

DEPARTMENT OF FISH AND GAME

**WILDLIFE CONSERVATION BOARD**

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State of California  
 The Resources Agency  
 Department of Fish and Game  
**WILDLIFE CONSERVATION BOARD**  
 Minutes  
 August 12, 2004

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## **WILDLIFE CONSERVATION BOARD**

August 12, 2004

The Wildlife Conservation Board met on Thursday, August 12, 2004, in Room 4202 of the State Capitol in Sacramento, California. The meeting was called to order at 12:03 P.M. by Mr. Jim Kellogg, Chairman of the Board and President of the Fish and Game Commission. At this time he introduced the Board and Joint Legislative Interim Advisory Committee Members present. He then turned the meeting over to Mr. Al Wright, Executive Director. Mr. Wright explained the Board meeting was scheduled to be relocated to a hearing room across the street from the Capitol and yesterday afternoon he was informed Room 4203 in the Capitol would be available today at 10:00 A.M. after all. Mr. Wright commented that due to the lengthy Board agenda, he decided to use Room 4203 but unfortunately were delayed access to that room this morning, resulting in the Board meeting now being held in Room 4202. He apologized for the confusion regarding the rooms and for the delay in starting the meeting. He advised the audience that staff posted a sign outside the hearing room that the Hearst Ranch proposal would be considered beginning at 2:00 P.M. He acknowledged that many people traveled a long distance to share their thoughts about that project and delaying the afternoon session by an hour would still allow time for testimony.

### 1. Roll Call

#### WILDLIFE CONSERVATION BOARD MEMBERS

Jim Kellogg, Chairman

President, Fish and Game Commission

L. Ryan Broddrick, Member

Director, Department of Fish and Game

Dave Harper, Deputy Director, Legislation

Vice, Donna Arduin, Member

Director, Department of Finance

#### JOINT LEGISLATIVE INTERIM ADVISORY COMMITTEE

Senator Byron Sher

Assembly Member Hannah-Beth Jackson

Jeff Arthur,

Vice, Assembly Member Hannah-Beth Jackson

Mary Morgan,

Vice, Assembly Member Patty Berg

Adrian Alvord,

Vice, Assembly Member Fran Pavley

#### EXECUTIVE DIRECTOR

Al Wright

Staff Present: Al Wright, Executive Director  
John P. Donnelly, Assistant Executive Director  
Dave Means, Assistant Executive Director  
William Gallup, Senior Land Agent  
Steven Christensen, Senior Land Agent  
Linda Drake, Senior Land Agent  
Randy Nelson, Senior Land Agent  
Terri Muzik, Associate Land Agent  
Marilyn Cundiff, Public Land Management Specialist  
Bonnie Turner, Public Land Management Specialist  
Peter Perrine, Wetlands Program Manager  
Scott Clemons, Riparian Program Manager  
Tony Chappelle, Public Land Management Specialist  
Roxanne Woodward, Budget Officer  
Ajit Bindra, Associate Budget Analyst  
Gary Cantrell, Research Analyst  
Ken Morefield, Research Analyst  
Jennifer Smith, Staff Services Analyst  
Maureen Rivera, Executive Assistant  
Jan Beeding, Office Technician  
Elena Salas, Secretary  
Mary Grande, Secretary

Others Present: Please refer to attached sign-in sheets. (Attachment A)

2. Funding Status as of August 12, 2004 (Informational)

(This item includes 2004-05 Fiscal Year appropriations. These appropriations are contingent upon approval of the Budget Act.)

(a) 2004-05 Wildlife Restoration Fund Capital Outlay Budget

Governor's Budget - Minor Projects.....	\$500,000.00
Less Previous Board Allocations .....	(0.00)
Unallocated Balance .....	\$500,000.00

(b) 2004-05 Habitat Conservation Fund Capital Outlay Budget

Governor's Budget.....	\$20,577,000.00
Less Previous Board Allocations .....	(0.00)
Unallocated Balance .....	\$20,577,000.00

(c) 2003-04 Habitat Conservation Fund Capital Outlay Budget

Governor's Budget..... \$20,620,000.00  
Less Previous Board Allocations .....(1,719,000.00)  
Unallocated Balance..... \$18,901,000.00

(d) 2002-03 Habitat Conservation Fund Capital Outlay Budget

Governor's Budget..... \$20,664,000.00  
Less Previous Board Allocations .....(7,033,078.00)  
Unallocated Balance..... \$13,630,922.00

(e) 2000-01 Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Fund Capital Outlay Budget

Governor's Budget (2003-04 Reappropriation)  
(San Joaquin River Conservancy Projects) ..... \$14,562,000.00  
Less Previous Board Allocations .....(11,582,402.31)  
Unallocated Balance..... \$2,979,597.69

(f) 1999-00 Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund Capital Outlay Budget

Continuously Appropriated [Sec. 5096.350 (a)(1), (2), (4) & (7)] ... \$36,100,000.00  
Less Previous Board Allocations .....(24,572,560.39)  
Unallocated Balance..... \$11,527,439.61

(g) 2004-05 California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Bond Fund Capital Outlay Budget

Governor's Budget (San Joaquin River Conservancy Projects)..... \$11,000,000.00  
Less Previous Board Allocations .....(0.00)  
Unallocated Balance..... \$11,000,000.00

(h) 2003-04 California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Bond Fund Capital Outlay Budget

Governor's Budget (San Joaquin River Conservancy Projects)..... \$8,500,000.00  
Less Previous Board Allocations .....(0.00)  
Unallocated Balance..... \$8,500,000.00

(i) 2002-03 California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Bond Fund Capital Outlay Budget

Governor's Budget (San Joaquin River Conservancy Projects)..... \$2,500,000.00  
Less Previous Board Allocations .....(0.00)  
Unallocated Balance ..... \$2,500,000.00

Chapter 983, Statutes of 2002 ..... \$4,800,000.00  
Less Previous Board Allocations .....(0.00)  
Unallocated Balance ..... \$4,800,000.00

Chapter 984, Statutes of 2002 ..... \$19,200,000.00  
Less Previous Board Allocations .....(2,465,000.00)  
Unallocated Balance ..... \$16,735,000.00

(j) 2001-02 California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Bond Fund Capital Outlay Budget

Continuously Appropriated (Section 5096.650) ..... \$273,000,000.00  
Less Previous Board Allocations .....(97,094,791.07)  
Unallocated Balance ..... \$175,905,208.93

(k) 2004-05 Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 Capital Outlay Budget (Section 79568)

Governor's Budget..... \$13,250,000.00  
Less Previous Board Allocations .....(0.00)  
Unallocated Balance ..... \$13,250,000.00

(l) 2003-04 Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 Capital Outlay Budget (Section 79568)

Governor's Budget..... \$32,500,000.00  
Less Previous Board Allocations .....(31,425,135.00)  
Unallocated Balance ..... \$1,074,865.00

(m) 2002-03 Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 Capital Outlay Budget

Continuously Appropriated (Sections 79565 and 79572)..... \$814,350,000.00  
Less 2003-04 Budget Act Transfer to HCF from Section 79565 .... (21,000,000.00)  
Less 2004-05 Budget Act Transfer to HCF from Section 79565 .... (21,000,000.00)  
Less Previous Board Allocations ..... (442,371,290.73)  
Unallocated Balance ..... \$329,978,709.27

(n) 2003-04 Oak Woodlands Conservation Fund Capital Outlay Budget

Governor's Budget (Pursuant to Chapter 588, Statutes of 2001)..... \$5,000,000.00  
Less Previous Board Allocations ..... (0.00)  
Unallocated Balance ..... \$5,000,000.00

**RECAP OF FUND BALANCES**

Wildlife Restoration Fund (a) ..... \$500,000.00  
Habitat Conservation Fund (b), (c) and (d) ..... \$53,108,922.00  
Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal  
Protection Bond Fund (e) and (f) ..... \$14,507,037.30  
California Clean Water, Clean Air, Safe Neighborhood Parks  
and Coastal Protection Bond Fund (g), (h), (i) and (j) ..... \$219,440,208.93  
Water Security, Clean Drinking Water, Coastal and  
Beach Protection Fund of 2002 (k), (l) and (m)..... \$344,303,574.27  
Oak Woodlands Conservation Fund (n)..... \$5,000,000.00

**RECAP OF NATURAL HERITAGE PRESERVATION TAX CREDIT ACT OF 2000**

Natural Heritage Preservation Tax Credit Act of 2000

Total Tax Credit Available, Chapter 113, Statutes of 2000 ..... \$100,000,000.00  
Less Previous Board Approved Tax Credit for Donated Property .. (33,241,234.00)  
Tax Credit Available..... \$66,758,766.00

3. Special Project Planning Account Informational

The Board has historically used a special project account to provide working funds for staff evaluation (appraisals, engineering, preliminary title reports, etc.) of proposed projects. Upon Board approval of a project, all expenditures incurred and recorded in the Special Project Planning Account are transferred to the Board approved project account which reduces the Special Project Planning Account expenditures. This procedure, therefore, acts as a revolving account for the pre-project expenses.

Some appropriations now made to the Board do not include a specific budgeted planning line item appropriation necessary to begin a project without prior Board authorization. Pre-project costs are a necessary expenditure in most all capital outlay projects. The Special Project Planning Account would be used for these costs.

The Board, at the May 6, 1986 meeting, authorized the Executive Director to use up to 1 percent of a budgeted appropriation to set up and maintain an appropriate planning account with the provision it would be reported to the Board as an informational item at the next meeting.

Accordingly, a planning account has been set up as follows:

Habitat Conservation Fund .....	\$70,000.00
California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund .....	\$20,000.00
Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 .....	\$20,000.00



4. Proposed Consent Calendar (Items 5-21)

Mr. Wright reported that consent item number 16, a proposed acquisition on the Sacramento River, was withdrawn from consideration at this time. He explained that last week it was discovered during a conversation with the State Lands Commission that there may be a State claim of sovereign lands on that property. He advised that staff will work on clarifying this issue and may bring the proposal back to the Board for consideration at a later date.

Mr. Wright asked if there were any questions or comments.

Assembly Member Hannah-Beth Jackson commented on consent item number 9, Ellwood Mesa Augmentation, expressing her appreciation to the Board for its work on this proposal and its visionary approach to helping protect one of the most beautiful areas in California, which also happens to be in her Assembly District. She explained that the importance of the Ellwood Mesa Project should not be understated as it is a Monarch Butterfly reserve, a critical component of habitat in that area, linking that coastal area with the central coast of California. She extended her personal appreciation as well as the appreciation for her constituents who recognize the value of this property and the importance of the work of the Board. She again thanked the Board for its work on this proposal and commitment to the Gaviota Coast area.

Mr. Wright expressed his appreciation to Assembly member Jackson for her continued strong support for the projects in this area.

Mr. Wright stated the Board received a request from Ms. Kristen Castanos to address the Board regarding consent item 16. Ms. Castanos was no longer in the audience. Mr. Wright reported that the proposal had been withdrawn from consideration at this meeting.

**It was moved by Mr. Ryan Broddrick that the Board approve Consent Calendar items 5 through 21, as proposed in the individual agenda explanations, excluding item 16, and including funding as noted therein.**

**Motion Carried.**

\*5. Approval of Minutes – May 13, 2004 Meeting

**As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Ryan Broddrick that the Board approve the minutes of the May 13, 2004, Wildlife Conservation Board meeting. Motion carried.**

\*6. Recovery of Funds, August 12, 2004

The following projects previously authorized by the Board are now completed, and some have balances of funds that can be recovered and returned to their respective funds. It was recommended that the following totals be recovered and that the projects be closed.

- \$0.00** to the **General Fund**
- \$417,729.73** to the **Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond**
- \$153,657.11** to the **Habitat Conservation Fund**
- \$247,596.63** to the **California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund**
- \$7,393.48** to the **Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002**

**GENERAL FUND**

San Joaquin River Restoration Augmentation (Parkway Exotics Removal), Fresno and Madera Counties

Allocated	\$88,842.77
Expended	<u>-88,842.77</u>
Balance for Recovery	\$0.00

**Total General Fund** **\$0.00**

**SAFE NEIGHBORHOOD PARKS, CLEAN WATER, CLEAN AIR, AND COASTAL PROTECTION BOND FUND**

Chorro Creek Ecological Reserve, San Luis Obispo County

Allocated	\$2,910,000.00
Expended	<u>-2,517,846.50</u>
Balance for Recovery	\$392,153.50

Mattole River (Upper Tract), Humboldt County

Allocated	\$220,000.00
Expended	<u>-218,318.00</u>
Balance for Recovery	\$1,682.00

Port Hueneme Fishing Pier Improvements, Ventura County

Allocated	\$200,135.00
Expended	<u>-200,105.00</u>
Balance for Recovery	\$30.00

Project Planning

Allocated	\$20,000.00
Expended	<u>-0.00</u>
Balance for Recovery	\$20,000.00

Rancho Corral de Tierra, San Mateo County

Allocated	\$5,003,000.00
Expended	<u>-5,002,208.00</u>
Balance for Recovery	\$792.00

San Joaquin River Restoration Augmentation (Parkway Exotics Removal),  
Fresno and Madera Counties

Allocated	\$61,157.23
Expended	<u>-58,085.00</u>
Balance for Recovery	\$3,072.23

Watsonville Slough (Buena Vista Unit), Santa Cruz County

Allocated	\$2,288,000.00
Expended	<u>-2,288,000.00</u>
Balance for Recovery	\$0.00

**Total Safe Neighborhood Parks, Clean Water,                    \$417,729.73**  
**Clean Air, and Coastal Protection Bond Fund**

**HABITAT CONSERVATION FUND**

Ash Creek Wildlife Area, Expansion 3, Lassen and Modoc Counties

Allocated	\$677,190.00
Expended	<u>-676,188.00</u>
Balance for Recovery	\$1,002.00

Carrizo Plain Ecological Reserve, Expansion 4, American Ranch Unit,  
San Luis Obispo County

Allocated	\$346,000.00
Expended	<u>-345,590.20</u>
Balance for Recovery	\$409.80

Riparian Habitat Restoration, American River Parkway, Sacramento County

Allocated	\$260,000.00
Expended	<u>-260,000.00</u>
Balance for Recovery	\$0.00

Riparian Habitat Restoration, Fall River (Whipple Ranch), Shasta County

Allocated	\$50,000.00
Expended	<u>-30,402.65</u>
Balance for Recovery	\$19,597.35

San Joaquin River Restoration (Parkway Exotics Removal),  
Fresno and Madera Counties

Allocated	\$17,060.00
Expended	<u>-17,060.00</u>
Balance for Recovery	\$0.00

Stone Corral Ecological Reserve, Expansion 3, Tulare County

Allocated	\$21,650.00
Expended	<u>-7,492.71</u>
Balance for Recovery	\$14,157.29

Wetland Habitat Restoration, Honey Lake Valley (Honey Lake Ranch),  
Lassen County

Allocated	\$103,000.00
Expended	<u>-103,000.00</u>
Balance for Recovery	\$0.00

Wetland Habitat Restoration, Honey Lake Valley (Honker Heaven),  
Lassen County

Allocated	\$62,000.00
Expended	<u>-0.00</u>
Balance for Recovery	\$62,000.00

Wetland Habitat Restoration, Honey Lake Valley (Wild Goose Club),  
Lassen County

Allocated	\$76,000.00
Expended	<u>-76,000.00</u>
Balance for Recovery	\$0.00

Wetland Habitat Restoration, Napa Marsh Wildlife Area, Huichica Creek Unit,  
Napa and Sonoma Counties

Allocated	\$71,000.00
Expended	<u>-52,615.50</u>
Balance for Recovery	\$18,384.50

Wetland Habitat Restoration, North Grasslands (Featherston),  
Merced County

Allocated	\$83,000.00
Expended	<u>-44,893.83</u>
Balance for Recovery	\$38,106.17

Wetland Habitat Restoration, Volta Wildlife Area, Merced County

Allocated	\$67,000.00
Expended	<u>-67,000.00</u>
Balance for Recovery	\$0.00

Yolo Bypass Wildlife Area, Expansion 6, Yolo County

Allocated	\$180,000.00
Expended	<u>-180,000.00</u>
Balance for Recovery	\$0.00

**Total Habitat Conservation Fund** **\$153,657.11**

**CALIFORNIA CLEAN WATER, CLEAN AIR, SAFE NEIGHBORHOOD  
PARKS, AND COASTAL PROTECTION FUND**

Alberhill Conservation Area, Expansion 1, Riverside County

Allocated	\$5,010,000.00
Expended	<u>-4,998,657.37</u>
Balance for Recovery	\$11,342.63

Commander South Tract, Glenn and Lake Counties

Allocated	\$7,270,000.00
Expended	<u>-7,033,746.00</u>
Balance for Recovery	\$236,254.00

**Total California Clean Water, Clean Air, Safe  
Neighborhood Parks, and Coastal Protection Fund** **\$247,596.63**

**WATER SECURITY, CLEAN DRINKING WATER, COASTAL AND BEACH  
PROTECTION FUND OF 2002**

Morro Dunes Ecological Reserve, South Unit, San Luis Obispo County

Allocated	\$916,000.00
Expended	<u>-914,861.00</u>
Balance for Recovery	\$1,139.00

Owens Lake Wildlife Area, Cartago Springs Unit, Inyo County

Allocated	\$958,000.00
Expended	<u>-951,775.52</u>
Balance for Recovery	\$6,224.48

South Fork Kern River (Schaeffer Fish Barrier Improvements), Tulare County

Allocated	\$1,181,539.00
Expended	<u>-1,181,509.00</u>
Balance for Recovery	\$30.00

**Total Water Security, Clean Drinking Water,  
Coastal and Beach Protection Fund of 2002** **\$7,393.48**

**As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Ryan Broddrick that the Board approve the recovery of funds for the projects listed on pages 8 through 12 of these minutes and close the projects accounts. Recovery totals include \$0.00 to the General Fund, \$417,729.73 to the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund, \$153,657.11 to the Habitat Conservation Fund, \$247,596.63 to the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund and \$7,393.48 to the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002. Motion carried.**

\*7. Fund Transfer of Various Projects \$11,752,015.00

The Board requested a fund shift from the 2003-04 Fiscal Year appropriation to the 2004-05 Fiscal Year appropriation of Proposition 50 funds from Water Code Section 79568 for the Lower Colorado River Ecological Reserve, Riverside County to allow the Board to accommodate future funding needs for the Salton Sea. In addition, the Board requested a \$352,015.00 fund shift from Proposition 12 to Proposition 40 for the Wetlands and Wildlife Care Center, Orange County to allow the Board to fulfill its previous grant obligation to the Huntington Beach Wetlands Conservancy.

Project Name and County	Board Approval Date	Amount
Lower Colorado River Ecological Reserve, Riverside County	02/19/04	\$11,400,000.00
Wetlands and Wildlife Care Center, Orange County	02/27/02	\$352,015.00

Staff recommended the Board approve these fund shifts as proposed; allocate \$11,400,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79568, and \$352,015.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop. 40), Section 5096.650; authorize staff to enter into appropriate agreements necessary to accomplish these fund shifts; and authorize staff to proceed substantially as planned.

**As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Ryan Broddrick that the Board approve these fund shifts as proposed; allocate \$11,400,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79568, and \$352,015.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop. 40), Section 5096.650; authorize staff to enter into appropriate agreements necessary to accomplish these fund shifts; and authorize staff to proceed substantially as planned.**

**Motion carried.**

- \*8. Alberhill Conservation Area, Expansion 2, \$5,000.00  
Riverside County

This proposal was to consider the acceptance of a Habitat Conservation Plan (HCP) Land Acquisition Grant from the U.S. Fish and Wildlife Service (USFWS) in the amount of \$952,425.00, and the approval of an agreement to Subgrant those funds to the County of Riverside to facilitate the acquisition of 113± acres in the Alberhill Conservation Area, Riverside County. Acquisition of the real property will preserve a regionally-significant wildlife corridor and protect threatened and endangered wildlife, native plants and further implement joint federal, state and local Natural Community Conservation Planning (NCCP) efforts in western Riverside County.

The conservation area is located in the Temescal Valley, between the cities of Corona and Lake Elsinore. This area begins approximately five miles south of Corona, extends linearly in a southeast direction for approximately six miles, and is bounded on the south by the northernmost extend of the City of Lake Elsinore. The property itself is located south of State Highway 74 and east of Ramsgate Drive within the City of Lake Elsinore.

The Alberhill Conservation Area is strategically important to the development of the County's recently approved Multiple Species Habitat Conservation Plan (MSHCP). Acquisition of the property is an important addition to the establishment of a regionally-significant wildlife corridor which straddles Interstate 15, and extends from the Cleveland National Forest on the west to the Lake Mathews-Estelle Mountain Reserve to the northeast. The majority of the property is dominated by Riversidean sage scrub, an important habitat for several native species such as the California gnatcatcher, Quino checkerspot butterfly and least Bell's vireo. Other upland riparian habitats found on the property include the Diegan coastal sage scrub, chamise chaparral, riparian scrub, riparian forest, southern willow scrub and southern cottonwood willow.

The County will own the property and proposes to manage the site primarily to preserve threatened and endangered species and to conserve biodiversity. Additional management objectives may include providing public access for recreational pursuits such as fishing and hiking as well as educational opportunities through interpretive kiosks and signs.

The fair market value of the subject property, as determined by the appraisal approved by the Department of General Services (DGS), is \$2,980,000.00. The property owner has agreed to sell the property to the County of Riverside at a bargain sale of \$1,904,850.00. To fund this cooperative project, the USFWS has



awarded an HCP Land Acquisition Grant for the acquisition of the property, in the amount of \$952,425.00. Staff proposes that the Wildlife Conservation Board (WCB) approve the acceptance of this grant and approve an Agreement to Subgrant these federal funds to the County of Riverside to be applied toward their purchase. The balance of the funding will be matched by the County in the amount of \$952,425.00. It is estimated that \$5,000.00 will be needed for project expenses, including the DGS' appraisal review costs, and staff recommends that the WCB approve an allocation to cover these costs.

The terms and conditions of the proposed Agreement to Subgrant provide that Department of Fish and Game will review and approve the property being proposed for acquisition by the County. The grant further provides that staff will review all proposed title documents, appraisals, preliminary title reports, agreements for purchase and sale, escrow instructions and the instruments of conveyance prior to disbursement of funds directly into the County's escrow account for the purchase of this property.

The proposed acquisition is exempt from the California Environmental Quality Act under Section 15313, Class 13, as the acquisition of lands for fish and wildlife conservation purposes, and under Section 15325, Class 25, as the transfer of ownership in land to preserve open space, habitats or historical resources. Subject to approval by the WCB, the appropriate Notice of Exemption will be filed with the State Clearinghouse.

Staff recommended that the Board authorize acceptance of the U. S. Fish and Wildlife Services' Habitat Conservation Plan Land Acquisition Grant in the amount of \$952,425.00, and the approval of an Agreement to Subgrant those funds, as proposed; allocate \$5,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop. 40), Section 5096.650, for related project expenses; authorize staff to enter into appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

**As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Ryan Broddrick that the Board authorize acceptance of the U. S. Fish and Wildlife Services' Habitat Conservation Plan Land Acquisition Grant in the amount of \$952,425.00, and the approval of an Agreement to Subgrant those funds, as proposed; allocate \$5,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop. 40), Section 5096.650, for related project expenses; authorize staff to enter into appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned. Motion carried.**

- \*9. Ellwood Mesa Augmentation, Santa Barbara County \$2,000,000.00

This was a proposal to consider an augmentation of a grant to the City of Goleta, authorized by the Wildlife Conservation Board (WCB) on February 19, 2004, in the amount of \$4,010,000.00 for a cooperative project with the State Coastal Conservancy and the Trust for Public Land (TPL) to assist with the City's acquisition of 136± acres located on the Pacific Ocean coastline of the West Goleta Valley, in the City of Goleta.

The subject property is adjacent to the Coal Oil Point Reserve and University of Santa Barbara Open Space to the south and east, the Coronado Butterfly Preserve to the north and the Santa Barbara Shores Park to the west.

The property contains coastal shoreline, riparian, vernal pool, native grassland, coastal sand dune and coastal bluff scrub communities. Also on the property are internationally significant eucalyptus groves that support thousands of monarch butterflies. Each year in early October, the butterflies flock to Ellwood Mesa in the course of their winter migration. As many as 60,000 golden-winged insects travel from as far as Canada, across the Sierra Nevada, to the shelter of the eucalyptus groves on the bluff.

The subject property also contains Devereux Creek, which runs along the northern boundary of the property and a network of vernal pools. Both of these attract a variety of waterfowl and wading birds, including herons, egrets and cinnamon teal. The vast grassland hosts a range of fauna and an estimated 200 species of birds, including the white-tailed kite, northern harrier and burrowing owl. Devereux Creek is the primary source of freshwater for Devereux Slough, one of three large, coastal estuaries remaining on the South Coast of Santa Barbara County and the largest estuary on the Gaviota Coast. The Devereux Slough is an important breeding and winter roosting location for the federally threatened and State Species of Special Concern western snowy plover.

A popular coastal trail also runs along the bluff for the length of the subject property and continues into the open space on the mesa's eastern and western boundaries, spanning a two-mile corridor of undeveloped coast. The land is privately owned and plans for major development are underway. Acquisition by the City of Goleta will ensure continued public access for year-round, passive recreational uses such as hiking, picnicking or just enjoying the spectacular views afforded by the mesa.

The TPL is spearheading the fundraising efforts for this complex transaction as well as partnering with the City of Goleta on a two-pronged acquisition strategy that includes cash compensation through a mix of public and private funds, for a portion of the subject property's appraised value in exchange for developable land located at the northwestern corner of the City-owned Santa Barbara Shores Park. Development to take place in the exchanged area will be subject to standard planning procedures and approvals, as required by the City of Goleta and the Coastal Commission. The TPL has entered into an agreement to purchase the subject property from the current landowners. Once the acquisition of the subject property is completed, TPL will transfer the land to the City of Goleta to be managed for the dual purposes of habitat preservation and passive public recreation.

Both the exchange property and the subject property have been appraised. The appraisals were reviewed and approved by the Department of General Services to determine the fair market value of each property. The landowner has agreed to sell the property for the appraised, approved fair market value.

The TPL has raised approximately \$10,000,000.00 toward the \$19,750,000.00 purchase from a variety of sources, including a community fundraising campaign aimed at private donors, the Coastal and Estuarine Land Conservation Program administered by the National Oceanic and Atmospheric Administration, Santa Barbara County's Coastal Resource Enhancement Fund, the Department of Parks and Recreation's Habitat Conservation Fund and the Environmental Enhancement and Mitigation Program administered by Caltrans. Given Ellwood Mesa's tremendous resources and statewide significance as the eastern gateway to the Gaviota Coast, TPL also requested funds from two State conservation agencies--the State Coastal Conservancy and the WCB. Staff proposes that the Board approve an augmentation of \$2,000,000.00 to the grant approved February 19, 2004, to help close the gap that still exists for this project.

This proposed acquisition is exempt from the California Environmental Quality Act under Section 15313, Class 13, as acquisition of land for wildlife conservation purposes, and under Section 15325, Class 25, as the transfer of ownership interest in land to preserve open space. Subject to approval by the WCB, a Notice of Exemption will be filed with the State Clearing House.

Staff recommended that the Board approve this augmentation as proposed; allocate \$2,000,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79572 (a), to assist in the acquisition of the Ellwood Mesa; authorize staff to enter into appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

**As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Ryan Broddrick that the Board approve this augmentation as proposed; allocate \$2,000,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79572 (a), to assist in the acquisition of the Ellwood Mesa; authorize staff to enter into appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.**

**Motion carried.**

- \*10. Pismo Lake Ecological Reserve \$5,000.00  
(Transfer of Jurisdiction of State-owned Real Property),  
San Luis Obispo County

This proposal was to consider the transfer of four State-owned parcels totaling 66± acres, identified as the Pismo Lake Ecological (Reserve), located south of Highway 101 within the City of Pismo Beach, to the State Department of Parks and Recreation (DPR) in order to consolidate State resources for more efficient management and to provide additional public access consistent with other DPR lands located in the area.

The Reserve is a marsh located in southern San Luis Obispo County. Located partially within the city limits of Pismo Beach on the north, Grover City on the south, U.S. Highway 101 on the east and bounded by the Southern Pacific railroad along the western boundary, the Reserve is almost completely surrounded by urban development. Pismo Lake is a freshwater marsh located in the Meadow Creek Drainage, a small watershed of approximately seven square miles. The lake is bordered with trees along most of the southern and northern shore. Willow is the dominant tree, with eucalyptus and coastal live oak in decreasing abundance.

The initial acquisition in 1977 consisted of 50± acres to preserve freshwater marsh habitat in the Meadow Creek Drainage which is in critically short supply. The area was established as an ecological reserve by the Fish and Game Commission on December 9, 1977. An additional 15± acres was acquired in 1981, as a dedication under a coastal development permit pursuant to the California Coastal Act of 1976.

Surrounded by urban development, this relatively small reserve is within close proximity to other DPR owned managed lands. Transfer of this property to the DPR will allow them to provide public access and to develop trails and facilities to their adjacent Pismo Beach-North Beach Campground and Monarch Preserve,

located on the west side of Highway 1. The DPR proposes to manage the property in conjunction with their existing holdings and to open the area to the public for nature study, bird watching and scientific and educational studies. It is anticipated that the increased management presence by DPR will resolve the current illegal uses of the property.

The DFG approved a Lands Disposal Evaluation which highly recommends the transfer of these parcels to a public entity. The property has not been appraised since the transfer will be to a State agency that will maintain the property in its current state as an ecological reserve. However, it is estimated that \$5,000.00 will be required for administrative expenses including escrow and title fees and DGS' review costs. Staff of the Wildlife Conservation Board (WCB) has entered into an agreement to transfer the property, at no-cost, to the DPR.

The proposed acquisition is exempt from the California Environmental Quality Act under Section 15316, Class 16, as the transfer of land to establish a park where the land is left in a natural condition and the management plan proposes to keep the area in a natural condition or preserve the historic or archaeological resources and Section 15325, Class 25, as a transfer of ownership of interests in land in order to preserve open space. A Notice of Exemption will be filed with the State Clearinghouse upon approval by the WCB.

Staff recommended that the Board approve this transfer of State land to the Department of Parks and Recreation, as proposed; allocate \$5,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79565, to be applied toward associated costs; authorize staff to enter into the appropriate agreements as necessary to accomplish this transfer; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

**As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Ryan Broddrick that the Board approve this transfer of State land to the Department of Parks and Recreation, as proposed; allocate \$5,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79565, to be applied toward associated costs; authorize staff to enter into the appropriate agreements as necessary to accomplish this transfer; and authorize staff and the Department of Fish and Game to proceed substantially as planned.**

**Motion carried.**

- \*11. Los Banos Wildlife Area Observation Pier, Merced County \$35,000.00

This was a proposal to consider the allocation of a grant to Ducks Unlimited, Inc. (DU), for a cooperative project with the Department of Fish and Game (DFG), to construct a barrier-free observation pier and install associated amenities such as benches, trash receptacles and interpretive signage as part of a larger Interpretive Marsh project at DFG's Los Banos Wildlife Area (LBWA) located approximately two miles north of the City of Los Banos.

The LBWA is one of the oldest managed habitat areas in the State. Nearly 3,000 acres were acquired by DFG in 1929. This was the first property in the State acquired by DFG specifically to provide habitat for waterfowl and was designated as a State Wildlife Area in 1954. The Board subsequently approved five expansions of the LBWA between 1965 and 1992, thereby increasing its size to more than 6,200 acres. The Board has also approved projects on the LBWA to enhance and restore wetlands, ensure reliable water supplies, expand the visitor parking area and relocate the informational kiosk.

The LBWA is a popular destination for hunters, anglers and wildlife viewers with 30,500 visitor days recorded in 2003. The DFG and DU recently began construction of the LBWA Interpretive Marsh project which will showcase for the public, habitat restoration activities implemented on the LBWA over the last 75 years and educate the public as to the importance of the Pacific Flyway and wetlands for waterfowl. The DFG and DU are currently working to complete approximately 45± acres of wetland and associated habitat enhancement work at the proposed LBWA Interpretive Marsh. Construction activities already underway include pond excavation, levee construction, installation of water control structures and construction of a trail. The proposed WCB participation will involve funding for the construction of an observation pier at the marsh and the purchase and installation of interpretive signage, trash receptacles, benches and picnic tables.

The trail will be open to the public year-round and will be accessible directly from the main parking lot. It will consist of two separate loops, a two-thirds mile graveled surface meandering through seasonal and permanent wetlands, riparian areas and grassland/shrub complexes, and a one-third mile barrier-free loop trail that will conform to the Americans with Disabilities Act and will connect the parking lot with the observation pier and the larger loop trail. The new facilities will provide recreational and educational opportunities for hunters and non-hunters alike, and will serve as the setting for both self-guided and guided tours, field trips for schools from five surrounding counties, festivals, receptions and celebrations. It has been proposed that the new LBWA Interpretive Marsh

could become the new location for the Grassland Environmental Education Center which already provides wetland ecology field trips each year to over 1,000 students from K through twelfth grades.

Cost estimates for this proposal have been developed by DU and have been reviewed by staff as follows:

Description	WCB	DFG	Total
Observation pier	\$13,800.00		\$13,800.00
Wetland restoration and trails		\$115,000.00	\$115,000.00
Interpretive signs	\$7,000.00		\$7,000.00
Picnic tables, benches, trash receptacles	\$8,496.00		\$8,496.00
Project management	\$3,037.00		\$3,037.00
Contingencies	\$2,667.00		\$2,667.00
<b>TOTAL ESTIMATED COSTS:</b>	<b>\$35,000.00</b>		<b>\$150,000.00</b>

The DFG has reviewed this proposal and recommends it for funding by the Board. They will complete the appropriate notice to satisfy California Environmental Quality Act requirements.

Staff recommended that the Board approve this project as proposed; authorize staff to enter into appropriate agreements necessary to accomplish this project; allocate \$35,000.00 from the Wildlife Restoration Fund, Minor Capital Outlay, for project costs; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

**As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Ryan Broddrick that the Board approve this project as proposed; authorize staff to enter into appropriate agreements necessary to accomplish this project; allocate \$35,000.00 from the Wildlife Restoration Fund, Minor Capital Outlay, for project costs; and authorize staff and the Department of Fish and Game to proceed substantially as planned.**

**Motion carried**

- \*12. Soquel Demonstration State Forest, Santa Cruz County \$312,000.00

This proposal was to consider the acquisition of 8.3± acres of privately-owned land as an addition to the Department of Forestry and Fire Protection's (CDF) Soquel Demonstration State Forest (SDSF) in Santa Cruz County. The property is located along Soquel-San Jose Road, six miles north of Soquel and the City of Capitola.

The property to be acquired consists of three separate, contiguous parcels that front on Soquel-San Jose Road. Adjacent to the subject property is the 2,700± acre CDF/SDSF which abuts the northerly parcel at the tip of a pie shaped section of forest property. In order to provide convenient, public access from an easily accessible road, the CDF proposes to acquire all three parcels. Acquiring these parcels is part of an ongoing acquisition process that will involve additional land from private property owners in order to achieve the access they desire. Demonstration State Forests are parcels of timberlands purchased by the State of California and administered by the CDF. These forests are used primarily for the demonstration of sustained-yield timber management, education research and recreation.

The CDF administers the Federal Forest Legacy Grant Program and has allocated grant funds to be used for the acquisition of additional land as an expansion of the demonstration forest. This federal program is to be coordinated with the California Forest Legacy Program Act of 2000. Under the California Forest Legacy Program, the CDF may acquire property through the Wildlife Conservation Board (WCB), who will facilitate the purchase of property and contribute a proportionate share of State funds. The CDF shall disburse federal funds directly into an escrow account set up by the WCB for this project when escrow is ready to close.

The primary purpose of this acquisition is to provide public access to make people aware of the multiple uses of the forest while conserving and protecting wildlife, fisheries, vegetation, soil, watershed and aesthetic values. Currently, there is only one public entrance into the park which is not reliable. During poor weather conditions and intermittent landslides, the road can become impassable for months at a time. Because the roadway narrows down to one lane in many places, it is not accessible by school buses.

Once acquired, the CDF will be responsible for management of the properties, including future development costs and maintenance. Because of the close proximity to rural residential development of the surrounding area, hunting will



not be allowed. There are two residential improvements on the property, with one residence permanently occupied. Relocation assistance will be provided to the occupant by the CDF.

The property owners have agreed to sell the property at the appraised fair market value of \$591,500.00, as approved by the Department of General Services (DGS). The CDF has been awarded a grant from the Federal Forest Legacy Program and propose to contribute \$300,000.00 toward the purchase of the subject property. Staff proposes that the WCB allocate \$291,500.00 to cover the remaining balance of the purchase price. It is estimated that an additional \$20,500.00 will be needed for project costs including appraisal costs, title and escrow fees and DGS' review charges, bringing the total amount requested for this project to \$312,000.00.

The proposed acquisition is exempt from the California Environmental Quality Act (CEQA) under Section 15313, Class 13, as the acquisition of lands for fish and wildlife conservation purposes and under Section 15325, Class 25, as the transfer of ownership in land to preserve existing natural conditions and historical resources. Subject to approval by the WCB, a Notice of Exemption will be filed with the State Clearinghouse. All future activities pertaining to the installation of an access road will require additional CEQA determinations separate from the initial acquisition.

Staff recommended that the Board approve this acquisition as proposed; allocate \$312,000.00 from the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Fund (Prop. 12), Section 5096.350 (a) (4), to be applied toward the purchase price and associated costs; authorize staff to enter into the appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

**As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Ryan Broddrick that the Board approve this acquisition as proposed; allocate \$312,000.00 from the Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Fund (Prop. 12), Section 5096.350 (a) (4), to be applied toward the purchase price and associated costs; authorize staff to enter into the appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.**

**Motion carried.**

- \*13. Quarry Lakes Fishing Pier, Alameda County \$200,214.00

This was a proposal to consider an allocation for a cooperative project with the East Bay Regional Park District (EBRPD) to improve public fishing access at Horseshoe Lake in the Quarry Lakes Regional Recreation Area located in the City of Fremont. Planned improvements include a barrier-free fishing pier, parking lot and access paths. The project will be located on land owned by both EBRPD and the City.

The Quarry Lakes Regional Recreation Area was acquired for public use between 1975 and 1992 and opened in 2001. This semi-urban park is the culmination of years of planning and partnership between EBRPD, the Alameda County Water District and the City of Fremont. The park is operated for multiple purposes including public recreation, natural habitat preservation and groundwater recharge. Three hundred and fifty of the park's 462± acres consist of lakes including Horseshoe Lake and the adjacent Rainbow Lake. These two lakes are the only freshwater fishing lakes in southern Alameda County. Approximately 39,000 anglers visited the area in 2002 during the first full year of operation. Horseshoe Lake and Rainbow Lake are stocked annually according to a Memorandum of Understanding between EBRPD and the Department of Fish and Game. Approximately 70,000 pounds of catchable game fish including catfish, bass, bluegill and trout are planted each year.

Steep, high banks at this former gravel quarry make fishing access for mobility impaired individuals difficult if not impossible. The proposed project will make Horseshoe Lake available to many anglers who cannot currently use it. The project includes a 560 foot long barrier-free floating pier with switch back ramps, an 800 square foot fishing terminus, a 14 space parking area with 12 handicapped spaces, two short term fish cleaning table spaces, and access paths from the parking area to the pier, restroom and fish cleaning station. Horseshoe Lake has already been improved with a boat ramp, adjacent restrooms and a fish cleaning station. Due to its proximity to the Bay Area and its high quality of fishing, Horseshoe Lake has been nominated to be the premier disabled freshwater fishing access for the EBRPD. The EBRPD has agreed to operate and maintain the project for 25 years, and will provide a free lease to the State for the duration of the operating agreement. If approved, the proposed Wildlife Conservation Board (WCB) grant would complement other funding already secured by EBRPD and would fully fund the project.

Cost estimates for this proposal have been developed by EBRPD and have been reviewed by staff, as follows:

Description	WCB	EBRPD	Total
Engineering and permits		\$225,052.00	\$225,052.00
Sidewalk demolition		10,000.00	10,000.00
Parking Area		46,125.00	46,125.00
Concrete walkways		21,200.00	21,200.00
Fishing pier mobilization/demob.		72,500.00	72,500.00
Fishing pier	198,000.00	343,010.00	541,010.00
Fishing pier site work		176,375.00	176,375.00
Irrigation and planting		20,000.00	20,000.00
Benches		3,000.00	3,000.00
Drinking fountain		5,000.00	5,000.00
Signage	2,000.00	5,000.00	7,000.00
Contingencies		135,032.00	135,032.00
Contract admin. and inspection		45,011.00	45,011.00
<b>TOTAL ESTIMATED COST:</b>	<b>\$200,000.00</b>	<b>\$1,107,305.00</b>	<b>\$1,307,305.00</b>

Proposed Funding Breakdown:

Wildlife Conservation Board	\$200,000.00
East Bay Regional Park District	1,107,305.00
<b>TOTAL AVAILABLE FUNDING:</b>	<b>\$1,307,305.00</b>

The EBRPD is the lead agency for compliance with the California Environmental Quality Act. The EBRPD approved a Land Use-Development/Environmental Impact Report on July 16, 1996 that states the project will not have a significant effect on the environment.

Staff recommended that the Board approve this project as proposed; authorize staff to enter into appropriate agreements necessary to accomplish this project; allocate \$200,214.00 from California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop. 40), Section 5096.650, for project costs, and Department of General Services' review costs; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

**As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Ryan Broddrick that the Board approve this project as proposed; authorize staff to enter into appropriate agreements necessary to accomplish this project; allocate \$200,214.00 from California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop. 40), Section 5096.650, for project costs, and Department of General Services' review costs; and authorize staff and the Department of Fish and Game to proceed substantially as planned.**

**Motion carried.**

- \*14. Sacramento Valley Oak Woodlands Public Outreach and Education, Sacramento County \$68,000.00

This proposal was to consider an allocation for a grant to the Sacramento Valley Conservancy (SVC) for an oak woodland public education and outreach project designed to communicate the social, economic, agricultural and biological benefits associated with the conservation of oak woodlands in the eastern and southern areas of Sacramento County and the nearby areas of El Dorado and Amador Counties. Designed to reach local landowners, this project will utilize the 4,000 acre, Deer Creek Hills Ranch, as the "classroom" to demonstrate how oak woodlands and rangeland can be protected in an economically viable and sustainable manner.

In 2001, the Oak Woodlands Conservation Act was enacted and authority vested within the Wildlife Conservation Board (WCB) to implement the Oak Woodlands Conservation Program. The Act mandates the WCB to establish a grant program designed to protect and restore oak woodlands using conservation easements, cost-share and long-term agreements, technical assistance and public education and outreach. This project represents the first public education and outreach effort to achieve the intent of the Oak Woodlands Conservation Program.

To accomplish the public education and outreach effort, the SVC plans to hold several public outreach meetings and workshops with local ranchers and surrounding landowners including the larger Sacramento community. To facilitate the discussions, GIS maps, facts sheets and brochures will be developed. The materials will describe various oak woodland habitat types, the components of oak woodlands, including grasslands, riparian areas and wetlands. In addition, the materials will address strategies for preserving active ranch lands in ways that are compatible with the preservation of oak woodlands and demonstrate how oak woodlands can be integrated into economically viable ranch operations. The public education and outreach effort will also demonstrate

how preservation of oak woodlands and viable ranching operations can serve as buffers between the expanding Sacramento urban area and other agricultural areas in El Dorado, Amador, San Joaquin and south Sacramento Counties.

To reach the maximum number of local landowners, the SVC will coordinate the outreach effort with several public and private partners who share the common goal of preserving oak woodlands and viable ranching operations. Specifically, the SVC will be working with the Department of Fish and Game, Department of Parks and Recreation, U.S. Bureau of Reclamation, the County of Sacramento, Sloughouse Resource Conservation District, Sacramento Farm Bureau, the cities of Folsom and Rancho Cordova, representatives from local farming and ranching organizations and the California Rangeland Trust.

Cost estimates for this project, which have been reviewed by staff, are as follows:

Description	Estimated Cost
<b>Public Outreach Preparation</b>	
Draft Public Outreach Objectives	\$2,850.00
Prepare GIS Display Maps	4,887.00
Prepare Fact Sheet	2,240.00
Power Point preparation	3,640.00
Draft agendas, target end products	3,430.00
SVC Staff Outreach Prep Sessions	2,580.00
<b>Subtotal:</b>	<b>\$19,627.00</b>
<b>Public Outreach Workshops and Agency Meetings</b>	
Agency Consultations	\$2,930.00
Set-up Five Public Outreach Meetings	4,990.00
Conduct Five Public Outreach Meetings	22,275.00
Summarize Initial Outreach Input	3,540.00
Summarize Stakeholder Input	2,940.00
<b>Subtotal:</b>	<b>\$36,675.00</b>
<b>Document Preparation</b>	
Fact Sheets/Color Laser	\$1,400.00
Trail Etiquette Cards	1,300.00
Informational Brochure	5,498.00
Meeting Announcements	2,500.00
Oak Informational Posters	1,000.00
<b>Subtotal:</b>	<b>\$11,698.00</b>
<b>TOTAL ESTIMATED COST:</b>	<b>\$68,000.00</b>

Consistent with Public Resources Code, Section 15061 (b) (3), this project is not subject to the provisions of the California Environmental Quality Act.

Staff recommended that the Board approve this project as proposed; allocate \$68,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop 40), Section 5096.650 (f), per Oak Woodland Conservation Act; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

**As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Ryan Broddrick that the Board approve this project as proposed; allocate \$68,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop. 40), Section 5096.650 (f), per Oak Woodland Conservation Act; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.**

**Motion carried.**

- \*15. Willow Creek Ecological Reserve Exchange, Sacramento County \$5,000.00

This proposal was to consider an exchange of 10± acres of State owned property within the Willow Creek Ecological Reserve (Reserve), for 32± acres of land owned by the City of Folsom. Both parcels are within the Folsom City limits and are located less than one mile apart off Blue Ravine Road, in Sacramento County. The proposed exchange is to compensate for the existing degradation of the State property as well as negative impacts from future urban development to the surrounding area.

The State property is part of the Department of Fish and Game's (DFG) 54± acre Willow Creek Ecological Reserve, a riparian corridor that is surrounded by existing and proposed urban development in the City of Folsom. The Reserve is within the 100-year flood zone and experiences frequent flooding during winter months. The City plans to alleviate the flooding through future channel work, as well as increase public accessibility to the area with the proposed construction of a bike trail through the 10-acre site, which will only further compromise the integrity of that portion of the Reserve. The parcel is surrounded by a gas station, high traffic roads and office buildings. Proposed development projects immediately adjacent to the Reserve include a major hotel, restaurant and tire store. Evidence of degradation due to the urbanized location includes trash, transient encampments and undesignated trails.

The City's proposed exchange site is 32± acres that borders the remainder of the Reserve to the northeast of the State's parcel. The property is dissected by Willow Creek and has a thick riparian forest vegetation corridor with surrounding upland forest and grassland buffer. It shows little disturbance and is not vulnerable to the development pressures inherent with the State parcel.

The DFG has highly recommended the exchange and has requested that staff of the Wildlife Conservation Board (WCB) assist with the project. The City of Folsom has indicated that they will pay all costs associated with the land exchange and retain some management responsibilities on the 32± acres, such as fire control, trash cleanup and prohibiting inappropriate public use.

The properties have been appraised and the City of Folsom has agreed to a no-cost exchange with the State based on the appraisal values of \$120,000.00 for the 10± acres and \$360,000.00 for the 32± acres. The appraisals have been approved by the Department of General Services (DGS). It is estimated that an additional \$5,000.00 will be needed to cover project costs including appraisal costs and DGS' review charges, bringing the total amount requested for this project to \$5,000.00.

The project acquisition is exempt from the California Environmental Quality Act under Section 15313, Class 13, as an acquisition of lands for wildlife conservation purposes and under Section 15312, Class 12(a)(3). The State's property does not have significant values for wildlife habitat and the use of the property and adjacent property has not changed since the time of purchase by the public agency. Subject to approval by the WCB, the appropriate Notice of Exemption will be filed with the State Clearinghouse.

Staff recommended that the Board approve this exchange as proposed; allocate \$5,000.00 from the Habitat Conservation Fund (Prop. 117), Section 2786 (b/c), to be applied toward associated costs; authorize staff to enter into the appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

**As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Ryan Broddrick that the Board approve this exchange as proposed; allocate \$5,000.00 from the Habitat Conservation Fund (Prop. 117), Section 2786 (b/c), to be applied toward associated costs; authorize staff to enter into the appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned. Motion carried.**

- \*16. Sacramento River Wildlife Area, Princeton Unit, Expansion 1, Colusa and Glenn Counties

This proposal has been withdrawn from consideration at this time.

- \*17. Department of Fish and Game Land Management Plans, \$244,000.00  
Sacramento Valley--Central Sierra Region, Phase I, Butte, Glenn, Nevada and Yuba Counties

This proposal was to consider an allocation of a grant to the California Wildlife Foundation, Inc., to provide project administration for preparation of four land management plans of high priority wildlife areas and ecological reserves. The Department of Fish and Game's (DFG) Sacramento Valley Central Sierra Region is the public trust steward of properties acquired within its boundaries by the Wildlife Conservation Board (WCB) for various purposes, and as such, follows policies relating to management and enhancement of wildlife and the habitats on which they depend while providing appropriate public access and uses. In order to assess resources, involve the public and provide guidance to the DFG's programs that relate to land management, land management plans are necessary. Due to the rapid rate of acquisitions over the last decade (most due to voter-approved bonds), there is a backlog of properties, wildlife areas and reserves that require new or updated land management plans. The Sacramento Valley-Central Sierra Region has selected the following four priority sites for this project.

**North Table Mountain Ecological Reserve, Butte County, 3,315± Acres**

North Table Mountain (NTM) is located three miles north of Oroville, and is one of the most popular wildflower viewing areas in northern California. Identified as a significant natural area, NTM supports Northern Basalt Flow Vernal Pools as an endemic community unique to California, occurring in less than ten localities. The purpose of the acquisition was to protect this significant natural area and the rare plants and wildlife that it supports. Vernal pools and swales are scattered over NTM except in the canyons. They are intermixed with fields of wildflowers and nonnative grassland communities. Outstanding wildflower blooms occur throughout the area from February through April. Public use is significant during this period with weekend peaks of up to 1,000 people per day. Interior live oak and blue oak woodland communities dominate the canyons and support a variety of bird, mammal, reptile, and amphibian species in excess of 170 species. The DFG currently has a five year grazing lease in place on the NTM to help control



Eurasian grasses that compete with the native species. The grazing intensity has been moderate and biological impacts have not been significant. Grazing fees generate up to \$31,000.00 per year in revenues that are available for the management of the property as specified by conditions identified in the lease. Most recently, the grazing program has paid for newly installed perimeter fencing along nearly six miles of the NTM boundary. A 42± acre parcel was purchased in 1997 to provide legal public access. Since then, a parking lot has been developed which can hold approximately 75 vehicles. Mobility Impaired access has also been added that meets ADA standards. Ongoing department work includes GIS resource mapping.

Specific tasks for management plan development may include, but are not limited to:

- Evaluation of existing biological and cultural resources data to determine what information is needed;
- Resource inventory;
- Setting up long-term assessment, management and monitoring goals;
- Literature search;
- Mapping of habitats; and
- Public use program development.

### **Upper Butte Basin Wildlife Area, Butte and Glenn Counties, 9,592± Acres**

Upper Butte Basin Wildlife Area (UBBWA) consists of three separate units and totals 9,592 acres. These units, from north to south are: Llano Seco, Howard Slough and Little Dry Creek. The areas were purchased in fee title between 1989 and 1992 partially to fulfill the State's commitment to the North American Waterfowl Management Plan. The original Management Plan was written for the Little Dry Creek Unit of Gray Lodge Wildlife Area and completed in 1990. With the addition of Howard Slough and Llano Seco in 1992, the management responsibilities were combined under one umbrella and Upper Butte Basin Wildlife Area was formed. Howard Slough and Llano Seco were incorporated into the original Management Plan as Addendums.

The Llano Seco Unit is 1,521 acres and is located in western Butte County. It is bordered on the east by Seven Mile Lane; on the west and north by the Parrot Ranch and on the south by the Thompson and BB ranches. Historically the area was part of the Rancho Llano Seco Spanish Land Grant. The western two-thirds of the area was planted with commercial rice by the previous owner while the eastern one-third remained a series of meandering sloughs and associated

riparian habitat, interspersed with unmanaged upland habitat. Additional habitats on Llano Seco include vernal pool, riparian and unmanaged annual grassland. When the State took over management of the area, the former rice fields were managed as seasonal wetlands.

Howard Slough Unit is 4,071± acres and located in eastern Glenn County. It is bordered on the east by Butte Creek, Afton Road on the south and numerous private landowners on the west and north. State Highway 162 bisects Howard Slough in an east-west direction. Howard Slough has two active rice leases totaling nearly 1,000± acres. Two North American Wetland Conservation Act (NAWCA) grants have been used to restore former rice fields to seasonal wetland habitat. The first NAWCA grant was awarded in 1999 and funded the restoration of 430 acres of rice to diverse seasonal wetland and riparian habitat. The second grant funded the restoration of 200 acres of rice to seasonal wetland habitat in the summer of 2000. Additional monies have been awarded by the WCB to create riparian habitat along Butte Creek and connect isolated patches of existing riparian habitat. Other habitats on Howard Slough include seasonal wetland, permanent wetland, upland and riparian habitats.

Little Dry Creek is 4,000 acres and is located in southwestern Butte County. It is bordered on the west by Butte Creek; the north by Afton Road and Mom's Farm; the east by Schohr Ranch and the Cherokee Canal; the south by the King Ranch and the Colusa-Gridley Highway. The DFG currently manages these fields as seasonal wetlands. The DFG has expanded existing stands of riparian habitat along the western side of the property and established scattered stands of riparian habitat throughout the remainder of the unit. Additional habitats on Little Dry Creek include seasonal wetland, permanent wetland, upland and riparian habitats.

Specific tasks for updating the existing management plan include, but are not limited to:

Evaluate the current management plan to determine where information gaps exist;

- Evaluate and incorporate new biological information obtained since the current plan was written;
- Identify and map any and all easements across or through UBBWA;
- Prepare a long-term monitoring or assessment program which meet State or federal guidelines;
- Prepare a fire management program for the plan; and
- Prepare a cultural resources assessment and management program for the plan;

- Prepare a map to describe existing and future public use recreational needs for the plan;
- Perform a literature review for biological impacts associated with proposed public uses and incorporate into final plan.

### **Spenceville Wildlife Area, Yuba and Nevada Counties, 11,432± Acres**

The purpose for acquiring this Wildlife Area was to protect habitat for wildlife, and to maintain it in a state that would allow continued hunting opportunities. Spenceville Wildlife Area is located approximately 15 miles east of Marysville in the foothills of the Sierra Nevada Mountain Range. The Wildlife Area (WA) is comprised of six acquisitions, with two small parcels south of the main area and two to the northwest. Surrounding the WA is, Beale Air Force Base to the west, Camp Far West Reservoir and the Bear River to the south, and private landowners to the north and east. Several ponds and permanent and seasonal creeks run through the WA. The riparian and wetland marsh water regimes support many aquatic and water dependent species. Typical habitat consists of blue oak woodland, including some gray pine, annual grasses and occasional shrub. The upland habitat is home to many nongame and game-bird species as well as several mammals. The property contains a shooting range, a vehicle bridge and a building used by DFG personnel. There is one paved road with access to the WA and four unpaved county roads running throughout, along with several miles of fence.

A Land Management Plan (LMP) was completed in May of 1985. This plan is outdated and does not allow for the changes in public use and encroaching private development over the last 18 years. An updated revision is needed to bring the LMP into compliance with current land use issues. The recent closing of the old Spenceville Mine will also impact the LMP as it returns to natural habitat and becomes available for public uses. Some biological and cultural resource inventories have been conducted; however additional resource assessments will need to be completed. These surveys may shed light on impacts from use as well as status of T&E species that may be on the area. The new LMP will be both CEQA and CESA compliant and will consider increased and conflicting uses.

Specific tasks may include, but are not limited to the following:

- Evaluation of existing biological and cultural resource data to determine what information is needed;
- Resource inventory;
- Long term assessment, management and monitoring elements;

- Literature search on biological impacts from equestrian use, dog trials, hiking, hunting etc.;
- Fire management element;
- Assessment of impacts from mine closure, evaluation of residual components;
- Identifying and mapping easements; and
- Public use maps which describe use possibilities on the WA and interactions with adjacent landowners

### **Daugherty Hill Wildlife Area, Yuba County, 5,300 Acres**

Daugherty Hill Wildlife Area is a collection of five properties located about 25 to 30 miles east of Marysville. Two conservation easements totaling 2,700± acres are adjacent to the wildlife area. The 5,600± acre University of California Sierra Foothill Research and Extension Center and 160± acres of Bureau of Land Management lands are also adjacent to the wildlife area. The habitat is of primary importance to wintering deer from the Mooretown deer herd. The primary habitat is Blue Oak-Gray Pine, between elevations of 700 to 2,200 feet.

An outdated Daugherty Hill Wildlife Area Management Plan (1991) covering only a portion of the current wildlife area currently exists. The first task will be to review the outdated plan, analyze where data gaps exist and rewrite the plan as needed. The final plan will be a document suitable for CEQA review and approval.

Specific tasks include, but are not limited to:

- Evaluation of the existing, 1991 management plan to determine where data gaps exist;
- Evaluate and incorporate new information obtained since the 1991 plan was prepared;
- Identify and map DFG easements for ingress and egress to DFG lands;
- Identify and map existing easements to others within or across DFG property;
- Long term assessment and monitoring element;
- Fire management element;
- Cultural resources assessment and management element;
- Map and photograph historical sites;
- Public use map(s) which describe existing and proposed uses within the DFG property and one which describes major landholders adjacent to/in the vicinity of the WA.

Cost estimates for the project, which have been reviewed by staff, are as follows:

Description	Estimated Cost
North Table Mountain Ecological Reserve Plan	\$46,000.00
Upper Butte Basin Wildlife Area Plan	46,000.00
Spenceville Wildlife Area Plan	80,000.00
Daugherty Hill Wildlife Area Plan	46,000.00
Project Management	26,000.00
<b>TOTAL ESTIMATED COST:</b>	<b>\$244,000.00</b>

The DFG has reviewed this proposal and recommends it for funding by the Board. The DFG or selected subcontractors will complete all California Environmental Quality Act requirements and obtain all necessary permits.

Staff recommended that the Board approve this project as proposed; allocate \$244,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Prop. 40), Section 5096.650, authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and Department of Fish and Game to proceed substantially as planned.

**As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Ryan Broddrick that the Board approve this project as proposed; allocate \$244,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Prop. 40), Section 5096.650, authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and Department of Fish and Game to proceed substantially as planned.**

**Motion carried.**

- \*18. Gray Lodge Wildlife Area, Water Distribution System, \$595,000.00  
Phases IV & V Augmentation, Butte County

This proposal was to consider an allocation of a grant to Ducks Unlimited, Inc., (DU) for a cooperative project with the Department of Fish and Game (DFG) to complete Phase V of the reconstruction of the internal water distribution system on DFG's Gray Lodge Wildlife Area. The Gray Lodge Wildlife Area is located approximately 12 miles southwest of the City of Gridley in Butte County.

The Gray Lodge Wildlife Area consists of more than 9,000± acres of seasonal and permanent wetlands, riparian habitat, oak woodlands and upland

grasslands. Acquisition of the site was initiated in 1931 by the DFG with the purchase of the 2,500± acre Gray Lodge Club. The Board has been involved for more than 50 years, beginning in 1949, with the acquisition of more than 4,000± acres. Since then, seven separate Board actions have increased the acreage of the wildlife area to its current size of approximately 9,200± acres. The water conveyance and drainage system for the wildlife area was pieced together over the years from the independent systems developed by the original landowners and has never been adequate to efficiently deliver or drain water from the area. In 1997, the DU completed a detailed survey of the wildlife area and developed a six phase plan for upgrading the entire water delivery and drainage system. Phase I was completed in 2001 through a North American Waterfowl Conservation Act (NAWCA) grant. The Board was asked to assist with Phase II in the fall of 2000, which was completed in 2002. Phase III, also completed in 2002, was funded by the DFG.

The Wildlife Conservation Board (WCB) agreed to complete the next two phases in May 2003 that included the construction of nearly 36,000 feet of new water delivery canals and 10,500 feet of drainage canals, the rehabilitation of approximately 16,500 feet of existing water delivery canals; the construction of two siphons under Rutherford Road and three major water distribution structures. Construction was completed on Phase IV that summer. Construction bids in 2004 for Phase V, however, proved to be considerably higher than expected. The project was scaled back to allow some of the work to go forward, but the entire project could not be completed as planned.

In the spring of 2004, the DFG identified additional funds that could be spent on the sixth and final Phase of the project. With the addition of these funds, the proposed project would finish Phase V and begin construction on the final phase, through the construction of approximately 10,150 linear feet of new water delivery canals (7,150 in Phase V and 3,000 in Phase VI), the construction of 2,640 linear feet of drainage canals (all in Phase V), the rehabilitation of 2,400 linear feet of existing canals (all in Phase VI) and the reinforcement of all the new levees with gravel. Surveys, project design, project oversight and construction of both projects will be done simultaneously, providing a more efficient and cost effective project. All the funds approved under the proposed grant will be used for Phase V work only.

Cost estimates for the completion of Phase V and the initiation of Phase VI have been reviewed by staff and are as follows:

Description	Estimated Cost
Phase V	
New Delivery Canals	\$454,250.00
New Drainage Canals	66,000.00
Phase VI	
New Delivery Canals	\$121,213.00
Improve Existing Canals	62,500.00
Phases V and VI	
Gravel all new levees	\$34,200.00
Survey and design	45,000.00
Management and inspection	49,200.00
Administration	6,000.00
Overhead	31,637.00
<b>TOTAL ESTIMATED COST:</b>	<b>\$870,000.00</b>
Proposed Funding Breakdown:	
Wildlife Conservation Board	\$595,000.00
Department of Fish and Game	275,000.00
<b>TOTAL AVAILABLE FUNDING:</b>	<b>\$870,000.00</b>

The DFG has reviewed this proposal and recommends it for funding by the Board. This DFG will complete the appropriate notice to satisfy California Environmental Quality Act requirements.

Staff recommended that the Board approve this project as proposed; allocate \$595,000.00 from the Habitat Conservation Fund, Section 2786 (d) (IWCP); authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

**As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Ryan Broddrick that the Board approve this project as proposed; allocate \$595,000.00 from the Habitat Conservation Fund, Section 2786 (d) (IWCP); authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned. Motion carried.**

- \*19. Wetland Habitat Restoration, Honey Lake Valley (Honker Heaven) Augmentation, Lassen County \$120,000.00

This proposal was to consider an allocation of a grant to Ducks Unlimited, Inc., (DU) for a cooperative project with the landowner, the U.S. Fish and Wildlife Service (USFWS), the Natural Resources Conservation Service, and the North American Wetlands Conservation Act to restore and enhance approximately 80± acres of seasonal wetlands, 6± acres of riparian habitat and 179± acres of associated uplands along approximately one mile of Long Valley Creek. The project site is located approximately 30 miles southeast of the City of Susanville, one mile northeast of the junction of Highway 395 and Herlong Access Road in Lassen County on a 265-acre privately-owned property in Lassen County. The property is adjacent to the southeastern edge of Honey Lake, five miles northwest of the Department of Fish and Game's Doyle Wildlife Area and five miles northeast of the Dixie Mountain State Game Refuge.

This proposal is identical to a project that was approved by the Wildlife Conservation Board (WCB) in November 2001 but was never completed. The original project was never completed because in November 2001, the USFWS listed a Honey Lake Valley butterfly, the Carson wandering skipper, as endangered. The butterfly requires stands of salt grass that are common on the subject property, for its larval stage development. The DU immediately began consultation with the USFWS, and surveys for the butterflies were undertaken in the summers of 2002 and 2003. No butterflies were found, and a biological opinion was obtained in August 2003, allowing the project to proceed. The DU immediately attempted to complete the project before the WCB contract expiration date. Unfortunately all the construction bids received at that time were too high and the WCB contract expired in April of 2004. All funds were recovered.

The site has been grazed for decades, with cattle free to roam into and out of the property. This uncontrolled grazing has caused severe degradation to the riparian habitat along the creek and has created erosion along a narrow arm of Honey Lake. Upland areas have been overgrazed as well and ground nesting birds have had limited success raising broods. The few remaining wetlands on site have not been maintained and provide little habitat value.

The project calls for fencing to be installed to exclude cattle from the entire property. In addition, non-native Russian olive trees will be removed and willows and cottonwoods planted. Rock structures will be installed to arrest the ongoing erosion on the arm of Honey Lake that extends into the property. Trees will be planted in conjunction with the structures to provide the long-term erosion



protection that will also benefit wildlife. To restore wetlands, a well and pump will be installed to ensure adequate water supplies are available during critical dry years. Levees will be constructed to better manage water and new water control structures will be installed. Water levels will be maintained through July in some wetlands to support habitat for breeding waterfowl and shorebirds. All wetlands will be flooded in the fall to provide critical habitat during fall migration and most will be maintained through the spring for birds heading back to breeding grounds farther north.

The Honey Lake Valley supports numerous species of wetland, riparian and upland grassland dependent species, and both migratory and summer resident. These improvements will provide breeding habitat to waterfowl such as the Canada goose and mallards and shorebirds including American avocets and Wilson's phalaropes. In addition, other ground nesting birds, such as meadowlarks and pheasants will benefit from the upland habitat provided. The riparian habitat will provide critical habitat for such species as yellow warblers, ash-throated flycatchers and Cooper's hawks. In the fall, thousands of migrating birds stop in the valley, and waterfowl such as American widgeon, gadwall and white-fronted geese, and shorebirds, including long-billed dowitchers and western sandpipers, will also benefit from this project. Special status species expected to benefit include the burrowing owl that has been seen on site and could nest there.

Portions of the project have been completed, including the project survey and design, aerial photos and all new perimeter fencing. Cost estimates for this project have been reviewed by staff and are as follows:

Description	Estimated Cost
Fencing	\$22,100.00
Well and pump	54,836.00
Erosion control structures	8,750.00
Water control structures	12,600.00
Earthwork	46,570.00
Pipelines	22,355.00
Nonnative plant removal	6,495.00
Riparian planting	16,500.00
Upland seeding on levees	1,785.00
Project survey, design and management	49,857.00
Contingencies	7,241.00
<b>TOTAL ESTIMATED COST:</b>	<b>\$249,089.00</b>

Proposed Funding Breakdown:	
Wildlife Conservation Board	\$120,000.00
U.S. Fish and Wildlife Service	11,000.00
Ducks Unlimited, Inc.	32,442.00
North American Wetlands Conservation Act	51,626.00
Natural Resources Conservation Service	10,000.00
Landowner (In-kind)	14,780.00
Landowner (Cash)	9,241.00
<b>TOTAL AVAILABLE FUNDING:</b>	<b>\$249,089.00</b>

The Department of Fish Game has reviewed this proposal and recommends it for funding by the Board. This project is exempt from CEQA under Section 15304, as it is a minor alteration of land to benefit wildlife. The landowner has agreed to manage and maintain the property for 25 years, pursuant to the terms and conditions of the Habitat Management Plan. If at any time during the life of the project, the landowners are unable to manage and maintain the project improvements, they will refund to the State of California an amortized amount of funds based on the number of years left on the project life.

Staff recommended that the Board approve this project as proposed; allocate \$120,000.00 from the Habitat Conservation Fund, Section 2786 (d) (Other); authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

**As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Ryan Broddrick that the Board approve this project as proposed; allocate \$120,000.00 from the Habitat Conservation Fund, Section 2786 (d) (Other); authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.**

**Motion carried.**

- \*20. Fall River Valley, Expansion 1, Shasta County \$163,000.00

This proposal was to consider the allocation of a grant to Shasta Land Trust (SLT) to assist in its acquisition of a conservation easement over 1,467± acres of private land adjacent to the Fall River, for the protection and preservation of farmland and riparian habitat near the community of Glenburn, 75± miles northeast of Redding, off Highway 299, in Shasta County.

The subject property is located in the central portion of Fall River Valley near Glenburn, a mountain valley situated between the Sierra-Nevada and Cascade Mountain Ranges, with Mount Lassen to the south, and Mount Shasta visible to the northwest. The property is on the course of the Pacific Flyway, south of the Tule Lake and Lower Klamath Wildlife Refuges, another important stop for waterfowl. The Wildlife Conservation Board (WCB), previously approved a grant to The Conservation Fund for the acquisition of a conservation easement over 310± acres on the Noel Ranch during its meeting of August 13, 2003, as part of the Fall River Wildlife Area.

The primary purpose of this proposed acquisition is to preserve the historical agricultural practices from the threat of residential development, while protecting significant habitat for native fishes such as wild rainbow trout, neotropical bird species, sandhill crane, bald eagle, osprey, and invertebrates, such as the Montane pea clam, California floater mussel and abundant waterfowl. While a portion of the property is in the Williamson Act, the zoning is for a 40-acre minimum parcel size and timber preserve. Because of its proximity to the river and abundant recreational opportunities in the area, the threat of subdivision to rural residential home sites is very real.

It is proposed that this conservation easement will be acquired by the SLT, and subsequently transferred to the Fall River Resource Conservation District for management. The property owner currently leases hunting and fishing rights on portions of the property. These rights will be perpetuated under the easement. Public access will not be allowed since the agricultural use of the property is not compatible with passive use by the public.

The property owner has agreed to sell a conservation easement to the SLT at the appraised value of \$2,100,000.00, approved by the Department of General Services (DGS). Both the Department of Conservation and the Natural Resources Conservation Service will each be providing contributions of \$973,500.00 toward the purchase of the easement. The WCB's proposed grant to the SLT would provide the balance of \$153,000.00. It is estimated that an additional \$10,000.00 will be needed for appraisal review and related costs, bringing the total proposed allocation for this project to \$163,000.00.

The proposed acquisition is exempt from the California Environmental Quality Act under Section 15313, Class 13, as the acquisition of lands for fish and wildlife conservation purposes and under Section 15325, Class 25, as the transfer of ownership in land to preserve open space, habitat or historical resources. Subject to approval by the WCB, the appropriate Notice of Exemption will be filed with the State Clearinghouse.

Staff recommended that the Board approve this project as proposed; allocate \$163,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79565; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

**As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Ryan Broddrick that the Board approve this project as proposed; allocate \$163,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79565; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.**

**Motion carried.**

- \*21. Scott, Shasta and Klamath Rivers Fish Screen Improvements, \$132,107.00  
Siskiyou County

This was a proposal to consider a cooperative project with the Department of Fish and Game (DFG) to upgrade and improve 29 existing fish screens on the Scott, Shasta and Klamath River drainages in Siskiyou County.

Fish screens are an important tool used by DFG in cooperation with private water users to avoid and/or minimize taking individuals of rare and endangered fish species. When water is diverted from streams, fish can be diverted as well, ending up stranded in irrigation ditches or ground up in water pumps. Screens on water diversions deflect fish away from the water intake and keep them in the stream where they belong.

In Siskiyou County, as elsewhere, DFG supports and assists private water users in constructing, maintaining and operating fish screens at water diversions. The principal fish species of concern in the Scott, Shasta and Klamath River drainages are Coho salmon, Chinook salmon and steelhead. The DFG has identified 29 screens on these drainages that need to be upgraded to satisfy new National Marine Fisheries Service (NMFS) requirements for screen specifications, to replace aging and worn screen components and to improve overall screen performance. All 29 screens were constructed prior to 1980. Since that time the requirement for maximum hole size on the screen perforation plates has been reduced by NMFS in order to more effectively protect fish fry from becoming entrained in diverted water. Also, new technologies have emerged for screen wipers and bearings which will replace old, worn and less

efficient materials and methods. The new wipers to be installed as part of this proposal will be nylon brushes which do a better job of keeping the screen clear and require less maintenance than the existing metal wipers. Old metal bearings that have become worn and inefficient will be replaced with new poly wheels and wheel blocks that are longer lasting and more reliable. Finally, many of the screens currently have an open bank design in front of and behind the screen which allows bank erosion and back eddies that can be problematic during low flows. By installing concrete floors and walls in front of and behind the screens, water diverters can enjoy greater water flow control, positive sediment movement, and little or no bank erosion at the screen site.

Work will vary from screen to screen depending on the needs of each individual case. Three screens will be totally rebuilt and relocated closer to the diversion point thus eliminating long open ditches and bypass returns that allow fish to return to the streams. In addition, several bypasses will be upgraded with culverts to minimize stranding of fish and to reduce maintenance needs.

Most of the work can be done only in the winter or “nonirrigation” season. The DFG plans to start work this fall and estimates that it will take three years to complete work on all of the screens proposed for improvement.

The Wildlife Conservation Board funding will be used to purchase construction materials and lease equipment. Labor and administration costs will be shouldered by DFG. Cost estimates for this proposal have been developed by DFG and have been reviewed by staff as follows:

Description	WCB	DFG	Total
Equipment lease (excavator & concrete pumper)	\$7,100.00		\$7,100.00
Wood (for concrete forms)	21,600.00		21,600.00
Concrete structure materials	6,070.00		6,070.00
Culverts	10,800.00		10,800.00
Screen Materials	41,660.00		41,660.00
Concrete, delivered	22,850.00		22,850.00
Miscellaneous steel (channel angle etc.)	10,000.00		10,000.00
Labor and project management		124,800.00	124,800.00
Transportation costs		2,040.00	2,040.00
Administration		62,992.00	
Contingencies	11,920.00		11,920.00
<b>TOTAL ESTIMATED COST:</b>	<b>\$132,000.00</b>	<b>\$189,832.00</b>	<b>\$321,832.00</b>

The DFG has reviewed this proposal and recommends it for funding by the Board. They will complete the appropriate notices necessary to satisfy any California Environmental Quality Act and permitting requirements. The DFG has had legal access to the sites since the original screen construction was completed, and this access is secure for the near and distant future.

Staff recommended that the Board approve this project as proposed; authorize staff to enter into appropriate agreements necessary to accomplish this project; allocate \$132,107.00 from Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79565, for project costs and Department of General Services' review costs; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

**As one of the consent items heard at the beginning of the meeting, it was moved by Mr. Ryan Broddrick that the Board approve this project as proposed; authorize staff to enter into appropriate agreements necessary to accomplish this project; allocate \$132,107.00 from Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79565, for project costs and Department of General Services' review costs; and authorize staff and the Department of Fish and Game to proceed substantially as planned.**

**Motion carried.**

22. Bolsa Chica Ecological Reserve, Expansion 1, \$65,150,000.00  
Orange County

Mr. Wright reported that this was a proposal to consider the acquisition of 103± acres of privately-owned vacant land, in northwestern Orange County, as an expansion to the Department of Fish and Game's Bolsa Chica Ecological Reserve (Reserve). The Bolsa Chica area encompasses approximately 1,600 acres bounded on three sides by the City of Huntington Beach and located landward of Pacific Coast Highway. Within this Bolsa Chica area, the subject property lies on the south side of Warner Avenue and one block east of the Pacific Coast Highway and is commonly referred to as the Lower Bench of the Bolsa Chica Mesa (Mesa). The Mesa is immediately adjacent to and overlooks the 1,200± acres of Lowlands managed by the Department of Fish and Game (DFG), which includes the 536± acre Bolsa Chica Ecological Reserve. The Reserve supports sensitive plant populations and provides important habitat for at least four species of endangered birds, including the California brown pelican, California least tern, Belding's savannah sparrow and Western snowy plover. The DFG has jurisdiction over the Reserve pursuant to a lease with the State

Lands Commission. The Reserve and the Lowlands comprise one of the few remaining, largely undeveloped coastal bay and lowland ecosystems in Southern California and are thus a significant ecological resource. Mr. Randy Nelson briefly described the project and its location.

Bolsa Chica is bounded on three sides by urban development and thus presents an opportunity to educate the public on coastal fish and wildlife resources. Despite its proximity to urban development, there has been long-standing regional interest in conserving and restoring Bolsa Chica. The desire of the local community to extend public ownership of Bolsa Chica beyond the Reserve and the Lowlands has led to a public position favoring the acquisition of undeveloped lands around those currently in public ownership.

Conversely, the Mesa has been the subject of various proposals for residential development for over 30 years and the County's General Plan and zoning regulations permit residential development on the Mesa. The property owner has informed the State that it intends to develop the Mesa for residential purposes since it believes that residential development is the highest and best use for such real properties and because there is significant market demand for new homes in Huntington Beach and Orange County. The property owner is currently seeking entitlements for the Upper Bench property, adjacent to the subject, to enable it to proceed with the construction of 379 homes in a project called Brightwater. Upon obtaining entitlements for Brightwater, the property owner proposes to offer to dedicate the Brightwater Upland Habitat Park and the Huntington Mesa Portion to the County of Orange to be preserved as open space.

Acquisition of the subject property would augment the Reserve and the Lowlands in terms of preserving a sizable upland area adjacent to public lands along the coast which contain valuable ecological resources. Although the Mesa supports fewer biologically sensitive resources than the Reserve and Lowlands, the Mesa contains a heron and egret rookery, a population of southern tarplant, two small seasonal wetlands, a two-acre coastal wetland known as Warner Pond, and grasslands which are not only used for raptor foraging, but also are one of the last grasslands adjacent to a coastal wetland, all within separate Environmentally Sensitive Habitat Areas.

The DFG proposes to manage the subject property as an expansion of the Reserve. Public acquisition of these coastal lands adjacent to the Reserve would enhance the Bolsa Chica experience by expanding public uses to include educational and scientific study, bird-watching, nature observations, viewing the wetlands and photography.

The owners have agreed to sell the property at the appraised fair market value of \$65,000,000.00, as approved by the Department of General Services (DGS). It is estimated that an additional \$150,000.00 will be needed to cover project costs including the appraisals, escrow fees, review charges by the DGS and startup costs, bringing the total proposed allocation for this project to \$65,150,000.00.

The proposed acquisition is exempt from the California Environmental Quality Act as a Categorical Exemption under Section 15313, Class 13, as the acquisition of lands for fish and wildlife conservation purposes and under Section 15325, Class 25, as a transfer of ownership interest in land to preserve open space. The appropriate Notice of Exemption will be filed with the State Clearinghouse upon approval of the Wildlife Conservation Board.

Mr. Wright reported that this project has received considerable public interest for many years. Mr. Wright stated that the Board received numerous letters of support, including letters from Assembly members Tom Harman, Ken Maddox, Lynn Daucher, Lou Correa, Todd Spitzer and Bob Pacheco, and Senators Joseph Dunn, Dick Ackerman and Ross Johnson. He stated that the Board also received a joint letter signed by Assembly members Patty Berg, Fran Pavley and Hannah-Beth Jackson; and letters of support from James Silva, Vice Chairman, Orange County Board of Supervisors; Cathy Green, Mayor of the City of Huntington Beach; Connie Boardman, former Mayor of Huntington Beach; Joanne Yeo, Seal Beach City Clerk with a Resolution requesting acquisition of the uplands; Paul Arms, President, Orange County League of Conservation Voters; Jim Robins, President, Amigos de Bolsa Chica; Jean Nagy, President, Huntington Beach Tree Society; Michael Pinto, President, Laguna Canyon Foundation; Audrey Rust, President, Peninsula Open Space Trust; Graham Chisholm, Executive Director, The Nature Conservancy; Eugene Ruyle, Professor of Anthropology, California State University Long Beach; Gerald Chapman, President, Bolsa Chica Land Trust; Flossie Horgan, Executive Director, Bolsa Chica Land Trust. He stated the Board also received a joint letter from Evan Henry, former President of the Bolsa Chica Land Trust; Joan Irvine Smith; Laura Davick, Alliance to Rescue Crystal Cove; Susan Jordan, Director, California Coastal Protection Network; Stephanie Barger, Executive Director, Earth Resource Foundation; Jean Watt, President, Harbors, Beaches and Parks; Brenda Stouffer, Director, Heart and Soul Coalition; Michael Pinto, President, Laguna Foundation; Elizabeth Brown, President, Laguna Greenbelt; Gary Brown, Executive Director, Orange County Coastkeeper. Mr. Wright reported that the Board also received over 270 cards and letters in support of the project. He commented that many people have worked very hard on this project and it is a pleasure to present the proposal to the Board.



Mr. Nelson reported that Lyann Comrack from the Department of Fish and Game, and Ray Pacini and Howard Coleman, representatives of the property owner, were in the audience should there be any questions.

Mr. Kellogg welcomed Assembly member Tom Harman.

Assembly member Harman addressed the Board in strong support of this proposal. He stated his Assembly District surrounds this entire area as does the City of Huntington Beach, that he lives in the community and has served on the Huntington Beach City Council for six years. He stated this proposal represents several years of work to acquire the property and that it is an extremely valuable and sensitive area to be preserved. Assembly member Harman commented that he is thrilled to see this proposal before the Board and urged the Board to support the acquisition.

Ms. Flossie Horgan, Executive Director of the Bolsa Chica Land Trust, and on behalf of the over 6,000 members of the Trust, expressed strong support for this acquisition. She provided a brief history of the Trust and its efforts to preserve the valuable resources in the Bolsa Chica Mesa area. She expressed appreciation to the Board for considering this proposal.

Mr. Broddrick acknowledged Ms. Horgan's support for such acquisitions, commenting that they require long-term operation, maintenance and stewardship. Mr. Broddrick expressed appreciation for the Trust's assistance and participation in working with the Department of Fish and Game staff in the long-term management of the area.

Mr. Wright thanked Assembly Member Tom Harman for his continued support. He also thanked the landowners for working with the State in reaching an agreement that benefits the public.

Staff recommended that the Board approve the acquisition as proposed; allocate \$65,150,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79572 (a), for the acquisition and associated costs; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

**It was moved by Mr. Jim Kellogg that the Board approve the acquisition as proposed; allocate \$65,150,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79572 (a), for the acquisition and associated costs; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.**

**Motion carried.**

23. Buena Vista Creek, San Diego County

Mr. Wright reported that this proposal has been withdrawn from consideration at this time.

He stated there may be some hazardous material issues on the property and that the Board recently contracted to take a better look at the property. He stated that after those issues are explored, this proposal might be considered by the Board at a later date.

24. Gordon Mull Preserve, Los Angeles County \$2,356,000.00

Mr. Wright reported that this proposal was to consider a grant to the City of Glendora for a cooperative project with the Rivers and Mountains Conservancy (RMC), the City of Glendora and the Glendora Community Conservancy (GCC) to assist with the City's acquisition of 42± acres of privately-owned land in Los Angeles County. Mr. Randy Nelson briefly described the project and its location.

This vacant property lies in the foothills of the San Gabriel Mountains in the northeasterly portion of the City of Glendora. The City hopes to eventually acquire additional land that will link the subject property to the Glendora Wilderness Park and the Angeles National Forest to the north.

The primary purpose of this acquisition is the protection of the coastal sage scrub and oak woodlands plant communities along with the sensitive and endangered species potentially resident within the habitat found on this property. The secondary purpose is the protection of the natural watershed and wildlife corridor system provided by the property. Wildlife currently travels through the canyons located on the east and west sides of the property.

The type of habitat being protected by this acquisition supports the federally-listed coastal California gnatcatcher and the State Species of Concern, Cooper's

hawk, sharp-shinned hawk, cactus wren, yellow warbler, coastal rufous-crowned sparrow, coast horned lizard and mountain king snake. Numerous more common plants and animals inhabit the property.

It is proposed that the City take title initially and transfer title and management responsibilities in the near future to the GCC. The GCC proposes to manage the property for purposes of wildlife habitat preservation and restoration, wildlife-oriented education and research and for compatible public uses, all as may be consistent with wildlife habitat preservation. With the assistance of funding from the RMC and the City, the GCC proposes to construct an interpretative nature trail and to develop an educational video about the protection of the watershed and unique properties and importance of slope aspect in the diversity of habitat communities.

The owners of the property have agreed to sell this property for \$4,800,000.00, the appraised fair market value approved by the Department of General Services (DGS). The RMC has given a grant to the City of Glendora, in the amount of \$2,448,800.00, to be applied toward the purchase of the property. The Wildlife Conservation Board (WCB) proposed grant, in the amount of \$2,351,200.00 will provide the remaining balance of the purchase price. It is estimated that an additional \$4,800.00 will be needed for administrative expenses, bringing the total recommended allocation for this project to \$2,356,000.00.

The terms and conditions of the proposed grant provide that the WCB will review and approve the property being proposed for acquisition by the City. The grant further provides that staff will review all proposed title documents, appraisals, preliminary title reports, agreements for purchase and sale, escrow instructions and the instruments of conveyance prior to disbursement of funds directly into the City's escrow account for the purchase of the property.

The project is exempt from the California Environmental Quality Act (CEQA) under Section 15313, Class 13, as an acquisition of land for wildlife conservation purposes. The City of Glendora will file the appropriate Notice of Exemption with the State Clearinghouse for the proposed acquisition. All future restoration activities will require additional CEQA determinations separate from the initial acquisition.

Mr. Nelson reported that Dianne Walter from the City of Glendora was in the audience should there be any questions.

Mr. Kellogg asked if there were any comments or questions. There were none.

Staff recommended that the Board approve this project as proposed; allocate \$2,356,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79572 (a), for the acquisition and associated costs; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

**It was moved by Mr. Ryan Broddrick that the Board approve this project as proposed; allocate \$2,356,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79572 (a), for the acquisition and associated costs; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.**

**Motion carried.**

25. North Claremont Reserve, Los Angeles County \$1,403,000.00

Mr. Wright reported that this proposal was to consider a grant to the City of Claremont for a cooperative project with the Trust for Public Land (TPL), the City of Claremont and the Claremont Wildlands Conservancy (CWC) to assist with the City's acquisition of two separate properties, totaling 233± acres, lying in the foothills of the San Gabriel Mountains in the northern portion of the City, in Los Angeles County. Mr. Randy Nelson briefly described the project and its location.

The subject properties comprising this project are part of a 1,430± acre expansion by the City to its 1,740± acre Claremont Wilderness Park that lies to the northeast. The northerly parcel to be acquired abuts the Wilderness Park. Proposed future acquisitions will also connect the subject properties to the Marshall Canyon Regional Park to the west and the Angeles National Forest to the north, resulting in the establishment of a permanent wildlife movement corridor that will extend uninterrupted for over five miles.

Due to its high flora and fauna diversity, this undeveloped wilderness area has been designated a Significant Ecological Area by the County of Los Angeles and is a State Significant Natural Area. It is also designated critical habitat for the federally-threatened coastal California gnatcatcher. Another three dozen rare animal species are on the property or have a moderate to high probability of being present on the site. The grasslands on the property provide critical foraging habitat for various raptors, including the threatened Swainson's hawk

and potential habitat for the federally-endangered San Bernardino kangaroo rat. Deer, mountain lion and black bear have been observed on the site, as well as hundreds of other nonthreatened species of plants and animals.

The TPL has been instrumental in arranging this acquisition by securing options to purchase the properties which it will exercise, then sell to the City of Claremont at fair market value. It is proposed that the City hold title to these additions to the Claremont Wilderness Park and manage the parcels with advice from the CWC. The Department of Fish and Game has expressed its support for this project citing the area's biological diversity, high quality habitat and vulnerability to development pressure.

The owners of the two properties have agreed to sell to the City of Claremont for a combined total of \$1,397,000.00, the appraised fair market value approved by the Department of General Services (DGS). The Wildlife Conservation Board (WCB) proposed grant, in the amount of \$1,397,000.00, would provide the funding for the purchase of the two sites. It is estimated that an additional \$6,000.00 will be needed to cover project costs, including the DGS' review costs, bringing the total recommended allocation for this project to \$1,403,000.00.

The terms and conditions of the proposed grant provide that the WCB will review and approve the property being proposed for acquisition by the City. The grant further provides that staff will review all proposed title documents, appraisals, preliminary title reports, agreements for purchase and sale, escrow instructions and the instruments of conveyance prior to the disbursement of funds directly into the City's escrow account or accounts for the purchase of these properties.

The project is exempt from the California Environmental Quality Act under Section 15313, Class 13, as an acquisition of land for wildlife conservation purposes and under Section 15325, Class 25, as the transfer of ownership in land to preserve open space. A Notice of Exemption will be filed with the State Clearinghouse upon approval by the WCB.

Mr. Nelson reported that Michael Busch from the City of Claremont was in the audience should there be any questions.

Mr. Kellogg asked if there were any comments or questions. There were none

Staff recommended that the Board approve this project as proposed; allocate \$1,403,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79572 (a), for the acquisition and associated costs; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

**It was moved by Mr. Jim Kellogg that the Board approve this project as proposed; allocate \$1,403,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79572 (a), for the acquisition and associated costs; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.**

**Motion carried.**

26. Long Ranch Conservation Area and Expansion 1, \$1,480,000.00  
Mariposa County

Mr. Wright reported that this proposal was to consider the allocation of two grants to the Sierra Foothill Conservancy for a cooperative project with the Department of Fish and Game (DFG), the Trust for Public Land (TPL) and the Wildlife Conservation Board (WCB) to acquire conservation easements over approximately 2,870± acres of oak woodland habitat, located near the City of Mariposa, in Mariposa County. Mr. Bill Gallup briefly described the project and its location.

In 2001, the Oak Woodlands Conservation Act was enacted and authority vested within the WCB to implement the Oak Woodlands Conservation Program. The Act mandated the WCB to establish a grant program designed to protect and restore oak woodlands using conservation easements, cost-share and long-term agreements, technical assistance and public education and outreach.

This request represents the first project accepted for consideration pursuant to the authority established through the Oak Woodlands Conservation Act. The property is located in rural Mariposa County, approximately two miles south of the City of Mariposa. Located approximately 40 miles southwest of Yosemite National Park, the project area is part of the scenic viewshed for tourists traveling along State Highways 120 and 49 and into the park.

The property is comprised of a variety of habitat types, including blue oak-foothill pine woodlands, annual grasslands, mixed conifer, mixed chaparral and valley foothill riparian habitat. Toward the eastern edge of the property, where the elevation slopes upward, ponderosa pine habitat emerges.

The predominant oak woodland species include interior live oak, blue oak, black oak and some valley oak. The rich diversity of oak species is further enhanced, as the property contains oak trees at varying stages of maturity. While most

trees on the site are mature, natural regeneration has created numerous seedlings and hundreds of young oak trees. All of the oak species have adequate numbers of seedlings to replace older trees as they die.

The principal water feature on the ranch is Buckeye Creek, which bisects the property from the north to the south. Another small creek, a tributary of Agua Fria Creek, runs parallel to Buckeye Creek near the ranch's western edge. The entire property is contained within the Mariposa Creek Watershed, which has its outlet in the Mariposa Reservoir and eventually runs into the San Joaquin River. Mariposa Creek is one of the best remaining west-side foothill stream types. According to staff from the DFG, protecting the Mariposa Creek is one of the many reasons for preserving this oak woodland property.

The diversity of oak woodlands, coupled with the chaparral, grasslands and creeks, serve as critical habitat for a variety of species, some of which are rare and/or threatened. The elderberry bush provides excellent habitat for the federally threatened, valley elderberry longhorn beetle. The cottonwood and willow trees provide habitat for the State-listed endangered western yellow-billed cuckoo. Over the last 11 years, the DFG has catalogued four confirmed sightings of Mariposa lupine, a State-listed threatened species in close proximity to the property. The ranch provides high-quality habitat for State-listed species of special concern such as the Congdon's lomatium, Mariposa clarkia, shaggy hair lupine, slender-stemmed monkey flower, Mariposa daisy, California spotted owl, California ringtail and the yellow-legged frog. Several of these species, notably the California spotted Owl, are listed as sensitive by federal resource agencies. Staff from the DFG reports that because the property supports substantial biological resource values, the project is considered significant and warrants protection.

The property consists of two separate family ownerships. The TPL was instrumental in bringing the project to the State, with both family members having agreed to sell a conservation easement over their land totaling approximately 2,870± acres. In addition, both landowners have agreed to treat the separate ownerships as one unit with respect to managing the property under one management plan, and have further agreed to implement resource protection measures designed to protect the entire 2,870± acres. Both parcels have been appraised, and conservation easement values have been reviewed and approved by the Department of General Services (DGS).

Long Ranch Conservation Area (initial acquisition) totals 2,698± acres and has an approved appraisal of \$1,425,000.00. Expansion 1 totals 172± acres and has an appraised value of \$40,000.00. Recognizing the two separate ownerships, staff proposes to award two grants to the Sierra Foothill Conservancy totaling

\$1,465,000.00. It is estimated that an additional \$15,000.00 will be needed for project costs, including DGS' review charges, bringing the total amount requested for this project to \$1,480,000.00.

The proposed acquisitions are exempt from the California Environmental Quality Act under Section 15313, Class 13, as the acquisition of land for wildlife conservation purposes and under Section 15325, Class 25, as the transfer of ownership in land to preserve open space, habitat or historical resources. Subject to approval by the WCB, the appropriate Notice of Exemption will be filed with the State Clearinghouse.

Mr. Gallup reported that Robin Park, from the Trust for Public Land, Chuck Peck, representing the Sierra Foothill Conservancy, and the property owner, Frank Long, were in the audience should there be any questions.

Mr. Kellogg asked if there were any comments or questions.

Mr. Broddrick, referring to outlined areas on the displayed map, requested clarification regarding connectivity with the Forest Service property, and if there are other acquisitions or current discussions with the Conservancy regarding properties adjacent to those considered in this proposal.

Mr. Gallup asked Mr. Peck to respond. Mr. Peck explained that the Sierra Foothill Conservancy acquired approximately 2,400 acres of easements in Mariposa County, all donated within the last 12 months, and that the Conservancy is working on another project of 2,000 acres. He stated the Conceptual Area Protection Plan (CAPP) for Mariposa County includes Long Ranch and that it will connect with the other parcels in the CAPP. Mr. Peck commented that he hoped the Conservancy would continue to work with the DFG to expand the protected area over the next couple of years.

Staff recommended that the Board approve the award of two grants to the Sierra Foothill Conservancy for the purchase of two conservation easements over 2,870± acres, as proposed; allocate a total of \$1,480,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop. 40), Section 5096.650 (f), for the grant amount and project expenses; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.



**It was moved by Mr. Ryan Brodrick that the Board approve the award of two grants to the Sierra Foothill Conservancy for the purchase of two conservation easements over 2,870± acres, as proposed; allocate a total of \$1,480,000.00 from the California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund (Prop. 40), Section 5096.650 (f), for the grant amount and project expenses; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.**

**Motion carried.**

27. Pleasants Valley Conservation Area, Solano County                      \$1,018,000.00

Mr. Wright reported that this proposal was to consider an allocation for a grant to the Solano Land Trust (SLT) to acquire a conservation easement over 535± acres, to protect the historic nature of this productive agricultural property, while protecting its long-term economic viability by providing capital for crop diversification and rangeland improvements. The property is located on the west side of Pleasants Valley Road near the City of Vacaville in northern Solano County. Mr. Steven Christensen briefly described the project and its location.

The California Legislature, in September 2002, passed the Rangeland, Grazing Land and Grassland Protection Act and identified the Wildlife Conservation Board (WCB) as the responsible entity to implement the protection program. The purpose of the program is to protect California's rangeland, grazing land and grasslands through the use of conservation easements. Procedures were developed for evaluating proposals which measure the project's contribution toward achieving the purposes of the program and this property was accepted for inclusion into the program.

Historically known as the Martell Ranch, the property has been in the family for 130 years. The property is currently used for cattle grazing on the upper foothill elevations with the lower valley portions having been planted in fruit orchards up until the 1950's. As a result of competition from the Santa Clara and San Joaquin Valleys, fruit production is no longer a viable operation. Located at the southern entrance of Pleasants Valley, the ranch is part of the northern California coastal mountain range, with the ranch forming the western boundary of Pleasants Valley Road for 1.5 miles. The City of Vacaville is located to the south along Highway 80, a major transportation corridor.

The Martell Ranch will be the second agricultural conservation easement acquired by the Solano Land Trust in Pleasants Valley. Previously, an easement was acquired over the Hoskins Ranch which is adjacent to the subject property to the north. Between the Hoskins and Martell ranches, a large contiguous area of roughly 1,000 acres of farm and rangeland will be protected in perpetuity. The primary purpose of the conservation easement is to enable the property to remain in agricultural use by preserving and protecting its livestock grazing capacity, agricultural viability, utility, character and its open space for scenic value. There are three predominate natural communities found on the property--blue oak woodland, valley oak savannah and mixed riparian woodland. A portion of the property is mixed riparian woodland, lying within and adjacent to Miller and Pleasants Creek and their tributaries. Both Miller Creek and Pleasants Creek form part of the larger Putah Creek watershed area and are home to an abundance of waterfowl, raptors, deer, wild turkey and mountain lions.

The greatest threat to maintaining this area for agricultural use comes from development pressure in the growth of rural ranchettes. Nonfarming residents will purchase 5 to 40 acre parcels for homesites and typically discontinue agricultural use, taking many acres out of production all at once. Pleasants Valley is an attractive location for country estates due to its close proximity to large population centers in San Francisco and Sacramento, in addition to the nearby cities of Vacaville and Fairfield. Even under the Williamson Act, it is theoretically plausible for the ranch to be split into five, 41-acre parcels and two, 160-acre parcels.

The property will be managed and maintained as it has been, with oversight by the SLT. Changes will be made to enhance rangeland management practices and continue the promotion of good stewardship ethics. The Martell family is very proactive in protecting the conservation values of their property. Prior to executing a conservation easement, the owner will work with the SLT to develop a formal conservation plan to guide the management of the Martell Ranch. This plan will be prepared with the assistance of the USDA Soil Conservation Service, UC Cooperative Extension or a certified Range Manager.

The conservation easement has been appraised for \$1,650,000.00, a value approved by the Department of General Services (DGS). The property owner has agreed to sell the conservation easement to the SLT as a bargain sale for \$1,488,000.00. The Department of Conservation has agreed to contribute 80,000.00 toward the SLT's purchase of the conservation easement. The WCB's proposed grant to the SLT would fund the balance of the purchase price in the amount of \$1,008,000.00. It is estimated that an additional \$10,000.00 will be needed to cover project costs, including DGS' review charges, bringing the total amount requested for this project to \$1,018,000.00.

The proposed acquisition is exempt from the California Environmental Quality Act under Section 15313, Class 13, as the acquisition of lands for fish and wildlife conservation purposes and under Section 15325, Class 25, as the transfer of ownership in land to preserve existing natural conditions and historical resources. Subject to approval by the WCB, a Notice of Exemption will be filed with the State Clearinghouse.

Mr. Christensen reported that Jim Ball and Wendy Low, representing the Solano Land Trust, and the property owner, Barbara Comfort, were in the audience should there be any questions.

Mr. Wright added that this proposal is a project to be funded under the Rangeland Program, explaining that the valley is now subdivided, with the exception of a few larger parcels, and to keep some larger parcels intact while the rest of the valley is divided into 5 and 10-acre ranchettes.

Mr. Kellogg asked if there were any comments or questions.

Staff recommended that the Board approve this grant as proposed; allocate \$1,018,000.00 from the California Clean Water, Clean Air, Neighborhood Parks, and Coastal Protection Fund (Prop. 40), Section 5096.650 (f), to be applied toward the purchase price and associated costs; authorize staff to enter into the appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

**It was moved by Mr. Jim Kellogg that the Board approve this grant as proposed; allocate \$1,018,000.00 from the California Clean Water, Clean Air, Neighborhood Parks, and Coastal Protection Fund (Prop. 40), Section 5096.650 (f), to be applied toward the purchase price and associated costs; authorize staff to enter into the appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.**

**Motion carried.**

Ms. Comfort thanked the Board for approving this proposal. She stated that this property has been in the family since 1850, they've tried to keep it as clean and natural as possible and that the area is loaded with wildlife. She commented that she has enjoyed working with the WCB staff, especially Marilyn Cundiff and Steve Christensen, and that she appreciated their enthusiastic assistance.

28. Napa-Sonoma Marshes Wildlife Area, Tolay Creek Unit, \$8,010,000.00  
Expansion 4, Sonoma County

Mr. Wright reported that this proposal was to consider a grant to the Sonoma Land Trust (SLT) for a project involving the acquisition of approximately 1,678 acres of privately-owned improved property located in Sonoma County at the intersection of Highway 37 and Lakeville Highway. Mr. Randy Nelson briefly described the project and its location.

The subject property is an irregularly shaped parcel and is adjacent to and will connect thousands of acres of protected lands from Tolay Creek on the east to the Petaluma River on the west. It abuts lands owned by the SLT, the State Coastal Conservancy and the United States Fish and Wildlife Service, including the San Pablo Bay National Wildlife Refuge. The Wildlife Conservation Board (WCB) acquired some 244 acres in the vicinity of the subject property in the 1990's. These lands are now managed by the Department of Fish and Game (DFG). The SLT intends to acquire additional, adjacent property that will connect these previously acquired parcels to the subject property resulting in the linking together of all protected lands in the area. The Bay Trail will eventually traverse these properties.

Consisting of both wetlands and upland, the property supports a wide variety of plants and wildlife. The wetlands provide habitat for the threatened California red-legged frog and the endangered salt marsh harvest mouse. The burrowing owl is a species of special concern that makes its home in the area. More than a thousand more common species depend on baylands like the subject property for their survival.

It is proposed that the SLT acquire and hold title to the subject property for the short term. It is intended that eventually the DFG will take over ownership and management. The DFG has expressed its support for this project citing the area's biological diversity, high quality habitat and vulnerability to development pressure.

The owners of the property have agreed to sell this property for \$12,820,000.00, the appraised fair market value approved by the Department of General Services (DGS). The SLT will provide \$4,820,000.00 to be applied toward the purchase of the property. The WCB's proposed grant, in the amount of \$8,000,000.00, will provide the remaining balance of the purchase price. It is estimated that an additional \$10,000.00 will be needed for project costs, including DGS' review charges, bringing the total recommended allocation for this project to \$8,010,000.00.

The terms and conditions of the proposed grant provide that the WCB will review and approve the property being proposed for acquisition by the SLT. The grant further provides that staff will review all proposed title documents, appraisals, preliminary title reports, agreements for purchase and sale, escrow instructions and the instruments of conveyance prior to disbursement of funds directly into the SLT's escrow account for the purchase of the property.

The project is exempt from the California Environmental Quality Act (CEQA) under Section 15313, Class 13, as an acquisition of land for wildlife conservation purposes and under Section 15325, Class 25, as the transfer of ownership in land to preserve open space. A Notice of Exemption will be filed with the State Clearinghouse upon approval by the WCB. All future restoration activities will require additional CEQA determinations separate from the initial acquisition.

Mr. Wright reported that the Board received letters of support from Lynn Woolsey, Member of Congress; Senators Wesley Chesbro and John Burton; and Assembly members Patricia Wiggins and Patty Berg.

Mr. Nelson reported that Wendy Eliot and Ralph Benson, Executive Director, Sonoma Land Trust, were in the audience should there be any questions.

Mr. Kellogg asked if there were any comments or questions. There were none

Staff recommended that the Board approve this project as proposed; allocate \$8,010,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79572 (c), for the acquisition and associated costs; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

**It was moved by Mr. Jim Kellogg that the Board approve this project as proposed; allocate \$8,010,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79572 (c), for the acquisition and associated costs; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.**

**Motion carried.**

29. Riparian Habitat Restoration, Lower Putah Creek, \$1,207,000.00  
Yolo and Solano Counties

Mr. Wright reported that this proposal was to consider an allocation of a grant to the Solano County Water Agency for a cooperative project to improve aquatic and terrestrial habitats in and along Lower Putah Creek in Yolo and Solano Counties. The project will remove nonnative vegetation, repair erosion, restore channel stability, enhance in-stream habitats and restore riparian habitat on private and public land along approximately 35 miles of Lower Putah Creek, beginning at Monticello Dam and proceeding downstream to the Yolo Bypass. The riparian corridor of Putah Creek links the wildlife habitats of the Yolo Bypass with contiguous natural areas that extend from Lake Berryessa to Clear Lake and the Mendocino National Forest, forming a significant wildlife migration pathway. Other partners participating in the project include California Environmental Protection Agency, CALFED, the California Department of Fish and Game (DFG), California Department of Parks and Recreation, City of Davis, Lower Putah Creek Coordinating Committee, Solano County Transportation Department, University of California - Davis (UCD), U.S. Bureau of Reclamation, U.S.D.A. Natural Resources Conservation Service, U.S. Fish and Wildlife Service, Yolo County and over 60 public and private landowners. Mr. Scott Clemons briefly described the project and its location.

Lower Putah Creek provides critical habitat for the federally-listed chinook salmon and the valley elderberry longhorn beetle and contains high density nesting habitat for the State listed Swainson's hawk and many other birds. The interdam reach from Monticello Dam (at Lake Berryessa) to Putah Diversion Dam (at Lake Solano) includes some of the best native trout habitat in the region and has potential to support listed populations of steelhead trout. In December 2003 an estimated 70 salmon spawned in Putah Creek, using virtually all suitable spawning habitat. The riparian corridor provides nesting opportunities along the Pacific Flyway for neotropical migratory birds and its proximity to UCD makes for exceptional training opportunities for ecologists and future watershed managers.

The Board has been active with several acquisition projects along Lower Putah Creek, beginning in 1963 with the purchase of the initial fishing access site located below Monticello Dam. This facility was enlarged in 1972 with the purchase of an adjacent 22-acre parcel. In 1989 the Board allocated funding to reconstruct and pave five parking areas and access roads to provide continued public safety. Yolo County has provided enhancement features such as picnic tables, barbecue units and other day use facilities, and is operating and maintaining the project. In 1979 the Board authorized funding for the purchase

of two parcels totaling 488 acres on the Solano County side of Lower Putah Creek, and this property is being managed by the DFG as the Putah Creek Wildlife Area. The Board allocated funding in 1988 to acquire 18± acres of land along Putah Creek in Solano County that provides access to Putah Creek and to Cold Canyon.

While the lower Putah Creek watershed has much of the best remaining habitat in the south Sacramento Valley, it requires watershed improvements to restore it to its full habitat potential. This project addresses several problems that arise from a long history of human impacts.

Beginning in the mid-1800's, lower Putah Creek was mined extensively for gold and gravels, the riparian forest was cut down for agricultural and urban development and the wood from its oaks was used as fuel for the railroads. Lower Putah Creek was also used as a solid waste dump before there were public dumps and many legacy dumpsites remain. Ongoing illegal dumping occurs in the channel in many locations where public roads follow the top of the bank. The creek has been extensively channelized for flood protection. The lower third of the creek is a bypass channel created 100 years ago to protect the City of Davis from flooding.

Two dams regulate flows in Putah Creek, diverting most of the natural flows to cities and farms in Solano County as part of the federal Solano Project. The dams trap spawning size gravels, limiting populations of native anadromous fish, including Fall-run Chinook salmon, steelhead and Pacific lamprey, all known to occur in lower Putah Creek.

Over-widened channels resulting from gravel mining and past flood control efforts have eliminated floodplains, forming several long, wide, shallow pools that limit shaded riverine aquatic (SRA) cover and habitat diversity and yield warmer waters, favoring exotic fish over native species. A total of 20 primary nonnative invasive weeds are degrading native fish and wildlife habitat, increasing fire hazards, and clogging the stream channel, contributing to lateral erosion and bank instability problems. For example, a combination of extremely high flows and *Arundo* growth in the center of the channel of Putah Creek at the confluence with Dry Creek caused the channel to shift its course south, eroding the south bank and threatening to cause a significant portion of Putah Creek Road to fall into the channel.

Agricultural and urban development has pinched the riparian corridor along much of its length. As the Central Valley and San Francisco-Sacramento corridor continue to develop over the next few decades, increasing urban pressures will put further stresses on lower Putah Creek and its tributaries unless they are restored and protected.

This project consists of five interrelated tasks to improve the lower Putah Creek watershed. Native fish habitat restoration will restore habitat conditions for anadromous Fall-Run Chinook salmon, steelhead, Pacific lamprey and native resident fish populations. Riparian habitat restoration and conservation will remove invasive weeds and restore habitat for the valley elderberry longhorn beetle (VELB), Swainson's hawk and numerous other sensitive and common wildlife and native riparian plants. Sediment load reduction will restore water quality and fish habitat while reducing threats from failing streambanks to adjacent roadways and land. Community stewardship and outreach will provide long-term community support and awareness of the natural resources Putah Creek provides within the Sacramento Valley and North Delta regions. The project's assessment and evaluation plan will develop effective biometric indicators and evaluate the success of restoration, weed abatement and water quality improvement projects.

Riparian habitat restoration activities planned for this project include the removal of 2,040 tons of solid waste from the riparian corridor, use of log revetments to fill shallow stream edges, to restore floodplains and shaded riverine aquatic (SRA) cover and expand the width of the riparian corridor toward the center of the creek. Over 800 infestations of the primary nonnative invasive weeds will be removed and treated with herbicides on 600 acres of the riparian corridor - this is 33 percent of the total riparian corridor on Lower Putah Creek. This effort will take place on over 40 different properties. The project will enhance restoration revegetation plantings with focused nutrient applications that have been developed because of the unique soil qualities along Putah Creek. In addition, local walnut growers will supply walnut mulch for use in suppressing regrowth of treated invasive weeds. The project will also expand the highly successful Putah Creek Nestbox Trail, with the addition of more nestboxes in newly accessible habitats along the creek.

Native fish habitat restoration activities will include improvement of spawning habitat in four locations, with the addition of larger gravels, installation of rock weirs, log vanes and SRA cover. Dry Creek, a major undammed tributary, provides most of Lower Putah Creek's spawning gravel. At the confluence of Dry Creek and Putah Creek the current Putah Creek channel, in addition to threatening Putah Creek Road, does not provide satisfactory spawning habitat. The project will redirect the Putah Creek channel back to its original location, and this will make the spawning habitat available for salmon, steelhead and the Pacific lamprey.

Solano County Water Agency has obtained written access agreements from participating landowners and has agreed to manage and maintain the project improvements for ten years.



Cost estimates for this project, which have been reviewed by staff, are as follows:

Description	Estimated Cost
Administration	\$435,100.00
Permitting	71,500.00
Project evaluation	518,236.00
Community outreach and park facilities	612,000.00
Weed abatement (600 acres)	2,456,181.00
Riparian restoration	654,109.00
Solid waste cleanup	301,440.00
Nestbox trail	20,000.00
Native fish habitat enhancements	668,804.00
Sediment management	890,000.00
Update to Watershed Plan and reports	159,800.00
Contingency	64,000.00
<b>TOTAL ESTIMATED COST:</b>	<b>\$6,851,170.00</b>

Proposed Funding Breakdown:	
Wildlife Conservation Board	\$1,207,000.00
CAL EPA	342,704.00
CALFED	1,396,891.00
California Department of Parks and Recreation	53,000.00
City of Davis	250,000.00
Lower Putah Creek Coordinating Committee	403,000.00
Solano County Water Agency	1,065,000.00
Solano County Transportation Department	70,000.00
UC Davis	1,828,000.00
U.S. Bureau of Reclamation	50,000.00
U.S.D.A. Natural Resources Conservation Service	60,575.00
U.S. Fish and Wildlife Service	50,000.00
Yolo County	75,000.00
<b>TOTAL AVAILABLE FUNDING:</b>	<b>\$6,851,170.00</b>

The DFG has reviewed this proposal and recommends it for funding by the Board. The Solano County Water Agency is lead agency for compliance with the California Environmental Quality Act, and will be filing the appropriate documentation for this project.

This project has excellent support at the local, state and federal level, as indicated by letters of support that have been received at the Wildlife Conservation Board.

Mr. Clemons reported that Rich Marovich from the Solano County Water Agency and Armand Gonzales from the Department of Fish and Game's Regional Office were in the audience should there be any questions.

Mr. Wright reported that the Board received a letter of support from Mike McGowan, Chairman of the Yolo County Board of Supervisors.

Mr. Marovich submitted a request to comment but it appeared he was no longer in the audience.

Mr. Kellogg asked if there were any comments or questions.

Mr. Broddrick complimented the Board staff and numerous funding partners for their participation in this project, noting that the long-term restoration efforts will make a measurable and hopefully beneficial difference to riparian habitat.

Staff recommended that the Board approve this project as proposed; allocate \$1,207,000.00 from the Habitat Conservation Fund, Section 2786 (e/f), authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

**It was moved by Mr. Ryan Broddrick that the Board approve this project as proposed; allocate \$1,207,000.00 from the Habitat Conservation Fund, Section 2786 (e/f), authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.**

**Motion carried.**

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| 30. | Upper Garcia River Watershed (Longview),<br>Mendocino County | \$4,005,000.00 |
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Mr. Wright reported that this proposal is to consider the approval of an Interagency Agreement with the State Coastal Conservancy (SCC) providing \$4,000,000.00 to discharge a repayable grant made by the SCC to The Conservation Fund (TCF) to complete the February 2004 purchase of 23,780± acres of forest lands in the Upper Garcia River Watershed. Approval of the Interagency Agreement will allow TCF to retain fee simple ownership of the property and, with its partners, begin the implementation of restoration and enhancement activities for the benefit of steelhead, coho salmon, spotted owls and a wide array of additional sensitive species. Ms. Linda Drake briefly described the project and its location.

The property is located in the coastal mountain range of southwestern Mendocino County, roughly centered between the Highway 1 and Highway 101 corridors. The property is located within the central portion of the Upper Garcia River watershed and includes virtually the entire North Fork Garcia River, over seven miles of the Garcia River mainstem, all of Signal and Inman Creeks, and the majority of Blue Waterhole Creek West, representing one-third of the entire 73,223 acre watershed.

On February 3, 2004, TCF, together with The Nature Conservancy (TNC) and the SCC, purchased approximately 23,780± acres of land located in the headwaters of the Garcia River for \$18,000,000.00. The partners' objective was to protect the land's important forestland and anadromous fish habitat, and establish an ecological reserve and compatibly managed forest. The purchase also prevented rural residential development and vineyard conversion on this property, a significant threat to coastal forest lands throughout the North Coast.

At closing, funding for the purchase came from the following sources:

State Coastal Conservancy	\$6,000,000 (Grant)
State Coastal Conservancy	\$4,000,000 (Repayable Grant)
The Conservation Fund	\$4,500,000
The Nature Conservancy Easement	\$3,500,000
<b>TOTAL</b>	<b>\$18,000,000</b>

Prior to the closing, and based on the recommendation of the Department of Fish and Game (DFG), staff of the Wildlife Conservation Board (WCB) determined that it would be desirable to bring to their Board a recommendation that the WCB participate in the purchase. However, under its contract of purchase, TCF was obligated to complete the acquisition before the WCB could consider the matter.

Accordingly, the SCC agreed to provide TCF a \$4,000,000.00 repayable grant in anticipation of a reimbursement from the WCB after closing, but not later than December 31, 2004. The terms of the repayable grant provide that TCF may sell the property (subject to the conservation easement held by TNC in the event the WCB does not approve the reimbursement).

Accordingly, reimbursement of the \$4,000,000.00 repayable grant is critical to the partners' ability to fully develop and direct the long-term management of the property, implement the desired restoration and enhancement measures and research programs and to provide public access opportunities. Otherwise, the

property will be sold to a private timber company subject to the conservation easement held by TNC. While this easement will prevent inappropriate timber harvest and subdivision, it will not allow the kind of access and control over the property necessary to achieve these other important conservation and public access objectives.

The Garcia River is a high priority refugia watershed identified in the 2003 "Preliminary Recovery Strategy for Coho Salmon." The property includes over 34 miles of Class I watercourse, 67 miles of Class II watercourse, associated riparian habitats, three of four sub-basins currently supporting coho, twelve recorded northern spotted owl activity centers (plus seven within 1.3 miles) and a wide array of additional sensitive species. The size of the property provides the opportunity to manage this coastal forest property for long-term forest and stream restoration and to contribute substantially to the integrity and ecological viability of the entire watershed.

If the grant is repaid by the WCB, enabling TCF to retain ownership of the fee interest in the property, TCF will work with the DFG, the SCC, TNC and others to:

- Prepare and implement a restoration plan consistent with the "Evaluation of Garcia River Restoration with Recommendations for Future Projects," prepared for DFG, May 2003;
- Establish a permanent ecological reserve network on at least 35 percent of the property to restore and protect biodiversity, protect and preserve rare species and communities and create and protect wildlife corridors;
- Prepare a forest management plan to maximize the diversity and health of the forest ecosystem while providing for a sustained yield of high quality timber products;
- Increase the partners' understanding of ecologically based forest management of large coastal forests so that these techniques may be implemented on other forestlands in the region; and
- Provide opportunities for compatible public access.

The property is an excellent candidate for restoration because, despite decades of industrial timber management, there is still viable aquatic habitat, a high diversity of plant communities including riparian forests, coastal redwood forest, mixed hardwood/conifer forest and significant numbers of sensitive plant and animal species including spotted owls, coho, and chinook and steelhead salmonids.

Restoration is needed to return anadromous fish populations to historic levels, ensure survival of rare species and grow forests with late-successional characteristics. The size and upstream location of the Garcia River purchase area also minimizes chances that restoration activities will be undermined by conflicting land management practices on neighboring parcels.

The Upper Garcia River property provides a significant opportunity to build upon over 30 years of extensive planning, collaboration and fisheries restoration work throughout the Garcia River Watershed. Excellent data available from the North Coast Watershed Assessment Program, research and implementation plans, the DFG, Resources Conservation District and from the Klamath Resource Information Service will serve as a baseline against which to measure the effects of restoration work.

The Department of General Services (DGS) approved a value of at least \$4,000,000.00 for the property subject to the conservation easement held by TNC. It is anticipated that an additional \$5,000.00 will be needed to cover project costs, including DGS' review costs, bringing the total allocation for this proposal to \$4,005,000.00.

Mr. Kellogg asked if there were any questions or comments. There were none.

Staff recommended that the Board approve the Interagency Agreement with the State Coastal Conservancy to discharge a repayable grant made by the State Coastal Conservancy to The Conservation Fund as proposed; allocate \$4,005,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79565, to pay the grant amount and related project expenses; authorize staff to enter into appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

**It was moved by Mr. Jim Kellogg that the Board approve the Interagency Agreement with the State Coastal Conservancy to discharge a repayable grant made by the State Coastal Conservancy to The Conservation Fund as proposed; allocate \$4,005,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79565, to pay the grant amount and related project expenses; authorize staff to enter into appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.**

**Motion carried.**

31. Sierra Valley Conservation Area, Expansion 2, \$310,000.00  
Sierra County

Mr. Wright reported that this proposal was to consider an allocation of a grant to the California Rangeland Trust (CRT) to acquire a conservation easement over 500± acres, to protect the historic nature of this productive agricultural property, while protecting its long-term economic viability as a ranching and grazing operation. The property is located at the northwest corner of State Highway 49 and Heriot Lane, approximately four miles west of Loyalton in Sierra County.

Mr. Steven Christensen briefly described the proposal and its location.

The California Legislature, in September 2002, passed the Rangeland, Grazing Land and Grassland Protection Act and identified the Wildlife Conservation Board (WCB) as the responsible entity to implement the protection program. The purpose of the program is to protect California's rangeland, grazing land and grasslands through the use of conservation easements. Procedures were developed for evaluating proposals which measure a project's contribution toward achieving the purposes of the program and whether the attributes of the property merit its acceptance into the program.

Historically known as the Genasci Ranch, the property has been in the family for 95 years. The Genasci family operated a dairy farm on the ranch until 1944, when they switched to beef cattle. The property is currently used for cattle grazing during the spring. Alfalfa-grass hay is also harvested with production that varies from year to year. The ranch to be included in the conservation easement is part of a larger 1,420± acre family operation, adjacent to 920± acres owned by other family members. Together, the property averages about 800 tons of hay on the total acreage. The ranch to be conserved with an easement averages approximately one third of the total hay production. The Genasci Ranch is located within the Sierra Valley and is in the Feather River Watershed. Antelope Creek, an ephemeral stream, flows through the property.

The Genasci Ranch is located to the northwest of the Department of Fish and Game's (DFG) Antelope Valley Wildlife Area, with the 1,360± acre Balderston Ranch, encumbered by a conservation easement, located between them. The ranch is also in close proximity to the 13,100± acre Bar One Ranch, also protected with a conservation easement funded by the WCB. The DFG's Hallelujah Junction Wildlife Area and the Toiyabe National Forest are located to the east.

The primary purpose of the proposed conservation easement is to enable the property to remain in agricultural use by preserving and protecting its agricultural productive capacity, agricultural viability, utility and character. The uniqueness of this ranch is its contribution to the larger goal of long-term landscape scale protection of the Sierra Valley for future agricultural use. Covering 130,000± acres, the Sierra Valley is the largest alpine valley in North America and is on the Pacific Flyway. Located at approximately 5,000 feet in elevation, it is defined by the Yuba Pass on the west and Beckwourth Pass on the east. The area's proximity to the Great Basin and the Cascades produces a unique environment supporting a distinct variety of plants and animals. Many of these plants and animals, such as the Pronghorn Antelope, are not commonly found in other parts of the Sierra Nevada.

The greatest threat to maintaining this area for agricultural use comes from development pressure in the growth of rural ranchettes and urbanization. The Sierra Valley is 30 minutes from the rapidly developing town of Truckee to the south, and 30 minutes from Reno, Nevada, the fastest growing state in the union. With Truckee approaching build-out, and Reno developing north of its traditional boundaries, including into the adjacent Long Valley Area, development is only a matter of time. The ranch abuts over two miles of Highway 49, a well-maintained asphalt road that is open year round, which heightens the threat that the ranch will be sold for development purposes.

The property will be managed and maintained as it has been, with oversight by the CRT. The Genasci family is very proactive in protecting the conservation values of their property and will continue the promotion of good stewardship ethics and best management practices.

The property owner has agreed to sell a conservation easement to the CRT at the appraised fair market value of \$365,000.00, approved by the Department of General Services (DGS). The Sierra Business Council has secured a \$65,000.00 grant from the Packard Foundation which they will contribute toward the purchase price. Staff proposes that the WCB approve a grant to the CRT to provide the remaining balance, in the amount of \$300,000.00. It is estimated that an additional \$10,000.00 will be needed to cover project costs, including DGS' appraisal review charges, bringing the total amount requested for this project to \$310,000.00.

The proposed acquisition is exempt from the California Environmental Quality Act under Section 15313, Class 13, as the acquisition of lands for fish and wildlife conservation purposes and under Section 15325, Class 25, as the

transfer of ownership in land to preserve existing natural conditions and historical resources. Subject to approval by the WCB, a Notice of Exemption will be filed with the State Clearinghouse.

Mr. Christensen reported that the property owner, Attilio Genasci, family members Jim, Mary and Angelo Genasci; Michelle Clark and Nita Vail, Executive Director, from the California Rangeland Trust; and Steve Frisch from the Sierra Business Council, were in the audience should there be any questions.

Mr. Kellogg asked if there were any comments or questions.

Mr. Genasci addressed the Board, commenting that the Sierra Valley is the largest alpine valley at 5,000 feet in the North American continent and that it is noted as being the foremost bird watching area in northern California. He stated there is a lot of wildlife in the area, and they are working hard to preserve the land for generations to come, preserving the valley floor for agriculture. He commented that he felt everyone in the city should support this effort so that they can view this beautiful valley. Mr. Kellogg acknowledged Mr. Genasci for his efforts.

Ms. Noelle Cremers, California Cattlemen's Association (CCA), addressed the Board and stated that the CCA is supportive of this outstanding project and thanked the Wildlife Conservation Board for considering the proposal.

Mr. Broddrick expressed appreciation to Mr. Genasci for the stewardship he provided for the valley, acknowledging that the habitat will be safe in that working landscape for the enjoyment of future generations.

Mr. Wright thanked the Genasci family for attending the meeting and Mr. Genasci for sharing his thoughts. He expressed his appreciation to Mr. Genasci for his help on this and other projects in the valley.

Staff recommended that the Board approve this grant as proposed; allocate \$310,000.00 from the California Clean Water, Clean Air, Neighborhood Parks, and Coastal Protection Fund (Prop. 40), Section 5096.650 (f), to cover the grant amount and pay for associated costs; authorize staff to enter into the appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.



**It was moved by Mr. Ryan Brodrick that the Board approve this grant as proposed; allocate \$310,000.00 from the California Clean Water, Clean Air, Neighborhood Parks, and Coastal Protection Fund (Prop. 40), Section 5096.650 (f), to cover the grant amount and pay for associated costs; authorize staff to enter into the appropriate agreements as necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.**

**Motion carried.**

32. Humboldt Bay Wildlife Area, Jacoby Creek/Gannon Slough                      \$370,000.00  
Unit, Expansion 6, Humboldt County

Mr. Wright reported that this proposal was to consider the allocation of a grant to the City of Arcata (City) to assist in the purchase of 322± acres of private land and improvements for a cooperative project with the California Coastal Commission, Department of Fish and Game (DFG) and the Wildlife Conservation Board (WCB) for the protection, enhancement and restoration of habitat along Jacoby Creek and other small creeks south of the City in Humboldt County. Mr. Bill Gallup briefly described the proposal and its location.

The subject property is located on Old Arcata Road within the city limits of the City of Arcata, about one-half mile southerly of the downtown area. The property has frontage along State Highway 101 and Old Arcata Road on the west and east, as well as frontage along Jacoby Creek on the south.

Land uses in the area are rural in nature with homes situated on small acreage parcels with many developed for agricultural use. Topography of the subject is generally flat with a gentle slope downward to the west toward Humboldt Bay. Jacoby Creek forms the southerly boundary and State Highway 101 is adjacent to the property on the west. The westerly portion of the property is reclaimed "intertidal salt marsh" and is currently protected by tide gates near State Highway 101. The property is improved with two older single family residences and a newer steel barn. The property has perimeter and cross fencing.

The primary purpose of this proposed grant is to protect and preserve the Jacoby Creek corridor as well as Campbell, Grotzman and Fickle Hill Creeks. Most of the creeks are currently open ditches extending from the hills east of the subject and draining into Humboldt Bay. All of these creeks are part of the larger Humboldt Bay ecosystem that provides wetland habitat for fish, waterfowl, wading birds, shorebirds, passerines, raptors and other water associated wildlife. The DFG's Jacoby Creek/Gannon Slough Enhancement Area properties are

adjacent to the U.S. Fish and Wildlife Service's Humboldt Bay Wildlife Refuge and the southeast boundary of the City's Marsh and Wildlife Sanctuary. The DFG's McDaniel Slough Unit of the Humboldt Bay Wildlife Area is immediately west of the Wildlife Sanctuary. The Jacoby Creek Land Trust currently has conservation easements over 21± acres in the area and holds fee title to approximately 60± acres of land along the Jacoby Creek. The City recently purchased the land immediately adjacent and south of the subject and should this transaction be finalized, the City will control both sides of Jacoby Creek from old Arcata Road to Humboldt Bay.

Most of the lower Jacoby Creek area was originally part of Humboldt Bay's extensive intertidal salt marsh and mud flats prior to the construction of the Northwestern Railroad line adjacent to the Bay and later State Highway 101. Construction of the railroad and highway as well as timber harvest in the upper watershed, combined with conversion of the riparian areas to agricultural uses in the lower watershed, have all impacted Jacoby Creek. Installation of tide gates to stop saltwater intrusion on the land and numerous other types of construction has degraded habitat for fish and other aquatic organisms. Acquisition of the property would provide the City with an opportunity to undertake the needed tidal restoration and freshwater wetland enhancement in this area for the benefit of listed and sensitive species including the northern red-legged frog, foothill yellow-legged frog, coastal cutthroat trout, coho salmon, steelhead and the tidewater goby. Some coastal cutthroat trout, pacific giant salamander, California slender salamander and northern red-legged frog populations still exist in the area and would also benefit from the project.

The DFG has recommended the WCB assist the City of Arcata with the purchase of the property and has offered to cooperate with the City in its management of the site. Proposed management activities by the City would include providing passive public access, maintenance and restoration of habitat and creek beds and protection of the species of concern.

The owner has agreed to sell this property for \$1,500,000.00. Department of General Services (DGS)-approved fair market value for the property is \$1,750,000.00. The WCB's proposed grant to the City, in the amount of \$365,000.00, will provide the necessary funding for their purchase of the property. It is estimated that an additional \$5,000.00 will be needed for project costs, including appraisal costs and DGS' review charges, bringing the total amount requested for this project to \$370,000.00.

The terms and conditions of the proposed grant provide that staff of the WCB will review and approve all documents pertaining to the City's acquisition, including

any appraisals, preliminary title reports, agreements for purchase and sale, escrow instructions and the instruments of conveyance prior to approving the disbursement of funds directly to an escrow for the purchase.

There are no claims of sovereign State land ownership over any of the property. The proposed acquisition is exempt from the California Environmental Quality Act under Section 15313, Class 13, as the acquisition of lands for wildlife conservation purposes and Section 15325, Class 25, as the transfer of ownership or an interest in land to preserve open space.

Mr. Wright reported that the Board received a letter of support from Dennis Orthmeyer, Director of Waterfowl and Wetland Programs, California Waterfowl Association.

Mr. Gallup reported that Mark Andre representing the City of Arcata was in the audience should there be any questions.

Mr. Kellogg asked if there were any comments or questions. There were none.

Staff recommended that the Board approve a grant to the City of Arcata for the acquisition of the subject property, as proposed; allocate a total of \$370,000.00 to cover the grant and associated costs from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79565; authorize staff to enter appropriate agreements necessary to carry out this project; and authorize the Department of Fish and Game to proceed substantially as planned.

**It was moved by Mr. Jim Kellogg that the Board approve a grant to the City of Arcata for the acquisition of the subject property, as proposed; allocate a total of \$370,000.00 to cover the grant and associated costs from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79565; authorize staff to enter appropriate agreements necessary to carry out this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.**

**Motion carried.**

33. Lassen Foothills Ecological Reserve, Expansion 4, \$260,000.00  
Shasta and Tehama County

Mr. Wright reported that this proposal was to consider an allocation of a grant to The Nature Conservancy (TNC) to acquire a conservation easement over 2,007± acres of land to protect wildlife corridors along Battle Creek, in Tehama and Shasta Counties. The parcel is located 30 miles northeast of Red Bluff off Highway 36 and Wildcat Road, near the communities of Anderson and Cottonwood, in south-central Shasta County. Mr. Steven Christensen briefly described the proposal and its location.

The property is currently used as a cattle ranch, with additional income generated from leased fishing rights. Battle Creek meanders in a general east-west direction through the south portion of the ranch forming the Shasta/Tehama County line. A tributary named Baldwin Creek traverses the southeast portion of the property and provides additional riparian habitat. After the acquisition, the property owner will retain the right to use the property for cattle grazing, a rural home site and recreational uses, including fishing, hunting and most passive uses, but within limited parameters.

Acquiring this easement is part of a larger conservation strategy by TNC and the Department of Fish and Game (DFG) to link together public and private lands to create a landscape-scale reserve that will protect extensive wildlife corridors and prevent habitat fragmentation. The Wildlife Conservation Board (WCB) previously approved two grants (Expansions 2 and 3) to TNC at the May 2003 meeting, to complete the acquisition of a conservation easement over 1,511± acres and 9,479± acres of land under the Lassen Foothills conservation strategy. This area is managed as part of the Vina Plains Preserve. Expansion 1 was the allocation of a grant to TNC to assist in the purchase of a conservation easement over 990± acres of land located near Manton, which was approved at the May 2001, WCB meeting, and located east of the subject property.

The primary purpose of the proposed acquisition is to protect blue oak woodland, vernal pool and grassland habitats which provide critical habitat for the east Tehama deer herd, mountain lion and other wildlife species. The subject property has frontage along Battle Creek which is crucial habitat to four native races of Chinook salmon and steelhead trout and to migratory birds.

The property owner has agreed to sell a conservation easement to TNC at the appraised value of \$950,000.00, approved by the Department of General Services. CALFED has agreed to contribute \$700,000.00 toward the purchase of the conservation easement. The WCB's proposed grant to TNC would contribute \$250,000.00 to cover the remaining balance of the purchase price.

It is estimated that an additional \$10,000.00 will be needed to cover project costs, including DGS' review charges, bringing the total amount requested for this project to \$260,000.00.

The proposed acquisition is exempt from the California Environmental Quality Act requirements under Section 15313, Class 13, as the acquisition of lands for fish and wildlife conservation purposes and under Section 15325, Class 25, as the transfer of ownership in land to preserve open space. Subject to approval by the WCB, a Notice of Exemption will be filed with the State Clearinghouse.

Mr. Christensen reported that Mr. Jake Jacobson from The Nature Conservancy was in the audience earlier but had to leave the meeting.

Mr. Kellogg asked if there were any questions or comments. There were none.

Staff recommended that the Board approve the grant as proposed; allocate \$260,000.00 from the Habitat Conservation Fund (Prop. 117), Section 2786 (b/c), for the grant and associated costs; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and Department of Fish and Game to proceed substantially as planned.

**It was moved by Mr. Jim Kellogg that the Board approve the grant as proposed; allocate \$260,000.00 from the Habitat Conservation Fund (Prop. 117), Section 2786 (b/c), for the grant and associated costs; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and Department of Fish and Game to proceed substantially as planned.**

**Motion carried.**

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| 34. | Habitat Restoration, Mill Creek Watershed,<br>Del Norte County | \$3,520,000.00 |
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Mr. Wright reported that this proposal was to consider an allocation for a grant to the Smith River Alliance (SRA) for a cooperative project to improve aquatic and terrestrial habitats in the Mill Creek Watershed. The Mill Creek property is a 40± square mile area located approximately six miles southeast of Crescent City in Del Norte County, California. The property is characterized by steep mountainous terrain typical of the Coast range, with an elevation ranging from 200 to 2,400 feet above sea level. The property is bordered by Jedediah Smith Redwoods State Park to the north, Del Norte Coast Redwoods State Park to the west, Smith River National Recreation Area to the east and private industrial timber lands to the south. The property primarily encompasses the Mill Creek

and Rock Creek watersheds, tributaries to the wild and scenic Smith River. The property is part of the Redwood National and State Parks complex, and is being managed by the California Department of Parks and Recreation (DPR) in cooperation with the National Park Service. Other partners participating in the project include Save the Redwoods League (SRL), the State Coastal Conservancy (SCC), the State Water Resources Control Board, the California Conservation Corps (CCC) and the Department of Fish and Game (DFG).

Mr. Scott Clemons briefly described the project and its location.

The property has a long history of timber harvest dating back to the 1850s. Between 1954 and 2000, the property was intensively managed for commercial timber harvest, which included constructing an extensive road network and converting most of the property from old-growth to early-successional coniferous forest. Only 200± acres of old-growth forest remain in five separate stands.

On May 18, 2001, the Board approved \$15,000,000.00 in funding for their share of the acquisition of this property. The acquisition provided a critical landscape linkage between the region's ancient coastal forests and the inland forests of the Klamath-Siskiyou bioregion. Mill Creek has been identified as a priority opportunity for forest restoration primarily due to the history of timber harvesting that has occurred on the property. Located at the northern extent of the redwood range, the project area includes the Mill Creek and Rock Creek watersheds, tributaries to the wild and scenic Smith River. Almost the entire Mill Creek and Rock Creek watersheds are in protected public ownership. Mill Creek is within the Redwood National and State Parks and Rock Creek is within the Smith River National Recreation Area. Mill Creek flows through the superlative ancient redwood groves of Jedediah Smith Redwoods State Park before joining the Smith River. In addition to its redwood values, Mill Creek has been identified as a priority wild coho salmon refugium in the Department's Coho Recovery Program report. The Mill Creek watershed is included in a group of watersheds that are ranked high relative to their potential for coho salmon recovery. This area is therefore a top priority for Department resources and other resources available for habitat restoration.

The Mill Creek property presents extraordinary challenges for maintaining and restoring wildlife and fish populations. The legacy of decades of intensive industrial timber management threatens the ecological integrity of the natural systems that support Mill Creek's wildlife and fisheries. The once complex ancient forest mosaic was converted into a forest dominated by a dense, even-age conifer plantation with limited structural and biological diversity. High road densities threaten to flood the creeks with sediment, destroying salmon and trout spawning and rearing habitat.

Despite its industrial legacy, Mill Creek is at present the State's premier wild coho salmon refugium; provides habitat for the marbled murrelet, northern spotted owl, mountain lion and Pacific fisher; and protects the watershed for the primeval redwood groves of Jedediah Smith Redwoods State Park. To ensure these ecological values are protected and maintained, a comprehensive integrated and watershed-wide restoration program is required.

Recognizing the need to implement a coordinated ecological restoration program, SRL and SCC sponsored development of Interim Management Recommendations (IMR) to guide emergency restoration activities that will be undertaken by the DPR until a long-term integrated ecological restoration plan can be developed. The proposed project is a three-year effort to implement the initial phase of the IMR. The work will be managed by SRA under the direction of DPR, with support and guidance from the members of the Mill Creek Advisory Committee, utilizing CCC labor where possible.

In general, the project will improve in-stream habitat, improve forest health, improve vegetation diversity in riparian forest areas, maintain and improve water quality in Mill Creek through erosion prevention associated with the decommissioning of former logging roads, and create and manage a native plant nursery to provide stock for revegetation and restoration of the Mill Creek Watershed property.

Specifically, the project will accomplish the following objectives: decommission up to 51 miles of high priority roads to reduce the risk of catastrophic failure (i.e. land slides); provide storm erosion control and culvert clearing for approximately 255 miles of roads; implement thinning in 1,200 acres of high priority young forest stands to reduce unnaturally high densities, restore species composition, and promote old growth forest characteristics; implement wildlife and habitat monitoring in thinned and unthinned stands as part of a property-wide adaptive management program; establish a nursery to raise native plant material to support Mill Creek riparian restoration; improve in-stream habitat in lower reaches of Mill Creek through construction of up to 45 in-stream log cover structures; re-establish riparian conifers along Mill Creek by planting and tending up to 60,000 native conifer seedlings in up to 75± acres of alder-dominated riparian area along approximately five miles of stream; continue salmonid monitoring to provide information on life-stage-specific survival rates and long-term population trends and to increase the understanding of potential factors limiting population abundance and survival.

Cost estimates for this project, which have been reviewed by staff, are as follows:

Description	Estimated Cost
Road decommissioning	\$3,906,363.00
Revegetate stream crossings	285,000.00
Storm season erosion control	238,000.00
Ecological thinning	938,960.00
Wildlife and habitat monitoring	144,000.00
Establish native plant nursery	180,000.00
In-stream habitat creation	110,000.00
Riparian conifer planting	153,000.00
Salmonid monitoring	225,000.00
Administration	411,900.00
Contingency	189,200.00
<b>TOTAL ESTIMATED COST:</b>	<b>\$6,781,423.00</b>
Proposed Funding Breakdown:	
Wildlife Conservation Board	\$3,520,000.00
Department of Fish and Game	734,363.00
State Water Resources Control Board	550,000.00
State Coastal Conservancy	1,200,100.00
Department of Parks and Recreation	371,750.00
Save the Redwoods League	405,210.00
<b>TOTAL AVAILABLE FUNDING:</b>	<b>\$6,781,423.00</b>

The DFG has reviewed this proposal and recommends it for funding by the Board. The DPR is lead agency for compliance with the California Environmental Quality Act, and anticipates filing a Negative Declaration for this project.

This project has excellent support at the local, state and federal level, as indicated by letters of support that have been received by the Wildlife Conservation Board.

Mr. Clemons reported that Grant Werschull from the Smith River Alliance and Don Koch, Regional Manager, Department of Fish and Game, were in the audience should there be any questions.

Mr. Kellogg asked if there were any comments or questions.



Mr. Werschull, on behalf of the Smith River Alliance, expressed appreciation to the Department of Fish and Game and the Wildlife Conservation Board and its staff for helping support this proposal. He acknowledged the efforts of John Schwabe from the Department of Fish and Game and Scott Bauer from the California Conservation Corp for working on the long-term operation and maintenance plan for Mill Creek, noting that their work at Mill Creek actually preceded State Parks' purchase of the property. He also thanked the California Coastal Conservancy who played a major part in this proposal. He reported that Karen Gear from the Coastal Conservancy was in the audience.

Ms. Kate Anderton, Executive Director of Save-The-Redwoods League and Chair of the Mill Creek Advisory Committee, addressed the Board in support of this proposed grant. She explained that the Advisory Committee was formed when the acquisition was made and that the committee represents the continuing commitment of the State agencies who participated in the purchase of this property, and of the County and Save-The-Redwoods League. She acknowledged the efforts and contributions of the thousands of league members involved in the restoration of Mill Creek and stated that the public recognizes the opportunity this project represents. She expressed her appreciation to Don Koch, Regional Manager for the Department of Fish and Game, the Department of Fish and Game, the Wildlife Conservation Board and the State Coastal Conservancy for their leadership and support on this project.

Mr. Kellogg asked if there were any comments or questions.

Mr. Broddrick acknowledged the efforts and participation of the many parties and landowners involved in the recovery plan and long-term restoration of this large project area.

Staff recommended that the Board approve this project as proposed; allocate \$3,520,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79565, and Habitat Conservation Fund, Section 2786 (e/f); authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned.

**It was moved by Mr. Ryan Broddrick that the Board approve this project as proposed; allocate \$3,520,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79565, and Habitat Conservation Fund, Section 2786 (e/f); authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned. Motion carried.**

Mr. Wright announced the meeting would reconvene at 2:00 P.M. to discuss the Hearst proposal. He thanked everyone for attending today's meeting and for their participation and support of the Board as well as their significant work throughout California. Chairman Kellogg adjourned this session at 1:15 P.M. to reconvene at 2:00 P.M.

The Board reconvened and Chairman Kellogg called the meeting to order at 2:05 P.M. Chairman Kellogg introduced Board members Ryan Broddrick, Director, Department of Fish and Game, and Dave Harper, representing the Department of Finance. He welcomed Senator Byron Sher to the meeting. Chairman Kellogg then turned over the meeting to Mr. Wright.

Mr. Wright apologized for the lateness of the meeting and explained this morning's delay in access to the hearing room, which further delayed discussion of item 35 by an hour. He welcomed everyone to the meeting, recognizing many familiar faces.

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| 35. | Hearst Ranch Conservation Area,<br>San Luis Obispo County | \$34,500,000.00<br>including Tax Credit |
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Mr. Wright reported that this was a proposal to consider an allocation of a Grant to the American Land Conservancy (ALC) to assist in the completion of the conservation transaction for Hearst Ranch located on the Central California Coast in San Luis Obispo County. He explained that this was also a proposal to consider the request for conditional approval authorizing tax credits under the Natural Heritage Preservation Tax Credit Act of 2000 and approval to accept funding from the State Coastal Conservancy (SCC) to assist in the transaction. The project involves a number of partners including the SCC, Department of Parks and Recreation (DPR), Department of Fish and Game (DFG), Department of Transportation (Caltrans), ALC, California Rangeland Trust (CRT), The Hearst Corporation (Hearst) and the Wildlife Conservation Board (WCB).

Mr. Wright explained that the State entered into a tentative agreement to preserve the Hearst Ranch and those related documents have been released and posted on the SCC, WCB, DPR and the Resources Agency websites. He emphasized that this is a voluntary agreement between Hearst, ALC, CRT, and the State. He emphasized what he believed were the objectives in this project - to protect and maintain the scenic and natural resources of this extraordinary central coast property with assemblages of more than 1,000 plant and animal species; to protect and maintain the historic characteristic of this working ranch, to extinguish significant development rights for legal parcels while reserving the

opportunity for Hearst to seek entitlement to a limited number in a defined setting, identified limits and designed to minimally impact the natural and agricultural resources of the ranch. He explained that while the eastside easement specifically limits future development, it also does not confer any entitlements or permits that would otherwise be required, and that any future activities that would normally be regulated by appropriate authority are still regulated. He went on to explain that the State, through its Resources Agency, WCB, SCC and DPR, released volumes of documents, as mentioned earlier, including easements and agreements, numerous maps and exhibits, as well as a review of the State appraisal that was contracted by the SCC. Mr. Wright reported that the State held a public informational meeting in Cayucos on July 15 for the purpose of explaining the transaction as well as to receive comment and listen to what the public had to say about the project. He added that as a result of and following that public meeting, we responded to all the questions we received at the meeting, with the responses being posted on the State websites last week. Mr. Wright reported that the Board received numerous letters in favor of proceeding with this proposal and that the Board also received numerous letters with recommendations for change to the tentative agreements. He also reported that the Board received several requests to postpone today's decision.

Mr. Wright stated that the Board received a letter from the Joint Legislative Budget Committee, a letter that was sent by Senator Chesbro to Secretary Chrisman of the Resources Agency, that had comments attached from the Legislative Analyst's Office (LAO). He reported that the letter from Senator Chesbro concurred with the LAO, also requesting postponement of the Board's commitment of its funds at today's meeting and that staff also received letters from other elected officials and organizations, as well as the general public.

Mr. Wright reported that the Board received a letter from Senator Sher requesting to delay today's action and to respond to the LAO and the other concerns that have been raised. (See Attachment B) He also reported that Lois Capps, Member of Congress, sent a letter asking for delay. He stated that the Board received letters of support from San Luis Obispo County Supervisors Shirley Bianchi and Harry Ovitt asking that the Board proceed as proposed.

Mr. Wright reported that late yesterday he received a letter from eight Assembly members and one State Senator (Assembly members Fran Pavley, Hannah-Beth Jackson, Patty Berg, Loni Hancock, Sally Lieber, John Laird, Alan Lowenthal, Christine Kehoe and Senator Sheila Kuehl), expressing their support for the project but asking the Board delay action to consider input and recommended changes. (See Attachment C) He reported that the Board received resolutions and support letters from the Cambria Community Services District, San Luis Obispo City Council, City of Arroyo Grande, San Luis Obispo County Board of Supervisors, Atascadero Chamber of Commerce Board of Directors and the San Luis Obispo Chamber of Commerce; letters of support from the Cambria Chamber of Commerce, San Simeon Chamber of Commerce

and the San Luis Obispo Council of Governments. He stated that the Board also received a joint letter from the Sierra Club, California Coastal Protection Network, Defenders of Wildlife, Santa Lucia Chapter of the Sierra Club, Surfrider Foundation, Environmental Center of San Luis Obispo, Environmental Defense Center, California League of Conservation Voters, Natural Resources Defense Council, Coastwalk, Friends of the RanchLand and the San Luis Bay Chapter of Surfrider asking for delay and identified what they believe are deficiencies and omissions in the documents that have been shared with the public, and that they also share the concerns expressed by the Coastal Commission and the LAO. He went on to report that the Board received letters from another 25 organizations and 10 letters from private citizens. He explained that Maureen Rivera agreed to use her email address to receive comments and that she received 103 emails, mostly supportive and some, but not many, expressed concern. Mr. Wright explained that the Hearst Conservation Ranch project is being presented as a package, which includes easements and donations of property on the west side of Highway 1, as well as an easement for nearly 80,000 acres east of Highway 1, and includes the potential transfer of property described as the Junge Ranch, which is located both east and west of Highway 1 on the south end of the ranch. He stated this Board's focus has been on the east side easement, with participation from the SCC and DPR staff in negotiating this easement with the Hearst team. He suggested the actions today be mostly about the east side. He explained that the SCC is scheduled to consider this project at a meeting on September 15. He commented that the SCC will also be interested in the east side because it is assisting in the funding of the easement on that side, but that the focus of their September 15 meeting will be the property located west of Highway 1.

Mr. Wright introduced Mr. John Donnelly, Assistant Executive Director for the WCB, and explained that Mr. Donnelly would further describe the proposal and that following his presentation, there would be an opportunity for the elected officials to express their interest in the project, followed by general comments, staff recommendations and then the Board's decision on what action to take next.

Mr. Donnelly described the project and its location.

The partners to the transaction have worked with the Resources Agency to present for public review and comment the current working drafts of documentation to implement a comprehensive Hearst Ranch conservation solution. These documents reflect agreements tentatively reached by the Board, DPR, SCC, Caltrans, Hearst, ALC and CRT and are available on the Resources Agency website located at [www.resources.ca.gov](http://www.resources.ca.gov) or through a link available on

the Board's website at [www.wcb.ca.gov](http://www.wcb.ca.gov). This public disclosure of transactional documents and other relevant materials preceded a public informational meeting that was conducted on July 15, 2004 in Cayucos. At that meeting, representatives of the respective State agencies that have negotiated components of this transaction as well as the two nonprofit partners, ALC and CRT, presented an overview of the proposed deal and received public comment. Questions and comments received during this public informational meeting will be addressed and posted on the Resources Agency website as soon as possible.

Located on California's Central Coast in San Luis Obispo County, midway between Los Angeles and San Francisco, Hearst Ranch includes nearly 82,000 acres (128 square miles) and 18 miles of California's most scenic and tourist-traveled coastline. The privately-owned Hearst Ranch, which has been under Hearst ownership since the 1860's, is currently owned and managed by the Hearst Corporation. The Hearst Ranch was originally purchased by George Hearst, a United States Senator in the 1800's and William Randolph Hearst's father. The Hearst Ranch surrounds the Hearst San Simeon State Historical Monument, which resulted from the donation of the Hearst Castle by The Hearst Corporation to the State of California in 1957. The western portions of Hearst Ranch extend along pristine coastline. Approximately four million travelers annually visit this area on Highway 1, which has been designated a State Scenic Highway and federal All-American Road. The eastern expanses ("East Side") of the Hearst Ranch include approximately 80,000 acres rising from sea level to the Santa Lucia Mountains, and encompassing grasslands, rangeland, forests and riparian areas and watersheds, which provide habitat for nearly 1,000 plant and animal species, including many rare, threatened, or endangered species. The Hearst Ranch has been operated as a working cattle ranch for over a century and the extraordinary condition of the natural resources is a testament to the long standing stewardship by the owner.

The transaction has multiple components which together cover the entire 81,777-acre Hearst Ranch, including its 18 miles of coastline. Approximately 80,000 acres of the Hearst Ranch will be protected by perpetual conservation easements limiting future uses to protect the extraordinary scenic, open space, agricultural and natural resource values of the Hearst Ranch. The balance of the Hearst Ranch (over 1,500 acres) will be transferred into State ownership, most of which (959 acres) will become part of the DPR system, including over 13 miles of California coastline. Of the Hearst Ranch property to pass into State ownership, 518 acres will be offered for dedication to Caltrans to accommodate possible future Highway 1 realignment projects and to allow the area under the current highway to be used for public access after any realignment. A combination of public ownership and conservation easements that allow irrevocable public

access on the west side of Highway 1 will make an 18-mile segment of the California Coastal Trail a reality. The following discusses the transactional components (East Side, West Side and Realignment Area) of the project in more detail.

### **SUMMARY OF EAST SIDE TRANSACTION**

A conservation easement would be placed over the approximately 80,000 acre East Side to permanently protect its natural resources and scenic values by limiting future development while providing for the continuing viability of ranching operations (the "East Side Easement"). Vistas from Highway 1 and from the Hearst San Simeon State Historical Monument ("Hearst Castle") would be protected in perpetuity. The ALC would acquire the East Side Easement and transfer it at closing to the CRT, an agricultural land trust. Through a Grant Agreement between the State and the easement holder, the State of California would have ongoing rights to ensure that the public investment is protected and the East Side Easement is enforced.

**Easement Area:** The property east of Highway 1 that would be covered by the East Side Easement comprises approximately 80,000 acres.

One 789-acre portion of the East Side, known as the Junge Ranch, may be acquired at a later date, due to the landowner's desire to apply for a tax credit under the Natural Heritage Preservation Tax Credit Act of 2000 and apply any allowable credit to this portion of the East Side. The Tax Credit program has been suspended since 2002, therefore, the Junge Ranch may be separated from the overall transaction, pending resolution of several legislative proposals to reinstate and fund the Tax Credit program.

Hearst will be conveying a two-acre portion of the East Side to the DPR for expansion of the DPR's administrative area around the Hearst Castle Visitors Center, pursuant to a separate agreement between Hearst and DPR. Pending the selection of the specific area to be conveyed, a five-acre envelope adjacent to the Visitors Center will be temporarily excluded from the East Side Easement. That envelope will be subject to restrictions per a separate agreement among Hearst, the State and ALC.

Two additional portions of the East Side may also need to be separately addressed. One 160-acre area, which Hearst acquired from The Nature Conservancy (TNC), is subject to TNC's right to re-enter and terminate the landowner's interest in the property if the landowner cuts down or destroys any of the Ponderosa Pine forest. A separate 145-acre area is subject to an unrecorded mining claim referred to as the Polar Star mining claim. The landowner is taking legal steps to clear the title effects of the unrecorded mining

claim. If necessary, one or both of these areas may be excluded from the East Side Easement pending resolution of the potentially conflicting interests.

**Protection of Resources:** The East Side Easement would protect defined Conservation Values that include:

- Productive rangeland, comprised of a variety of native perennial grasslands and coastal prairie.
- More than 1,000 plant and wildlife species, including some State and federally-listed rare, threatened and endangered species, and some species that are found only on the East Side.
- Diverse habitats including coastal creeks, streams, springs, wetlands, stock ponds, perennial grasslands, serpentine outcroppings and soils, maritime chaparral mosaics, coastal prairie, coastal bluff scrub, oak woodlands, oak savannas, riparian woodlands, sycamore woodlands and mixed and multiple species of evergreen forest.
- Cultural and agricultural resources, coastal and interior habitats, and native plant and wildlife species, maintained in a large, contiguous and principally undeveloped landscape providing wildlife connections with other large natural open areas, including Los Padres National Forest, Fort Hunter Liggett and Camp Roberts.
- Seven major watersheds including San Carpoforo, Arroyo de la Cruz, Oak Knoll/Arroyo Laguna, Little Pico Creek, Pico Creek, Nacimiento and the Little Burnett Creek/Tobacco Creek.
- Scenic mountain and ranchland vistas, which are viewed by millions of people driving on Highway 1, a federally designated All-American Road, and by visitors to the Hearst Castle.

**Baseline Conditions Report:** As a condition of State funding, CRT and ALC would be required to prepare a baseline conditions report to catalogue the current conditions that exist on the East Side, its uses and improvements, existing development and agricultural and natural resources. This report would be used to evaluate changes in resource conditions and compliance with the East Side Easement terms. The baseline conditions report would be developed by environmental resource professionals and certified rangeland managers, and would include reports, maps, photographs and digitized aerial photography. The baseline conditions report would be subject to review and approval by the State as a condition of funding its grant.

**Monitoring and Enforcement of Conservation Easement Terms:** As the proposed easement holder, CRT would be responsible for monitoring and enforcing the East Side Easement terms. CRT would be subject to the State's Grant Agreement, governing the use of the public funds investment, and giving the State rights to ensure that CRT properly monitors and enforces the East Side Easement. Monitoring would be conducted at least annually in accordance with a monitoring protocol tailored to the East Side Easement. The monitoring protocol would be subject to review and approval by the State as a condition of funding its grant. In addition to rights of entry for monitoring, the East Side Easement would allow access for independent audits of CRT's monitoring and enforcement, consistent with CRT's Audit Policy and Procedures ("Audit Policy"). Under the Audit Policy, review of monitoring activities and on the ground validation of monitoring would be conducted no less than every five years by professionals (e.g., Certified Range Manager, biologist, botanist, ecologist) selected by an Audit Committee comprised of a CRT Director, State of California Resources Secretary (or designee), Certified Range Manager chosen by the President of the Cal-Pacific section of the Society for Range Management, and the landowner. The Audit Committee, by consensus, could inspect the property to validate the monitoring data and to assess the conditions of the conservation values being protected under the conservation easement project. The State would ensure that the East Side Easement is properly monitored and enforced through its Grant Agreement with the easement holder, and through its position on the CRT Audit Committee.

The State would have indirect enforcement rights through its Grant Agreement with the easement holder. In the event assignment of the East Side Easement is required for any reason, including a default under the Grant Agreement, the landowner would have 180 days to select an assignee consistent with qualification criteria established in the East Side Easement. If an assignee has not been identified within 180 days or the landowner has not petitioned a court to transfer the East Side Easement to a qualified easement holder, the Board could petition a court to transfer the East Side Easement to a qualified easement holder or, if no qualified easement holder is identified, to the Board.

**Public Access:** No public access to the East Side would be granted by the East Side Easement. However, the landowner would allow limited access to the East Side for four special, nonprofit events per year, and is working with DPR to allow it to offer occasional special events at the Pergola Area around Hearst Castle.



**Retained Development Rights for Agriculture and Private Use:** Under the East Side Easement, the landowner would retain land use rights authorized by current coastal agriculture zoning except as otherwise stated. Other limited uses specified in the East Side Easement would be permitted only within the 1,500-acre "Headquarters" and the 100-acre "Pico Area" parcels. The East Side Easement would allow existing homes, non-residential structures and other ranch facilities such as the dairy barn, bunkhouse, ranch house, aircraft runway and associated structures, to be maintained, enlarged, repaired and replaced. In addition, the East Side Easement would allow for the development of up to 15 new Hearst Ranch employee homes (5 of which would be to replace existing employee homes at Old San Simeon Village so the net potential increase over the total number of existing Hearst Ranch employee homes would be 10) and other facilities to support the permitted uses or activities on the East Side. The East Side Easement would contain restrictions on the location of new employee homes, along with viewshed protection requirements, and the restriction that a new employee housing unit can only be occupied by a bona fide East Side employee and the employee's family. Support utility facilities, as well as any additional employee housing units required as a condition of approval of the Old San Simeon Village development, would also be permitted. All uses and activities would be subject to the requirements of the East Side Easement, including the prohibition against impairment of the defined Conservation Values. In addition, nothing in the East Side Easement would relieve the landowner of any legal obligation or restriction in relation to the development or use of the East Side.

**Reserved Rights for New Homesites:** Hearst would also reserve the right to create and seek land use entitlements for 27 new owner homesite parcels. The East Side Easement would restrict the locations of new owner homesites to protect natural and scenic resources. Restrictions would include:

- Building envelope maximum of five acres for one single family residence and accessory structures and facilities, with private agricultural and recreational uses and facilities allowed on a 20-acre surrounding "homesite buffer area;" and
- Siting criteria that require homesites to be located outside of public views, or screened to protect views, from Hearst Castle and Highway 1, in close proximity to existing or historically used Hearst Ranch roads, and outside of sensitive resource areas.

**Subdivision:** The 271 existing legal parcels that make up the Hearst Ranch would be extinguished on an 8-to-1 basis for each owner homesite parcel and on a 13 to-1 basis for the Headquarters and Pico Area parcels. If, after good faith efforts, regulatory approval for two or more clustered owner homesites within a cluster area is denied, unreasonably delayed or unreasonably conditioned, the landowner would instead have the right to create a fallback owner homesite parcel. The result in either case would be up to, and no more than 27 new homesite parcels (25 clustered or fallback owner homesite parcels and 2 owner homesite large parcels), two additional parcels in developed areas of the Hearst Ranch (Headquarters and Pico Area parcels), one parcel for employee housing at the Junge Ranch, in connection with the proposed Old San Simeon Village development project, and one parcel for the Highway 1 realignment area (discussed below). A total of 31 parcels would be allowed on the entire 80,000 acre East Side.

**Continued Agricultural Use:** Grazing and agricultural uses would be allowed to continue, and some intensification of current agricultural uses would be permitted, pursuant to the East Side Easement and a Management Plan. The Management Plan would provide for a common management program for the entire East Side, including the owner homesites, and it would address appropriate practices for soil and water conservation, erosion control, pest management, nutrient management, water quality and habitat protection on the portions of the Hearst Ranch used as range, cropland or other agricultural operations. The Management Plan would address woodland resource management, and include special restrictions on tree cutting (in addition to those in the East Side Easement). At no time could there be more than three entities responsible to implement the common management program for the entire 80,000 acre East Side.

**Agricultural Intensification:** Hearst would retain the right to cultivate 3,000 acres in total on the East Side and other areas of the Hearst Ranch, including up to 300 acres of vineyards and 300 acres of orchards. Vineyards and orchards could not be visible from Highway 1. Agricultural intensification (with the exceptions of irrigated pastures or dry farming) would not be allowed, however, in two areas: from Pico Cove to Broken Bridge Creek, and from Adobe Creek to Arroyo de Corral, if visible from Highway 1.

**Water Rights:** The restriction against impairing the defined Conservation Values of the East Side would apply to the landowner's ability to use or transfer water. Any transfer of water for use outside the Hearst Ranch would be specifically subject to the easement holder's determination that the transfer will not impair Conservation Values, particularly fish and wildlife, either at the time of

transfer or following the exercise of other retained rights. The landowner's use or transfer of water would also be subject to applicable regulatory approval processes, with the additional requirements that the landowner notify the easement holder of any application for regulatory approval to transfer water and that the transfer be limited by and subject to the terms of the East Side Easement. The East Side Easement would require that any use of groundwater on the East Side be consistent with water uses and water quality required so as not to impair Conservation Values, and that groundwater well pumping in and adjacent to the East Side be subject to a monitoring plan that protects against impairment of Conservation Values.

**Mining Rights:** Retained rights for surface and subsurface mining would be restricted to five acres of surface disturbance for oil and natural gas, and five acres of other minerals (excluding activities initiated before the East Side Easement is recorded and documented in the baseline conditions report), and would be subject to the permission of the easement holder. In addition, the scope and locations of mining endeavors would be limited by the resource-protection terms of the East Side Easement.

**Highway 1 Realignment Area:** The East Side Easement would allow realignment of Highway 1 inland of the existing alignment. The overall conservation transaction provides for transfer of ownership to Caltrans of 518 acres of property subject to the East Side Easement for future realignment needs.

### **SUMMARY OF WEST SIDE CONSERVATION TRANSACTION**

The coastal areas of the Hearst Ranch run along 18 miles of Highway 1 and include 1656 acres west of Highway 1 (the West Side, including the area owned by Hearst under Highway 1). The West Side conservation transaction would include permanent protection of the entire West Side and increased public access, with a combination of fee transfers and conservation easements. The components of the West Side include the West Side Public Ownership Conservation Area (832 acres), the Junge Ranch West Side Conservation Area (117 acres), the Ragged Point and Pico Cove Conservation Easement Area (243 acres), the San Simeon Point Conservation Easement Area (370 acres) and the Old San Simeon Village (OSSV) Conservation Area (94 acres).

#### **West Side Public Ownership Conservation Area (832 Acres) and Junge Ranch West Side Conservation Area (117 Acres) to DPR in Fee.**

The 949 acres encompassing these two West Side areas, including 13 white sand beaches and a 13-mile stretch of potential new California Coastal Trail,

would be transferred outright, in fee, to the DPR for passive public recreational uses. Detailed public use and access improvements and policies will be outlined through a public planning process to define a plan to balance public access and protection of the natural resources. In addition, the use of federal transportation enhancement (“TEA”) funds requires that a restrictive viewshed easement be placed over most of the West Side that would allow for public access, while also protecting the wide-open coastal vistas from development. On the Junge Ranch West Side Conservation Area, the State will have the opportunity to develop primitive, walk-in campsites out of the viewshed of Highway 1.

If State tax credits are not immediately available, the 117 acres of West Side Junge Ranch property would not be included in the initial closing.

**West Side Easement Areas – San Simeon Point, Ragged Point, and Pico Cove (613 acres)**

San Simeon Point, Ragged Point and Pico Cove would be subject to conservation easements that include the TEA-funded viewshed protections that prohibit development, as well as resource protections, and public use restrictions. Existing controversial resort zoning, including a golf course, would be eliminated, and Hearst would agree to no commercial or residential development anywhere along the coast. A separate public access easement would be donated ensuring irrevocable public access. The new public access easement would include the right of the State to develop a continuous portion of the California Coastal Trail to run across these easement areas. This permanent public access easement would supplement the revocable, restricted access Hearst has voluntarily allowed for many years. Public access would be subject to a post-closing planning process, subject to the following parameters:

*San Simeon Point (370 acres):* Would include access to the public not less than 300 days per year, during daytime hours only, for up to 100 people per day. Access is contemplated to be on a loop trail using existing trail routes starting from near Old San Simeon Village.

*Ragged Point and Pico Cove (243 acres):* A program of quarterly guided walking tours for up to 20 people would be allowed at Ragged Point during daytime hours. This access will be in addition to the Californian Coast Trail access across these areas and any other access that Hearst chooses to continue to allow on a revocable permissive use basis.

### **Old San Simeon Village (94 acres)**

Hearst would retain ownership of the Old San Simeon Village area, subject to a restrictive easement to be granted to ALC. The easement would permit the reuse of existing historic structures and the creation of a new 100-unit inn consistent with the original 1920's-era designs for the village by Julia Morgan. The Old San Simeon Village reuse plan would be limited to a 39-acre building envelope, with an additional 55-acre infrastructure and reconfiguration boundary area that could be utilized for necessary infrastructure or reconfiguration of the 39-acre building envelope if required during the entitlement process. Development beyond these uses would be permanently prohibited. As with the other easement areas, the California Coastal Trail would run the length of the Old San Simeon Village Easement area, situated to avoid sensitive resources, and to link up with the continuous new 18-mile trail.

### **SUMMARY OF REALIGNMENT AREA TRANSACTION**

This component of the overall conservation transaction will allow realignment of Highway 1, within the approximately 518-acre area, in accordance with the transaction parameters outlined below.

The transaction will also allow the area under the current Highway 1 alignment (110 acres) now owned by Hearst, to come into public ownership after realignment, rather than be returned to Hearst unrestricted. The 110-acre area, absent this transaction, would revert to Hearst without development restrictions upon future realignment of Highway 1.

The 518-acre area will accommodate a long-term realignment solution for Highway 1 that will reduce the need for future coastal armoring and the cost and inconvenience of doing piecemeal realignments. Before and after any realignment is completed, the uses of the Realignment Area will be restricted under one or more conservation easement instruments. After the realignment, both the area under the current alignment and the Realignment Area west of the new alignment will allow public access consistent with the conservation easements. The Realignment Area transaction is currently proposed as follows:

1. Hearst will convey the East Side Easement to ALC/CRT, which will encumber approximately 80,000 acres of the Hearst Ranch located on the east side of the current alignment of Highway 1, including the Realignment Area.

2. Concurrently, Hearst will record an irrevocable offer to dedicate ("IOD") to Caltrans the following property interests:
  - a. A 100 foot wide fee right-of-way area anywhere within the Realignment Area.
  - b. Conservation Easement with same restrictions as West Side Scenic Conservation Easement over:
    - (1) Realignment Area west of any future realignment; and
    - (2) Area under current Highway 1
  - c. The right for Caltrans to designate the then-owner of the Public Ownership Conservation Area (currently designated DPR) to receive a fee interest gift deed from Hearst for both the land west of the new Highway 1 realignment Right of Way within the Realignment Area and the area under the current Highway 1 alignment, subject to the West Side Scenic Conservation Easement (the Caltrans TEA easement).
3. The IOD would be accepted upon completion of the new alignment. At that time, through an escrow, the following would be recorded in the following proposed sequence:
  - a. Caltrans will quitclaim its current easement under the current alignment (per requirements of existing Hearst/Caltrans agreements).
  - b. Hearst, by gift deed, will grant to Caltrans a new scenic conservation easement over the current alignment and over the Realignment Area west of the new alignment.
  - c. Hearst, by gift deed, conveys fee for highway purposes the new 100 foot wide alignment (which would still be subject to the East Side Easement).
  - d. Hearst will, by gift deed, convey the fee interest in the Realignment Area west of the new alignment and the fee under the current highway to the entity designated by Caltrans.

4. A separate right-of-way agreement would clarify that the current obligations to restore the old highway to a natural state and quitclaim the old highway easement to Hearst upon realignment remain in effect. The right-of-way agreement would assure Hearst access on both sides of the new alignment within the Hearst Ranch and that Hearst retains rights for utilities. The right-of-way agreement would also give Caltrans limited and temporary rights of entry for design and construction of the new highway alignment.

### **CONCLUSION**

In February 2003, The Hearst Corporation entered an option agreement with the ALC that outlined the proposed purchase of property and conservation rights through conservation easements, with the transfer into public ownership of certain coastal property. A bargain sale purchase price of \$95 million (\$80 million in cash and \$15 million in State tax credits) was negotiated in 2003 and still remains. The original term of the option agreement expired in February 2004, but has been extended in order to allow the ALC and CRT to work with the State and Hearst to have an opportunity to complete this historic transaction.

The SCC contracted for the State's appraisal in this transaction and also contracted for a subsequent independent third party appraisal review and summary prepared by Waldron & Assoc., Inc. The State's appraisal, as well as the independent third party review, was submitted to the Department of General Services (DGS) for its review and approval. The DGS has reviewed the State's appraisal and has approved the conservation transaction value at no less than \$110,000,000.00, with concurrence from the Board, including the proposed tax credit component (as discussed below) as well.

On May 13, 2004 the California Transportation Commission authorized Caltrans to spend \$23 million from Transportation Enhancement funds towards the purchase of a Highway 1 viewshed easement on the "West Side" of the Hearst Ranch. Approval will also be required from the SCC for its proposed Grant to assist in the transaction and support the planning of the California Coastal Trail and will be considered at the SCC Board meeting on September 15, 2004.

Because the DPR will be accepting a donation of land, the Public Works Board will consider a request from that agency for permission to accept the proposed donation at one of its regularly scheduled meetings in September 2004. It should be noted that the Board's participation in this project is contingent upon and subject to the other State agency parties to this transaction approving and funding as herein described.

Legislation to create a new non-General Fund account for the California Natural Heritage Preservation Tax Credit Act of 2000 is pending in the State legislature. Therefore, if approved, funds allocated by the Board towards the tax credit portion of this project will not be disbursed unless and until legislative action on the tax credit program is complete and a reimbursement mechanism is established. It is proposed, subject to legislative authority, that the General Fund reimbursement for the tax credits be divided between the Board, SCC and DPR. The parties intend to close escrow later this year after concluding the funding hearings and completing the final transaction documentation and due diligence. If the tax credit legislation is enacted but is not effective before the end of 2004, the "Junge Ranch" portion of the Hearst Ranch would be withdrawn from the initial escrow closing for a closing in early 2005, subject to reinstatement of the tax credit program. Under the tax credit application, the 117 acres of the Junge Ranch located on the west side of Highway 1 would be conveyed into DPR ownership, subject to Caltrans scenic protection easement; the 789 acres of the Junge Ranch located in the east side of Highway 1 would become subject to the East Side Conservation Easement.

The project is exempt from the California Environmental Quality Act under Section 15313, Class 13, as an acquisition of land for wildlife conservation purposes, Section 15317, Class 17, as the acceptance of easements or fee interests in order to maintain open space, and Section 15325, Class 25, as the transfer of ownership of an interest in land to preserve existing natural conditions. A Notice of Exemption will be filed with the State Clearinghouse upon approval by the Board.

At this time, Mr. Donnelly invited Orin and Cindy Sage of Sage and Associates to explain how the Baseline Conditions Report will be developed and used in this process.

Ms. Sage explained that she is the owner of Sage Associates together with her husband and business partner Orin, and that they have operated their business for over 30 years, providing environmental and agricultural consulting, with their main office located in Santa Barbara. She went on to explain that in regard to this project, they are providing technical, physical and biological services and are working for the Hearst Corporation and in association with the American Land Conservancy and its consultants. Ms. Sage shared that she and Mr. Sage both have ranching and farming backgrounds, that they have degrees in the physical and biological sciences, and have applied their skills to a variety of projects that required a look at working landscapes and at physical and biological constraints that should guide development and protect resources. She reported that they have taught at the University of California - Santa Barbara, helping the University start their environmental studies program, and developed several courses in



environmental impact assessment, field mapping and California agriculture.

Ms. Sage stated that she is a founding member of the Environmental Defense Center in Santa Barbara. She reported that they have been working on land conservation easement projects for the last eight or nine years and that they have done this in association with The Nature Conservancy, The Trust for Public Land, CRT, Santa Lucia Conservancy, ALC, and the Eastern Sierra Land Trust and that Mr. Sage is an advisory committee member of the Santa Barbara County Land Trust. She reiterated their familiarity with these projects and with this process as it has evolved. She explained there are some very important differences in land conservation agreements as opposed to traditional environmental projects that they have worked on in the past.

She further explained that they were going to share with the Board and the audience information on how the environmental resource baselines were developed, their role in the development of those baselines, and that their job briefly was to provide service and backup to the ALC consultants.

A visual presentation was provided by Sage Associates. (See Attachment D – Overview of Baseline Documentation and Resource Protection for East Side Conservation Easement.)

Mr. Kellogg welcomed Senator Bruce McPherson. The Senator addressed the Board and expressed his appreciation for the opportunity to speak. He stated that this property lies entirely within his Fifteenth Senatorial District and that it is a magnificent land conservation project, the most important one in the history of California. He commented that the action taken at this meeting would have repercussions for future generations of Californians and stressed the importance of the Board's decision. Understanding and respecting the need for cautious deliberation, he urged the Board to approve the proposal and to let this project move forward and not jeopardize five years of tireless work by thousands of dedicated conservationists. Senator McPherson stated that he could not think of a project that has been more transparent, that provides adequate monitoring for what has been done in the past and what would be done in the future. He commented that even with the Board's affirmative action today, there would still be ample time to solicit input prior to the SCC hearing. He urged the Board to support the project and not let this historic opportunity pass by.

Mr. Kellogg introduced Senator Byron Sher. Senator Sher referenced his letter to the Board in which he requested the Board not take final action today but rather delay in order to address some important issues that have been raised by the LAO, as well as other concerns raised by other interested parties. Senator Sher clarified that he is a strong supporter of the Hearst Ranch project, stating that he feels it is a wonderful opportunity for the State, but that he thought there was reason to delay because of his experience in other major conservation projects that the WCB has been involved with, which brought him to that

conclusion. He referred to the Headwaters Forest acquisition of a few years ago, and that the project has a lot of similarity to the Hearst Ranch project, one in which the State and federal governments were going to acquire 7,000 acres of old growth forest never before logged, the State's share of the price was \$130 million, the federal government paid \$250 million and, in addition, the State provided another \$150 million for related parcels. He stated that the thing that was unique about Headwaters, which is common to this project, is that it is not a conservation project where the seller sells land and deeds title to the land and the governmental agencies pay money. He commented that those are the easy projects and that the difficult projects involve part of the purchase price for ongoing obligations of the seller. He stated that in the case of the Headwaters Forest, the State was acquiring 7,000 acres, but that alone did not justify the large purchase price. He commented that the State also acquired agreements by the seller, Pacific Lumber Company, on how they were going to manage the remaining 200,000 acres, which they were going to retain in private ownership. He stated that is a common feature with the Hearst Ranch proposal, with the sellers retaining a large portion of it and that it is important to know how it will be managed. In the Headwaters Forest project, the State's share of the money was not paid out of bonds, as this is proposed to be, but rather out of the General Fund, so the State had to appropriate the money. He explained that gave the State the opportunity to make sure those ongoing commitments were clear so that they knew exactly what was required and there were enforcement remedies that the State had to insure that those undertakings by the seller were complied with. He commented that the Headwaters Forest project was very contentious, there was a time schedule, that the State heard throughout negotiations that if we didn't do this by a certain date the whole deal would fall through, and that as a lawyer he knows that is the way negotiations work. He commented that on the other hand, as a legislator, he feels the State has a responsibility, and acknowledged that the WCB shares his thought, to insure that in one of these large transactions where a lot of taxpayer money is going to be spent for what is admittedly a wonderful project, we get it right and take the time to get it right. Senator Sher felt that it was justified in the Headwaters Forest project because the sellers are trying to make changes in the obligations that they undertook and if we didn't have in place an agreement that they made directly with the State, with enforcement rights by the State, that we would not be able to protect the investment that the State made at the time of that acquisition. Senator Sher thanked Mr. Wright for responding to his letter, referenced in WCB's response that the Hearst Corporation, like many other landowners with whom the CRT has dealt with, is unwilling to enter into direct contractual relations with the State, therefore this agreement has been constructed in a different way and the State is going to have to exercise its right in insuring these lands that are retained are protected through the efforts of the CRT and audit provisions. Senator Sher stated that he thought we should know ahead of time exactly what the management plan is and the protocols for monitoring to make sure that the

baseline inventory is protected in the way that has been described. Senator Sher noted the issues that have been raised by the LAO, based on the documentation that has already been released, suggest that more clarity is needed, that the main standard on the conservation easement is that there won't be an impairment of the conservation values, but that terminology and what constitutes impairment, needs to be clarified. Senator Sher, again referencing WCB's response, stated there would be further discussions, that the approval being sought today, if it occurs, would be a conditional approval, there are still further actions to be taken, and that the WCB will be working with the CRT, the proposed easement holder, to make sure that the standards are provided to guide CRT's determination regarding impairment. He expressed concern that this would be the last time there would be a public hearing at which the approval of the WCB would be sought and the letter suggested to him that there would be some changes made and that the conservation easement, its language and standards, are not yet complete. He commented that, in his view, it would be useful and indeed critical, when they are complete, to release that information, let the public see the information and have an opportunity to comment on it. He stated that the same thing is true with the monitoring protocol, referencing that in WCB's letter, it would be ongoing and that the WCB would make that information available to the public on the website. Senator Sher again expressed concern that there would not be a process by which, when finally completed, that it would be presented and the public would have an opportunity to address the Board. Senator Sher stated that the other experience he had with the acquisition by the State and federal governments, was the salt ponds from the Cargill Company. He stated that was another huge project, with a \$100 million purchase price, the State's share of \$72 million and, once again, that was not a standard sale, money for land, but the seller, Cargill, undertook certain obligations after the sale and after they were paid, to participate in the phase out of the salt-making process and restoration of those salt ponds to natural wetlands. He stated that had to be tied down in an agreement and they entered into a direct agreement between the company and the State and federal governments, with respect to the obligations of the seller, after they got the money. He reiterated his opinion to get the transaction right, emphasized his support of these projects, stressed the importance of sharing as much information as possible for better acceptance of the proposals and that the administration and legislature can then show they are carrying out their responsibilities to protect the expenditure of taxpayer money for important projects. He again emphasized his support of the proposal and commented that he is mainly talking about the process, that we need to know and be assured that these undertakings are well spelled out and clarified and that we know the enforcement. He commented that the proposal still needs

to be approved by the SCC and the Public Works Board and, since that cannot be completed today, he suggested taking more time to finish the parts of the deal that have not been concluded, let the Board make that information available and then make the decision, so that the Board's decision does not have to be conditional of those things happening. Senator Sher stated that there is always some risk in these ongoing obligation deals, that the management plan is going to be prepared after escrow closes, so obviously there is no way to review that before the deal is concluded with the Board's approval. Senator Sher, again referencing the WCB's response, stated that as the management plan is being prepared, the State will be involved, provide comments and suggestions and have 45 days to review the plan. He commented that if the suggestions are not accepted, the money has already been paid and the land has been acquired, but nonetheless the management plan is worked out with the CRT upon completion of the deal. Senator Sher also addressed concerns about the clustered housing, the fallback provision in the agreement that has been negotiated in the event a permitting agency will not approve a housing proposal made by Hearst, and that if that happens, and Hearst thinks that the permitting agency has been unreasonable in denying or wanting to impose conditions on that housing, then Hearst has the right to abandon the cluster concept and to build an equivalent number of units on any parcel that currently exists that in the future could be approved. Senator Sher expressed concern regarding the appraisal, which was also an issue in the Cargill acquisition, and that he introduced legislation in this area. He commented that he understands when people are negotiating to sell their property, they want the appraisal value kept confidential because if the deal falls through they need to try and sell again. He stated that he believes the Board has tried to adhere to the principle of that, to at least have available to the public a review of the appraisal providing the basis of which it was done, and he complimented the Board for the way they have done that. Senator Sher stated that common to all three of those projects, Headwaters, Cargill and Hearst, the sellers always believe they are selling the property for a lot less than it is worth and that part of the deal always is an attempt made to the taxing authorities to claim that it is worth a lot more and then they should get a charitable deduction for that purpose, which is fine if those are the facts. He noted that in all of these projects, the sellers try to get the State involved to put their stamp of approval on the appraisals that show that it is worth more than what they are asking the government to pay. Senator Sher stated that he has always resisted and that we should stay far away from that. He noted that in this case, the appraisal was presented to the Department of General Services, and even though it was commissioned by the State, is much bigger than the amount of the selling price. He commented that in no way should we put the stamp of approval on that, the appraisal has not been confirmed and approved, and asked Mr. Wright in this case, if that happens, the Board not support the application for tax relief.

Mr. Kellogg called upon Assembly member Abel Maldonado to speak, however, he was no longer in the audience.

Mr. Kellogg called upon Congressman Bill Thomas to speak. Mr. Mike Whiteford, District Representative for Assembly member Thomas, addressed the Board. Mr. Whiteford stated that they are fortunate enough to also share portions of the Hearst Ranch in San Luis Obispo County. He reported that last year Assembly member Thomas wrote a letter to the governor urging the State to work with the Hearst Corporation and ALC on the conservation project.

Mr. Whiteford congratulated the State, Hearst and all the groups that have worked on this project and encouraged the Board to approve the proposal and not postpone its decision. Mr. Whiteford commented that this is a very diverse group that has come together and that they have a very unique and special opportunity to preserve the Hearst Ranch. He again urged the Board to approve the proposal.

Mr. Kellogg called upon San Luis Obispo County Supervisor Shirley Bianchi. Ms. Bianchi stated that it was a great pleasure to welcome Al Wright and the Wildlife Conservation Board staff to Cayucos for the July 15 public meeting. She commented that she had hoped to have at least 50 people at that meeting to support the Hearst Ranch conservation easement, and reported that approximately 450 people were in attendance. She stated that the County of San Luis Obispo cares very much for the conservation of the Hearst Ranch. Supervisor Bianchi reported that she has spent the last 25 years working to preserve this property, first to keep the developments off of it and now to get the conservation easement on it. She commented that she believes this is a good deal and was deeply offended to read in the *Telegram Tribune* that the Chair of the local Sierra Club said, "No deal is better than this deal." She stated that it appeared to her that some people want to kill the deal. She reported that she read the conservation easement along with an agenda for the San Luis Obispo Council of Governments, the Air Pollution Quality Control District's agenda and three weekly Board of Supervisors' agendas. She commented that people who want to extend this easement have had plenty of time to read this document and have had plenty of time to understand it, to look at it and to nitpick it, and that she has found the nitpicking to be offensive. She stated she lives not far from the Ranch and is very familiar with the area. She reported that she read the document from the State Coastal Commission staff, not from the Commission, and proceeded to comment on their nine recommendations regarding the Hearst Ranch Conservation Plan. In regard to Recommendation 1, which refers to all lands west of Highway 1 except for and limited to commercial visitors of San Simeon village, should be conveyed into public ownership as should an identified public trail alignment. Supervisor Bianchi commented that this is the first time

she has heard that the Coastal Act required a landowner to sell property and that they might require an easement but they don't require a landowner to sell property. She stated this was misinformation. In regard to Recommendation 2, which refers to limited nonagricultural residential uses possibly being considered in the context of a comprehensive lot retirement plan for the ranch, she commented that this is in the easement. In regard to Recommendation 3, referring to the last sentence which states that the State should evaluate watershed restoration opportunities on private inholdings and existing developments on the ranch, she referred to the map of Hearst Ranch and the gray areas on the east side, and that the Coastal Commission has no jurisdiction whatsoever outside of the coastal zone, on the top and the other side of a mountain where the properties drain into a different watershed than the coastal zone. In regard to Recommendation Number 4, which refers to the baseline study, Supervisor Biachi commented that some of the people who object to the conservation easement don't understand modern technology. In regard to Recommendation 5, which refers to a fallback measure and the 1938 highway right-of-way easement being left intact to run concurrently in all applicable Hearst ranch lands, she reported that a portion of the 1938 easement has fallen into the ocean. In regard to Recommendation 6, she reported that the coastal staff jurisdiction will begin when the permits are applied for at our planning and building department and before that they have no jurisdiction whatsoever. In regard to Recommendation 7, she stated the HRCP is not an alternative to normal regulatory review and the development that is not set forth to the HRCP. In regard to Recommendation 8, maximum public participation in the monitoring and enforcement process should be provided. She stated that this is an agricultural operation and the natural resources we have heard about will be protected. She commented that the CRT is the best organization to be holding this easement, monitoring and auditing this easement, because they are agricultural professionals, they recognize the environmental constraints and biological restraints, and they have professionals on their staff. In regard to Recommendation 9, referring to the public review process being extended, she commented that she felt this was an attempt to kill the deal and an attempt to become involved in the agricultural operations of the coastal zone. She encouraged the Board to make its decision today. She stated that at the meeting in Cayucos there was a two-to-one ratio of people who supported this project to those who didn't, and that she believes today it is probably three-to-one. She commented that about 75 people took time out of their schedules to attend today's meeting.

Mr. Kellogg asked everyone to please limit their comments to two minutes as a courtesy to everyone that would like an opportunity to speak.

Mr. Steve Devencenzi, San Luis Obispo Council of Governments, spoke in support of the proposal and commented that all five county supervisors and each representative from the seven cities on their board voted unanimously for this proposal to move forward.

Mr. Wright reported that the WCB received 80-90 comment cards and requested the speakers to limit their comments to two minutes.

Debbie Arnold, representing San Luis Obispo County Fifth District Supervisor, Mike Ryan, spoke in support of the proposal, commenting that the Board of Supervisors unanimously passed a Resolution supporting this project. She added that in their county they recently lost a conservation easement for the Santa Margarita Ranch and that the small group that opposed that easement plan was here today to oppose this one.

Joy Fitzhugh, representing the San Luis Obispo County Farm Bureau, presented the Board with a letter expressing concerns regarding the easement. She urged the Board to make its decision today. (See Attachment E)

Susan Lyon spoke in support of this proposal, commenting that Hearst is a willing property owner who wants to enter into a wonderful conservation easement and urged the Board to make its decision today.

John Linn spoke in support of the proposal, commenting that the majority of the people in their county support this project.

Pat Veasart, representing the Sierra Club, expressed his support of conservation and referred to a 70-page document expressing concern regarding various aspects of the proposal. He urged the Board to address these concerns and delay its decision.

Ken Haggard spoke in support of this proposal recognizing the economics, equity and ecological aspects of this proposal and asked the Board to proceed with its decision.

Francis Buchter, commented that he is a former attorney for the California Department of Parks and Recreation and the first Executive Director for the Regional Coastal Zone Commission in the San Luis Obispo area, spoke in opposition to the project as proposed, discussing grazing, public access/recreational activities and the appraisal.

Owen Bailey, primary organizer of and on behalf of the Great Coastal Places campaign of the Sierra Club, requested the Board address numerous concerns and delay its decision. Mr. Bailey presented the Board with more than 1,300 postcards, 450 letters submitted by members of the campaign, as well as 40 letters to the editor that have been published in papers from the *San Diego Union Tribune*, *Los Angeles Times*, *The San Jose Mercury News*, and *Santa Rosa Press Democrat*. He urged the Board to delay its decision.

Pamela Heatherington, Director of the Environmental Center of San Luis Obispo, and co-chair of the San Luis Obispo Coast Alliance, spoke in opposition of the project as proposed, and commented that grazing and public access can coexist. She also stated that the proposal is precedent setting for future land conservation and urged the Board to delay its decision.

Eric Gerstung, spoke in support of the proposal and urged the Board to approve this project. He commented that he would like to see more docent led hikes and visits to the Ragged Point area and, if possible, some connecting links to the Ventana wilderness and other canyons.

Elizabeth Scott-Graham, representing Hearst Ranch Conservation Now, spoke in support of the proposal. She commented that in addition to the letters mentioned by Mr. Wright, she believed the Board also received a letter from the chairman of the California Transportation Commission supporting this project and encouraged the Board to move forward with this proposal in a timely manner. She expressed her concern that the role of the land trusts has been ignored in this project and acknowledged their work in preserving land. She suggested the legislature establish a statewide fund that would enable the independent land trusts to have adequate resources. She added that she has collected several thousand signatures in support of this project, which she would hold until the SCC meeting.

Walter Fitzhugh spoke in support of this proposal and commented that cattle and public access do not mix. He urged the Board to proceed with its decision.

Richard Nichols, Executive Director of Coastwalk, addressed the Board in support of conservation, commenting on his interest in seeing the completion of the coastal trail along the length of the Hearst Ranch as promised in the framework. He expressed concern regarding privatizing some of the beaches. (See Attachment F)

John Colgan spoke in support of this project, acknowledging that this conservation easement is not a perfect tool at this time, but a tool that everybody is willing to use to develop and preserve the landscapes in California. He urged the Board to proceed with its decision.



Elizabeth Lambe, representing the Sierra Club, addressed the Board noting the support to preserve Hearst Ranch, but expressing concern regarding the deficiencies that exist in the proposal. She urged the Board to postpone its decision until the deficiencies could be addressed.

Bruce Gibson, speaking for Hearst Conservation Now, spoke in support of the proposal and commented that they have reviewed all the transaction documents and that the project is outstanding in terms of the substance and in terms of the process. He stated that they see no reason to delay and urged the Board to proceed with its decision.

Joan Carter, Board member of the Environmental Center of San Luis Obispo, spoke in opposition to the project as proposed and expressed concern regarding development rights, the agricultural easement in exchange for the right to build 27 nonagricultural luxury homes and public access.

Tina Salter spoke in support of this project, commenting that the conservation easement presents the best chance to preserve the prettiest section of the central coast and one of the best managed ranches in the State. She urged the Board to proceed with its decision.

Jennifer Langford, a field botanist in San Luis Obispo County and a member of several environmental groups, spoke in support of this proposal. She asked the Board to proceed with its decision.

Dee Lacey spoke in support of this proposal and the conservation easement, sharing her thoughts about the conservation easement on her ranch.

Susan McDonald spoke in support of this project as proposed, noting the benefits of this project and urged the Board to proceed with its decision.

Helen May spoke in support of this project as proposed, acknowledging the care and concern the Hearst family has taken to preserve their land. She urged the Board to move forward with this proposal.

Maggie Cox spoke in support of the proposal, acknowledging the passion and enthusiasm for this project and urged the Board to proceed with its decision.

Lynn Schoennauer read a letter of support from Grace Begal of Pismo Beach, which strongly recommended the Board's approval of this conservation easement. Ms. Schoennauer also expressed her support.

Peter Douglas, Executive Director of the California Coastal Commission, spoke in opposition to the Hearst Conservation easement as proposed. He stated the proposal is not a good deal for the public and not in the long-term best interests of coastal conservation. He commented that the deal creates significant land use expectations that are not consistent with the county's local coastal plan or the Coastal Act and expressed concern that the easement does not provide adequate public access and protection of resources. He recommended the State take the easement and that the State have the enforcement authority before the easement is approved. He urged the Board to delay its decision and direct staff to negotiate a good deal for the public and the coast.

Ken Lindsay addressed the Board, supporting the opportunity to preserve Hearst Ranch, but expressed concern regarding issues including the sale price and that Hearst Corporation intends to seek a charitable contribution deduction for any difference between the purchase price and the donated land value.

Jack Varian spoke in support of this proposal and expressed his contentment with the conservation easement on his cattle ranch in Parkfield. He urged the Board to proceed with its decision.

Charlie Whitney addressed the Board and reported that five years ago there was a conservation easement effort for the Santa Margarita Ranch, a proposal similar in concept to the conservation easement being considered for Hearst Ranch. He reported that the same group of people that are opposing the conservation easement being considered today also opposed the conservation easement for the Santa Margarita Ranch, which caused unnecessary delays in the process and that the conservation effort collapsed. He stated that last month the Santa Margarita Advisory Council voted to begin the process to develop the first phase of what will be a 550 home development. So as not to see the same thing happen to Hearst Ranch, he urged the Board to proceed with its decision.

Kevin Kester, representing the San Luis Obispo County Cattlemen's Association, spoke in support of the conservation easement and that this is a good deal for the taxpayers of California. He reported that a year ago he completed the final phase of placing easements on his entire ranch with the majority of the funding coming from the WCB. He commented that people should rest assured that the public's interests are well protected in this process and that the taxpayers' dollars in this project are only being used to extinguish development rights and that these are voluntary conservation easements, not acquisitions. He urged the Board to proceed with its decision.

Kara Blakeslee, representing the American Land Conservancy, spoke in support of this proposal and shared her experience in working on many conservation projects. She commented that this is a great project for the taxpayers, an historic opportunity for the central coast and a wonderful chance to protect the future. She urged the Board to approve the project.

John Carsel, a member of the Cayucos Citizens' Advisory Council, spoke in support of the proposal and commented that the staff recommendation by the Board should be followed. He urged the Board to proceed with its decision.

Dawn Dunlap spoke in support of the proposal and encouraged the Board to accept this opportunity that the Hearst family is offering the State by voting in favor of the conservation easement.

Linda Payne spoke in support of the project, acknowledging the vision for long-range protection of the coast line. She commented that she opposed the original plan that would have challenged the resources in the area and that the present plan includes less development and more preservation of the area. She urged the Board to proceed with its decision.

Mr. Kellogg called upon Barbara Walter to speak, however she was not present.

Bill Payne spoke in support of the project as proposed, commenting that he is a retired State Park Ranger and has spent his entire career in the San Simeon and Hearst Castle region helping to protect and preserve the natural resources along the coast. He stated that he believes none of the issues are large enough to justify the stalling of this process wanted by so many organizations and diverse people and urged the Board to proceed with its decision.

Darlene Kaberline spoke in support of the project, shared her experience as a guide at Hearst Castle and expressed her desire to see the Hearst Ranch property preserved instead of developed. She urged the Board to approve the proposal.

Tarren Collins, Chair of the Sierra Club Great Coastal Places Campaign, Chair of the San Lucia Chapter of the Sierra Club in San Luis Obispo County and Co-Chair of San Luis Obispo Coast Alliance, addressed the Board and requested the Board delay its decision. She commented that the Board is being asked to approve a mockup of the conservation easement, a description that shows what the easement will look like once the essential components and details are in place. She reported that the following environmental groups oppose the project as proposed and requested the Board delay its decision: The Sierra Club, NRDC, Defenders of Wildlife, California League of Conservation Voters,

California Coastal Protection Network, Environmental Defense Center, Coastwalk, Eco-SLO, Friends of Ranch Land and Paso Watch. She also presented photos of over 70 people who have written to the Governor requesting the Board delay its decision.

Jim Cady, President of the Rocky Butte Association of Cambria, spoke in support of the project. He commented that he and his wife have been neighbors of the Hearst family and find them to be very good stewards of the land. He added that he does not support public access to the east side and urged the Board to proceed with its decision.

Betty Winholtz, representing Save the Park, spoke in opposition of the project as proposed, and expressed concern about protecting wetlands and upland beaches. On behalf of their organization, she requested that the easement be revised to clearly identify the coastal resources being protected, that the final action be deferred until the management resource plan is available subject to public review and input and that the management is overseen by an entity proven to have effectiveness in natural resource protection. She reported that she also represented the Salinian Tribe of Monterey and San Luis Obispo counties who have expressed their disappointment that they were not included, as custodians of historical resources, in these negotiations since many parts of the ranch are extremely culturally sensitive and they request the Board postpone its decision until they can be included and consulted in this project.

Kat McConnell spoke in opposition of the project as proposed, commenting that these agreements raise a number of concerns regarding public oversight, monitoring, auditing and enforcement and recommended modifications to the agreements including improvement of the monitoring process, the State be designated as either a direct party to the easements or a third party beneficiary and that the easements be modified to allow amendments to be approved after a public hearing.

Mr. Kellogg requested the speakers limit their discussion to one minute due to time constraints. Some members of the audience opposed the time limit restrictions. Mr. Wright explained that it was necessary to vacate the hearing room by 6:30 PM tonight, apologized for the delay in starting the meeting, and that it was important the Board members also be able to have time to ask questions and make comments.

Ralph Wessel, Vice President of the Cayucos Land Conservancy, spoke in support of the project as proposed, and commented that this was a good deal for the people of California and urged the Board to approve the project.

Andrew Christie, chapter coordinator for the Santa Lucia Chapter of the Sierra Club, spoke in opposition of the project as proposed, expressing concern regarding the monitoring process, the project definition of clustering, the State's opportunity to only review and comment on management and monitoring but not enforce it and that the Department of General Services' summary of the appraisal was not available prior to any funding of the project. He urged the Board to postpone its decision until public comment could be heard.

Donna Cady spoke in support of the project and conservation plan and discouraged public access on the Rocky Butte Association side, the east side, due to the potential for fire and people trespassing. She urged the Board to proceed with its decision.

Kim Delfino, Director of the Defenders of Wildlife, spoke in opposition of the project as proposed, commenting that conservation of the natural resources at Hearst Ranch is important, however, expressed concern regarding the lack of information on the biological baseline monitoring and that more information needs to be available. She urged the Board to postpone its decision.

David Underwood spoke in opposition of the project as proposed, expressing concern regarding the easement and lack of public access.

Linda Krop, Chief Counsel of the Environmental Defense Center, referred the members to their written comments and requested the Board delay its decision to enable more people to participate and voice their concerns. She requested the Board postpone action until the State can conduct an appraisal that more accurately reflects the restricted development potential of Hearst Ranch, that the easement require the Hearst Corporation to retire certificates of compliance upon the close of escrow, and the easement be modified to eliminate the fallback alternative because of the many potential violations of the Coastal Act.

Dave Crowther spoke in support of the project as proposed and explained that as a neighbor to the Hearst Ranch, his dealings with Hearst have been numerous and varied and that throughout this relationship Hearst has always exhibited the highest standards of corporate responsibility, which is reflected in the conservation agreement. He urged the Board to proceed with its decision.

Jane Sinton spoke in support of the project and encouraged the Board to proceed with its decision before Hearst withdraws their offer. She commented that the project has more widespread support now than it did in previous proposals and urged the Board to approve this project.

Mr. Wright reported that the Sergeant at Arms has now given the Board until 7:00 PM to vacate the room which will allow more time for discussion.

David Chipping, representing the California Native Plant Society, stated that his organization was supportive of this project until the documents were filed on the web page and then they found themselves falling into the position taken by Senator Sher because of their inability to review any of the scientific documentation upon which the conservation elements are based. He added that there is a confidentially agreement in place so that they cannot ask the botanists involved what they saw on the property. He requested an internal review by Resources or the Department of Fish and Game to look at the Sage report and validate its accuracy.

Jeff Stump, Vice President of the American Land Conservancy and one of the principal negotiators of this agreement, expressed his appreciation to the DFG and the WCB and staff for their patience in working with his organization over the past year. He commented that the ALC is a project proponent and requested the Board approve the staff recommendation, which is a conditional approval that will allow staff to continue to engage with the other project partners for the successful closure of this project.

Kerry O'Toole, representing the ALC, spoke in support of this project. She reported that she managed the baseline documentation aspect of this project and that, as an environmentalist, she would like to see the tremendous resources of this Ranch protected in perpetuity. She stated that the proposal being considered today does that. She urged the Board to proceed with its decision.

Susan Jordan, Director of the California Coastal Protection Network and Chair of the Santa Barbara Planning Commission, spoke in opposition of this project as proposed, expressing concern regarding the lack of and restrictions to public access to various areas of the project area. She also expressed disappointment in restricting the length of time for today's public testimony.

Noelle Cremers, representing California Cattlemen's Association, spoke in support of the proposal, stating this proposal will protect one of California's most scenic and historical ranches, while allowing the current owners to continue the active stewardship conducted since the 1860's, which has kept the ranch economically productive, environmentally prolific and prized by many including conservationists and the State of California. She added they are also hopeful this easement will serve as a model for how the State can utilize conservation easements as opposed to fee title acquisition, to reduce conservation project

costs, keep properties on local tax roles, minimize management costs and maintain productive working landscapes in their present condition. She stated that California ranchers strongly support this agreement and hope it sets a precedent for future conservation projects.

Steve Sinton, representing the California Rangeland Trust, spoke in support of this proposal, commenting that he has been working on this project for two years and that he has found the Hearst representatives to be totally sincere and interested in conserving this land. He commented that the easement is a strong document and that it protects agriculture, the environment and is more than the typical easement they have dealt with in the past. He stated that as Director of the California Rangeland Trust, he promised they would do their public and legal responsibilities to the fullest, noting their extensive experience in monitoring.

Tom Mitchell read a letter from Joyce Williams, a resident of Cambria, supporting the Hearst conservation project. In her letter she commented that her family has successfully completed two conservation agreements on their property and urged the Board to approve this project.

Susan Harvey, President of Paso Watch, spoke in opposition of this project as proposed. She reported that Paso Watch has rescinded its endorsement of the Hearst Ranch Conservation Plan and that the contract, as written, protects Hearst and not the public, and requested more public oversight. She commented that if Hearst is unwilling to enter into a direct agreement with the State, which is her representative, then she is reluctant to hand over \$95 million dollars.

David Dabritz, a former member of the Sierra Club, spoke in support of the proposal. He stated that he is not in favor of public access to grazing land, is supportive of the employee housing and urged the Board to approve this project without delay.

Sarah Mott read a letter from Donald Parham in support of the project.  
(See Attachment G)

Ronald Fox spoke in opposition to this project as proposed and expressed concern regarding the public process, addressing the issues and the need for more public access. He commented that he saw no reason to rush to judgment.

Susan Mullen spoke in support of this project, commenting that this proposal is about a conservation easement on ranch land and not about open space and that asking the State to get involved with the easement and to be an easement

holder is a death sentence for conservation easements on ranch lands. She commented that the CRT does a great job and recommended they be allowed to do it.

David Singleton spoke in support of the proposal, commenting that this is a good agreement and that delaying today's decision could have very serious consequences. He urged the Board to proceed with its decision.

Mr. Kellogg called upon Julia Levin to speak, however she was not present.

David Garth, representing the San Luis Obispo Chamber of Commerce, spoke in support of the project and commented on the chamber membership consisting of a very diverse group of people, business people, ranchers, seniors, conservationists, and environmentalists, who are supportive of this proposal. He reported that it is a small group of people that oppose the project as proposed and urged the Board to proceed with its decision.

Darlene Mann reported that she was going to read a letter from Greg Bettencourt from the Cayucos Land Conservancy but, in the interest of time, she did not read the letter and instead, on their behalf, urged the Board to fund the proposal and proceed with its decision.

Mr. Kellogg called upon Victoria Rome to speak, however she was not present.

Kaya Pederson, Regional Manager for the Central California Surfrider Foundation, spoke in opposition to this project as proposed and commented that their organization has two concerns about the current proposal. She reported that their concerns are in regard to the secrecy around the negotiations and the loss of historic coastal access. She commented that this process has not been transparent and the deal has many unanswered questions. She suggested the proposal be amended today to protect the access to the beaches and urged the Board to postpone today's decision.

Arley Robinson spoke in support of the proposal, commenting that it was unfortunate a small group of people were attempting to obstruct this magnificent conservation easement and urged the Board to proceed with its decision.

Lauren Ward spoke in support of this proposal, commenting that this is a good deal, not a perfect deal, but a deal that has never been available before. He added that this opportunity may not happen again, and should it be presented, there would be no guarantee that the State would have the money to act on it. He encouraged the Board to proceed with its decision.



Jack Beigle, representing the people of Nipomo Dunes, spoke in support of this proposal, commenting that his organization works to protect the coastline in south San Luis Obispo County and that this agreement will protect 13 miles of coastline and much more. He added that this is a once in a lifetime opportunity and urged the Board to proceed with its decision.

Bill Allayaud, State Director for the Sierra Club of California, spoke in opposition to this project as proposed. He reported that he met with the Governor yesterday and that he expressed to the Governor that this project, as currently proposed, is not a good deal for the people of California and that it should be amended. Supportive of the Hearst Ranch being preserved, he suggested the Board delay its decision and work out a better deal.

Sally Friend presented a letter of support from Betty Fiscalini.  
(See Attachment H)

Jane Russell spoke in support of this project, commenting that she believes the conservation of the Hearst Ranch as proposed is a successful solution, benefiting the community of San Luis Obispo County, the people of California and the Hearst Corporation. She commented Hearst deserves some trust from the public for how the ranch will be maintained after the easement is in place, instead of unfounded doubt and suspicion. She urged the Board to proceed with its decision.

Eric Greening, representing Life on Planet Earth, spoke in opposition to the project as proposed, expressing concern about the accuracy of information regarding residual dry matter counts and biological conclusions. He urged the Board to use this hearing to ask questions and discuss expectations, and to delay its decision until questions have been answered and expectations have been met.

Consuelo Macedo spoke in support of this project, expressing appreciation to those who have prevented extensive commercial development in the San Simeon area. She commented that after thorough study of the agreement, she believed this agreement should satisfy the thousands of citizens that support and approve the conservation of the Hearst Ranch.

Ron Fellows spoke in support of this project, expressing his concerns regarding the increasing fragmentation occurring in California and encouraged the Board to arrest the potential of fragmentation on this phenomenal landscape. He commented that this is a massive project with massive opportunities and phenomenal responsibilities on everyone's part and urged the Board to proceed with its decision.

Wayne Ryburn, Chair of the North Coast Alliance, spoke in support of this proposal. He reported that his organization endorses this agreement, that it is fair, balanced and good for the public, government, local residents, businesses and ranchers that live in the area. He urged the Board to follow the staff recommendation and proceed with its decision.

Margaret Sonoda spoke in support of this proposal, commenting that this is a great deal, comparing the cost per acre with another acquisition, and that the funding will go towards preserving priceless acres.

Michael Reddell spoke in support of this proposal, commenting that Margaret Sonoda is his wife and that they attended today's meeting at the expense of missing the birth of their second grandchild because of the importance of this project. He urged the Board to proceed with its decision.

Nita Vail, representing the California Rangeland Trust, spoke in support of this project, reporting that there are 26 million acres of privately-owned rangeland that are threatened by not only development and State taxes, but family succession issues, families that don't want to stay together and have conflicts in resale ranches. She reported that their organization currently has 75,000 acres under easement, 90,000 acres in the near future, and 500,000 acres in applications. She commented that their job is to be a buffer, not to police stewardship, but to nurture it, to do it through a process and protocols, and to work with the Department of Fish and Game to come up with those protocols so everyone is comfortable with them. She urged the Board to approve this proposal.

A letter of support from David Anderson was presented to the Board.  
(See Attachment I)

Bill Bianchi spoke in support of this project and shared his thoughts on Senator Sher's comparative interpretation of this project with the Headwaters Forest project. He commented that the whole deal involves trust and consideration of the recommendations of the individuals involved to carry out the objectives of the plan. He urged to Board to proceed with its decision.

Sam Blakeslee spoke in support of this project and commented that through past experience he acknowledged how difficult it is to pull people together, to find a property owner that is willing to participate, environmentalists and conservationists, people involved in agriculture and elected officials to come together to agree to conserve property. He stated that he also met with the Governor yesterday and his message to the Governor was that the people of the community of San Luis Obispo are supportive of this project. He urged the Board to proceed with its decision.

Bill Allen, President of North Coast Alliance, presented his letter of support to the Board and encouraged the members to read it, directing their attention to the first paragraph where it refers to the fairness of the political process, which has not been discussed. (See Attachment J) He commented that the opposition seems to be mainly focusing on loss of access. He stated that most of the access everyone has experienced has been by illegal trespass, which has been condoned by the Hearst family as long as no harm seemed to be done, and that according to the proposal, everyone will have some legal access. He encouraged the Board's approval of the proposal to avoid losing this access. He commented that his organization has been involved in trying to save the Hearst property for seven years, the first four years fighting the Hearst Corporation, and the last three years strongly supporting all the negotiations resulting in today's proposal. He urged the Board to proceed with its decision.

Mr. Kellogg reported that there were no other requests to comment. He thanked everyone for their patience in the delay of the meetings and time limitations in providing public testimony.

Mr. Wright reported that the WCB, Resources Agency, SCC, DPR, he and his staff, and others who worked on this project appreciate the input they have received. He commented that this project is different than any project the WCB has considered because of the magnitude and complexities, and that this is not only a complex issue but an emotional issue. He reiterated that this is a voluntary agreement between the Hearst family, the land trusts and the State, and that we cannot take something away from a landowner that they don't want to give or sell, and stressed that this is an important point. He stated that through public testimony, we've heard people wanting things that the Hearst family is not willing to sell, and we need to keep that in mind. Mr. Wright reported that while the east side easement specifically limits future development, it also does not confer any entitlements and that all the normal regulatory processes that are in place today, for something that might be proposed on a ranch today, will continue to exist in the future, explaining that there are those safeguards in place in the event that the Hearst family decides to go ahead and exercise anything that is allowed under the conservation easement on the east side.

Mr. Wright expressed his appreciation to the Board's legislative advisory committee and members of the legislature for their interest and support, as well as the San Luis Obispo County supervisors for their support in this project.

Mr. Wright explained that the effort today is to align a volunteer landowner's interest in a conservation project in an area of the State where the State has significant interest because of the resource values that have potential for being protected in perpetuity and at a time when the State has money. Mr. Wright

commented that there is tremendous growth throughout California and that to find intact large properties like this that we can preserve at one time presents a very rare opportunity. He explained that this project presents a challenge to find the common ground for agreement that is acceptable to all sides. He noted that one issue expressed by the public, the Legislative Analyst's Office and others is in regard to clarifying the conservation values identified in the Baseline Conditions Report that are protected by the conservation easement and that the other underlying issue is clarification of the standard for finding an impairment of conservation values that would be prohibited by the conservation easement.

Mr. Wright explained, in other words, that if the transaction is approved as proposed, and the Hearst family has certain limits with what they can do with intensified agriculture and there are other resources throughout the ranch that deserve protecting, then how do we assure through the agreements that if the day ever goes away when the Hearst family are no longer good stewards of the land as they are today, how do we protect the public's interest in the long term. Mr. Wright reported that this has been one of his greatest concerns during the negotiations regarding the easements. He explained that there is language in the conservation easement that defines impairment standard and he agreed that it could be difficult or subject to interpretation. Mr. Wright stated that there may be some other opportunities to create, for the State's benefit as well as the landowner's benefit, a better description of how impairment is defined and that this is a big issue that needs more discussion. Mr. Wright reported that around a month ago the State released approximately 35 pages of information about the resources on the Ranch, that he has seen some of the baseline conditions reports and that the DFG is in the process of reviewing and commenting on those reports. He explained that the reason he asked Orin Sage to give the presentation was to provide the Board members and audience with a snapshot of the Ranch as to how they went through the valuation process, which WCB was a part of, and to make determinations of potential future uses on the ranch. In the event that the Hearst family moves forward to establish those legal lots, if this transaction is approved, they at that time will be disclosing specific information about those particular proposals. Mr. Wright reminded everyone that this is a voluntary transaction on the part of the landowners and that we are again trying to find that middle ground with Hearst on how much information we release about the Ranch, since it still is a private ranch, and yet assure everyone that this Ranch is significantly rich with biological resources that we are trying to protect. Mr. Wright stated that the Department of General Services has approved an appraisal of not less than \$110 million for the conservation project. Mr. Wright reported that the SCC contracted for an appraisal of the conservation project and also contracted for a review by another licensed appraiser of that appraisal. He reported that the review of the appraisal that the SCC contracted for is what was released to the public.

Mr. Wright asked the Board to focus their attention today on the east side of the Ranch because the SCC meeting in September will follow today's meeting and the Public Works Board will follow that. Regarding loss of access to the coastline, he reiterated that part of this project proposal was the transfer of title to 13 miles of coast line to DPR, so while there might be permissive access today, that is all going in title to the DPR and will be managed in the future as determined by a planning process that DPR will go through. He further explained that in addition to that there are the 18 miles of continuous coastal trail, which may not be in the location that everybody wants, but there will be the opportunity to put in an 18 mile continuous coastal trail from the south to the north end of the Ranch. Mr. Wright stated that, as he saw it, the main issue at this point was whether or not we could negotiate better terms to the easement than we already have, and considering the amount of time staff from the WCB, DFG legal office, SCC and DPR have spent on this proposal, he did not believe they could do much better. He added that the other issue was, as heard from a number of speakers and legislators today, was whether or not to delay Board action or proceed with making a decision on this project.

Mr. Kellogg asked if the Board members had any questions or comments.

Mr. Harper requested clarification regarding the tax credit portion of the acquisition being subject to legislative approval and what would happen to the deal if the approval does not materialize.

Mr. Donnelly explained that if no tax credit legislation is passed, the Junge Ranch will be separated from the transaction and the remainder of the Ranch will be part of the transaction. He commented that we may or may not have the ability in the future to go back and try to purchase the Junge Ranch, and if legislation is passed but is not enacted until 2005, we will have the ability after 2005 to complete the transaction at that time. Mr. Harper asked if the Junge Ranch is more apt to be developed. Mr. Donnelly reported that it has 11 to 13 currently developable parcels and that it is one of the highest developable portions of the Ranch on the coastline which includes almost 1,000 acres with legal parcels not only on the east side of Highway 1 but also on the west side, making it a very valuable piece of property as this transaction is concerned.

Mr. Harper asked about the appraised value. Mr. Donnelly explained that as part of the appraisal process that the SCC had completed by the Department of General Services, we also had them provide a separate value for the Junge Ranch portion of the property and that they concluded a value of no less than \$28 million dollars for that portion of the Ranch.

Mr. Broddrick, thanked the audience for their patience and time invested in this project and acknowledged the efforts of the WCB and its staff. He recognized that everyone in the audience has gone through, regardless of their point of view, tremendous deliberation and review of the opportunities and have different views as to how best obtain the preservation of this landscape. He noted that in all cases there is an interest to protect this property or landscape. He stated that the role of this Board is to make a decision one way or the other whether to proceed. At this time, with no other comments from the Board, he requested to hear the Executive Director's recommendations.

Staff recommended that the Board approve this project; allocate \$28,500,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79565, to cover the Board's portion of the Grant Amount; authorize acceptance of the State Coastal Conservancy grant funds directly into escrow to assist with the transaction; approve the donation and related tax credits subject to appropriate legislative authority to do so; allocate \$6,000,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79565, to apply towards the Board's proportionate share of the proposed \$15,000,00.00 tax credit reimbursement; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned, subject to the following conditions: (a) that the State Coastal Conservancy and the Public Works Board each consider the conservation transaction, and approve and authorize funding for the transaction as applicable; (b) that, prior to funding the Board's portion of the Grant amount, staff and the Department of Fish and Game review and approve a Baseline Conditions Report and Monitoring Protocol; and (c) that the following areas of concern be resolved to the satisfaction of staff: (1) application of viewshed protection standards for structures, (i.e. buildings of sufficient size) that could impair the viewshed as seen from Highway One or Hearst-San Simeon State Historical Monument (Hearst Castle); (2) clarification that Highway One viewshed protection standards apply to the alignment of Highway One as it exists at the time of establishing each owner homesite parcel; (3) provision in the East Side Conservation Easement that the Management Plan shall prescribe actions consistent with sustaining a combination of agriculture operations, natural resources and habitats with the portions of the Easement Area used for range, cropland or other agriculture operations; and (4) incorporation of standards within the Monitoring Protocol to guide California Rangeland Trust's determination regarding when there has been "impairment" of Conservation Values as defined in East Side Conservation Easement.

**It was moved by Mr. Dave Harper that the Board approve this project; allocate \$28,500,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79565, to cover the Board's portion of the Grant Amount; authorize acceptance of the State Coastal Conservancy grant funds directly into escrow to assist with the transaction; approve the donation and related tax credits subject to appropriate legislative authority to do so; allocate \$6,000,000.00 from the Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop. 50), Section 79565, to apply towards the Board's proportionate share of the proposed \$15,000,00.00 tax credit reimbursement; authorize staff to enter into appropriate agreements necessary to accomplish this project; and authorize staff and the Department of Fish and Game to proceed substantially as planned, subject to the following conditions: (a) that the State Coastal Conservancy and the Public Works Board each consider the conservation transaction, and approve and authorize funding for the transaction as applicable; (b) that, prior to funding the Board's portion of the Grant amount, staff and the Department of Fish and Game review and approve a Baseline Conditions Report and Monitoring Protocol; and (c) that the following areas of concern be resolved to the satisfaction of staff: (1) application of viewshed protection standards for structures, (i.e. buildings of sufficient size) that could impair the viewshed as seen from Highway One or Hearst-San Simeon State Historical Monument (Hearst Castle); (2) clarification that Highway One viewshed protection standards apply to the alignment of Highway One as it exists at the time of establishing each owner homesite parcel; (3) provision in the East Side Conservation Easement that the Management Plan shall prescribe actions consistent with sustaining a combination of agriculture operations, natural resources and habitats with the portions of the Easement Area used for range, cropland or other agriculture operations; and (4) incorporation of standards within the Monitoring Protocol to guide California Rangeland Trust's determination regarding when there has been "impairment" of Conservation Values as defined in East Side Conservation Easement.**

**Mr. Broddrick seconded the motion. Motion carried.**

Mr. Kellogg shared his thoughts regarding this proposal and acknowledged the huge amount of work put into this project by a lot of people and many different agencies and groups. He explained that he had some concerns regarding the lack of public access to the east side and recognized through clarification that there would be access, during special events and under controlled circumstances. Mr. Kellogg stated that he realized this is one of the biggest land

deals in California and commented that not everyone is going to agree on every part of the deal. He explained that he came to the meeting undecided, listened to what everyone had to say and acknowledged the experience and passion of local residents and ranchers who testified on behalf of this proposal.

With no further business to discuss, the meeting adjourned at 6:23 P.M.

Respectfully submitted,

Al Wright  
Executive Director



## PROGRAM STATEMENT

At the close of the meeting on August 12, 2004, the amount allocated to projects since the Wildlife Conservation Board's inception in 1947 totaled \$1,768,397,671.06. This total includes funds reimbursed by the Federal Government under the Accelerated Public Works Program completed in 1966, the Land and Water Conservation Fund Program, the Anadromous Fish Act Program, the Sport Fish Restoration Act Program, the Pittman-Robertson Program, and the Estuarine Sanctuary Program.

The statement includes projects completed under the 1964 State Beach, Park, Recreational and Historical Facilities Bond Act, the 1970 Recreation and Fish and Wildlife Enhancement Bond Fund, the Bagley Conservation Fund, the State Beach, Park, Recreational and Historical Facilities Bond Act of 1974, the General Fund, the Energy Resources Fund, the Environmental License Plate Fund, the State, Urban and Coastal Park Bond Act of 1976, the 1984 Parklands Fund, the 1984 Fish and Wildlife Habitat Enhancement Bond Act, the California Wildlife, Coastal and Park Land Conservation Act of 1988, Cigarette and Tobacco Products Surtax Fund of 1988, California Wildlife Protection Act of 1990, the Safe, Clean, Reliable Water Supply Act of 1996, the Natural Resources Infrastructure Fund, the Harbors and Watercraft Revolving Fund, Forest Resources Improvement Fund, the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond, Safe Drinking Water, Clean Water, Watershed Protection, and Flood Protection Fund, California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund, Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 and the Wildlife Restoration Fund. In addition to projects completed with the above funding sources, this statement includes tax credits awarded under the Natural Heritage Preservation Tax Credit Act of 2000. The tax credits are not reflected in the total amount allocated to projects.

A. Fish Hatchery and Stocking Projects .....	\$16,006,219.06
B. Fish Habitat Preservation, Development & Improvement.....	24,734,257.88
Reservoir Construction or Improvement .....	\$ 5,518,592.00
Stream Clearance and Improvement .....	14,788,961.69
Stream Flow Maintenance Dams .....	542,719.86
Marine Habitat .....	646,619.07
Fish Screens, Ladders and Weir Projects.....	3,237,365.26
C. Fishing Access Projects .....	47,023,603.65
Coastal and Bay .....	\$ 4,038,176.11
River and Aqueduct Access .....	13,149,013.84
Lake and Reservoir Access .....	9,450,996.52
Piers.....	20,385,417.18
D. Game Farm Projects .....	146,894.49

E. Wildlife Habitat Acquisition, Development and Improvement .....	1,635,899,175.96
Wildlife Areas (General).....	\$352,812,079.39
Miscellaneous Wildlife Habitat Development .....	14,176,933.74
Wildlife Areas/Ecological Reserves, (Threatened, Endangered or Unique Habitat).....	592,565,116.23
Land Conservation Area .....	8,058,464.18
Inland Wetlands Conser. Grants & Easements.....	18,794,628.96
Riparian Habitat Conser. Grants & Easements.....	27,661,929.10
Other Wildlife Habitat Grants .....	621,830,024.36
F. Hunting Access Projects .....	484,898.57
G. Miscellaneous Projects (including leases).....	12,560,002.29
H. Special Project Allocations .....	1,389,820.29
I. Miscellaneous Public Access Projects .....	29,610,379.80
State Owned .....	\$1,595,851.07
Grants .....	28,014,528.73
J. Sales and/or exchanges.....	542,419.07
K. Natural Heritage Preservation Tax Credit Act (tax credits awarded) ...	(48,241,234.00)
Statutory plans .....	(0.00)
Corridors, wetlands, wildlife habitat, streams and riparian habitat .....	(6,234,658.00)
Agricultural lands.....	(13,775,640.07)
Water and water rights .....	(0.00)
State and local parks, open space and archaeological resources .....	(28,230,935.93)
Total Allocated to Projects.....	\$1,768,397,671.06