

COASTAL CONSERVANCY

Staff Recommendation
September 14, 2023

WONG ASUNCION RANCH ACQUISITION

Project No. 23-037-01
Project Managers: Erin Gravley, Tim Duff

RECOMMENDED ACTION: Authorization to disburse up to \$1,570,000 to the California Rangeland Trust to acquire a conservation easement over the 1,014-acre Wong Asuncion Ranch for natural resource conservation, habitat connectivity, protection of the Toro Creek watershed, and, to the extent compatible with resource conservation, sustainable grazing at the property located in unincorporated Atascadero in San Luis Obispo County.

LOCATION: Unincorporated Atascadero, San Luis Obispo County

EXHIBITS

- Exhibit 1: [Project Maps](#)
Exhibit 2: [Photos](#)
Exhibit 3: [Project Letters](#)
-

RESOLUTION AND FINDINGS

Staff recommends that the State Coastal Conservancy adopt the following resolution and findings.

Resolution:

The State Coastal Conservancy hereby authorizes a grant of an amount not to exceed one million five hundred seventy thousand dollars (\$1,570,000) to the California Rangeland Trust (“the grantee”) to acquire a conservation easement over the 1,014-acre Wong Asuncion Ranch in unincorporated Atascadero in San Luis Obispo County (Assessor’s Parcel No. 046-051-029, 046-051-030, and 046-051-031) for natural resource conservation, habitat connectivity, protection of the Toro Creek watershed, and, to the extent compatible with resource conservation, sustainable grazing, subject to the following conditions:

1. Prior to the disbursement of funds for the acquisition, the grantee shall submit for the review and approval of the Executive Officer of the Conservancy (Executive Officer):

- a. All relevant acquisition documents for the acquisition including, without limitation, the appraisal, purchase and sale agreement, conservation easement, escrow instructions, environmental or hazardous materials assessment, and title report;
 - b. A baseline conditions report; and
 - c. Evidence that sufficient funds are available to complete the acquisition.
2. The grantee shall pay no more than fair market value for the conservation easement, as established in an appraisal approved by the Executive Officer.
 3. The easement acquired under this authorization shall be managed and operated for purposes of natural resource conservation, habitat connectivity, protection of the Toro Creek watershed, and, to the extent compatible with resource conservation, sustainable grazing. The property shall be permanently dedicated to those purposes by an appropriate 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 publicly-viewable area, the design and location of which are to be approved by the Executive Officer.

Findings:

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

1. The proposed authorization is consistent with Chapter 5.5 of Division 21 of the Public Resources Code, regarding integrated coastal and marine resource protection.
2. The proposed project is consistent with the current Conservancy Project Selection Criteria.
3. The California Rangeland Trust is a nonprofit organization organized under section 501(c)(3) of the U.S. Internal Revenue Code.

STAFF RECOMMENDATION

PROJECT SUMMARY:

Staff recommends the Conservancy authorize a \$1,570,000 grant to the California Rangeland Trust to acquire a conservation easement over the 1,014-acre Wong Asuncion Ranch (“the property”) for purposes of natural resource conservation, habitat connectivity, protection of the Toro Creek watershed, and, to the extent compatible with resource conservation, sustainable grazing at the property located in unincorporated Atascadero in San Luis Obispo County (Exhibit 1).

In recent years, the property owner has faced significant pressure to convert the grasslands and oak woodlands of Wong Asuncion Ranch to rural home sites, vineyards, orchards, and other more water-intensive land uses, including an offer to purchase one of the parcels for \$1 million in 2022. The property is within one mile of a large retail center and within two miles of the City of Atascadero’s Sphere of Influence. Rangelands on neighboring properties have been

converted to vineyards and avocado orchards, which dry up springs and creeks, negatively impacting regional biodiversity and habitat connectivity.

A conservation easement over the property will eliminate this pressure, protecting in perpetuity its many natural resources and preserving its use as working lands via sustainable livestock grazing. The property provides habitat for a number of species (Exhibit 2), including a breeding pond for California red-legged frog, and includes more than 700 acres of coastal oak woodlands which provide a significant carbon sink, furthering the goals of the State's 30x30 Executive Order. Perhaps most notably, several drainages originate on the property to effectively comprise the headwaters of Toro Creek and include designated critical habitat for steelhead, a federally threatened species. A conservation easement will directly benefit Toro Creek headwaters, sustaining approximately 11 miles of free-flowing stream and riparian downstream habitat before flowing into the Pacific Ocean. Additionally, the property's proximity to other lands protected by conservation easements and public open spaces, including the adjacent Los Padres National Forest, makes it a valuable tile in the mosaic of habitat connectivity in the area (Exhibit 1). Sustainable livestock grazing will continue and the California Rangeland Trust will conduct annual monitoring to ensure that the grazing is consistent with the conservation easement. The conservation easement will allow low-intensity agriculture related to grazing, two residential structures (one is existing), grazing related infrastructure, and ranch labor housing that is necessary to support agricultural activities.

Site Description: Wong Asuncion Ranch is located 1.6 miles west of the city limits of Atascadero. It comprises three parcels totaling 1,014 acres. The property has one residence and cattle ranching infrastructure, such as fencing, irrigation pipes, and stock ponds. The property adjoins Los Padres National Forest and will be part of a string of protected properties providing a wildlife corridor through the Coast Ranges. Because of its ridgetop location and topography, the property acts as a transitional zone from coastal to inland habitats. This combined with perennial water sources make it a key movement corridor for many species. Wildlife cameras have shown the property to be a migration corridor for mountain lions, black bears, black-tailed deer, and wild turkeys.

The property is zoned for agriculture and has been used for livestock grazing since 1989. Its vegetative communities consist of oak woodlands (734 acres), annual grasslands (201 acres), and coastal scrub (87 acres). The property features a known California red-legged frog breeding pond and habitat for western pond turtle populations, coast range newts, and other water-dependent fauna. Several drainages on the property constitute the headwaters of Toro Creek and provide critical habitat for steelhead.

The California Department of Fish and Wildlife (CDFW) Areas of Conservation Emphasis mapping rates the property very high for terrestrial climate change resiliency. As the climate continues to warm and water becomes ever scarcer, the property will fare better than lower elevations properties without water resources. Given the property's location adjacent to Los Padres National Forest, its riparian corridors, and 1,000-foot elevational gradient, it will provide a natural transition zone for species presently found in lower elevations that will be more heavily affected by climate change.

Grant Applicant Qualifications: The California Rangeland Trust holds nearly 100 conservation easements on over 365,000 acres of valuable rangeland throughout California. The grantee has previously managed grants from funders including Caltrans, CDFW, and the U.S. Department of Fish and Wildlife. They have an established easement monitoring program to ensure the property will be protected to Conservancy standards. They are a Land Trust Alliance accredited land trust.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA:

The proposed project is consistent with the Conservancy's Project Selection Criteria, last updated on September 23, 2021, in the following respects:

Selection Criteria

1. Extent to which the project helps the Conservancy accomplish the objectives in the Strategic Plan.

See the "Consistency with Conservancy's Strategic Plan" section below.

2. Project is a good investment of state resources.

The proposed project will permanently protect the property from development and enhance regional climate resilience and adaptation by permanently protecting climate-resilient habitat and providing a refuge from nearby wild areas. Preservation of oak woodlands such as the ones on the property and continued sustainable grazing will help to sequester carbon. The protection of this land, additionally as working lands, advances the goals in the State's 30x30 Executive Order.

3. Project benefits will be sustainable or resilient over the project lifespan.

The proposed project will permanently protect the property from development and enhance regional climate resilience and adaptation by permanently protecting habitat connectivity and providing a natural transition zone for species presently found in lower elevations that will be more heavily affected by climate change. The project will deliver long-term benefits including carbon sequestration by preserving oak woodlands and avoiding greenhouse gas emissions by prohibiting future development. The landowner will contribute approximately \$137,000 in funds to a stewardship endowment at closing. The California Rangeland Trust will manage the easement under its Stewardship Policy and Annual Monitoring Program, in line with the Conservancy's acquisition purposes and restrictions.

4. Project delivers multiple benefits and significant positive impact.

The project will deliver multiple benefits including permanently protecting the property from development and more intensive agricultural uses, thereby protecting habitat connectivity to the Los Padres National Forest, big game migration corridors, a known California red-legged frog breeding pond, and streamflow for steelhead trout. This property includes the headwaters of Toro Creek, and its protection will help to preserve the creek's water quality and quantity. The grazing done on the property will sustain working lands and help to sequester carbon.

5. Project planned with meaningful community engagement and broad community support.

This project is supported by the San Luis Obispo County of Supervisors and The Land Conservancy of San Luis Obispo County (see Exhibit 3).

PROJECT FINANCING

Coastal Conservancy	\$1,570,000
Project Total	\$1,570,000

Conservancy funds are anticipated to come from an appropriation from the General Fund to the Conservancy for the purpose of climate resilience (The Budget Act of 2022, SB 154). These funds are available as described in Section 52 of Chapter 528 of the Statutes of 2021, which sets forth a detailed description of the purposes of the climate resilience funds, including projects that protect coastal watersheds and increase the resilience of coastal ecosystems to climate change impacts. The proposed project is consistent with this funding source as it will permanently protect 1,014 acres of a coastal watershed and it contains resilient habitat that will provide important refuge for wildlife as the effects of climate change intensify.

Unless specifically identified as “Required Match,” the other sources of funding and in-kind contributions described above are estimates. The Conservancy does not typically require matching funds or in-kind services, nor does it require documentation of expenditures from other funders or of in-kind services. Typical grant conditions require grantees to provide any funds needed to complete a project.

CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION:

Conservancy participation in the proposed project is consistent with Chapter 5.5, Integrated Coastal and Marine Resources Protection (Section 31220) of the Conservancy's enabling legislation, Division 21 of the Public Resources Code. Section 31220(a) authorizes the Conservancy to undertake a project or award grants for coastal watershed projects that meet one or more criteria of Section 31220(b). Consistent with Section 31120(b)(2), the proposed project will achieve the following objectives: protect fish and wildlife habitat within coastal watersheds and coastal waters (Section 31120(b)(2)); reduce unnatural erosion and sedimentation of a coastal watershed) by preventing future land uses that could contribute to unnatural watershed erosion and sedimentation (Section 31120(b)(4)); and protect coastal watershed lands draining to sensitive coastal or marine areas (Section 31120(b)(6)).

Consistent with Section 31220(a), staff has consulted with the State Water Resources Control Board in the development of the project to ensure consistency with Chapter 3 (commencing with Section 30915) of Division 20.4 of the Public Resources Code, the purpose of which is to fund projects that restore the water quality and environment of coastal waters, estuaries, bays, and nearshore waters.

Consistent with Section 31220(c), the project is consistent with local watershed management plans and water quality control plans adopted by the State Water Resources Control Board and Regional Water Quality Control Boards (see the “Consistency with Local Watershed

Management Plan/State Water Quality Control Plan” section below) and has a monitoring and evaluation component included in the project.

CONSISTENCY WITH CONSERVANCY’S [2023-2027 STRATEGIC PLAN](#):

Consistent with **Goal 3.1 Conserve Land**, the proposed project will protect 1,014 acres of land both under pressure from developers and identified in regionally led and scientifically based planning efforts to protect high quality resources and increase habitat.

Consistent with **Goal 3.3 Working Lands**, the proposed project will protect working ranch lands.

CONSISTENCY WITH LOCAL WATERSHED MANAGEMENT PLAN/STATE WATER QUALITY CONTROL PLAN:

Projects undertaken pursuant to Chapter 5.5 of Public Resources Code Division 21 (Section 31220) must be consistent with local watershed management plans, if available, and with water quality control plans, adopted by the state and regional water boards. The project furthers the San Luis Obispo County Integrated Regional Water Management Plan, Ecosystem and Watershed Goal, Objective 2, to preserve, enhance, restore, and conserve riparian corridors and natural creek and river systems through wetland restoration, natural floodplains, riparian buffers, conservation easements, and other mechanisms. The project will protect creeks located in the Santa Rosa and San Simeon watersheds, consistent with this objective.

The project is consistent with the Water Quality Control Plan for the Central Coast Basin (2017), as it furthers the following beneficial use objectives listed in the Plan for Toro Creek: municipal and domestic supply, agricultural supply, ground water recharge, recreation, wildlife habitat, cold fresh water habitat, warm fresh water habitat, migration and spawning habitat, estuarine habitat, freshwater replenishment, and rare, threatened, or endangered species, fresh water replenishment, and sport and recreational fishing. Acquiring the proposed easement which includes the headwaters of Toro Creek is consistent with the objectives in the Basin Plan.

CEQA COMPLIANCE:

The proposed easement acquisition is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Section 15325 because it is a transfer of interests in land in order to preserve open space and existing natural conditions and to allow continued agriculture.

Staff will file a Notice of Exemption upon Conservancy approval of the proposed project.