

# COASTAL CONSERVANCY

Staff Recommendation  
November 10, 2011

## **POINT ARENA RANCH PHASE 1 ACQUISITION**

Project No. 11-054-01  
Project Manager: Joel Gerwein

**RECOMMENDED ACTION:** Authorization to disburse up to \$2,210,000 to the Trust for Public Land (TPL) to acquire approximately 123 acres of the Point Arena Ranch property in Mendocino County for the purposes of natural resource protection and public access.

**LOCATION:** City of Point Arena, Mendocino County

**PROGRAM CATEGORY:** Reservation of Significant Coastal Resource Areas

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### **EXHIBITS**

Exhibit 1: [Project Location and Site Map](#)

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 pursuant to Sections 31350-31356 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes the disbursement of an amount not to exceed two million, two hundred ten thousand dollars (\$2,210,000) to the Trust for Public Land (“TPL”) to acquire approximately 123 acres of the Point Arena Ranch Property, Mendocino County Assessor’s Parcel Numbers 027-041-06, 027-041-107, 027-041-14, and 027-061-01 (“the property”), as shown on Exhibit 1 to the accompanying staff recommendation, for open space and natural resource protection, and to the extent compatible with these purposes: public access, recreation, education, agriculture, and scientific research, subject to the following conditions:

1. Prior to the disbursement of any Conservancy funds for the acquisition, TPL shall submit for review and approval by the Executive Officer:
    - a. All relevant acquisition documents, including but not limited to an appraisal, environmental assessments, agreement of purchase and sale, escrow instructions, and documents related to title.
    - b. Evidence that TPL has obtained all funds necessary to complete the acquisition.
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2. TPL shall dedicate the property for open space and natural resource protection, and to the extent compatible with these purposes: public access, recreation, education, agriculture, and scientific research, in a manner acceptable to the Executive Officer, in accordance with Public Resources Code Section 31116(b).
3. TPL shall pay no more than fair market value for the property, as established in an appraisal approved by the Executive Officer.
4. Conservancy funding shall be acknowledged by erecting and maintaining a sign on the property that has been reviewed and approved by the Executive Officer.
5. TPL shall purchase the property only from willing sellers.
6. TPL may transfer its interests in the property to the federal Bureau of Land Management provided BLM agrees to hold, manage and operate these interests in the manner set forth in condition number two above."

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 current Project Selection Criteria and Guidelines.
2. The proposed authorization is consistent with the purposes and objectives of Chapter 8 of Division 21 of the Public Resources Code, regarding Reservation of Significant Coastal Resource Areas.
3. TPL is a nonprofit organization existing under Section 501(c)(3) of the Internal Revenue Services Code, and whose purposes are consistent with Division 21 of the Public Resources Code."

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**PROJECT SUMMARY:**

The proposed authorization would enable the Trust for Public Land ("TPL"), a non-profit organization, to acquire approximately 123 acres of the Point Arena Ranch property in Mendocino County ("the property") and transfer it to the Bureau of Land Management ("BLM") to protect it from development in perpetuity and allow for habitat protection, future public access, and the continuation of agricultural use (the "project"). Point Arena Ranch (the "Ranch") has spectacular cliffs, ocean access, and stunning views (Exhibit 2), and is connected to over 3,200 acres of protected open space to the north - BLM's Stornetta Public Lands and Stornetta Conservation Easement (acquired, in part, with Conservancy funds), and Manchester Beach State Park. (Exhibit 1). The proposed acquisition is Phase I of a two-phase process for acquiring the entire Ranch, which consists of a total of 532 acres of undeveloped coastal bluffs and two miles of coastline. TPL currently is under a purchase and option agreement with the landowner, which requires that the Phase 1 property be acquired by February 2, 2012. If TPL successfully

completes acquisition of the Phase 1 property by that deadline, the option agreement provides that the landowner will sell the adjacent 409 acres (the “Phase 2 property”) to TPL, and requires that the Phase 2 property be acquired by September 30, 2013. Staff expects that TPL will raise sufficient funds from the Wildlife Conservation Board, Bureau of Land Management and others to complete the Phase 2 property acquisition by the required deadline.

The Phase 1 property, the subject of this authorization, is bounded by Highway One along most of its eastern edge, though a small portion lies east of the highway, and by the Pacific Ocean and Point Arena cove on the south, and the Phase 2 property to the north. It contains three legal parcels, all of which are within the city limits of Point Arena, and is zoned Agricultural Exclusive (20 acre minimum). Under this zoning, the property could be developed with three single-family residences associated with an agricultural enterprise, resulting in the loss of public access opportunities, potential reduction in agricultural use, and potential degradation of wildlife habitat. It contains approximately one mile of coastline. The steep bluff face along the Phase 1 property precludes direct access through the property to the beach at the toe of the bluff. However, the beach and rocky reef can be accessed by the public at low tide from Arena Cove.

Acquisition of the Phase 1 property is worthwhile even if acquisition of the Phase 2 property does not occur because of the significant natural resources of the property, as described below, and because the site is an important link in the California Coastal Trail. The Coastal Trail would connect through the Phase 1 property at Port Road near Point Arena Cove. An additional access point is possible at the Point Arena High School, east of Highway One. From Port Road, the current alignment of the Coastal Trail follows Highway One to Moat Creek in the south. The City and other partners are pursuing potential acquisitions that would allow the alignment of the Coastal Trail to follow the bluffs from Point Arena to Moat Creek. At Moat Creek, the Coastal Trail follows the blufftop for approximately one mile to Schooner Gulch State Beach.

Protection of the entire Ranch (Phases 1 and 2) will allow for development of two miles of California Coastal Trail, connecting with an existing 5.5 contiguous miles of coastal trail on Stornetta Public Lands and Manchester Beach State Park on the north, and connecting down to the Point Arena Cove on the south. The Phase 2 property contains an additional mile of coastline and would connect the Phase 1 property to the existing coastal trail on the Stornetta Public Lands. The Ranch is designated as an Area of Critical Environmental Concern by the BLM, and includes habitat for the federally endangered Behren's silverspot butterfly and Point Arena Mountain Beaver, and the federally threatened California red-legged frog. In a 2006 study of Behren's Silverspot butterfly habitat conducted by Richard Arnold for the US Fish and Wildlife Service, the butterfly's presence on the property was documented, and protection of the property was recommended as a key action to maintain Point Arena local butterfly populations, which are the largest of all the known populations of this endangered species. Similarly, the highest priority action in the 2004 USFWS recovery plan for this species is to protect habitat to maintain the existing Point Arena populations.

The Ranch is also located within the Garcia Coastal Terrace High Priority Conservation Zone identified in the 2003 Mendocino County Coastal Conservation Plan, and the project vicinity (lower Garcia River area) is highlighted as a high priority for conservation in the Pacific Coast Joint Venture's Strategic Plan (2004).

Although the project includes public acquisition in fee, it also allows for the continuation of economically viable agricultural uses on the property. The majority of the Ranch consists of coastal grassland and is currently leased for livestock grazing to the same entity that grazes livestock on the Stornetta Public Lands. Livestock grazing can be an effective management tool to protect native grasses and forbs and prevent loss of butterfly habitat to trees and shrubs, and will continue after the property is protected through a lease administered by BLM. A portion of the property is mapped by the Natural Resources Conservation Service as Prime Agricultural Land.

TPL is highly qualified to carry out this project. Since 1972, TPL has completed more than 4,250 park and conservation projects in communities nationwide, including in the Virgin Islands and Puerto Rico. The Conservancy has supported TPL on numerous acquisition projects in the past, ranging from the 7,000 acre Coast Dairies acquisition in Santa Cruz County to the 5.6 acre EcoVillage Farm Center Acquisition in the City of Richmond.

**Site Description:** The Phase 1 property consists of 123 acres of coastal bluff, primarily annual and perennial grassland with scattered stands of Monterey cypress and shore pine. On the eastern, inland portions of the property, both perennial and annual grasslands transition into closed-cone pine-cypress habitat dominated by Beach Pine (*Pinus contorta*). Pocket meadows formed at the Beach Pine-grassland interface provide critical habitat and shelter to the endangered Behren's Silverspot butterfly. A perennial spring feeds a pond and small wetland on the southern portion of the property. The property's coastline contains significant tide pools, rock ledges and outcroppings, haulout areas for sea lions, and coastal riparian zones (Exhibit 2). In addition to the federally-listed butterfly, mountain beaver, and red-legged frogs, wildlife utilizing the coastal bluff include raptors, cormorants, numerous other migratory waterfowl and shorebirds, deer, wild turkeys, black bear, and quail. Important plant species found on or adjacent to the property include the short-leaved evax (*Hesperovax sparsiflora* var. *brevifolia*), coast lily (*Lilium maritimum*), deceiving sedge (*Carex saliniformis*), marsh microseris (*Microseris paludosa*), swamp harebell (*Campanula californica*), and purple-stemmed checkerbloom (*Sidalcea malviflora* ssp. *purpurea*). All of these plant species are listed as threatened (List 1B.2) by the California Native Plant Society, with the exception of coast lily, which is listed as endangered (List 1B.1). An unpaved road provides access to the property from Highway One.

**Project History:** Public agencies and conservation organizations have had a long-term interest in protecting the resources of the Garcia Coastal Terrace. In the 1990s, the Conservancy funded a watershed enhancement plan for the lower Garcia River, and provided grant funding to the Mendocino County Resource Conservation District to implement best management practices and riparian restoration projects throughout the lower watershed. In 2003, the Conservancy granted \$3,500,000 to The Nature Conservancy for the 1,711 acre Stornetta Acquisition. The land was subsequently transferred to the BLM for management.

The Conservancy and its partners have been working for decades to expand public access and add to the California Coastal Trail on the Mendocino Coast. Recent projects focused on public access and the Coastal Trail in Mendocino County include a 2005 grant of \$4,125,000 to the City of Fort Bragg for the acquisition of 35 acres and 3.3 miles of coastline on the former Georgia Pacific Mill Site, a 2006 grant of \$200,000 to the Mendocino Land Trust to plan for the

California Coastal Trail in Mendocino County and a subsequent 2010 grant to construct trail segments, and two small grants to the Moat Creek Managing Agency in 2008 and 2010 to maintain access to Moat Creek Beach and an adjacent segment of the Coastal Trail, located just south of Point Arena.

The Conservancy was approached by the Trust for Public Land regarding the acquisition of Point Arena Ranch in winter 2010. Negotiations continued with the landowner, and in summer 2011, TPL reached agreement with the landowner on the proposed approach to protecting the Ranch. Staff has been working with WCB, BLM, and TPL since that time to develop a project and funding package that is protective of the significant natural resources on the property and the potential for appropriate public access.

**PROJECT FINANCING**

<b>Coastal Conservancy</b>	\$2, 210,000
<b>Bureau of Land Management</b>	<u>\$500,000</u>
<b>Total Project Costs</b>	\$2,710,000

The anticipated source of funding for this project is the fiscal year 2009 appropriation of the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (“Proposition 84”) at Public Resources Code (“PRC”) section 75001 et seq. Proposition 84 authorizes the use of these funds for the purpose of protecting natural habitat values of coastal lands of the state and for promoting access to and enjoyment of coastal resources of the state. PRC section 75060. Conservancy projects funded pursuant to Proposition 84 must be consistent with Division 21 of the PRC, i.e., the Conservancy’s enabling legislation. PRC section 75060(b). Finally, for projects that include the acquisition of property for natural resource protection, Proposition 84 requires the Conservancy to give priority to those that meet one or more of the criteria identified at PRC section 75071.

The proposed project is appropriate for funding under Proposition 84 because it will preserve a significant coastal resource site for habitat protection, and public access. As discussed in the section immediately below, the project is consistent with Chapter 8 of Division 21 of the Public Resources Code. The proposed project is appropriate for prioritization under PRC Section 75071 because BLM is providing a significant federal matching contribution toward the acquisition costs. BLM will provide \$500,000 in Land and Water Conservation funds.

Although not part of this Phase 1 acquisition, the funds for the Phase 2 acquisition are expected to come entirely from other sources. TPL is in active discussions with the Wildlife Conservation Board, BLM, and private donors, and plans to apply to funding sources such as the Caltrans Environmental Enhancement and Mitigation Fund.

Consistent with Public Resource Code Section 75071(f), staff has submitted to the Natural Resources Agency, and has posted on the Conservancy website, an explanation of how the proposed project meets the prioritization criteria of Section 75071.

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

The proposed project would be undertaken pursuant to Chapter 8 of the Conservancy’s enabling legislation, Public Resource Code Sections 31350-31356.

Under Section 31350, the Conservancy may acquire and protect interests in key coastal resource lands that otherwise would be lost to public use. The proposed project would protect the valuable habitat, habitat linkages, and public access opportunities on the Phase 1 property that would potentially be lost to public use if the property were developed with single family residences.

Under Section 31351(a), the Conservancy may cooperate with nonprofit organizations to ensure the reservation of interests in significant coastal resources for public enjoyment, parks, and fish and wildlife habitat as required to meet the policies and objectives of the Coastal Act or a certified local coastal program. The proposed project involves cooperating with the TPL, a nonprofit organization, to protect public access and wildlife habitat at Point Arena Ranch. The project will help achieve the policies and objectives of the local coastal program for the City of Point Arena, as discussed in the “Consistency with Local Coastal Program Policies” section of this report.

Under Section 31352(a)(1), the Conservancy may award a grant to a nonprofit organization to ensure the reservation of significant coastal resource sites for public enjoyment, provided that the nonprofit organization or public agency is unable to acquire the property without the grant. The proposed project would grant funds to TPL, a nonprofit organization, to acquire the Phase 1 property and transfer it to BLM, protecting it from residential development and thereby preventing the degradation of wildlife habitat and allowing for future public access. BLM has committed \$500,000 towards the acquisition, but neither TPL nor BLM is able to acquire the property without a grant from the Conservancy for the remaining amount.

Consistent with Section 31116(b), the public interest in the property will be protected by an agreement approved by the Executive Officer.

**CONSISTENCY WITH CONSERVANCY’S 2007 STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):**

Consistent with **Goal 1, Objective G**, the project will secure real property containing one mile of coastline to facilitate the development of the Coastal Trail.

Consistent with **Goal 4, Objective A**, the project will protect 127 acres of significant coastal resource property.

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

The proposed project is consistent with the Conservancy’s Project Selection Criteria and Guidelines, last updated on June 4, 2009, 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:** The project enjoys broad public support, including from Congressman Mike Thompson, , Assemblyman Wes Chesbro, State Senator Noreen Evans, Mendocino County Supervisor Dan Hamburg, the Bureau of Land Management, U.S. Fish and Wildlife Service, Coastwalk and others (Exhibit 3-).
4. **Location:** The proposed project is located within the coastal zone of the City of Point Arena.
5. **Need:** Conservancy funding is critical to prevent Point Arena Ranch from being subdivided for three single family residences associated with agricultural enterprises, a use which would be permitted by the Agriculture Exclusive zoning. Such subdivision and development would lead to the loss of public access opportunities, potential reduction in agricultural use, and potential degradation of wildlife habitat.
6. **Greater-than-local interest:** The Mendocino coast is a statewide and national scenic and recreational destination. Point Arena Ranch is adjacent to the Stornetta Public Lands, Manchester Beach State Park and the historic Point Arena Lighthouse, which receive over 30,000 visitors per year. Public acquisition of the Phase 1 property will enable visitors traveling Highway 1 expanded opportunities to enjoy the scenic, resource, and recreational qualities of the area.
7. **Sea level rise vulnerability:** While coastal bluff erosion resulting from sea level rise and increased severity and frequency of storms is likely to impact the property, valuable habitat and public access opportunities will remain into the distant future given the extensive depth of the property (Exhibit 1). Because the distance between the bluff edge and Highway One on the property ranges from 0.5 to one mile, there is sufficient space to allow for relocation of the Coastal Trail as the bluff edge retreats landward over time. Any infrastructure to be developed on the property in the future, such as restrooms and parking, would be sited to minimize its vulnerability to coastal bluff erosion.

**Additional Criteria**

8. **Urgency:** Acquisition of the property must be completed by February 2, 2012, or the opportunity to protect it created by TPL's purchase option will be lost.
9. **Resolution of more than one issue:** Protection of the property will further the goals of public access to the coast and protection of critical habitat.
10. **Leverage:** See the "Project Financing" section above.
11. **Readiness:** The grantee has secured an appraisal, title report, and Phase I environmental Study, and entered into a purchase option agreement with the landowner, and will be able to complete the acquisition expeditiously.
12. **Realization of prior Conservancy goals:** "See "Project History" above."

- 13. Return to Conservancy:** See the “Project Financing” section above.
- 14. Cooperation:** TPL has contributed significantly to this project by negotiating with the landowner and securing pre-acquisition studies such as the title report. BLM has committed \$500,000 in emergency funds for the acquisition, and is prepared to take on ownership and management of the property.
- 15. Vulnerability from climate change impacts other than sea level rise:** As discussed above, the property will be subject to coastal bluff erosion due to increasing frequency and severity of storms. However, according to the 2009 Pacific Institute Report’s projections of coastal bluff retreat, valuable habitat and ample area to locate the Coastal Trail will still be present on the property in the year 2100 and into the distant future (Exhibit 1).
- 16. Minimization of greenhouse gas emissions:** Protection of the property in and of itself will not result in significant greenhouse gas emissions. Future development of the Coastal Trail will consider how public access can be most efficiently developed and managed in order to minimize greenhouse gas emissions.

**CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:**

The project is consistent with, and helps achieve the goals of, the City of Point Arena’s General Plan/Local Coastal Plan (LCP), as revised in 2006. Point Arena’s LCP notes that the Mendocino County General Plan Coastal Element calls for a trail connecting the Point Arena’s northern boundary and Manchester State Beach. This proposed trail is shown in the LCP’s Opportunities and Constraints Map: Biological Resources and Trails (Exhibit 1). The project is consistent with the following policies set forth in Point Arena’s LCP:

“The City shall strive to complete the links in the California Coastal Trail (CCT) by participating and consulting with the National Park Service, the State Department of Parks & Recreation, the State Coastal Conservancy, Mendocino County, and other appropriate public and private entities and interested parties in designing, locating, funding, acquiring, and implementing the Point Arena California Coastal Trail (CCT) segment, including opening trails for vertical access designated on the Opportunities and Constraints Map: Biological Resources and Trails (LCP, Chapter X, pg.13).”

“Environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and only uses dependent on those resources shall be allowed within those areas.” (LCP, Chapter X, pg. 27) The LCP defines environmentally sensitive habitat areas as including small springs, certain wetlands, Point Arena Mountain Beaver habitat, rare plant habitat, and areas that contribute to the viability of plant or animal species designated as rare, threatened, or endangered under State or Federal law (LCP, Chapter X, Pp. 29-30).

“The maximum amount of prime agricultural land shall be maintained in agricultural production; and conflicts shall be minimized between agricultural and urban land uses; and lands suitable for agricultural use shall not be converted to non-agricultural uses unless continued or renewed agricultural use is not feasible.” (LCP Chapter X, pg. 37)



**COMPLIANCE WITH CEQA:**

Acquisition of the Phase 1 property is for the purpose of preserving, and allowing restoration of, existing natural conditions as well as to enable future public use. However, no management plan has yet been developed for the property. Accordingly this project is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to California Code of Regulations sections 15316 and 15325, which exempt transfers of land for park purposes where the land is in a natural condition and no management plan has been prepared yet and transfers of land to preserve existing conditions.

Staff will file a notice of exemption upon approval by the Conservancy.