

## COASTAL CONSERVANCY

Staff Recommendation  
January 29, 2015

### **PILLAR POINT BLUFF (THOMPSON) ACQUISITION**

Project No. 14-049-01  
Project Manager: Janet Diehl

**RECOMMENDED ACTION:** Authorization to disburse up to \$450,000 to the Peninsula Open Space Trust to acquire the 21-acre Thompson property on Pillar Point Bluff, just north of Half Moon Bay in San Mateo County, to provide public access and preserve the property's natural resources.

**LOCATION:** Pillar Point Bluff, just north of Half Moon Bay, San Mateo County

**PROGRAM CATEGORY:** Public Access; San Francisco Bay Conservancy Program

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#### **EXHIBITS**

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

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 31400 - 31410 and 31160-31165 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes disbursement of an amount not to exceed four hundred fifty thousand dollars (\$450,000) to the Peninsula Open Space Trust (POST) for the purpose of acquiring the Thompson Property at Pillar Point Bluff (San Mateo County Assessor Parcel Number 047-300-120), consisting of approximately 21 acres, for public access, habitat protection and open space protection. This authorization is subject to the following conditions:

1. Prior to the disbursement of Conservancy funds, POST shall submit for the review and approval of the Executive Officer of the Conservancy (“the Executive Officer”) all relevant documents, including, without limitation, the appraisal, purchase agreement, escrow instructions, environmental assessment, and title report.
2. POST shall pay no more than fair market value for the property, as approved by the Conservancy, based on an appraisal of the property.
3. POST shall permanently dedicate the property for habitat preservation, open space protection and public access through an irrevocable offer to dedicate 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 or in a nearby public staging area, the design and location of which to be 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 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, and with Chapter 4.5, concerning the resources and recreational goals of the San Francisco Bay Area.
3. The Peninsula Open Space Trust is a nonprofit organization that qualifies 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.”

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### **PROJECT SUMMARY:**

The proposed project will provide a \$450,000 grant to the Peninsula Open Space Trust (POST) to purchase and preserve a spectacular 21-acre blufftop property between two segments of county parkland just north of Half Moon Bay (Exhibits 1 and 2). Pillar Point Bluff is known, in particular, for its excellent views of the famous Maverick’s wave break and the unique reefs below, and this acquisition will fulfill a longstanding objective of the Conservancy and POST to preserve the bluff for public access. The acquisition will allow for the completion of the California Coastal Trail at Pillar Point Bluff.

This is the final phase of a series of acquisitions along Pillar Point Bluff, the culmination of more than a decade of negotiations. The Conservancy supported POST’s acquisition of two adjacent Pillar Point Bluff properties in 2004 and 2007. The Conservancy also granted POST funds to plan and construct the Coastal Trail along those properties in 2008. With the proposed acquisition, the Coastal Trail can be extended to the shore, creating a mile-long hike from the bluff to the beach at Pillar Point Marsh County Park.

POST’s option to buy this property expires in just three months on April 30, 2015. The Thompsons have agreed to sell at the property’s fair market value of \$925,000, as established in a September 2014 appraisal that has been reviewed and approved by Conservancy staff. POST will provide more than half of the purchase price as matching funds.

POST expects to transfer the Thompson property for long-term management to San Mateo County, as it did with the previous Bluffs acquisitions. The County Parks Department holds the previously purchased properties as part of the Fitzgerald Marine Reserve. Since the County does not have acquisition funding, POST intends to transfer the property at no cost to the County.

With its strong history of protecting coastal lands in San Mateo County and in-depth knowledge of the Pillar Point Bluffs properties, POST staff is well-equipped to complete this purchase. POST's previous acquisitions in this area have resulted in well-maintained trails set back from the bluffs' steep edges and improvement of the coastal shrub habitat found there.

**Site Description:** The Thompson property is located in the coastal zone just north of Pillar Point, a small peninsula that extends into the ocean north of Half Moon Bay. The 21-acre property is rectangular in shape, bounded by the privately-owned Pillar Ridge Manufactured Home Community to the east, two segments of County Park to the north and south, and approximately 1,200 feet of shoreline to the west. There are no buildings on the Thompson property, although the large, flat property with stunning coastal views would make a very attractive luxury homesite.

The intertidal zone and offshore area immediately adjacent to the property are part of San Mateo County's Fitzgerald Marine Reserve, designated as a Marine Life Refuge and an Area of Special Biological Significance by the State of California. The property's blufftops provide excellent views of coastal tidepools, reefs and beaches to the west, and of the protected mountain ridges and picturesque agricultural lands of the Golden Gate National Recreation Area at Rancho Corral de Tierra to the east.

The main topographic feature of the property is a prominent ridge that runs across the entire property (approximately 900 feet in length), parallel to the coastline at a maximum elevation of 170 feet. The west side of the ridge is a cliff that drops down steeply to the ocean. Eastward, the property flattens as it approaches the manufactured home community. The striking topographic difference between the ridge and the flatlands is the result of the Seal Cove fault trace, part of the active San Gregorio Fault Zone. The ridge is also characterized by an unusual series of parallel lesser ridges and troughs, some of which contain water seasonally.

The blufftop part of the property contains coastal shrub and coastal terrace prairie habitats. Wildlife species that may occur on or near this property include the California red-legged frog, western pond turtle, San Francisco garter snake, and salt marsh common yellowthroat. Loggerhead shrike may nest in the shrub habitats and several common raptors may nest in adjacent Monterey pine forest. Many areas of coastal shrub have been eroded as a result of heavy foot traffic on informal, unauthorized trails.

**Project History:** The wind-swept coastal bluffs at Pillar Point were the subject of intense development pressure for decades before POST was able to acquire the first of the properties ten years ago.

POST assembled the Pillar Point Bluff properties now managed as a San Mateo County Park in three phases: the 119-acre Pillar Point Bluff property in 2004, the 4-acre Gunn property in 2007, and the 17-acre Pillar Point Bluff South property in 2008. POST transferred all three properties to San Mateo County in 2011.

POST began pursuing the acquisition of the Thompson property upon the successful purchase of the original property in 2004. The present property owner, John Thompson, inherited the property in 2013 after waiting for over a decade for a family trust to be settled. Mr. Thompson and his wife, Nina, informed POST immediately following his receipt of the grant deed. In September 2014, POST received an updated appraisal for \$925,000. Negotiations resumed, and the Thompsons confirmed to POST staff in early November their interest in selling the property

at a price equal to the current appraised value. POST and the Thompsons signed a purchase and sale agreement on December 1, 2014.

The Conservancy's involvement at Pillar Point Bluffs dates back to POST's original purchase in 2004, which the Conservancy helped to support with a \$1 million grant. Because the Conservancy had identified the design and construction of a trail on the landward portion of the Fitzgerald Marine Reserve as a priority action in its 2003 report, *Completing the California Coastal Trail* (page 47 #4), an additional \$85,000 for trail planning was included in the Conservancy's acquisition grant to POST. Planning the trail, doing the environmental review and securing the permits for construction took more than two years. When that preliminary work was completed, the Conservancy granted POST close to \$400,000 to build the trail, a new parking lot on Airport Road, and interpretive kiosks.

### PROJECT FINANCING

<b>Coastal Conservancy</b>	<b>\$450,000</b>
Peninsula Open Space Trust	<u>\$475,000</u>
<b>Project Total</b>	<b>\$925,000</b>

The anticipated source for the Conservancy funds for this project is an appropriation from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, Public Resources Code section 75001 *et seq.* ("Proposition 84"). Proposition 84 authorizes the Conservancy's use of these funds for the purposes of promoting access to and enjoyment of coastal resources through projects undertaken pursuant to the Conservancy's enabling legislation (Division 21 of the Public Resources Code), including Chapter 4.5 regarding the San Francisco Bay Area Conservancy Program. Section 75060(c) allocates funding specifically for the San Francisco Bay Area Conservancy Program and states that "not less than 20% of the funds allocated by this paragraph shall be expended on projects in watersheds draining directly to the Pacific Ocean." Consistency of the project with the Conservancy's statutory mission is discussed below in "Consistency with Conservancy's Enabling Legislation."

Consistent with Proposition 84 requirements, in evaluating proposed projects that involve acquisition for the purpose of natural resource protection, Conservancy staff gave priority to this project because it demonstrates the following characteristics: (1) The property is adjacent to two existing segments of a county park and will provide a link ensuring habitat, open space, scenic and recreation connections on the San Mateo County coast (see Public Resources Code Section 75071(a)); and (2) The project funding includes a non-state matching contribution toward the acquisition costs (see Public Resources Code Section 75071(e)).

As required by Section 75071(f), Conservancy staff has submitted to the Natural Resources Agency and has posted on the Conservancy's website an explanation as to how the proposed acquisition meets the criteria for Proposition 84 funding.

**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, POST's acquisition of the Pillar Point Bluff Thompson Property will preserve the property for public access and natural resource protection.

Section 31400.1 allows the Conservancy to award grants to a nonprofit organization for acquisition and development of lands for public access purposes to and along the coast. Surveys conducted by the San Mateo County Department of Parks have shown that more than 1.5 million people visit the beaches and trails of the mid-coast area annually, coming from throughout the San Francisco Bay Area and the state. The proposed grant is consistent with this section because it will enable a large number of visitors to the area to access this property.

Section 31400.2 requires the Conservancy to consider a number of factors in determining the amount of funding for an access project. Consistent with this section, the proposed level of funding was evaluated relative to the total amount of funding available to the Conservancy for coastal access projects, the fiscal resources of the applicant, and the Conservancy's project selection criteria (see Consistency with Conservancy's Project Selection Criteria & Guidelines).

Section 31400.3 enables the Conservancy to assist nonprofit organizations and public agencies in developing and implementing a system of public accessways to and along the state's coastline. The proposed project will further these goals by improving and enhancing public access in a heavily-visited coastal region.

The proposed project also is consistent with Chapter 4.5 of Division 21 of the Public Resources Code, Sections 31160-31165 regarding San Francisco Bay. The proposed project will support the acquisition and preservation of a property located in San Mateo County, one of the nine counties within the San Francisco Bay Area Conservancy Program. Consistent with Section 31162(a), the proposed funding authorization will enable the acquisition of a coastal blufftop property that will improve public access to and along the coast. The proposed project will ensure that private development will not occur on an environmentally sensitive area. Consistent with Section 31162(c), the proposed project assists in the implementation of the policies and programs of the California Coastal Act, which calls for maximum public access and recreational opportunities along the coast (see Public Resources Code Section 30210). Consistent with Section 31162(d), the acquisition of this property near Half Moon Bay will enhance public access to the San Mateo County coast, a natural area that is within a short drive of the urban populations of the Bay Area.

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

Consistent with **Goal 1, Objective E** of the Conservancy's 2013-2018 Strategic Plan, the proposed project will assist with a project that secures 21 acres of land that will facilitate the development of the California Coastal Trail.

Consistent with **Goal 2, Objective G**, the proposed project will result in the acquisition of land to allow for development of new coastal accessways.

Consistent with **Goal 11, Objective B**, the proposed project will protect scenic areas and other open space resources of regional significance.

**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:** By securing property that will facilitate the development of the Coastal Trail, the proposed acquisition project serves to promote and implement several state plans, including:
  - *Coastal Act (1976)*, Public Resources Code Sections 30210 and 30214 on public access and recreation that call for "maximum access, which shall be conspicuously posted, and recreational opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights, rights of private property owners, and natural resource areas from overuse."
  - *Completing the California Coastal Trail Report (2003, Coastal Conservancy)*, which identifies the design and construction of a trail on the landward portion of the Fitzgerald Marine Reserve as a priority action (page 47 #4).
  - *California @ 50 Million: The Environmental Goals and Policy Report (2013 Draft, Governor's Office of Planning and Research)* including: 1) Goal #2 Preserve and Steward State Lands and Natural Resources; and 2) Goal #3 Build Sustainable Regions that Support Healthy and Livable Communities, Key Action #3 to "support and invest in active transportation projects, such as walking and biking infrastructure, including safe-routes-to-schools."
4. **Support of the public:** This project has broad public support, as evidenced in letters from Senator Jerry Hill, Assemblymember Kevin Mullin, San Mateo County Supervisor Don Horsley, the Golden Gate National Recreation Area, the San Mateo County Parks Department, the Midpeninsula Regional Open Space District, the Committee for Green Foothills, the Coastside Land Trust, and others (Exhibit 3).
5. **Location:** The proposed project is located within the coastal zone of San Mateo County.
6. **Need:** Without funding from the Conservancy, POST would not be able to acquire and permanently protect this property before the purchase agreement expires on April 30, 2015.

The opportunity to fill this gap in protective ownership of the Pillar Point Bluffs would be lost.

7. **Greater-than-local interest:** Acquisition of this property would provide recreational opportunities to people throughout the state who visit the adjacent county parks. It also will enable an existing gap to be filled in the California Coastal Trail, which has been designated at the state and federal level as a Millenium Legacy Trail.
8. **Sea level rise vulnerability:** The Thompson property contains coastal slopes that are vulnerable to heightened wind and wave erosion as a result of severe storms caused by climate change. Acquisition of this property will allow POST and partner conservation agencies to arrest further erosion caused by use of informal trail systems along the coastal bluff by constructing new trails set farther back from the bluff's edge.

### **Additional Criteria**

9. **Urgency:** POST has only three months to acquire this property, as its purchase agreement expires on April 30, 2015. The improved economy has brought an increased interest in residential coastal properties in San Mateo County. If POST doesn't purchase this property, it is likely that a private buyer will.
10. **Leverage:** See the "Project Financing" section above.
11. **Readiness:** If the Conservancy approves the proposed grant, POST will be ready to close the acquisition by April 30.
12. **Realization of prior Conservancy goals:** As described in the Project Description section, acquisition of this property will complete a longstanding Conservancy objective. Acquisition will also help to meet the Conservancy's state-wide goal of filling the gaps in the California Coastal Trail.
13. **Cooperation:** This project is the result of cooperation among the private sector, local agencies and the Conservancy.
14. **Vulnerability from climate change impacts other than sea level rise:** The property is located on the coastal bluffs and is vulnerable to erosion and landslides caused by increased wind and wave action from storms. The proposed acquisition will protect the property from development by keeping the land in conservation.

### **CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:**

The proposed project is consistent with the County of San Mateo's Local Coastal Plan, specifically with:

- Policy 7.4, which calls for the preservation of critical habitats;
- Policy 10.9, which calls for providing safe access to shoreline destinations, and
- Policy 11.13, which establishes a trails program for the Coastal Zone with the objective of linking existing and proposed recreation facilities along the coast.

Consistent with these policies, the proposed acquisition will preserve sensitive habitat by precluding residential development in an environmentally sensitive area. Acquisition of this

property will allow for the development of safe trails, including the Coastal Trail, where scenic views will be protected, blufftop erosion will be decreased, the public will have access to the shoreline for recreation, and existing park properties will be linked.

**COMPLIANCE WITH CEQA:**

The proposed acquisition of the Pillar Point Bluff Thompson property is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to 14 Cal. Code of Regulations Section 15316 as a transfer of land in order to establish a park and Section 15325 as a transfer of ownership of interests in land in order to preserve open space and existing natural conditions, including habitat. The Conservancy's grantee, the Peninsula Open Space Trust, intends to establish a park.

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