

COASTAL CONSERVANCY

Staff Recommendation
December 4, 2014

POINT ARENA COVE ACQUISITION

Project No. 14-045-01
Project Manager: Peter Jarausch

RECOMMENDED ACTION: Authorization to disburse up to \$65,000 to the City of Point Arena for the acquisition of the 1.8 acre Point Arena Cove Property, located in Point Arena for the purposes of open space, habitat protection, and public access.

LOCATION: Point Arena, Mendocino County

PROGRAM CATEGORY: Public Access

EXHIBITS

Exhibit 1: [Project Maps and Photos](#)

Exhibit 2: [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 the disbursement of up to sixty-five thousand dollars (\$65,000) to the City of Point Arena to acquire the Point Arena Cove property (Mendocino County Assessor’s Parcel Number 027-04-145, depicted in Exhibit 1 to the accompanying staff recommendation) in Point Arena, Mendocino County for open space, natural resource protection and public access subject to the following conditions:

1. Prior to the disbursement of any Conservancy funds for the acquisition, the City of Point Arena shall submit for review and approval by the Executive Officer:
 - a. All relevant acquisition documents, including but not limited to an appraisal, environmental assessment, agreement of purchase and sale, escrow instructions, and documents related to title.
 - b. Evidence that the City of Point Arena has obtained all funds necessary to complete the acquisition.
2. The City of Point Arena shall permanently dedicate the property for public access, open space, and habitat and natural resource conservation, in a manner acceptable to the Executive Officer.

3. The City of Point Arena shall pay no more than fair market value for the property, as established in an appraisal approved by the Executive Officer.
4. In the event that the current owner (or successor) of the property successfully challenges the tax-default sale to the City of Point Arena, the City shall promptly repay to the Conservancy all Conservancy funds disbursed for the acquisition.
5. Conservancy funding shall be acknowledged by erecting and maintaining a sign on the property 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 report and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed authorization is consistent with Chapter 9 of Division 21 of the Public Resources Code, regarding public access to the coast.
2. The proposed project is consistent with the current Conservancy Project Selection Criteria and Guidelines.
3. The proposed project serves greater than local needs.”

PROJECT SUMMARY:

Staff recommends that the Conservancy authorize the disbursement of up to sixty-five thousand dollars (\$65,000) to the City of Point Arena to acquire the approximately 1.8-acre Point Arena Cove property. The property is located in Arena Cove, has wetland and riparian resources, and will provide public access just south of the Point Arena Pier. The County of Mendocino, the taxing agency, has indicated a willingness to sell the property to the City of Point Arena through a Chapter 8 Tax Sale under the Tax and Revenue Code. The County of Mendocino has taken all steps needed to place the property in tax default and is able to sell it to a local governmental agency for the taxes, fees, and penalties owed on the property.

Acquisition of the Point Arena Cove property would improve access to the coast by providing a new overlook and by expanding beach access in this popular fishing and surfing destination. Currently access at the cove is focused on the pier itself and the adjacent beach. The City’s acquisition of the property would expand public ownership to include a sheltered location with a great view of the pier, ocean, and sufficient space to establish a picnic area. In the future this will likely be the southern terminus for trails heading north across a new section of the California Coastal National Monument to the Point Arena Lighthouse. The City of Point Arena has already noticed an increase in tourism because of the designation of the Stornetta Public Lands as part of the California Coastal National Monument and would like to improve public access amenities within the City limits to better serve local residents and visitors, and boost revenue from tourism.

The property includes a section of Point Arena Creek with a thick stand of willow, alder, and scrub. During a site visit in the spring of 2014 fresh Point Arena Mountain Beaver burrows were discovered on the western boundary of the property. This federally listed endangered species prefers moist areas with soft soil and a high percent of ground cover. The riparian corridor and

steep slopes above Point Arena Creek have lush vegetation well suited to supporting these animals. Acquisition of the property would limit development and help protect habitat for this species.

Site Description: The 1.8 acre property is at the end of Port Road within the City of Point Arena (Exhibit 1). It includes a section of beach with large cobbles as well as the outlet of Point Arena Creek, a seasonal stream. Elevation ranges from sea level to 15 feet with the majority of the property at between 10 and 15 feet. Near the western edge of the property, at about 10 feet in elevation is a ½ acre open area which had previously been the site of two manufactured homes. These homes were in disrepair and were removed from the property by the County of Mendocino. All that remains is a small section of asphalt and great views of the pier and ocean. Much of the remainder of the property is willow and alder forming a dense thicket around Point Arena Creek.

The properties immediately to the north and east are owned by the City of Point Arena. Public access to the property is straightforward as there is a parking lot on the northern boundary of the property, and an old dirt road leading to the City's property to the east. Point Arena Cove also includes small businesses and a hotel which benefit from tourism.

Project History: The mayor of Point Arena contacted the Conservancy regarding the property in 2013 as he believed that the Point Arena Cove property could provide a valuable public amenity, and that there was an opportunity for the City of Point Arena to acquire the property for far less than the assessed value. The City contacted the County of Mendocino, which acquired the property through tax default in 2013 and the two entities reached an agreement for the City to purchase the property pursuant to Chapter 8, Part 6, Division 1 of the California Revenue and Taxation Code. Pursuant to Chapter 8, the County can transfer the property to the City for the taxes and fees owed on the property, instead of taking the property to auction, provided the property will be used for the public good. The minimum price is established by the County Tax Collector and includes the total of all taxes, fees, penalties, and costs incurred by the County Tax Collector. The Mendocino County Board of Supervisors approved the amount recommended by the Tax Collector at its meeting on October 7, 2014. The final step will be a review by the State Controller's Office, which is expected in late fall. The City has obtained an appraisal, which has been reviewed by the Conservancy's real estate staff, that confirms the negotiated price is less than the fair market value of the property. This is a unique opportunity as it is uncommon to be able to purchase coastal property for less than the appraised value.

The Conservancy has a long history of supporting public access near Point Arena. Immediately north of the City of Point Arena the Conservancy helped acquire 123 acres and 1 mile of coastline that was transferred to the Bureau of Land Management in 2012. This expanded the existing 1,711-acre Stornetta Brothers Coastal Ranch Acquisition which the Conservancy supported in 2003. Both acquisitions will allow for the future development of a section of California Coastal Trail connecting the City of Point Arena to the Point Arena Lighthouse, and north to Manchester State Beach. To the south the Conservancy has also helped the Mendocino Land Trust acquire land for a section of California Coastal Trail with the goal of connecting the City of Point Arena to Moat Creek, an access point owned in fee by the Conservancy. Permitting and environmental review is now underway for a new section of the California Coastal Trail on the Mendocino Land Trust property.

PROJECT FINANCING

Coastal Conservancy	\$65,000
City of Point Arena	<u>\$10,000</u>
Project Total	\$75,000

The Conservancy’s contribution to this project is expected to come from the FY 2014/2015 appropriation from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act of 2000 (Proposition 12). These funds are available for grants to government entities and nonprofit organizations for the acquisition of coastal resources and public accessways. (Public Resources Code Section 5096.352). Under Proposition 12, these funds may be allocated for projects in coastal areas north of the Gualala River (Public Resources Code Section 5096.352(c)(2)).

The proposed project is consistent with this funding source as it will result in acquisition of land that contains important natural resources as well as area suitable for an additional public accessway.

The City of Point Arena will contribute up to \$10,000 towards the acquisition.

CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION:

The proposed funding authorization is consistent with Chapter 9 (Sections 31400 et seq.) of Division 21 of the Public Resources Code. Section 31400 states the Legislature’s intent that the Conservancy have a principal role in the implementation of a system of public accessways to and along the state’s coastline.

Section 31400.1 authorizes the Conservancy to provide grants to public agencies to acquire lands for public access purposes to and along the coast. Section 31400.2 allows the Conservancy to provide up to the total cost of the acquisition of interests in lands to public agencies for the development of public accessways, provided that the proposed accessway will serve more than local needs. The Point Arena Cove area, in which the property proposed for acquisition is located, is a widely known surfing destination and popular spot for tourists from other parts of

California and from across the U.S. and the Point Arena Cove property is expected to serve these visitors, as well as local visitors.

Section 31400.2 requires that the amount of funding provided by the Conservancy for the acquisition of land for public access purposes be determined by assessing the total amount of funding available for coastal public accessway projects, the fiscal resources of the applicant, the urgency of the project relative to other eligible projects, and the application of other factors prescribed by the Conservancy. Consistent with Section 31400.2, the amount of the Conservancy funding for this project was determined based on the availability of other funds, the urgency and importance of this project, and the project's eligibility and priority as determined by application of the Conservancy's "Project Selection Criteria & Guidelines," as discussed below.

For these reasons, Conservancy funding of the proposed project is consistent with Chapter 9 of Division 21.

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

Consistent with **Goal 1, Objective 1E** of the Conservancy's 2013-2018 Strategic Plan, the proposed project will assist with the acquisition of real property to facilitate the development of the Coastal Trail.

Consistent with **Goal 4, Objective 4A** the proposed project will protect approximately 1 acre of wetland and riparian habitat, and will protect habitat for the federally endangered Point Arena Mountain Beaver.

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 October 2, 2014, 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. **Promotion and implementation of state plans and policies:**

The proposed project would implement a recommended action from *Completing the California Coastal Trail* by improving the trail corridor connecting Manchester State Beach and the Point Arena Pier (Action 5 for Mendocino County).

The project also helps protect habitat for Point Arena Mountain Beaver (*Aplodontia rufa nigra.*), a federally listed endangered species (CA species of special concern). This implements Goal 1 of *The Point Arena Mountain Beaver Recovery Plan* (US Fish and Wildlife Service 1998), the protection of existing mountain beaver populations.

It additionally implements Goal O of the *2005 California Wildlife Action Plan* for the North Coast-Klamath Region by protecting riparian forest, a sensitive habitat type.

4. **Support of the public:** The project is broadly supported. See Exhibit 2.
5. **Location:** The proposed project would be located within the coastal zone of the City of Point Arena.
6. **Need:** Conservancy funding is needed to complete the proposed acquisition. Without funding from the Conservancy, the opportunity to acquire the property through the Chapter 8 tax sale process will be lost.
7. **Greater-than-local interest:** Point Arena Cove is a widely know surfing destination and popular spot for visitors traveling along the California coast. With its proximity to the Coastal National Monument the number of tourists is likely to increase.
8. **Sea level rise vulnerability:** The property ranges from sea level to approximately 15 feet above mean sea level. A creek mouth and beach area will be impacted by sea level rise. However, the existing trail to the property from the east, and the area with the best views is at 10 feet, exceeding the 43 to 69 inch sea level rise (SLR) predicted for the year 2100, thus portions of the property will not be impacted by SLR. No structures are planned for the property, therefore even with some bluff erosion public access to the site should not be impacted.

The project area is within a Tsunami Hazard Zone on maps provided by the California Emergency Management Agency and based on modeling work done by the University of Southern California. The Draft Mendocino County Multi-hazard Mitigation Plan (July 2013) estimates that there is a 10% chance that the Mendocino Coast will experience a tsunami with run up larger than 1 to 2 feet. Much of the property is greater than 10 feet in elevation and therefore would only be inundated with a larger tsunami. There is quick access to higher terrain at Point Arena Cove. No structures are currently planned for the property.

Additional Criteria

9. **Urgency:** The City of Point Arena has a unique and time-limited opportunity to acquire this property for far less than the fair market value through the tax sale. The County of Mendocino will proceed with a public auction if the City of Point Arena is not able purchase the property in the near future.
10. **Leverage:** See the “Project Financing” section above.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The City of Point Arena’s Local Coastal Program policies support public access at Point Arena Cove. Public Access Policy 10 encourages the establishment of lower-cost visitor and recreation facilities in the Cove area which this acquisition would provide (Chapter X. Section 2.1, Page 12). Additionally, Public Access Policy 22 calls for maximizing access to CCT Support Facilities such as trailheads (Chapter X. Section 2.2 , Page 14).

COMPLIANCE WITH CEQA:

Acquisition of the property is categorically exempt from the California Environmental Quality Act (CEQA) under 14 Cal. Code of Regulations Section 15313 because it constitutes an acquisition of land for fish and wildlife conservation purposes and for preserving access to public lands and waters where the purpose of the acquisition is to preserve the land in its natural condition. The acquisition is similarly exempt pursuant to Section 15325 because the project involves a transfer of ownership in order to preserve existing natural conditions and open space. Although a portion of the property may be developed with a public trail, the plan for the property has not yet been prepared and when it is, development of the trail will be subject to analysis and review under CEQA. Therefore, the transfer of the property is also exempt pursuant to 14 Cal. Code of Regulations Section 15316, which exempts transfers of land for creation of parks where the management plan has not yet been prepared. Staff will file a Notice of Exemption upon approval.