



Midpeninsula Regional
Open Space District

R-24-43
Meeting 24-09
April 10, 2024

AGENDA ITEM 3

AGENDA ITEM

Proposed Purchase of the 59.28-acre Fifths Property located in San Mateo County (APN:083-351-010) as an addition to La Honda Creek Open Space Preserve

GENERAL MANAGER'S RECOMMENDATIONS *dem*

1. Determine that the recommended actions are categorically exempt from the California Environmental Quality Act (CEQA), as set out in the staff report.
2. Adopt a Resolution authorizing the purchase of the Fifths Property for \$1,000,000 with a corresponding authorization for a Fiscal Year 2023-24 budget adjustment of the same amount.
3. Adopt a Preliminary Use and Management Plan, as set out in the staff report.
4. Withhold dedication of the Fifths Property as public open space at this time.

SUMMARY

The General Manager recommends purchasing the 59.28-acre Fifths Property (Property) at a purchase price of \$1,000,000 (\$16,869 per acre) as an addition to La Honda Creek Open Space Preserve (La Honda Creek OSP or Preserve). The following report includes a description of the Property, a Preliminary Use and Management Plan, findings of the environmental review, the purchase terms and conditions, and financial considerations. Currently, there is no budget allocation for this project. If approved, a budget adjustment of \$1,000,000 to the Fiscal Year 2023-24 (FY24) budget would be required to proceed with the acquisition.

DISCUSSION

Property Description and Regional Context (see attached map)

The District proposes to purchase the 59.28-acre property consisting of one legal parcel. The Property is located half a mile from the town of La Honda and is bordered by La Honda Creek OSP to the north, San Gregorio Creek to the south, and private property to the west and east. The Property is divided into three pieces by California State Route 84 (Highway 84), with most of the Property lying north of Highway 84. Purchase of the Property would permanently protect forested lands and wildlife habitat in the San Gregorio Creek watershed. Acquisition of the Property would advance Measure AA Portfolio #15: *Redwood Protection and Salmon Fishery Conservation* by protecting redwood stands on the property and protecting lands along San Gregorio Creek, which provides habitat for coho salmon and steelhead.

Land Use and Improvements

The Property is vacant and unimproved, with no utilities aside from two dirt roads in good condition that provide access to the northern and southern portions of the Property from Highway 84. Much of the Property was logged in 2019, at which time the dirt road to access the northern portion of the property was improved. A storage container owned by the neighboring property is located on the south side of the Property and will be removed before the close of escrow.

Habitat and Natural Resources Value

The Property is densely wooded with primarily Redwood and Douglas fir forest with a range of well-distributed size/age classes. The remaining Property consists of a mix of live oak, tan oak, madrone, and other conifers and hardwoods. Past logging activities that occurred on the Property in 2019 selectively harvested overstocked second growth trees and retained old growth and habitat trees with healthy, full crowns, including several trees that were identified as suitable habitat for marbled murrelets. The Property also provides habitat for animal species associated with the San Gregorio watershed, including deer, coyotes, bobcats, and mountain lions.

Water Resources and Rights

The Property falls within the San Gregorio Creek watershed and includes approximately 1,000 feet of San Gregorio Creek frontage. The San Gregorio Creek watershed supports spawning habitat for the endangered Coho salmon and threatened steelhead trout. Two unnamed seasonal creeks flow through the Property into San Gregorio Creek.

USE AND MANAGEMENT

Planning Considerations

The Property consists of one parcel located in unincorporated San Mateo County with a General Plan designation of Forest, Timber Production and a zoning designation of Timberland Preserve Zone (TPZ). Natural resource management, habitat preservation, and low intensity recreation are allowable uses within this land use designation. Staff has requested the San Mateo County Planning Commission to confirm that the acquisition of the Property for open space complies with the County's General Plan.

Preliminary Use and Management Plan

The Preliminary Use and Management Plan (PUMP) establishes a status quo land management approach in the interim between the purchase and the completion of a future long-term plan. The PUMP includes site security and maintenance of the Property in its natural condition, as described below. The PUMP takes effect at the close of escrow and remains effective until changes warrant an amendment, or a Preserve Master Plan is developed or amended to include this Property. If changes to land use or the physical environment were proposed in the future, the plan would be subject to further environmental review and public input.

Name: Name the Property as an addition to La Honda Creek Open Space Preserve.

Dedication: Withhold dedication of the subject Property as open space at this time.

Public Access: Designate the Property as closed to public use at this time.

Signs and Site Security:	Install Preserve boundary and closed area signs where appropriate.
Fences and Gates:	Install, maintain, and replace gates and fencing as necessary to prevent unauthorized entry.
Roads and Trails:	Continue to maintain existing dirt roads in a serviceable condition in accordance with the District's adopted Resource Management Policies standards and Open Space Maintenance and Restoration program.
Patrol:	Routinely patrol Property using the existing dirt access roads.
Resource Management:	Maintain the Property in its natural condition. Conduct plant and animal management activities consistent with the District's adopted Resource Management Policies, Integrated Pest Management Program Guidance Manual, Open Space Maintenance and Restoration Program, Wildland Fire Resiliency Program, Best Management Practices, and regulatory permits as needed.
Water Resources:	Protect the creeks on the Property consistent with the District's adopted Resource Management Policies and Best Management Practices.
Wildfire Fuel Management:	Implement standard District-wide fuel management and defensible space practices consistent with the District's adopted Wildland Fire Resiliency Program.

CEQA COMPLIANCE

Project Description

The project consists of the purchase of the 59.28-acre Property as an addition to the District's open space preserve system, as set forth in the Purchase and Sale Agreement, and the concurrent adoption of a PUMP. The adoption of a PUMP establishes a status quo land management approach, with no expansion or changes to the Property's existing use as open space and maintains it in a natural condition. As directed in the proposed PUMP, maintenance and minor resource management activities will be conducted in accordance with adopted District policies and programs and their associated CEQA documents.

CEQA Determination

The District concludes that this project will not have a significant effect on the environment. It is categorically exempt from the California Environmental Quality Act (CEQA) under Article 19, Sections 15301, 15316, and 15325 of the CEQA Guidelines as follows:

Section 15301 exempts the repair, maintenance, or minor alteration of existing public or private structures, facilities, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. The PUMP will maintain the Property as status quo with no expansion to its existing use as open space. The PUMP includes maintenance of the existing roads as necessary, as well as maintenance of or minor alterations to the property for wildland fuel management and other natural resource management activities in

accordance with the District’s adopted policies and programs and their associated CEQA documents.

Section 15316 exempts the acquisition of land in order to create parks if the land is in a natural condition, and the management plan proposes to keep the area in a natural condition. The PUMP for the Property specifies that the land will remain in a natural condition and will be designated as an addition to the District’s La Honda Creek Open Space Preserve.

Section 15325 exempts transfers of ownership of interests in land to preserve open space. This acquisition will transfer fee ownership of the Property to the District to ensure that the open space will be preserved and incorporated into La Honda Creek Open Space Preserve.

In addition, none of the exceptions listed in Section 15300.2 apply to this project.

TERMS AND CONDITIONS

The 59.28-acre Fifths Property is proposed for purchase at a sale price of \$1,000,000 (\$16,869 per acre). The Property would be purchased as-is on an all-cash basis. Escrow would close on or before May 24, 2024.

FISCAL IMPACT

Land acquisitions brought before the Board for approval include a budget adjustment/increase to the adopted budget. If the purchase of the Fifths Property is approved, a budget increase of \$1,000,000 to the FY24 budget is required.

Fifths Property Purchase Amount <i>(including \$10,000 option deposit)</i>	\$1,000,000
Total Land purchases approved to date for FY24	\$298,000
Total FY24 Land Purchases <i>(if approved)</i>	\$1,298,000

The following table outlines the Measure AA Portfolio 15: *Regional — Redwood Protection and Salmon Fishery Conservation* allocation, costs-to-date, projected future project expenditures and projected portfolio balance remaining.

Portfolio 15: Regional — Redwood Protection and Salmon Fishery Conservation Portfolio Allocation:	\$50,728,000
Life-to-Date Spent (as of 03/13/24):	(5,413,803)
Encumbrances:	\$0
Remaining FY24 Project Budgets:	(988,612)
Future MAA15 project costs (projected through FY27):	\$0
Total Portfolio Expenditures:	(\$6,402,415)
Portfolio Balance Remaining (Proposed):	\$44,325,585

The following table outlines the Measure AA Portfolio 15 allocation, projected life of project expenditures and projected portfolio balance remaining.

Portfolio 15: Regional — Redwood Protection and Salmon Fishery Conservation Portfolio Allocation:	\$50,728,000
Projected Project Expenditures (life of project):	
15-001 Conservation Easement Upper Alpine Ranch Area	(\$2,508,695)
15-002 Conley Property Purchase	(\$509,855)
15-003 Long Ridge Property Addition	(\$14,500)
15-004 Irish Ridge Land Conservation	(\$77,768)
15-005 Upper La Honda Creek Land Conservation (Eberhard)	(\$2,291,597)
15-006 Fifths Property Purchase	(\$1,000,000)
Total Portfolio Expenditures:	(\$6,402,415)
Portfolio Balance Remaining (Proposed):	\$44,325,585

PRIOR BOARD AND COMMITTEE REVIEW

The Real Property Committee did not review the purchase due to the compressed timeline of this acquisition.

PUBLIC NOTICE

Public notice was provided as required by the Brown Act, and a copy of this agenda was mailed to property owners of land located adjacent to or surrounding the Property.

NEXT STEPS

Upon approval by the Board, staff would proceed with the close of escrow for the purchase of the Property by May 24, 2024, and take the next steps identified in the PUMP as contained in this report. The District's Skyline Field Office would manage the property as an addition to the La Honda Creek Open Space Preserve.

Attachments

1. Resolution Authorizing Acceptance of Purchase and Sale Agreement, Amending the Fiscal Year 2023-24 General Fund Capital Budget, Authorizing the General Manager or Other Officer to Execute Certificate of Acceptance of Grant to District, and Authorizing the General Manager to Execute any and all Other Documents Necessary or Appropriate to Closing of the Transaction (La Honda Creek Open Space Preserve - Lands of Fifths)
2. Fifths Property Location Map

Responsible Department Head:
Allen Ishibashi, Real Property Manager

Prepared by:
Aaron Peth, Real Property Planner

Contact person:
Aaron Peth, Real Property Planner

Graphics prepared by:
Lilian Amaral, GIS Intern

RESOLUTION 24-__

RESOLUTION OF THE BOARD OF DIRECTORS OF MIDPENINSULA REGIONAL OPEN SPACE DISTRICT AUTHORIZING EXECUTION OF PURCHASE AND SALE AGREEMENT, AMENDING THE FISCAL YEAR 2023-24 GENERAL FUND CAPITAL BUDGET, AUTHORIZING GENERAL MANAGER OR OTHER APPROPRIATE OFFICER TO EXECUTE CERTIFICATE OF ACCEPTANCE AND GRANT TO DISTRICT, AND AUTHORIZING GENERAL MANAGER TO EXECUTE ANY AND ALL OTHER DOCUMENTS NECESSARY OR APPROPRIATE TO CLOSING OF THE TRANSACTION (LA HONDA CREEK OPEN SPACE PRESERVE - LANDS OF FIFTHS APN 083-351-010)

The Board of Directors of Midpeninsula Regional Open Space District does hereby resolve as follows:

SECTION ONE. The Board of Directors of Midpeninsula Regional Open Space District (District) does hereby accept the offer contained in that certain Purchase and Sale Agreement (Agreement) between BF Martha, LLC, a Delaware limited liability company, an undivided 29/140 interest; BF CHILDREN, LLC, a Delaware limited liability company, an undivided 3/70 interest; The Michael C. Callan, Jr. July 23, 2020 Living Trust, an undivided 6.25% interest; James D. Callan, an undivided 6.25% interest; Pamela L. Callan, an undivided 6.25% interest; John T. Callan, an undivided 6.25% interest; Gladys Ann Callan, Sole Trustee under Trust Agreement dated June 1, 1970, an undivided 25% interest; Helen J. Carey, Trustee of the Non-Exempt Marital Trust portion of the Isabella Trust dated November 6, 2001, an undivided 12.5% interest and Helen J. Carey, Trustee of the Survivor's Trust portion of the Isabella Trust dated November 6, 2001, as to an undivided 12.5% interest, and the Midpeninsula Regional Open Space District, a copy of which Agreement is attached hereto and by reference made a part hereof, and authorizes the President of the Board of Directors, General Manager, or other appropriate officer to execute the Agreement and all related transactional documents on behalf of the District to acquire the real property described therein, Assessor's Parcel Number 083-351-010 (Fifths Property).

SECTION TWO. The Board of Directors of Midpeninsula Regional Open Space District authorizes the expenditure of \$1,000,000.00 covering the purchase of the Fifths Property, including a deposit of \$10,000.00.

SECTION THREE. The Board of Directors of Midpeninsula Regional Open Space District does hereby amend the Budget and Action Plan for the Midpeninsula Regional Open Space District for Fiscal Year 2023-24 by increasing the Measure AA Fund Capital budget in the amount of \$1,000,000.00. Except as herein modified, the FY 2023-24 Budget and Action Plan, Resolution No. 23-10 as amended, shall remain in full force and effect.

SECTION FOUR. The General Manager, President of the Board of Directors, or other appropriate officer is authorized to execute a Certificate of Acceptance and the Grant Deed on behalf of the District.

SECTION FIVE. The General Manager or the General Manager's designee (Real Property Manager) is authorized to provide notice of acceptance to the seller, execute all escrow docs, and to extend escrow if necessary.

SECTION SIX. The General Manager or the General Manager’s designee (Real Property Manager) is authorized to expend up to \$10,000.00 to cover the cost of title insurance, escrow fees, survey and miscellaneous costs related to this transaction.

SECTION SEVEN. The General Manager and General Counsel are further authorized to approve any technical revisions to the attached Agreement and documents, which do not involve any material change to any term of the Agreement or documents, which are necessary or appropriate to the closing or implementation of this transaction.

* * * * *

PASSED AND ADOPTED by the Board of Directors of the Midpeninsula Regional Open Space District on April 10, 2024, at a regular meeting thereof, by the following vote:

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

ATTEST:

APPROVED:

Curt Riffle, Secretary
Board of Directors

Margaret MacNiven, President
Board of Directors

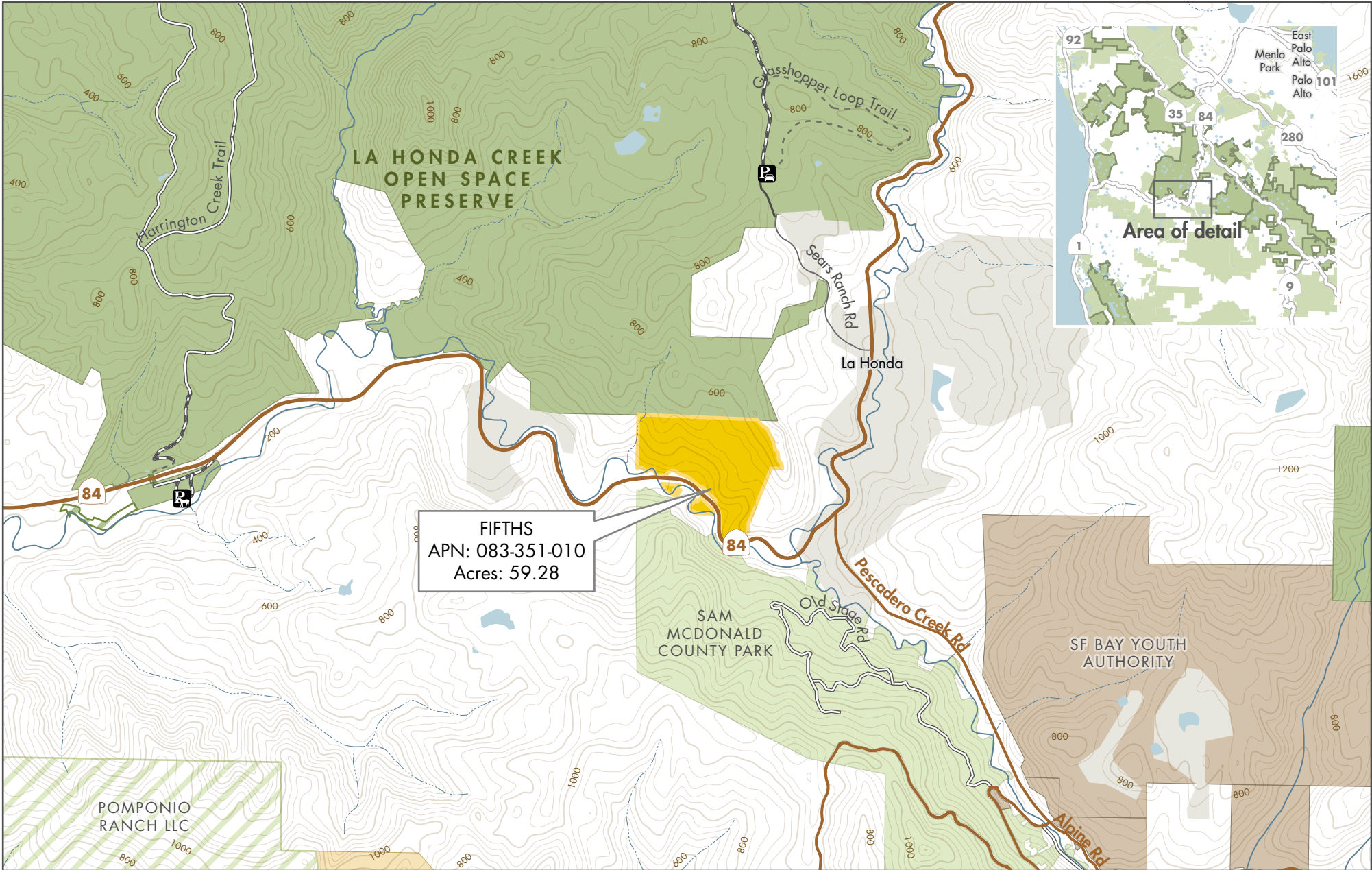
APPROVED AS TO FORM:

Hilary Stevenson, 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.

Maria Soria, District Clerk

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Fifths Property

- | | | |
|---|---|---|
|  Midpen preserves |  Fifths property |  Paved road |
|  Other protected lands |  Other public agency |  Unpaved all-season road |
|  Private property |  Urban Land |  Unpaved seasonal road |
|  Land trust | |  Trail |

Midpeninsula Regional
Open Space District
(Midpen)
2/9/2024



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.