needed to complete the acquisition have been obtained.
2. The Solano Land Trust shall pay no more than fair market value for the property, as established in an appraisal approved by the Executive Officer.
3. The Solano Land Trust shall permanently dedicate the property for habitat, open-space preservation, resource enhancement and restoration, and outdoor public recreational use, including segments of the Bay Area Ridge Trail, in a manner acceptable to the Executive Officer, and in accordance with Public Resources Code Section 31116(b).
4. Conservancy and Bay Area Ridge Trail funding shall be acknowledged by erecting and maintaining on the property a sign that has been reviewed and approved by the Executive Officer.”

Staff further recommends that the Conservancy adopt the following findings:

“Based on the accompanying Staff Recommendation and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed project is consistent with Public Resources Code Sections 31160-31164, regarding the Conservancy’s mandate to address the resource and recreational goals of the San Francisco Bay Area.
2. The proposed project is consistent with the Project Selection Criteria and Guidelines adopted by the Conservancy on January 24, 2001.
3. The Solano Land Trust is a nonprofit organization existing under Section 501(c)(3) of the United States Internal Revenue Code, and whose purposes are consistent with Division 21 of the California Public Resources Code.”

PROJECT SUMMARY:

Staff requests authorization to disburse up to \$200,000 to the Solano Land Trust (SLT) toward the acquisition of the 905-acre Vallejo Swett Ranch in Solano County. This acquisition from Pacific Gas & Electric (PG&E) will protect wildlife habitat, agricultural lands, and scenic open space (Exhibit 4), and will enable the dedication of an approximately two-mile segment of the Bay Area Ridge Trail, plus approximately four miles of community connector and loop trails (Exhibit 5). The acquisition will complete a multi-phase acquisition of 3,888 acres for which the Conservancy has previously committed \$3,575,000.

The purchase price for this acquisition is \$2.7 million, a \$900,000 discount off the appraised value. The discount is offered by PG&E on the condition that the Eastern Swett Ranch be purchased before the Vallejo Swett Ranch. The Eastern Swett Ranch is set to be purchased this month with previously authorized Conservancy funds and substantial matching funds (See

Project History and Project Financing). The Gordon and Betty Moore Foundation has agreed to contribute \$2.2 million toward acquisition of the Vallejo Swett Ranch, but has required that their funds be disbursed by December 31, 2004. The neighboring King Ranch (Exhibit 3) was purchased with Conservancy funds in 2002.

The Vallejo Swett Ranch lies within a 10,000-acre planning area (Exhibit 6) designated to remain in open space and agricultural use by the Cities of Benicia, Vallejo, and Fairfield, and the County of Solano in their adopted *Tri-City and County Cooperative Plan for Agriculture and Open Space Preservation* (1994). The plan sets policy guidelines for open space preservation, park development, and recreational use and may be amended only through the agreement of all of the adopting parties. The plan endorses the City of Vallejo's zoning for the Vallejo Swett Ranch property, which is agricultural use and low density residential development (one dwelling per 20 acres). The property is currently grazed and will continue to be grazed under SLT ownership and management. Development would be likely to occur if the property were placed on the open market because Solano County has one of the highest population and job-growth rates in the nine-county Bay Area, and the property is scenic, level in areas, and located near major transportation corridors.

The Vallejo Swett Ranch provides habitat for the federally threatened California red-legged frog and is a core element of the U.S. Fish and Wildlife Service's designated critical habitat area for the species. Contiguous with the 1,408-acre Eastern Swett Ranch and 1,575-acre King Ranch, the Vallejo Swett Ranch will be managed with the other ranches for resource protection and enhancement, public outdoor recreation and education, and grazing in non-sensitive habitat areas. A biological survey of the Eastern Swett and Vallejo Swett Ranches was completed in 2002 and a full management plan for these two ranches is currently in development with a targeted completion date of September 2005.

There is great potential for recreational enjoyment of the Vallejo Swett Ranch, including hiking, biking, horseback riding, picnicking, and other non-motorized recreational pursuits. The Bay Area Ridge Trail Council has planned a segment of the Ridge Trail and connector trail alignments for the Vallejo Swett Ranch in a detailed study completed in 2002 (*Vallejo Ridge Trail Route Study Hiddenbrooke to Blue Rock Springs Park*). These planned trails will connect Blue Rock Springs Park and the Hiddenbrooke development (Exhibit 5). The Ridge Trail will pass close to the property's western edge on Blue Rock Ridge, where there are spectacular views of San Pablo Bay, Suisun Bay, and Mt. Tamalpais. Approximately four miles of connector trails will lead to the 47-acre "Orchard easement" that connects the Vallejo Swett Ranch to the Eastern Swett Ranch and is protected by a conservation easement jointly held by SLT and the Tri-City and County Cooperative Planning Group.

In the short-term, the public will have access to the trails on the Vallejo Swett Ranch through docent-led outings. SLT will work cooperatively with the Bay Area Ridge Trail Council, the Tri-City and County Cooperative Planning Group, the Greater Vallejo Recreation District, and other appropriate entities to open the Vallejo Swett Ranch to greater public access in the long-term. There is no open space district in Solano County, although a coalition of nonprofit groups and local public agencies have been trying to establish one for several years. The establishment of an open space district or a similar public entity would greatly facilitate and expedite the broadening of public access on this and the neighboring ranches.

SLT is a nonprofit land trust incorporated in 1986. Its mission is to preserve and protect farmlands, wetlands, rangelands, open space, and wildlife habitat. It currently holds fee title or easements over more than 11,000 acres of Solano County lands. Key holdings include the King Ranch, Rush Ranch in Suisun Marsh, Lynch Canyon, and the Jepson Prairie Preserve. Regionally, Solano County ranks last among the nine Bay Area counties in land protection, with a little less than 11 percent of its land protected to date. There is strong public and legislative support for this project (Exhibit 7).

Site Description: The approximately 905-acre Vallejo Swett Ranch is located in southwestern Solano County, between Highways I-80 and I-680, in an area known as the Tri-City and County Cooperative Planning Area (Exhibit 6). The property is owned by Pacific Gas & Electric (PG&E), which leases the entire Vallejo Swett Ranch for grazing. Apart from management of the grazing, there is no other active management of the land at this time. There is a 23-acre in-holding known as the McIntyre Ranch, which is owned by the Greater Vallejo Recreation District, has limited public access, and is currently operated as a horse ranch.

The property is characterized by moderate to steep slopes (25-80% slopes) with several narrow drainages and a wide and prominent central drainage valley that runs from west to east, roughly dividing the property into north and south sections. Elevations range from 180-820 feet (50-250 meters). The drainage valley has an intermittent and unnamed stream running through most of its length with two reservoirs and several small ponds located within and just above it. This stream exits the property into a tributary of Sulphur Springs Creek that runs through Sky Valley and eventually drains into Lake Herman to the south, and from Lake Herman into the Carquinez Strait. A separate drainage creek exits the Vallejo Swett Ranch near the southwest corner of the property and eventually runs into Sulphur Springs Creek as well.

Natural community types include riparian, lentic, non-native annual grassland and serpentine bunchgrass grassland. The property supports a diverse assemblage of plant and animal species, including up to 307 vascular plants, 116 birds, 21 mammals, and 8 reptiles and amphibians. Of particular importance is the exceptionally high-quality red-legged frog (*Rana aurora draytonii*) habitat.

The Vallejo Swett Ranch has two main gated access points: one on the northwestern boundary, closest to Vallejo, and one on the northeastern boundary, which leads to the Hiddenbrooke development. The northwestern gate is accessible from St. John's Mine Road via Columbus Parkway. An interior paved road proceeds from this gate through the entire property and exits the northeastern corner above the Hiddenbrooke development, where a locked gate marks a prominent trailhead of the Bay Area Ridge Trail. This access point can be reached via the American Canyon exit off of I-80, and through the Hiddenbrooke development.

City of Vallejo zoning for this property allows low density residential, civic uses (parks or utilities), and agriculture. Residential development is limited to one dwelling unit for each building site, with the minimum size building site specified at 20 acres. The property is included in the *Tri-City and County Cooperative Plan for Agriculture and Open Space Preservation* (1994), which includes measures to preclude urban development and preserve and protect open space resources, but which allows residential development at the density described above.

Project History: The Solano Land Trust, formerly the Solano County Farmlands and Open Space Foundation, has been working with PG&E since the early-1990s to try to acquire 3,888 acres comprising the King Ranch, Eastern Swett Ranch, and Vallejo Swett Ranches in Solano

County. The Conservancy has authorized a total of \$3,575,000 to date toward these acquisitions, including \$1,000,000 in 1999 and \$2,000,000 in 2001 for purchase of the King Ranch and a portion of the Eastern Swett Ranch (completed July 2002), and \$575,000 in May 2004 toward the purchase of the remaining portion of the Eastern Swett. The acquisition of the remainder of the Eastern Swett is expected to be accomplished at the end of December, 2004, shortly before the proposed acquisition of the Vallejo Swett Ranch.

In 2002 the Bay Area Ridge Trail Council prepared the *Vallejo Ridge Trail Route Study* to bridge the gap in the Ridge Trail between Blue Rock Springs Park in Vallejo and the Ridge Trail in the Hiddenbrooke development. The link is planned to pass through the Vallejo Swett Ranch and includes loop trails in addition to the main Ridge Trail segment (Exhibit 5).

There is strong development pressure from the surrounding municipalities. Some protection is provided by the *Tri-City and County Cooperative Plan for Agriculture and Open Space Preservation* area (1994), which was adopted by the surrounding cities and the County of Solano in its General Plan and is described above. However, that plan supports current zoning for the property, which includes low density residential development (one dwelling per 20 acres). The Joint Powers Authority that governs the plan (Cities of Vallejo, Fairfield, Benicia and County of Solano) would have to agree to any proposal for higher density development. Solano County's Orderly Growth Initiative (1994, valid until 2010), which directs urban growth and development to existing cities, would not offer protection of the Vallejo Swett Ranch because the ranch is already almost entirely within city limits.

The terms of purchase of these three ranches were set out in an option agreement for purchase and sale that PG&E and SLT entered into in January of 2001. This option agreement has been extended three times and currently has a sunset date of July 24, 2006. The option agreement specifies the order in which the ranches need to be purchased if a substantial discount is to be realized on the final purchase, which is the Vallejo Swett Ranch. The King Ranch has been purchased, the Eastern Swett will be purchased next, and the Vallejo Swett will be the final purchase.

PROJECT FINANCING:

Coastal Conservancy (Bay Area Ridge Trail)	\$ 200,000
Gordon and Betty Moore Foundation	2,200,000
Vallejo Sanitation and Flood Control District	<u>400,000</u>
Total Project Cost	\$2,800,000

The Conservancy's contribution of \$200,000 is expected to come from the Conservancy's FY 2003/2004 appropriation from the "California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Act of 2002 (Proposition 40) for the San Francisco Bay Area Conservancy Program (Bay Program). As discussed below, the purposes and goals of this project are consistent with Bay Program legislation and thus are consistent with the funding source.

The Conservancy's grant will be applied toward the acquisition price only and with the intent that a segment of the Bay Area Ridge Trail will be dedicated on the property. Of the Gordon and Betty Moore Foundation grant of \$2.2 million, \$50,000 will be applied toward the development of a management plan for the Vallejo Swett Ranch and \$50,000 will be applied toward acquisition-related costs, including escrow, legal, and SLT staff costs. The Vallejo Sanitation and

Flood Control District funds were set aside for the Vallejo Swett Ranch in 1999 in a lawsuit settlement agreement.

Conservancy authorization of the requested funds would bring the Conservancy's total contribution toward the King, Eastern Swett, and Vallejo Swett Ranches to \$3,775,000: King (\$3 million, complete), Eastern Swett (\$575,000, almost complete), and Vallejo Swett (\$200,000, proposed). These funds will have leveraged a total of \$4,175,000 in cash contributions from eight public and private entities by close of escrow in January, 2005.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

This project is undertaken pursuant to Chapter 4.5 of the Conservancy's enabling legislation, Public Resources Code Section 31160-31164, to address resource goals in the San Francisco Bay Area. Consistent with Section 31162(a), this project will improve public access to and around ridgetops through completion of a segment of the Bay Area Ridge Trail between Blue Rock Springs Park and the Hiddenbrooke development. Additionally, the Conservancy may award grants to protect, restore, and enhance natural habitats and connecting corridors, watersheds, scenic areas, and other open-space resources of regional significance (Section 31162(b)); and promote, assist, and enhance projects that provide open space and natural areas that are accessible to urban populations for recreational purposes (Section 31162(d)). This project will protect habitat for wildlife and preserve unimpeded views of the ranch's rolling hills and San Pablo Bay, Mt. Tamalpais, and Suisun Bay, providing recreational opportunities and increased public access to open space for the people of Vallejo, Benicia, Fairfield, Vacaville, and Solano, Contra Costa, and Napa Counties.

This project is appropriate for prioritization under the selection criteria set forth in Section 31163(c) in that (1) it is consistent with the 1994 *Tri-City and County Cooperative Plan for Agriculture and Open Space Preservation*; the general plans of the Cities of Benicia, Fairfield, Vallejo, and the County of Solano; and the Bay Area Ridge Trail Council's *Vallejo Ridge Trail Route Study* (2002); (2) it serves a regional constituency that includes Benicia, Fairfield, Vallejo, and Solano, Contra Costa, and Napa Counties; (3) it will be implemented in a timely way because all funding is committed; (4) it provides opportunities for benefits that could be lost if the project is not quickly implemented because the Gordon and Betty Moore Foundation funding must be disbursed by December 2004; and (5) it includes \$2,600,000 of matching funds.

CONSISTENCY WITH CONSERVANCY'S STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):

Consistent with **Goal 10, Objective A** of the Conservancy's Strategic Plan, the proposed project will result in the acquisition of 905 contiguous acres of upland habitat and watershed lands, and 2.5 miles of riparian habitat in Solano County.

Consistent with **Goal 11, Objective A** of the Conservancy's Strategic Plan, the proposed project will result in a significant increase in land that will be accessible to the public for recreational purposes. The location and extent of recreational facilities and trails has been conceptually designed, and nearly two miles of new Ridge Trail will be dedicated (**Objective B**).

Consistent with **Goal 12, Objective A** of the Conservancy's Strategic Plan, the proposed project will protect approximately 815 acres of agricultural lands within the Tri-City and County Cooperative Planning Area for Agriculture and Open Space (Exhibit 6).

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

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines adopted January 24, 2001, 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. **Support of the public:** This project is supported by Congressman George Miller, Congresswoman Ellen Tauscher, Senator Wesley Chesbro, Assemblywoman Lois Wolk, Assemblywoman Pat Wiggins, Tri-City and County Cooperative Planning Group for Agriculture and Open Space, County of Solano, Bay Area Ridge Trail Council, Carquinez Strait Preservation Trust, City of Benicia, City of Fairfield, City of Vallejo, Greater Vallejo Recreation District, Greenbelt Alliance, Solano County Orderly Growth Committee, and Pacific Gas & Electric.
4. **Location:** This project is located within the city limits of Vallejo, east of Highway 80. It is located within the Tri-City and County Cooperative Planning Area and is easily accessible to the populations of Contra Costa and Napa Counties in addition to all of Solano County.
5. **Need:** Funding being provided by the Gordon and Betty Moore Foundation and the Vallejo Sanitation and Flood Control District funds fall short of the purchase price of the Vallejo Swett Ranch, despite the generous discount offered by the seller, PG&E. Conservancy funds will fill the gap to complete this acquisition and promote the closing of a gap in the Bay Area Ridge Trail as well.
6. **Greater-than-local interest:** The Vallejo Swett Ranch is a core element of the U.S. Fish and Wildlife Service's designated critical habitat area for the California red-legged frog. Protection of the Vallejo Swett Ranch, as the third and final phase of a three-phase acquisition of the King, Eastern Swett, and Vallejo Swett Ranches, will constitute the largest publicly accessible open space in the county.

Additional Criteria

7. **Urgency:** The Gordon and Betty Moore Foundation grant is contingent on the acquisition funds being disbursed by December 31, 2004 and the acquisition being complete by January 14, 2005.
8. **Resolution of more than one issue:** This acquisition will protect this beautiful and rich wildlife habitat from development and will provide the opportunity for completion of a planned segment of the Bay Area Ridge Trail.
9. **Leverage:** See the "Project Financing" section above.
12. **Readiness:** The Solano Land Trust and PG&E have completed the acquisition of the King Ranch and will have completed the acquisition of the Eastern Swett Ranch shortly before

closing this proposed acquisition. All parties are working hard to complete this acquisition before the Gordon and Betty Moore Foundation funding becomes unavailable.

13. **Realization of prior Conservancy goals:** “Project History” provides a discussion of specific Conservancy goals realized through this acquisition. Regionally, Solano County ranks last among the nine Bay Area counties in land protection, with only a little more than 11 percent of land protected to date, and thus this acquisition is a high priority for the Bay Program.
15. **Cooperation:** This project exemplifies a public/private partnership, with major support from the private Gordon and Betty Moore Foundation for this acquisition. Mitigation funds from the Vallejo Sanitation and Flood Control District were set aside specifically for this project. The Bay Program of the Coastal Conservancy has been working cooperatively with the Bay Area Ridge Trail Council to identify high priority Ridge Trail projects. The best proposals from that grant program are recommended to the Conservancy for funding, and this is one of those which is highly recommended.

COMPLIANCE WITH CEQA:

As a transfer of ownership of interest in land to preserve open space and habitat, including acquisition for the preservation and restoration of natural conditions, the proposed project is categorically exempt from the California Environmental Quality Act under 14 California Code of Regulations, Section 15325. The project is also exempt under Section 15313, which provides a categorical exemption for the acquisition of lands for fish and wildlife conservation, including preservation of fish and wildlife habitat, where the purpose of the acquisition is to preserve the land in its natural condition. Upon approval, staff will file a Notice of Exemption for this project.