



Midpeninsula Regional
Open Space District

Memorandum

DATE: March 27, 2019

MEMO TO: Board of Directors

THROUGH: Ana Ruiz, General Manager

FROM: Gretchen Laustsen, Planner III

SUBJECT: Bear Creek Stables Site Improvements – Project Update

A handwritten signature in black ink, appearing to read "Gretchen".

This memorandum provides an update on the Bear Creek Stables Site Improvements Project, including ongoing work and next steps.

Background

On January 25, 2017, the Board approved the Bear Creek Redwoods Preserve Plan and certified the Environmental Impact Report, including the Bear Creek Stables (Stables) Site Plan, which outlines a phased implementation plan (R-17-01). As part of Fiscal Year (FY) 2017-18 Action Plan and Budget, the Board approved the initiation of design development for the Phase I improvements, which includes site assessments, design and implementation plans, and permitting.

The Board also reviewed a 3-year funding program for the Stables and associated water improvements totaling \$5,927,800. The projected 3-year capital costs were based on early, planning-level cost estimates. A total amount of \$3,777,300 was projected to come from Measure AA funds and \$500,000 from District general funds. The remaining amount of \$1,650,500 was unfunded and projected to come from future grants/ partnerships/ other funding sources.

On March 28, 2018, staff provided a project update via a FYI memo to the Board communicating a \$3.3M to \$4.2M increase in the conceptual-level cost estimate based on findings from a detailed topographical survey and a geotechnical/geological assessment. Based on expenditures to date and the new, updated estimated project cost, the unsecured funding gap correspondingly increased from \$1.65M to approximately \$5M. Given the significant cost increase, the General Manager directed staff to explore (1) a deferred maintenance repair option with the County that limits the scope of work to repairs of existing facilities, and (2) fundraising opportunities for pursuing the original enhanced public programming option for the stables, and to present both findings to the Board in April 2019.

Recent Work

Santa Clara County Planning Department Permitting Coordination

On December 4, 2018, District staff met with Santa Clara County Planning staff and the Fire Marshal Office to discuss the type of repair and maintenance work that is allowed under the existing legal nonconforming use. Numerous repairs of existing facilities are allowed under this

option, including repairs to the driveway, barn, parking, site drainage, and water system. Staff is preparing an option that focuses on the high priority site repairs and maintenance work with the intent of remaining within the Board-approved project budget.

Funding Partnership and Fundraising Feasibility Assessment

As stated in the March 2018 FYI memo, the District had been contacted by two groups with interest in leading a serious fundraising effort to financially support the stables improvements and address the funding gap. Since then, one group remains interested and continues to be in contact with the District. Any future partnership agreement will require Board review and approval at an open public meeting.

Because the funding gap is so large, District staff are working with a consultant to conduct a fundraising feasibility assessment. Stewart Woods & Associates is assisting the District to determine if \$5 million can be raised to renovate and enhance Bear Creek Stables. The assessment will explore whether, as an organization, the District, or a partnering entity can implement and sustain a development campaign to raise funding for the project. The assessment will also explore whether prospective donors are readily apparent who might provide the funding necessary to allow for a successful campaign.

Next steps

District staff will present the results of this ongoing work along with all other project options evaluated to date at the upcoming public Board meeting of April 25, 2019. At this meeting, the Board will have an opportunity to consider narrowing down the options for consideration, and request any additional information or analysis. A final Board decision on the scope and funding of the project is anticipated in summer/fall 2019.