

COASTAL CONSERVANCY

Staff Recommendation

October 3, 2013

**CEMEX REDWOODS CONSERVATION EASEMENT ACQUISITION
AND PUBLIC ACCESS PLAN**

Project No. 13-016-01

Project Manager: Janet Diehl

RECOMMENDED ACTION: Authorization to: 1) disburse up to \$1,900,000 to the Save the Redwoods League to acquire a conservation and public access easement over the 8,532-acre Cemex Redwoods property near the town of Davenport, and 2) disburse up to \$100,000 to the Land Trust of Santa Cruz County to develop a public access plan for the property.

LOCATION: Cemex Redwoods Property, Davenport, Santa Cruz County (Exhibit 1)

PROGRAM CATEGORY: Public Access

EXHIBITS

Exhibit 1: [Project Location, Site Maps](#)

Exhibit 2: [Parcel Map](#)

Exhibit 3: [Animal Biodiversity Map](#)

Exhibit 4: [Working Forest and Conservation Reserve Map](#)

Exhibit 5: [Landscape Connections and Recreation Potential Map](#)

Exhibit 6: [Site Photographs](#)

Exhibit 7: [Project Letters](#)

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Section 31400 *et seq.* of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes disbursement of an amount not to exceed one million nine hundred thousand dollars (\$1,900,000) to the Save the Redwoods League (“League”) to acquire a conservation and public access easement over the 8,532-acre Cemex Redwoods property in northern Santa Cruz County, comprising 26 parcels as shown on Exhibit 2. The Conservancy further authorizes disbursement of an amount not to exceed one hundred thousand dollars (\$100,000) to the Land Trust of Santa Cruz County (“Land Trust”) to prepare a

*CEMEX REDWOODS CONSERVATION EASEMENT ACQUISITION
AND PUBLIC ACCESS PLAN*

public access plan for the Cemex Redwoods property. These authorizations are subject to the following conditions:

1. Prior to the disbursement of Conservancy funds for acquisition, the League shall submit for the review and approval of the Executive Officer of the Conservancy (“the Executive Officer”):
 - a. All relevant title and acquisition documents pertaining to acquisition of the conservation easement, including, without limitation, the appraisal, preliminary title reports, environmental assessments, agreements for purchase and sale, escrow instructions, instruments of conveyance, a baseline-conditions report for the property, and a property-monitoring protocol.
 - b. Evidence that sufficient funds are available to complete acquisition of the easement.
2. The League shall pay no more than fair market value for the conservation and public access easement, as approved by the Executive Officer, based on an appraisal of the property.
3. The public’s interest in the conservation easement shall be permanently protected through terms of the easement itself or through another appropriate instrument approved by the Executive Officer.
4. Conservancy funding shall be acknowledged by erecting and maintaining a sign or signs on the property or in a nearby public staging area, the number, design and location of which are to be approved by the Executive Officer.
5. Prior to disbursement of funds for the public access plan, the Land Trust shall submit for Executive Officer review and approval a work plan, schedule and budget, and the names and qualifications of any subcontractors.”

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 9 of Division 21(Sections 31400-31410) of the Public Resources Code, regarding the establishment of a system of public accessways to and along the California Coast.
3. Save the Redwoods League and the Land Trust of Santa Cruz County are nonprofit organizations that qualify under section 501(c)(3) of the United States Internal Revenue Service Code, and whose purposes are consistent with Division 21 of the Public Resources Code.”

PROJECT SUMMARY:

The proposed project will provide a \$1,900,000 grant to Save the Redwoods League (“League”) to acquire a conservation and public access easement over the 8,532-acre Cemex Redwoods property near the town of Davenport (Exhibit 1). An additional \$100,000 will be available to the

*CEMEX REDWOODS CONSERVATION EASEMENT ACQUISITION
AND PUBLIC ACCESS PLAN*

Land Trust of Santa Cruz County (“Land Trust”) to develop a public access plan for the property. This project will permanently protect the largest tract of privately owned property in Santa Cruz County. The easement will preserve the property’s natural resources, provide for public access pursuant to a public access plan, and allow for sustainable timber harvests to be done in accordance with a conservation plan.

Identified as a high conservation priority in several regional planning efforts¹, the Cemex Redwoods property features approximately 6,000 acres of forest habitat, including more than 4,500 acres of coast redwood forest with more than 90 old-growth redwoods and 600 old-growth Douglas-firs on the Laguna parcels of the property alone. When combined with the many parks and protected open spaces that adjoin it, the Cemex Redwoods property provides an unparalleled haven for large-range species such as mountain lions, which have been tracked by scientists for years on the property and have been observed to raise their young there. Dozens of potential nest trees for the endangered marbled murrelet have been found on the property (Exhibit 3). It contains a vast network of stream channels and the headwaters of several coastal streams, including two that support populations of federally endangered coho salmon and threatened steel head in their lower reaches. The property’s size and elevational gradient will provide opportunities for migration in the face of climate change.

The conservation of the Cemex Redwoods property is a joint project of the League, the Land Trust, Peninsula Open Space Trust (“POST”) and Sempervirens Fund (“Sempervirens”), known together as the Conservation Partners. The nonprofits came together two years ago to address the threat of subdivision and private development on the Cemex Redwoods property, which was on the market for \$36 million. That threat was temporarily resolved when POST and Sempervirens jointly bought the property in late 2011, contributing significantly from their existing funds and raising additional funds to do so.

Because neither POST nor Sempervirens has the capacity to hold the property over the long term, they plan to sell a conservation easement over the property to the League, then sell or trade the easement-restricted land to a timber company or another third-party buyer. The easement will allow for sustainable commercial timber harvesting on approximately 40 percent of the property. The easement will allow for some limited timber harvesting in some areas of the other 60 percent of the property, but only where needed for enhancement of natural resources (Exhibit 4). In addition, the conservation easement will:

- Permanently protect old-growth redwoods and Douglas fir, large stands of young redwoods, existing plant communities, fish and wildlife habitat, and water quality.
- Prevent subdivision and development in perpetuity, other than very limited infrastructure to support the outdoor recreational, scientific research, educational and related uses permitted under the easement.
- Enable public access on trails that would connect several state and federal park units totaling 27,500 acres.

¹ Bay Area Open Space Council’s *Conservation Lands Network*, The Nature Conservancy’s *Central California Coast Ecoregional Plan*, Save the Redwood League’s *Master Plan for the Coast Redwoods*, Land Trust of Santa Cruz County’s *Conservation Blueprint*, and the Living Landscape Initiative’s *Redwood Focal Area*.

*CEMEX REDWOODS CONSERVATION EASEMENT ACQUISITION
AND PUBLIC ACCESS PLAN*

The Conservation Partners have prepared a conservation plan that identifies the resources of the property and specifies those areas that are appropriate for timber harvesting, resource preservation and resource enhancement. The easement will be managed in accordance with the conservation plan as well as a management plan that will be prepared after the acquisition. The public access plan will be developed in conjunction with the management plan. The League will hold the easement in perpetuity, and monitor and enforce its terms. The easement will be consistent with the easement standards adopted by the Conservancy on May 24, 2007. After the easement is in place, POST and Sempervirens plan to either trade the Cemex Redwoods property to a timber company in exchange for additional conservation easements on other acreage owned by that company, or sell the easement-restricted Cemex Redwoods property to a timber company or another third-party buyer.

The League aims to raise the remaining funds for the easement purchase by early 2014. League staff has submitted proposals for acquisition funding to the Wildlife Conservation Board (“WCB”) and to private funders. WCB has contracted with a qualified appraiser, and will submit the appraisal for review by the Department of General Services. For purposes of this recommendation, staff has estimated the easement value as \$20 million, conservatively based on an appraisal commissioned by the Conservation Partners in 2011.

Unlike many large forest tracts, the Cemex Redwoods property is well suited for public access. It is close to a major metropolitan area – San Jose is just 30 miles away – so there is a great demand. It has more than 70 miles of unpaved roads, so the infrastructure for many trails is already in place. And it has outstanding potential for regional trail connections, including a new Mountain Ridgeline to Sandy Beach trail that would connect the California Coastal Trail to the crest of the Santa Cruz Mountains. New trails could eventually link the property to three existing large parks – Big Basin Redwoods State Park, the Fall Creek Unit of Henry Cowell Redwoods State Park, and the Coast Dairies property, which includes beaches and bluffs owned by State Parks and rolling hills inland that are slated for transfer to the Bureau of Land Management (Exhibit 5).

There is a great deal of interest from the public in opening trails on the Cemex property, which is why the Land Trust wants to start the access planning process before the acquisition of the conservation and public access easement is completed. While all four nonprofit partners will contribute staff time to the access plan, the Land Trust will provide matching funds and will be the lead. Drawing on its years of experience managing public access on eight of its preserves in Santa Cruz County, the Land Trust will hold community meetings, conduct interviews with stakeholders, host a project website to solicit public input, and engage experts in recreational access planning, biology, geology, cultural resources, and timber management. The plan will identify access projects that can be implemented in the near term, as well as projects that are reasonably feasible within five years and within 15 years.

By providing funding for the Cemex Redwoods conservation project at this point, the Conservancy can ensure the timely completion of the access plan and can provide lead funding for the purchase of the easement. If the League is unable to raise the easement acquisition funds in a timely manner, POST and Sempervirens have committed to providing some level of interim public access to the property pursuant to the public access plan while pursuing other disposition options.

*CEMEX REDWOODS CONSERVATION EASEMENT ACQUISITION
AND PUBLIC ACCESS PLAN*

Founded in 1918, the League has successfully completed many acquisition projects with support from the Conservancy. It has 29 years of experience managing and monitoring the 27 easements it holds on properties totaling 14,474 acres. Both the League and the Land Trust have designed and provided public access on properties they own or manage.

Site Description: The Cemex Redwoods property consists of 26 parcels totaling 8,532 acres in the Santa Cruz Mountains near Davenport (Exhibits 1 and 2). Although the two “Laguna Parcels” lie about two miles to the east of the other 24, they are collectively referred to as the Cemex Redwoods property and will be covered by the same conservation easement.

The property’s General Plan designation is Mountain Residential and it is zoned for timber production. Because the property consists of so many legal parcels, and is so close to the Silicon Valley and the coast, it has high potential for development of exurban estate homes. A 2011 appraisal estimated that 33 to 69 potential new residential units could be built on the property, and assigned a much higher value to the property’s residential development potential (\$27.6 million) than to its timber (\$8.7 million).

Most of the property is blanketed by trees (Exhibit 6). While forests are its most visible resource, this huge property has many types of ecological values:

- **Forests:** The Cemex Redwoods property accounts for almost 5% of the total mixed redwood/Douglas fir forest in Santa Cruz County, and almost 12% of the productive forest land in the county. More than 1,200 acres are covered with live oak forest, which includes rare Oracle and Shreve oak as well as large Pacific madrones. The understory of the forested areas along the ridgetops contains populations of endangered Anderson’s manzanita.
- **Plants:** At least eight distinct vegetation types can be found on the property, ranging from vast stands of redwood forest to smaller pockets of the endemic sandhills community. Four federally endangered plant species are found only in the sandhills.
- **Animals:** The property provides habitat for known populations of sensitive, threatened and endangered animal species, both large and small. At the top of the food chain, mountain lions raise their young on this property, which gives them the vast home range they need to thrive. Nesting peregrine falcons have been sighted on the property, as well as California red-legged frogs.
- **Creeks and Fish:** The property’s many creeks support a healthy population of Southern steelhead, and one supports a documented population of coho salmon. They also are an important water supply to the surrounding communities. San Vicente Creek, which originates on the property, is the sole supply of drinking water to Davenport’s 400 residents. The City of Santa Cruz diverts water from Laguna Creek, which bisects the Laguna parcels and is a critical source of the city’s drinking water, especially during drought years.

The second-growth forest on the property has been sustainably managed since 1957 and received SmartWood certification in 2007. Harvests have occurred annually, with return intervals averaging 14 years. About two million board feet of timber per year have been removed, and annual growth rates have exceeded this amount, resulting in a consistent net increase in timber

*CEMEX REDWOODS CONSERVATION EASEMENT ACQUISITION
AND PUBLIC ACCESS PLAN*

volume on the property since 1957. A second economic use of the property – a stone quarry – was abandoned in the 1960s.

Parks and protected lands surround the property (see “Project Description,” above). Access to the property is gained on the coastal side from Highway 1 through one of those protected properties, Coast Dairies. From the inland side, access is gained from Empire Grade Road.

Project History: Conservation of the Cemex Redwoods property is the largest effort of the Living Landscape Initiative, a collaborative effort launched in March 2011 by the League, the Land Trust, POST, Sempervirens and The Nature Conservancy. These land trusts came together to prioritize acquisitions of different types of habitats on a regional scale. Their goal for preserving redwood forests in the area was 30,000 acres.

Soon after the group of land trusts set that goal, the global building materials company Cemex put its 8,532-acre forest property near Davenport on the market for \$36 million. The land trusts met with Conservancy and WCB staff to discuss the agencies’ interest in preserving the property and their ability to provide matching funds within a matter of months. Staff from both agencies expressed support for the project, but confirmed that the State could not act quickly enough to meet the seller’s deadline.

Acting quickly to meet the December 2011 deadline, POST and Sempervirens bought the property for \$30 million, contributing significant funding from their respective organizations. POST contributed \$15.7 million from its existing funds. Sempervirens contributed \$2.5 million from its existing funds, and took out a \$2.5 million loan from the David and Lucile Packard Foundation. Additional funding for the fee title purchase came from the Gordon and Betty Moore Foundation, the Packard Foundation, the Resources Legacy Fund, The Nature Conservancy and the San Francisco Foundation. The League and the Land Trust plan to contribute \$2.5 million each to the easement acquisition.

The proposed project would enhance the access opportunities provided by at least two projects in the area that the Conservancy has funded – the acquisition of Coast Dairies and the planning of the Coastal Trail throughout the length of Santa Cruz County.

PROJECT FINANCING

Conservation Easement Acquisition:

Coastal Conservancy – acquisition	\$1,900,000
Save the Redwoods League	2,500,000
Land Trust of Santa Cruz County	2,500,000
Wildlife Conservation Board (proposal pending)	8,000,000
Estimated donation of value by landowners (pending appraisal)	<u>5,100,000</u>
Total Estimated Easement Value (pending appraisal):	\$20,000,000

*CEMEX REDWOODS CONSERVATION EASEMENT ACQUISITION
AND PUBLIC ACCESS PLAN*

Planning and Conservation Management:

Coastal Conservancy – access plan	100,000
Land Trust of Santa Cruz County – access plan	115,000
Resources Legacy Fund	<u>250,000</u>
Total Planning Cost:	\$465,000

The anticipated sources of funds for this project include \$1,900,000 for the easement acquisition from a fiscal year 2010-2011 appropriation to the Conservancy from the California Wildlife Protection Act of 1990 (Proposition 117), known as the Habitat Conservation Fund (“HCF”), Fish and Game Code § 2780 et seq. In fiscal year 2010-2011, HCF funds were provided by an appropriation from the Disaster Preparedness and Flood Protection Bond Act of 2006 (Proposition 1E), Public Resources Code § 5096.820 et seq. HCF funds may be used for the following purposes: 1) acquisition of habitat necessary to protect mountain lions and deer, 2) acquisition of habitat to protect rare, endangered, threatened, or fully protected species; 3) acquisition of aquatic habitat for spawning and rearing of anadromous salmonids; and 4) acquisition of riparian habitat (Fish and Game Code § 2786). The proposed easement acquisition accomplishes each of these purposes. The proposed easement protects 8,532 acres of land from subdivision and development. In doing so, the easement provides necessary habitat for mountain lions, which have been documented to raise their young on the property, and protects the many endangered and threatened species that are known to exist on the property, including red-legged frog and at least four federally endangered plant species, as well as numerous creeks with riparian habitat. The lower portion of property also includes habitat for anadromous salmonids. Thus, the proposed easement acquisition is an appropriate use of HCF funds.

Prop 1E funds may be spent for the acquisition of easements and other interests in real property “to protect or enhance flood protection corridors while preserving or enhancing the wildlife value of the real property” (Public Resources Code § 5096.825). Prop 1E does not define the term “flood protection corridor.” The proposed easement acquisition will protect 8,532 acres of land that has a vast network of stream channels and includes the three major tributaries to Scotts Creek (Big Creek, Mill Creek and Little Creek), which have a history of floods that have damaged residences. In addition, San Vicente Creek originates on the Cemex property and flows through the village of Davenport, while Laguna Creek crosses a portion of the Cemex property. Development of the land surrounding the Scotts Creek tributaries and San Vicente and Laguna Creeks would reduce infiltration and groundwater recharge, leading to an increased risk of downstream flooding. Thus, the land surrounding the Scotts Creek tributaries and San Vicente and Laguna Creeks can be considered to be flood protection corridors. The proposed acquisition will protect these flood protection corridors while preserving the wildlife value of the property. Accordingly, the proposed project is an appropriate use of IE funds.

The anticipated source of funds for the public access planning component of the project is an appropriation to the Conservancy from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (“Proposition 84”), Public Resources Code (PRC) Section 75001 *et seq.* Proposition 84 may be used for projects that

*CEMEX REDWOODS CONSERVATION EASEMENT ACQUISITION
AND PUBLIC ACCESS PLAN*

promote access to and enjoyment of the coastal resources of the state, consistent with the Conservancy's enabling legislation, Division 21 of the PRC. The proposed project will promote access to and enjoyment of the coastal resources of this area through acquisition of the easement and preparation of a public access plan. The property has the potential for trails that would connect the property with surrounding state parks as well as trails that would connect the California Coastal Trail to the ridge tops of the Santa Cruz Mountains. The proposed public access plan, which will determine how best to provide this access, is a necessary first step in providing public access on the property. The proposed project is consistent with Chapter 9 of Division 21. Accordingly, the proposed project is an appropriate use of Proposition 84 funds.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The proposed project will be undertaken pursuant to Chapter 9 of Division 21 of the Public Resources Code (Sections 31400-31410), regarding public access and enjoyment of coastal resources. Section 31400 states that the Conservancy shall have a principal role in the implementation of a system of public accessways to and along the state's coastline. Consistent with this section, acquisition of a conservation and public access easement over the Cemex Redwoods property and the development of a public access plan for the property will enable the establishment of new trails connecting the mountain ridgetop to the coast.

Section 31400.1 allows the Conservancy to award grants to nonprofit organizations for acquisition and development of lands for public access purposes to and along the coast. The proposed grant is consistent with this section because the easement acquisition and public access plan would enable the largest tract of privately owned land in Santa Cruz County to be opened to the public, with new trail connections to the coast.

Section 31400.2 allows the Conservancy to provide up to the total cost of an acquisition and the initial development of public accessways by a nonprofit organization. Consistent with this section, Conservancy staff has considered a number of factors in determining the amount of funding for the proposed project. The proposed level of funding was evaluated relative to the total amount of funding available to the Conservancy for coastal public accessway projects, and the fiscal resources of the applicants. The proposed grant is consistent with this section because a significant match to Conservancy funds would be provided by the applicants, other land trusts and private foundations. The amount of proposed Conservancy funding is appropriate relative to the total amount of funding available to the Conservancy for coastal public accessway projects.

Section 31400.3 states that the Conservancy may assist nonprofit organizations in establishing a system of public coastal accessways and related functions necessary to meet the objectives of Division 21 of the Public Resources Code. Section 31409 authorizes the Conservancy to award grants to establish and expand inland trail systems that may be linked to the California Coastal Trail. Consistent with these provisions, the proposed project will assist two nonprofit organizations, the League and Land Trust, to acquire the property interest and prepare the plan necessary to enable the establishment of public trails connecting scenic coastal mountains with the California Coastal Trail.

*CEMEX REDWOODS CONSERVATION EASEMENT ACQUISITION
AND PUBLIC ACCESS PLAN*

**CONSISTENCY WITH CONSERVANCY'S 2013
STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):**

Consistent with **Goal 2, Objective E** of the Conservancy's 2013-2018 Strategic Plan, the proposed project will result in the design of new trails that enhance coastal recreational opportunities by connecting the coast to the ridgetops.

Consistent with **Goal 4, Objective A**, the proposed project will protect the natural resources of the 8,532-acre Cemex Redwoods property, which includes several significant coastal watersheds.

Consistent with **Goal 4, Objective B**, the proposed conservation easement acquisition project will protect working forest lands, as the terms of the easement allow for sustainable timber harvests and the long-term plan is to convey the easement-restricted property to a private timber operator.

Consistent with **Goal 5, Objective D**, the proposed conservation easement acquisition project will preserve the natural resources of the watersheds of four creeks – San Vicente, Scott, Mill and Laguna Creeks.

**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 November 10, 2011, 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 has broad public support, as shown by the letters attached to this recommendation as Exhibit 7.
4. **Location:** The proposed project is located within the coastal zone of Santa Cruz County.
5. **Need:** Without support from the Conservancy, there would not be enough funding among the Conservation Partners to place a conservation easement on the property with the high level of protective measures that would best preserve the property. Public access opportunities also would be greatly decreased without Conservancy support.
6. **Greater-than-local interest:** Both the size and the location of the Cemex Redwoods property make its preservation significant on more than a local level. The 8,532-acre conservation and public access easement will fill the gap between several other protected lands, resulting in a 27,500-acre block of protected land and enabling a regional trail network from the coast to the ridge. Recreational opportunities to be provided by the project will attract people throughout the state who visit the adjacent state parks and beaches.
7. **Sea level rise vulnerability:** The Cemex Redwoods property lies more than a mile inland, and is not vulnerable to sea level rise.

*CEMEX REDWOODS CONSERVATION EASEMENT ACQUISITION
AND PUBLIC ACCESS PLAN*

Additional Criteria

8. **Resolution of more than one issue:** This project will offer opportunities to preserve and restore significant habitat, provide new trails, and support the local timber economy.
9. **Leverage:** See the “Project Financing” section above.
10. **Innovation:** The proposed project aims to serve as a model of how sustainable management of timberlands can both support the local economy and protect natural resources, and how several nonprofit organizations can work together to acquire, protect and manage significant properties.
11. **Cooperation:** This project is the result of cooperation among four land trusts, several private foundations, and several state agencies, including the Conservancy.
12. **Vulnerability from climate change impacts other than sea level rise:** The proposed project will provide important refuge for local species in the face of climate change. Due to its high elevational gradient, proximity to the coast, extensive microclimates and ecological niches, perennial water sources, and north-facing slopes, the Cemex Redwoods property can serve as a critical ecological refuge as the climate changes.
13. **Minimization of greenhouse gas emissions:** The proposed easement acquisition and preparation of a public access plan will not result in the production of greenhouse gas emissions. The overall management of the Cemex Redwoods property under the terms of the conservation easement, including the preservation of old growth and the implementation of restoration forestry to grow big trees, is likely to result in a net negative carbon footprint for the property as a whole. The existing network of roads on the property presents the opportunity to provide extensive public access with minimal construction. Opportunities to minimize greenhouse gas emissions associated with public access will be taken into account during preparation of the public access plan.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The proposed project is consistent with Santa Cruz County’s Local Coastal Program. Among the objectives that would be advanced by the acquisition of a conservation and public access easement on the Cemex Redwoods property are:

- Objective 5.1, which states that the biological diversity of the County should be maintained through an integrated program of open space acquisitions;
- Objective 5.2, which sets as a goal the preservation and protection of all riparian corridors in the County;
- Objective 5.5a, which sets as a goal the protection of watersheds of existing and future water supplies, and specifically mentions three creeks that will be protected by the proposed project – San Vicente, Mill and Laguna Creeks;
- Objective 5.10a, which states that visual resources should be protected, and specifically mentions two scenic roads from which the Cemex Redwoods property is visible – Highway 1 and Empire Grade;

*CEMEX REDWOODS CONSERVATION EASEMENT ACQUISITION
AND PUBLIC ACCESS PLAN*

- Objective 7.6 of the Trails and Recreation Corridors section of the Plan, which states that a countywide system of hiking, bicycling and equestrian trails should be established to provide access to and connect the county's various parks, recreation areas, beaches and urban areas;
- Objective 5.11, which states that open space should be preserved in those areas which are not suited to development due to the presence of natural resource values; and
- Objective 5.12, which "encourage[s] the orderly economic production of forest products on a sustained yield basis under high environmental standards, to protect the scenic and ecological values of forested areas and to allow orderly timber production consistent with the least possible environmental impacts."

The proposed project also is consistent with the Monterey Bay Sanctuary Scenic Trail Network Draft Master Plan, partially funded by the Conservancy and currently undergoing environmental review. When complete, the Sanctuary Scenic trail will enable continuous trail walking for more than 50 miles from Watsonville to Felton. Trails on the Cemex Redwoods property will connect to the Sanctuary Scenic Trail.

The proposed project also is consistent with the Santa Cruz County Bicycle Plan, which identifies bicycle paths on lands from the City of Santa Cruz to the inland side of the Cemex Redwoods property along Empire Grade, as well as to the coastal side of the property at Coast Dairies.

COMPLIANCE WITH CEQA:

The proposed acquisition of a public access and conservation easement over the Cemex Redwoods property is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to 14 Cal. Code of Regulations Section 15325 as a transfer of ownership of interests in land in order to preserve open space and existing natural conditions for purposes of habitat protection, continued agricultural use in the form of timber harvesting and a park.

The planning and design activities associated with the proposed preparation of the public access plan are statutorily exempt from CEQA pursuant to Section 15262, which states: "A project involving only feasibility or planning studies for possible future actions which the agency, board or commission has not approved, adopted or funded does not require preparation of an EIR or Negative Declaration but does require consideration of environmental factors." As required by this Section, the Land Trust will take into account environmental factors in the planning and design of trails and other access improvements on the Cemex Redwoods property. This project does not include the funding of any construction activities.

Upon approval, staff will file a Notice of Exemption for the proposed project.