



Midpeninsula Regional  
Open Space District

R-19-108  
Meeting 19-20  
August 14, 2019

### AGENDA ITEM 3

#### AGENDA ITEM

Grazing Lease Extension with AGCO HAY LLC for the Driscoll Ranch Grazing Unit at La Honda Creek Open Space Preserve

#### GENERAL MANAGER'S RECOMMENDATION

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

Adopt a resolution authorizing the General Manager to extend the Grazing Lease with AGCO HAY LLC for an additional five years.

#### SUMMARY

Allan Renz of AGCO HAY LLC (Lessee) has expressed an interest to exercise the option to extend the 2013 Grazing Lease (Lease) with the Midpeninsula Regional Open Space District for the Driscoll Ranch Grazing Unit at the La Honda Creek Open Space Preserve. The Board originally awarded this Lease in 2013. The approval did not contemplate extensions past the initial five-year term. Based on our positive working relationship with the Lessee, who has been deemed a tenant in good standing, the General Manager recommends extending the Lease for an additional five year term, consistent with other leases held with tenants in good standing.

#### DISCUSSION

At the November 13, 2013 regular meeting, the Board awarded a five-year lease to AGCO HAY LLC to graze the Driscoll Ranch Grazing Unit in the La Honda Creek Open Space Preserve (R-13-103). The grazing tenant has expressed interest in extending the lease an additional five years under that same terms and conditions of the original lease.

Allan Renz is a tenant in good standing who has completed several significant and large infrastructure projects on the property, including water system improvements, corrals, and fencing to improve the grassland health as part of the District's conservation grazing program. Recently, Allan participated with staff in Range Camp, which is a program sponsored by the Central Coast Rangelands Coalition. Range Camp engages high school students throughout the state of California who are interested in rangeland management, natural resources, and/or agriculture as a possible future career path. Allan assisted staff by giving a presentation on how private ranchers work with public agencies, explaining his grazing operation, touring the ranch with the students, and making himself available for questions.

Upon termination of this grazing lease, the District will evaluate whether to enter into a new lease with the current tenant or consider issuing a request for proposals to solicit interest from grazing operators for the Driscoll Ranch Grazing Unit.

**FISCAL IMPACT**

By extending the terms of the lease for an additional five years, the Lessee would continue to pay an Annual Lease Fee to the District, which for Driscoll Ranch in FY2019-20 is estimated at \$36,297. Annual Lease Fees are dependent upon the average selling price of beef cattle as well as the quantity and age of the cattle grazing on the property.

**PUBLIC NOTICE**

Public notice was provided as required by the Brown Act. No additional notice is required.

**CEQA COMPLIANCE**

The conservation grazing program at Driscoll Ranch was evaluated in La Honda Creek Open Space Preserve Master Plan and adopted by the Board on August 22, 2012 (R-12-83). Grazing activities are conducted in compliance with this document and the grazing tenant's obligations to implement the mitigation measures under CEQA are enumerated in the grazing lease.

**NEXT STEPS**

Upon Board approval, the Lease extension will be prepared and executed.

Attachments:

1. Map of Driscoll Ranch
2. District Standards for Grazing Tenant in Good Standing
3. Resolution Authorizing the General Manager to Grant a Grazing Lease Extension to Agco Hay LLC (Driscoll Ranch, La Honda Creek Open Space Preserve)

Contact person:

Michael Jurich, Land & Facilities Services Manager

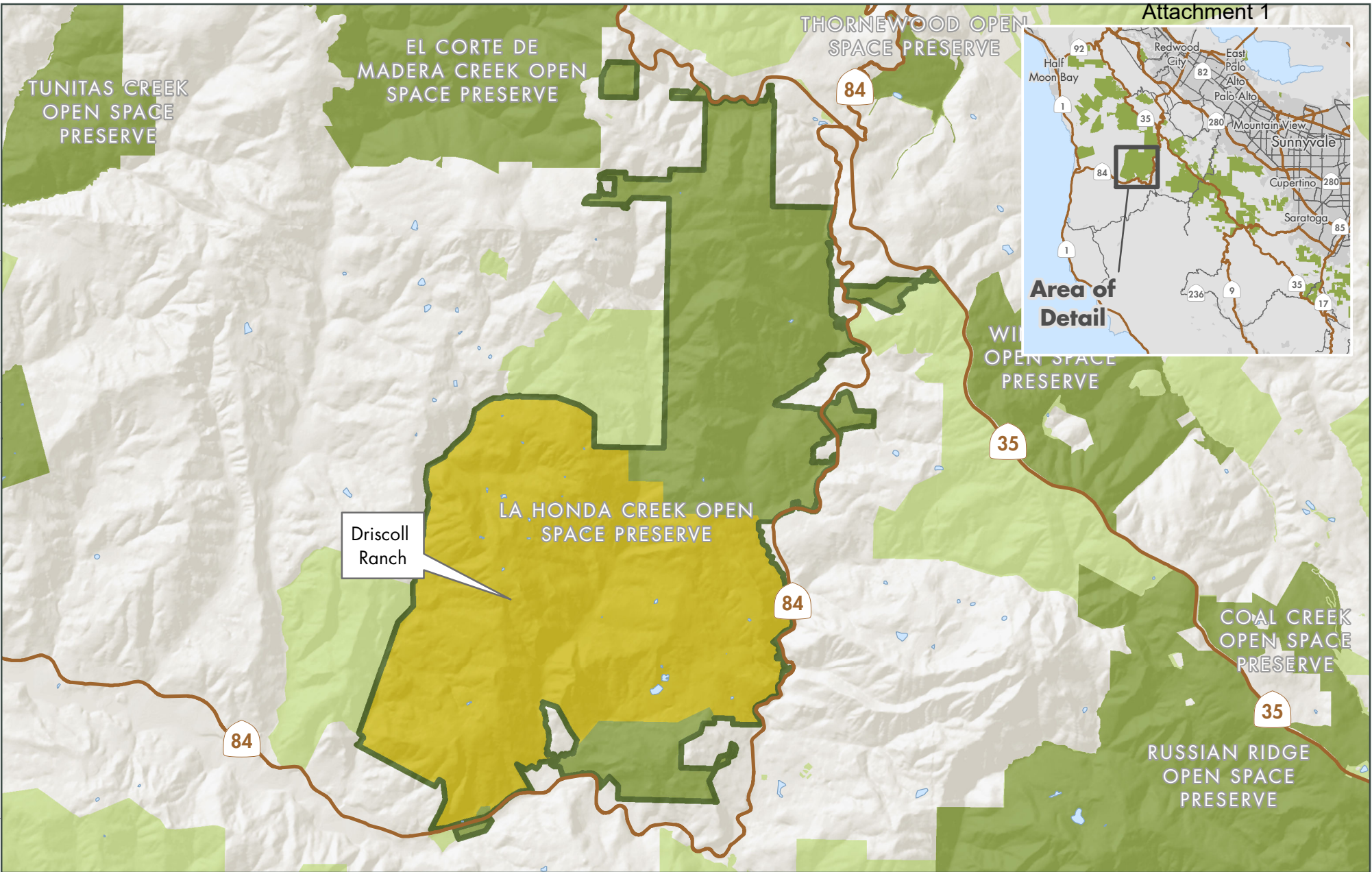
Prepared by:

Susan Weidemann, Property Management Specialist II

Graphics Prepared by:

Francisco Lopez, GIS Technician I

Path: G:\Projects\La\_Honda\_Creek\Driscoll\maps\DriscollRanch\_LocationMap\_20190711.mxd  
Created By: FLOPEZ



### Driscoll Ranch

-  MROSD Preserves
-  Other Protected Lands
-  Private Property
-  Driscoll Ranch

Midpeninsula Regional  
Open Space District  
(Midpen)  
7/11/2019



While the District strives to use the best available digital data, these data do not represent a legal survey and are merely a graphic illustration of geographic features.

**District Standards for Grazing Tenant in Good Standing**

District staff utilize the following standards to evaluate grazing tenant performance:

1. Pays grazing rent on time
2. Meets the acceptable range for Residual Dry Matter as prescribed in Rangeland/Grazing Management Plan and lease
3. Followed stocking rate guidelines
4. Completed or made progress on annual work plans for the leased grazing property
5. Refrained from performing unauthorized work
6. Worked cooperatively with District staff to attain resource management goals
7. Met District, local, state, or federal laws, regulations or policies
8. Accommodates public use of the property

**RESOLUTION 19-\_\_**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT AUTHORIZING THE GENERAL MANAGER TO GRANT A GRAZING LEASE EXTENSION TO AGCO HAY LLC (DRISCOLL RANCH, LA HONDA CREEK OPEN SPACE PRESERVE)**

**WHEREAS**, the Midpeninsula Regional Open Space District (District) may, under the provisions of California Public Resources Code section 5540, lease property owned by the District; and

**WHEREAS**, the lease of the Driscoll Ranch for grazing and range management purposes is compatible with park and open space purposes, and the lease of such premises is in the public interest; and

**WHEREAS**, the District wishes to extend its lease of the Driscoll Ranch to AGCO Hay LLC on the terms hereinafter set forth.

**NOW, THEREFORE**, the Board of Directors of Midpeninsula Regional Open Space District does hereby resolve as follows:

1. The General Manager is authorized to grant an extension of the Grazing Lease on the terms and conditions set forth in the Grazing Lease. The General Manager and General Counsel are further authorized to approve any technical revisions to the Lease, which are necessary or appropriate to the implementation of the Lease.
2. The General Manager or designee is further authorized to sign and approve all other documents necessary or appropriate to effectuate the purposes of the Grazing Lease.

\* \* \* \* \*

PASSED AND ADOPTED by the Board of Directors of the Midpeninsula Regional Open Space District on \_\_\_\_\_, 2019, at a regular meeting thereof, by the following vote:

**AYES:**  
**NOES:**  
**ABSTAIN:**  
**ABSENT:**

**ATTEST:**

**APPROVED:**

\_\_\_\_\_  
Secretary  
Board of Directors

\_\_\_\_\_  
President  
Board of Directors

**APPROVED AS TO FORM:**

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General Counsel

I, the District Clerk of the Midpeninsula Regional Open Space District, hereby certify that the above is a true and correct copy of a resolution duly adopted by the Board of Directors of the Midpeninsula Regional Open Space District by the above vote at a meeting thereof duly held and called on the above day.

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District Clerk