



Midpeninsula Regional
Open Space District

R-22-62
Meeting 22-13
May 25, 2022

AGENDA ITEM 6

AGENDA ITEM

Cost-Share Agreement between Peninsula Open Space Trust and Midpeninsula Regional Open Space District for Preparation of a Minor Subdivision Application to Support the Transfer of the South Cowell Upland Property as an addition to Purisima Creek Redwoods Open Space Preserve

GENERAL MANAGER'S RECOMMENDATIONS *den*

Authorize the General Manager to enter into an equally split 50/50 cost-share agreement with Peninsula Open Space Trust for preparing and submitting the land division application to San Mateo County for the South Cowell Ranch Property in an amount not-to-exceed \$91,000.

SUMMARY

As co-applicants, the Midpeninsula Regional Open Space District (District), Peninsula Open Space Trust (POST) and the Trust of Robert and Julia Marsh (the Marsh Trust) submitted a minor subdivision application to San Mateo County (County) to provide for the District's future 100% fee ownership of the 372-acre South Cowell Upland property, located three miles south of the City of Half Moon Bay along Verde Road. Professional services required to prepare the application included land surveying, planning, legal and biological consultants, a San Mateo County density study, and County application fees totaling an estimated \$180,936.08. The District and POST propose to share these costs equally (50/50), with the District's cost share portion not to exceed \$91,000. Although there are insufficient funds in the Fiscal Year 2021-22 (FY22) project budget to cover the total cost share amount, it is projected that there will be sufficient Districtwide MAA fund 30 budget remaining at the end of the fiscal year to cover the cost of the recommended action.

DISCUSSION

In December 2020, the District purchased an undivided 54% interest in the 611-acre South Cowell Ranch property and entered into a tenancy-in-common agreement with POST owning 33% interest and the Marsh Trust owning 13% interest (see [R-20-122](#)). In March 2022, the three parties applied for a minor subdivision application with the County to create a 372-acre upland property to be owned in fee by the District, a 236-acre farm property to be retained by the Marsh Trust, and a 3.46-acre residence property. POST has paid for the various consultant services and County density study totaling \$155,873.88 with the District proposing to reimburse them for half of those costs, or \$77,936.94. The District has paid for the County minor subdivision application fee of \$25,062.20 with POST proposing to reimburse for half of this cost, or \$12,531.10.

The itemized consultant costs and County fees for preparing and submitting the application are identified below:

Consultant Services and County Fees	Total Cost	District's Share	POST's Share
Land Surveyor*	\$57,569.25	\$28,784.63	\$28,784.63
Planning and Permitting Consultant*	\$31,337.50	\$15,668.75	\$15,668.75
Legal Services*	\$40,315.26	\$20,157.63	\$20,157.63
Environmental Planning Consultant*	\$24,866.47	\$12,433.23	\$12,433.23
County of San Mateo Density Study*	\$1,785.40	\$892.70	\$892.70
County Subdivision Application Fee**	\$25,062.20	\$12,531.10	\$12,531.10
Total	\$180,936.08	\$90,468.04	\$90,468.04

*Cost paid for by POST; 50% to be reimbursed by District

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The total cost of the consultant services and County fees is projected to be \$180,936.08. The District's 50/50 cost share would not exceed \$91,000.

FISCAL IMPACT

The FY22 adopted budget includes \$15,000 for the South Cowell Upland Land Conservation project MAA03-006. The Board adopted a Resolution approving the purchase of the property (R-20-122), including the expenditure of up to \$50,000 to cover the miscellaneous costs related to this transaction. At the time of Board approval, the consultant services and application fees were unknown. Based on the final fees incurred, additional funding is required to cover the costs to complete the subdivision process. Although there are insufficient funds in the project budget to cover the added expenditures, it is projected that there will be sufficient Districtwide MAA fund 30 budget remaining at the end of the fiscal year to cover the cost of the recommended action.

South Cowell Upland Land Conservation MAA03-006	Prior Year Actuals	FY22 Adopted	FY23 Projected	FY24 Projected	Estimated Future Years	TOTAL
Total Budget:	\$4,842,967	\$15,000	\$15,000	\$0	\$0	\$4,872,967
Spent-to-Date (as of 04/26/2022):	(\$4,842,967)	(\$1,116)	\$0	\$0	\$0	(\$4,844,083)
Encumbrances:	\$0	(\$1,384)	\$0	\$0	\$0	(\$1,384)
POST Cost Share:	\$0	(\$91,000)	\$0	\$0	\$0	(\$91,000)
Budget Remaining (Proposed):	\$0	(\$78,500)*	\$15,000	\$0	\$0	(\$63,500)

*Costs expected to be covered by sufficient Districtwide MAA fund 30 budget remaining at the end of the fiscal year.

The following table outlines the Measure AA Portfolio 03 Purisima Creek Redwoods: Purisima-to-the-Sea Trail Completion, Watershed Protection, and Conservation Grazing allocation, costs-to-date, projected future project expenditures and projected portfolio balance remaining:

MAA03 Purisima Creek Redwoods — Purisima-to-the-Sea Trail, Watershed Protection and Conservation Grazing Portfolio Allocation:	\$7,608,000
Grant Income (through FY25):	\$378,480
Fund 40 Allocation:	\$1,041,000

Total Portfolio Allocation:	\$9,027,480
Life-to-Date Spent (as of 4/26/2022):	(\$6,543,820)
Encumbrances:	(\$183,544)
Remaining FY22 Project Budgets:	(\$209,438)
Future MAA03 project costs (projected through FY25):	(\$1,699,830)
Total Portfolio Expenditures:	(\$8,636,632)
Portfolio Balance Remaining (Proposed):	\$390,848

The following table outlines the Measure AA Portfolio 03 allocation, costs to date, and the fiscal impact related to the Property purchase:

MAA03 Purisima Creek Redwoods — Purisima-to-the-Sea Trail, Watershed Protection and Conservation Grazing Portfolio Allocation:	\$7,608,000
Grant Income (through FY25):	\$378,480
Fund 40 Allocation:	\$1,041,000
Total Portfolio Allocation:	\$9,027,480
Projected Project Expenditures (life of project):	
03-001 Purisima Uplands Lot Line Adjustment and Property Transfer	(\$425,113)
03-002 Purisima Upland Site Clean up and Soil Remediation	(\$1,004,254)
03-003 Purisima Creek Fence Construction	(\$169,190)
03-004 Harkins Bridge Replacement	(\$516,916)
03-005 Purisima-to-the-Sea Trail and Parking Area - Feasibility Study	(\$1,062,476)
03-006 South Cowell Upland Land Conservation	(\$4,872,967)
03-007 Purisima-to-the-Sea Habitat Enhancement and Water Supply Improvement Plan	(\$569,002)
03-008 Rieser-Nelson Land Purchase	(\$16,715)
Total Portfolio Expenditures:	(\$8,636,632)
Portfolio Balance Remaining (Proposed):	\$390,848

PRIOR BOARD AND COMMITTEE REVIEW

- **October 28, 2020:** The Board adopted a Resolution authorizing the purchase of an undivided 54% interest in the South Cowell Ranch Property for \$4,750,000 and adopted a Preliminary Use and Management Plan for the Upland property. ([R-20-122](#), [meeting minutes](#))
- **September 8, 2020:** The Real Property Committee recommended forwarding the proposed purchase of the South Cowell Ranch Property to the full Board for consideration. ([Fact Sheet](#), [agenda](#), [meeting minutes](#))

PUBLIC NOTICE

Public notice was provided as required by the Brown Act.

CEQA COMPLIANCE

The proposed action is not a project subject to the California Environmental Quality Act (CEQA). The preparation of plans for the study of a project is not subject to CEQA pursuant to Article 18

of the California Code of Regulations, Section 15262, in that it would involve only planning studies and feasibility analyses for possible future actions that have not yet been approved, adopted or funded.

NEXT STEPS

Following authorization, District staff will reimburse POST for invoices submitted with proof of payment for consultant services completed and County density study fees.

Responsible Manager:
Susanna Chan, Assistant General Manager

Contact Person:
Michael Williams, Real Property Manager

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