

# COASTAL CONSERVANCY

Staff Recommendation  
March 10, 2005

## **TOLAY LAKE RANCH ACQUISITION**

File No. 04-109  
Project Manager: Maxene Spellman/Carol Arnold

**RECOMMENDED ACTION:** Authorization to disburse up to \$1,000,000 to the Sonoma County Agricultural Preservation and Open Space District for the acquisition of the 1,737-acre Tolay Lake Ranch in southern Sonoma County for the protection and restoration of natural resources and to provide public access.

**LOCATION:** Southern foothills of the Sonoma Mountains, between the cities of Petaluma and Sonoma, north of Highway 37 in southern Sonoma County. (Exhibit 1: Project Location and Site Maps).

**PROGRAM CATEGORY:** San Francisco Bay Area Conservancy

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### ***EXHIBITS***

- Exhibit 1: Project Location and Site Maps
  - Exhibit 2: Public Ownership in the Vicinity Map
  - Exhibit 3: Draft Opportunities Analysis for Tolay Lake Park
  - Exhibit 4: Parkman Review of "Further Notes on California Charmstones"
  - Exhibit 5: Letters of Support
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### **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 the disbursement of an amount not to exceed one million dollars (\$1,000,000) of Coastal Conservancy funds, together with any additional funds granted to the Conservancy for this purpose, to the Sonoma County Agricultural Preservation and Open Space District ("District") for the purpose of acquiring Sonoma County Assessor Parcel Nos. 068-060-057; 068-060-058; 068-070-

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004; 068-070-005; and 068-080-001, known as the Tolay Lake Ranch, consisting of approximately 1,737 acres, subject to the following conditions:

1. Prior to the disbursement of funds for the acquisition, the District shall submit for the review and approval of the Executive Officer of the Conservancy:
  - (a) All relevant acquisition documents, including, without limitation, the appraisal, purchase agreement, escrow instructions, environmental or hazardous materials assessment and title report.
  - (b) Evidence that sufficient funds are available to complete the acquisition.
2. The District shall pay no more than fair market value for the property, as approved by the Department of General Services, based on an appraisal of the property.
3. The District shall permanently dedicate the property for habitat preservation, open space protection and public access, through an irrevocable offer to dedicate an interest in the property or other instrument approved by the Executive Officer.
4. Conservancy funding shall be acknowledged by erecting and maintaining a sign on the property, the design and location of which has been approved by the Executive Officer.”

Staff further recommends that the Conservancy adopt the following findings:

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

1. The proposed project is consistent with the purposes and objectives of the San Francisco Bay Area Conservancy Program, Chapter 4.5 of Division 21 of the Public Resources Code Sections 31160-31164.
2. The proposed project is consistent with the Project Selection Criteria and Guidelines adopted by the Conservancy on January 24, 2001.”

**PROJECT SUMMARY:**

This project will result in the acquisition by the Sonoma County Open Space District of the 1,737 acre Tolay Lake Ranch Property, located approximately half way between the Cities of Petaluma and Sonoma, north of San Pablo Bay. The project is a high priority for the District, Conservancy and others because it will protect the property’s abundant natural and archeological resources, and will provide the opportunity for outdoor public recreation which is greatly needed in southern Sonoma County. The property has been granted Certificates of Compliance for fifteen parcels, which could be sold separately for rural residential development. This would destroy the intact habitat systems currently existing on the property, and would eliminate the opportunity to restore ancient Tolay Lake.

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Tolay Lake is presently 200 acres, the largest natural freshwater lake in Sonoma County, and the only one remaining in the San Pablo Bay watershed. Prior to being drained in the late 1800's, Tolay Lake was much larger than its present size. Nevertheless, in the winter, the lake provides an important refuge for migrating waterfowl. Other habitats on the property include moist grasslands, nearly two miles of creek and riparian corridor, open meadows, and oak woodlands. These habitats support an abundance of species including birds, red-legged frog, a threatened species, and burrowing owl, a species of special concern.

The *San Francisco Baylands Ecosystem Goals Report* specifically recommends the protection and restoration of Tolay Creek, as well as the enhancement of marsh and upland transition zones, and the establishment of seasonal pond habitat, all of which would result from this acquisition. Tolay Creek flows unimpeded from the Lake and southern boundary of the property to the baylands, offering several transition zones connecting the saline bay to lower elevation lands to upland refugia, and ultimately to the freshwater Tolay Lake. Only one privately owned property lies between the Property and the protected 20,000-acres of contiguous Sonoma Baylands (See Exhibit 2, Public Ownership in the Vicinity Map). The Sonoma Land Trust and the District are working with the intervening landowner towards acquisition of that property.

The Property contains numerous archaeological sites. Charmstones, carved rock objects used by Native Americans of the region for both religious and practical purposes, are found in great number in and around the lakebed. Used by California Indians prior to European conquest, charmstones are found in several other locations in the U.S. The Sonoma site is considered possibly one of the most prolific in the country. This is described in a review of an article on charmstones (E. Breck Parkman, 2001. Review of "Further Notes on California Charmstones," by Albert B. Elsasser and Peter T. Rhode, 1996. *Journal of California and Great Basin Anthropology* 23(1): 127-131. Banning, California: Malki Museum). (See Exhibit 4).

Once the property is acquired, the District will develop a management plan and guidelines for preserving natural and cultural resources on the site, and will then transfer fee ownership of the property to Sonoma County Regional Parks. The District will retain a conservation easement and will continue to participate in long-term management decisions to help protect the property's cultural and natural resources. Once transferred to the Regional Parks, the property will be managed as Tolay Lake Regional Park and open for public access, with many miles of hiking over existing ranch roads and trails.

A conceptual map developed for the Property (Exhibit 3: Draft Opportunities Analysis for Proposed Tolay Lake Regional Park) reveals a potential design for park uses. It will undoubtedly include overlooks from the higher points of the property, which offer spectacular views of Mt. Tamalpais, San Francisco, Oakland, Mt Diablo and Mt. St. Helena. The rich natural and cultural resources on the Property could provide quality educational experiences for school children and other visitors.

The District will also develop plans to restore the lake to expand the region's freshwater wetlands, and enhance feeding, nesting and resting habitat for both resident and migratory birds. It will also plans to work with other agencies and groups to develop a restoration strategy for upper Tolay Creek, a project that will build on previous

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restoration efforts in the lower part of the watershed. A portion of the property will remain in agriculture under a lease agreement permitting some grazing and irrigated crops. Pumpkins will continue to be grown and sold to the public in the fall, as has been the case for several years.

The District is well qualified to acquire this property, manage and restore its natural resources, protect its cultural resources, and provide public access and educational experiences. It has undertaken numerous projects of this kind in Sonoma County throughout its 25-year history, has established excellent relationships with multiple resource agencies and nonprofit groups, and is well regarded by the public.

Funds for the acquisition will be derived from a variety of sources including the Conservancy's grant (see Project Financing below). The District has identified a number of such sources and is working to secure funding in amounts available from those sources.

There is a possibility that the National Oceanic and Atmospheric Administration (NOAA) may award the Conservancy \$519,942 for the acquisition of Tolay Lake Ranch. Should this occur in time to apply the NOAA grant funds to this acquisition, or should other non-Conservancy funds become available, Conservancy staff will accept these funds and add them to the \$1,000,000 Conservancy grant to the District.

**Site Description:** Tolay Lake Ranch is located between the Cities of Sonoma and Petaluma, north of Highway 37, in southern Sonoma County. Topography ranges from relatively flat lands at the lake bottom to moderately sloping hillsides. Elevations extend from 100 feet in the valley floor to 780 feet in the hills, with several overlooks providing spectacular views of the Petaluma River basin, Mt. Tamalpais, San Francisco, Oakland, Mt. Diablo, Mt. St. Helena and other scenic points in the Bay Area.

The Property is currently used for a variety of agricultural pursuits, including cattle grazing, farming and vineyards, and provides the primary residence for the Cardoza family, the current owners. Approximately 500 acres are used for oat production, 150 for irrigated produce, including pumpkins, squash, corn, and tomatoes, and ten acres for developed vineyard. The pumpkin patch on the Property is a popular visitor destination in the fall, when an annual harvest festival is held and pumpkins are sold.

The Property contains 1,737 acres of riparian and upland habitat, including seasonal ponds, freshwater marshes, unique marsh grasslands, open meadow and oak woodlands. The 200-acre Tolay Lake in the valley bottom and the small reservoirs on the Property provide open water habitat. The adjacent uplands and seasonal wetlands provide additional habitat for various bird species, including egrets, raptors, rails, waterfowl and many species of songbirds, as well as the red-legged frog, a threatened species. The grasslands and hillsides provide habitat for many upland species, including the burrowing owl, a species of special concern.

Tolay Lake evolved as an ancient sedimentary lake, and is currently the only large natural body of freshwater in the San Pablo Bay watershed. Formerly about 300 to 400 acres in size, the lake was diked and drained for farming over 100 years ago. In the winter, Tolay Lake provides an important refuge for migrating waterfowl.

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Evidence suggests that Tolay Lake was the site of both prehistoric and historic civilizations. The Department of Parks and Recreation has determined the cultural and historic resources to be of statewide – and possibly nationwide – importance. Numerous charmstones, carved rock objects used for both ritual and practical purposes dating back perhaps 4000 years, have been found in the lakebed and environs, some of which were sent to the Smithsonian Museum in the early 1900's. The property has never been properly surveyed by a professional archaeologist. When it is, it is likely that many more sites will be discovered.

The City of Petaluma is the nearest incorporated city. The properties east of Petaluma are used for cattle grazing and rural residential development, with some vineyard cultivation. Land uses adjacent to the subject Property are similar.

**Project History:** Before Spanish contact, Tolay Lake and its watershed appear to have been a population center for the Alaguali tribe who also occupied the marshlands along the northern edge of San Pablo Bay. Part of the Coast Miwok language system, the Alaguali word “tolay” means “wildcat”. The first historical record of the area is from 1811 when Franciscan missionaries visited a village on the site by boat. Over the next six years, a number of Alaguali people joined the San Francisco and San Jose Missions, and by 1817, probably few, if any, inhabitants were left at Tolay Lake.

The first mention of Tolay Lake itself comes from Padre Jose Altimira, who kept a journal of his explorations to choose a site for the Sonoma Mission. In 1823, he described a lake “of sweet water” and refers to “the Indians who used to live in the area” suggesting that no one was living there at this time. With the secularization of the Sonoma Mission in 1834, General Vallejo took ownership of mission land and herds in the area, building his Petaluma Adobe just a few miles to the northwest. At this time, a number of native people left the Sonoma Mission and re-inhabited some of the former village sites in Sonoma Valley, including Tolay Lake. A letter from a visitor to Tolay Lake in 1842 described a “rancheria” consisting of “about fifteen or twenty cone-shaped huts of straw.”

During the 1850's, a local newspaper described the hills of this area as “literally covered with immense herds of cattle at all seasons”. The Property was part of the enormous Petaluma Rancho, covering over 66,000 acres and extending to the Bay shoreline.

The 1860's marked the beginning of the division of the Petaluma Rancho into smaller land holdings. Historical evidence indicates the project site was created as a separate entity in the 1860's. The lake itself was drained in the late 1800's to allow crop cultivation and pasture in the rich alluvial soils of the lake bottom. Thousands of charmstones and other archaeological artifacts have been found on the lake bottom, attesting to the likelihood that the Tolay Lake area supported a sizeable population of native people for a long time.

The property was used for various agricultural purposes through the first half of the 1900's. It was purchased in the 1940's by the Cordoza family, the current owners, who have continued agricultural uses. In the late 1960's the Property was sold to the Lake Ranch Company, an investment group with development plans. The family took the

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Property back in 1970 in lieu of foreclosure. Since that time, the Property has not been sold or transferred.

The Sonoma Baylands and adjacent uplands areas have been targeted for conservation in various planning efforts since the 1970's. The Baylands Ecosystems Goals Report specifically recommends the protection and restoration of Tolay Creek, the enhancement of marsh/upland transitions and the provision of buffers, and the establishment of seasonal pond habitat, all of which will be accomplished through this project. The District's Acquisition Plan of 2000 established goals for land purchases, specifically to preserve a greenbelt between and around cities for open space and agriculture, protect natural resources of biological significance, and establish a system of public accessways. This project achieves all of these goals.

**PROJECT FINANCING:**

Coastal Conservancy	\$1,000,000
Sonoma County Agricultural Preservation and Open Space District	\$9,000,000
Wildlife Conservation Board	\$1,000,000
Department of Fish & Game Mitigation Funds	\$2,000,000
CALTRANS Environmental Enhancement Mitigation Fund	\$300,000
Sonoma County Regional Park Department	\$477,078
Land & Water Conservation Funds Grant	\$202,980
Various Foundations	\$2,000,000
Private Donations	\$1,500,000
<b>Total Project Cost</b>	<b>\$18,000,000</b>
<i>(other possible grant to the Conservancy</i>	<i>\$ 519,942)</i>
Net Conservancy Cost	\$1,000,000

Conservancy funds for this project are expected to derive from the Conservancy's FY 04/05 appropriation from the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 (Proposition 50) which can be used for coastal watershed protection, including the acquisition and protection of land and water resources pursuant to Chapter 4.5 of Division 21 of the Public Resources Code. Pursuant to Section 31162(b) of Chapter 4.5 of Division 21, this project furthers the San Francisco Bay Area Conservancy Program's goal to protect, restore, and enhance natural habitats.

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

This project is undertaken pursuant to Chapter 4.5 of the Conservancy's enabling legislation, Public Resources Code Sections 31160-31164, to address resource and recreational goals in the San Francisco Bay Area.

The Tolay Lake Ranch is located in Sonoma County, one of the nine San Francisco Bay Area counties in which the Conservancy is authorized, under Sections 31160 and 31161

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of the Public Resources Code, to undertake projects and award grants to address resource and recreational goals for the region.

Under Section 31162(b), the Conservancy may act to protect, restore, and enhance natural habitats and connecting corridors, watersheds, scenic areas, and other open-space resources of regional significance. The proposed project will protect 1,737 acres of wetland, woodland, and grassland habitat, as well as a highly scenic open space resource.

In addition, consistent with Section 31162(d), the project will provide open space and a natural area that is accessible to the urban population of the San Francisco Bay Area for recreational and education purposes.

Finally, the Tolay Lake Ranch acquisition satisfies all of the criteria for determining project priority under 31163 (d), as follows: (1) it is supported by adopted regional plans (Specifically, this acquisition would meet the goals and objectives of the Open Space Element of the Sonoma County General Plan under its scenic, biotic, outdoor recreation and archaeological/historical resources classifications, and the goals and objectives of the District's Acquisition Plan 2000 under its greenbelt, natural resources, and recreation acquisition categories. This acquisition would also implement the Baylands Ecosystem Goals Report which recommends the protection and restoration of Tolay Creek including the enhancement of marsh/upland transitions, the provision of buffers, and the establishment of enhanced seasonal pond habitat.), (2) it serves a regional constituency, in that the project will help preserve habitat and provide public access for the benefit of the population for the San Francisco Bay Area, (3) it can be implemented immediately, (4) it provides benefits that would be lost if the project is not quickly implemented, and (5) it includes significant matching funds.

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

Consistent with **Goal 10 Objective A**, the proposed project will result in the acquisition of over 1,700 acres of wetlands, watershed and uplands, as well as two miles of riparian habitat along Tolay Creek. Also consistent with this goal, the project leverages \$1,000,000 of Conservancy funding for an \$18,000,000 acquisition.

Consistent with **Goal 11, Objective A**, the proposed project will result in a significant increase in land that will be accessible to the public for recreational purposes.

### **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

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“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:** The project has widespread public support, including that of Senator Carole Migden, Assemblyman Joe Nation, Assemblywoman Noreen Evans, Assemblywoman Loni Hancock, Congresswoman Lynn Woolsey, The Bay Institute, Friends of Tolay Lake Regional Park, Sonoma County Regional Parks Department, and the Sonoma Ecology Center. Letters of Support are attached as Exhibit 4.
4. **Location:** The Tolay Lake Ranch is located in southern Sonoma County, and within the jurisdiction of the San Francisco Bay Area Conservancy.
5. **Need:** The opportunity to secure the Tolay Lake Ranch could be lost without Conservancy support. The District has committed all the funds it can to this project at this time, and has expended great effort in locating multiple additional funding sources, including the Wildlife Conservation Board, Department of Fish & Game, Sonoma County Regional Parks Department, and private foundations, all of which are contributing to the extent they can.
6. **Greater-than-local interest:** Tolay Lake Ranch contains unique wetland habitat that serves as feeding and resting grounds for many migratory bird species. Additionally, once acquired and open to the public, the Property will provide outstanding opportunities for hiking and nature education to residents of, and visitors to, the entire Bay Area region.

### Additional Criteria

7. **Urgency:** There is an urgent need to acquire this Property in the very near future. The Property has been assigned fifteen Certificates of Compliance ranging from 22 to 236 acres in size. Locally, more pressure is coming to bear on properties north of Highway 37. With easy road access to major highways and the Bay Area, this pressure will likely continue to increase. If not sold in its entirety for conservation purposes now, the owners will likely begin to sell the individual parcels. This would disturb the contiguous nature of wetland, upland and riparian habitat on the Property, and would prevent future public use of the land.
8. **Resolution of more than one issue:** The project will offer opportunities to protect and restore wetland habitat, the riparian corridor and grasslands. Additionally, a portion of the Property will be leased for agricultural purposes. Finally acquisition of the Property will eliminate threats of development, and will allow for public access.
9. **Leverage:** See the “Project Financing” section above.
10. **Conflict resolution:** The project will resolve conflicts between habitat needs, agriculture, and recreational uses. Public access would be managed to avoid any significant impacts on wetland habitat. Acquisition of the ranch for conservation purposes will resolve any potential future conflict over development of the Property.
11. **Readiness:** An appraisal of the Property has been approved by the Department of General Services, and the District has negotiated a transaction that is acceptable to



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the landowners. The District is confident that all funds will be in hand shortly and is ready to proceed with the acquisition.

12. **Cooperation:** The District and the Sonoma County Regional Parks have led the effort to acquire the Property, but have enlisted the cooperation of resource agencies, nonprofit organizations and citizen groups. Lower Tolay Creek has been the site of extensive restoration efforts by a collaboration of public agencies and private organizations in the past. The District will continue to work with all public and private entities to ensure that the restoration of the upper portions of Tolay Lake and Creek and its environs is accomplished using the best available science and expertise. The recreational component of the project will be developed jointly by the District and Sonoma County Regional Parks with the understanding that all natural and cultural resources will be sufficiently protected.

**COMPLIANCE WITH CEQA:** Acquisition of the Tolay Lake Ranch is categorically exempt from the California Environmental Quality Act (CEQA) in that it involves the acquisition of land for open space and wildlife habitat purposes and to preserve existing natural conditions (14 Cal. Code of Regulations Section 15325), and acquisition of land in a natural condition and containing archaeological and or historic sites to establish a park, when the management plan for the park has not yet been prepared (14 Cal. Code of Regulations Section 15316). Staff will file a CEQA Notice of Exemption upon Conservancy approval of the project.