



Midpeninsula Regional
Open Space District

R-25-35
Meeting 25-10
March 26, 2025

SPECIAL MEETING AGENDA ITEM 1

AGENDA ITEM

Bear Creek Stables Long-Term Agreement Framework and an Amendment to the Interim, Short-term Stables Services Agreement, both with the Friends of Bear Creek Stables

GENERAL MANAGER'S RECOMMENDATIONS

1. Review and provide feedback on the proposed milestones and framework for entering into a long-term agreement with the Friends of Bear Creek Stables to operate horse boarding at Bear Creek Stables and provide nature education, equine interaction, and stewardship programming for the broader public.
2. Amend the current, short-term Stables Services Agreement with the Friends of Bear Creek Stables to extend the term for an additional six months to December 6, 2025, and by an additional \$48,000, for a total not to exceed contract of \$100,000. This extension will provide any additional time necessary to finalize a long-term agreement that can be recommended for Board approval.

SUMMARY

The Midpeninsula Regional Open Space District (District) Board of Directors (Board) established goals for Bear Creek Stables (Stables) as outlined in the Bear Creek Redwoods Open Space Preserve (Preserve) Plan (Plan). Those goals are reflected in the modified Repair Plan (Option 1.b.) that was approved by the Board for the Bear Creek Stables site on November 20, 2024. The approval includes entering into an agreement with a non-profit entity to manage, operate, and fundraise for the stables. At that same meeting, the Friends of Bear Creek Stables (Friends) announced their willingness to become the non-profit operator for the site.

Since then, District staff have been periodically meeting with Friends to develop recommendations and milestones for entering into a long-term agreement to manage the stables. As these conversations were occurring, the prior operator notified the District of their intent to leave the site by early January 2025. In light of this change and to provide interim boarding services, the District entered into a short-term agreement with Friends under the General Manager's authority to carry out the care and feeding of the boarded horses until a long-term agreement could be established and exercised. This item is being brought to the Board for two reasons: (1) for the Board to review and provide feedback on the proposed milestones and framework for entering into a long-term agreement with the Friends, and (2) to consider amending the interim Stables Services Agreement with the Friends to provide additional time for finalizing the long-term agreement and for Friends to successfully fundraise and achieve one of the long-term agreement milestones.

BACKGROUND

The Board-approved [Bear Creek Redwoods Open Space Preserve Plan](#) (Preserve Plan) establishes three primary goals for Bear Creek Stables:

- Maximize public benefits of Bear Creek Stables by broadening public access and use of the facility, consistent with the lease agreement.
- Emphasize the protection of the natural resources at Bear Creek Stables.
- Develop a viable plan that is financially feasible for both a tenant and the District.

On November 20, 2024, the Board selected the following long-term use and management option (Option 1.b.) for Bear Creek Stables, which includes entering into an operational agreement with a non-profit entity as highlighted in *bold italics*:

Continue stables boarding and programming, applying the same approaches for phasing, management, and programming presented in the Ad Hoc Committee Option but utilizing an alternate site plan option as modified by staff; *option includes a non-profit entity to manage, operate, and fundraise for the stables*; option involves the District funding and completing certain annual maintenance and repairs (to be negotiated) and all capital improvements and site cleanups for the modified Phases 0 and 1; since the modified Phase 2 is dependent on future non-profit fundraising, only the modified Phases 0 and 1 would proceed with approval of this option. ([R-24-142](#), [minutes](#))

Additionally, the Board directed the General Manager to return with the following elements to establish a long-term agreement with a non-profit entity as well as new District staffing capacity to support a public/non-profit partnership for Board consideration:

- a. A set of defined milestones related to formation, operations, and fundraising targets for the non-profit entity that would need to be met before the District enters into a construction contract and substantially invests in and completes the Phase 1 improvements.
- b. A draft operating contract to enter with a non-profit entity that identifies clear roles, responsibilities and expectations, including onsite maintenance and repair responsibilities.
- c. A hiring plan for new District staff to address annual maintenance and capital repair needs at the stables.

DISCUSSION

To prepare the three deliverables as requested by the Board - milestones, draft contract agreement framework, and hiring plan - staff have been meeting with Friends every two weeks starting in January 2025 to develop milestones and the framework for a potential long-term agreement. The milestones are designed to demonstrate Friends' ability to meet operational and fundraising objectives and effectively manage the stables without impacting District staffing and resources beyond the commitments described in this report. Initial milestones have been identified that are required to be met before the District enters into a long-term agreement with the Friends for them to manage the stables. Once the initial milestones are met for entering into a long-term agreement and the Board approves the agreement, the Friends would next need to meet a second set of milestones before the District enters into a construction contract and substantially invests funds to complete the Phase 1 site improvements.

Also, based on the division of responsibilities between the District and Friends, staff have developed a preliminary hiring plan for addressing the annual maintenance and repair responsibilities at the Stables.

At this March 26, 2025, regular meeting, the Board will have an opportunity to review the proposed deal points of a potential long-term agreement and provide input before the draft agreement is finalized and presented for consideration of approval. The framework and milestones have been discussed at length with Friends, who have been active participants in shaping the language and commitments. The proposed framework is designed to focus District contributions specifically to the repairs and upkeep of structures, utility systems, and roadways, and to handle defensible space clearances and natural resource management work while the nonprofit would hold all operational responsibility for running the stables, caring for horses, site cleaning and manure management, non-structural maintenance, and providing public programming.

Initial Milestones

Prior to entering into a long-term agreement, the General Manager proposes that Friends meet the following agreed-upon initial milestones. These initial milestones serve to demonstrate the Friends ability to have legal standing as a non-profit, adopt a structure that supports the dual goals of boarding and public programming, meet risk management insurance requirements, and be financially solvent to effectively manage the stables.

- Establish and meet all the state and federal regulatory requirements for a 501.3c nonprofit corporation. Friends is an established 501.3c nonprofit corporation but do not currently meet all the regulatory requirements for nonprofits. Friends are currently listed by the IRS as eligible to receive tax deductible donations and by the California Secretary of State as a nonprofit in good standing. Friends are not currently in compliance with the California State Attorney General Office's registration requirements. To resolve this issue, Friends are in the process of registering with the State Attorney General as required by law. Friends have filed the paperwork for registration with the Attorney General. Staff anticipate that they will meet all nonprofit requirements by June 2025.
- Amend Friends bylaws to reflect the new goals of Friends to operate the Stables for the benefit of the public, in alignment with the mission of the District and prohibit partners, individual horse owners at the Stables, employees of the District and District Board members from being on the Friends Board to avoid a real or perceived conflict of interest. This milestone is intended to ensure that the focus of Friends includes the delivery of public programming rather than solely being on boarding and prevent conflicts of interest between Friends, boarders, and District.
- Demonstrate successful fulfillment of responsibilities under the interim Stables Services Agreement.
- Meet the insurance requirements under the long-term agreement (see below).
- Establish an initial operating fund of \$250,000 through fundraising. Friends believe that this level of funding will ensure the success of Friends in the first years of operating the stables under a long-term agreement. Friends have committed to raising these funds prior to entering a long-term agreement and no later than October 6, 2025.

Secondary Milestones Prior to Phase I Improvements

Prior to the District entering into a construction contract and substantially investing in Phase 1 improvements, the General Manager proposes that Friends meet the following agreed-upon secondary milestones.

- Continue to meet all the above milestones, including an operating fund of \$250,000 prior to the District entering into a construction contract for phase 1 improvements.
- Generate an additional \$250,000 in donations and/or grants prior to the Phase I improvements to supplement or rebuild the operating fund.
- Demonstrate successful operation of the stables under the long-term agreement without violations for a minimum of one year.
- Generate a minimum of \$100,000 in annual gross income from boarding and programming during the preceding year.
- Friends will consider funding a portion of the Phase 1 improvements if there is a funding gap that may delay implementation.

Draft Long-Term Contract Agreement Framework

Term

- The contract would be set for a 12-year term with options to end the agreement at two (2) years and seven (7) years, if necessary, by either party. Note: The District could also end the agreement due to a violation of the agreement.
- Pending successful delivery of the required initial milestones, the start of a long-term contract agreement is anticipated to be as soon as June 6, 2025, and no later than October 6, 2025.

Agreement Fees

- No or nominal license fee for site use, with the understanding that the non-profit operator is reinvesting revenues to support ongoing operations and public programming.
- Friends have agreed to put \$12,500 of donated funds in a maintenance fund at the start of a long-term agreement and contribute 5% of programming/boarding gross revenue into that maintenance fund. The maintenance fund is set aside to be used by Friends to fund repairs or improvements beyond daily operational costs as approved by the District.

Division of responsibilities

District responsibilities

- Phase 0 improvements:
 - Repair hillside drainage
 - Install replacement paddocks, up to 50 total paddocks
 - Shorten the paddocks above Briggs Creek to create vegetative filter

- Remove paddocks and small ancillary structures outside the boarder area. District to evaluate whether it is feasible to keep two paddocks located near the Y in the entrance road
- Define the permit parking area with signage and other measures
- Designate and sign areas closed for restoration (Briggs creek riparian area and hillside above boarder area)
- Replace water troughs
- Complete water line connections to paddocks
- One-time installation of panels to replace inadequate fencing
- Install railings on manure dump ramp
- Install tree stumps for seating at the acorn meadow
- One time, mow the “dressage” area
- One-time addition of sand to the arena and re-grading to improve drainage
- Initial site-cleanup to remove debris from the previous caretaker
- Install automated entrance gate with a 50-50 split of installation cost with the Friends responsible for maintenance.
- Rental/service fees for a portable restroom until a vault restroom is constructed
- Keep Tevis barn, foreman’s cottage and second cottage secured from entry. Provide limited access to Tevis barn for Friends to conduct fundraising with District permission and within health and safety constraints.
- Maintain buildings that will remain on site and new buildings constructed in Phase I, except for barns during Phase 0 and paddocks, which will be the responsibility of Friends
- Phase 1 improvements as approved by the Board on November 20, 2024, subject to Board approval and Friends reaching initial and secondary milestones. Friends will be consulted for input if significant design alternatives arise and when their operational input is needed on safety issues.
- Annual road maintenance and major repairs
- Maintain water line up to main water valves serving stables
- Annual structure defensible space fire clearance
- Integrated pest management for invasive weeds and rodent control if criteria for prevention are met and numbers exceed District guidelines

Friends responsibilities

- Paddock maintenance, repair and replacement per written District standards and specifications. Friends can propose alternate standards and specifications subject to District approval.
- Horse feeding, watering, and paddock cleaning
- Maintain manure management program, including proper manual off-hauling and disposal
- Minor road maintenance such as filling potholes depressions more than two (2) inches in roadways, common areas, and paddocks. District to provide rock stored on site for that use.

- Routine maintenance of water system beyond the main water valves serving stables. Damage caused by the District or Friends will be responsibility of the party that does the damage.
- Maintaining stables area weed free
- All utility bills for the site, including water bills for usage at stables, electrical bills, and waste disposal fees (with exception of initial cleanup conducted by the District)
- General site cleanliness and proper storage of feed and hazardous materials
- Proper waste disposal upkeep and maintaining premises trash-free; proper off-haul and disposal of site debris and trash
- Enforcement of stables use rules
- Maintaining sand in riding ring and arena
- Upkeep of fencing within leased area
- Maintaining boarder list and emergency contacts; managing and responding to boarder issues and maintaining regular communication with boarders
- Providing public programming; responding to programming issues or complaints
- Cleaning restrooms and maintaining restroom supplies after restroom construction
- Maintenance and repair of barns during Phase 0
- Providing an overnight caretaker once the construction of caretaker residence is complete. Friends will also have the option to provide an overnight caretaker using their own habitable trailer in the interim until the caretaker residence is complete.
- Meeting landlord requirements for caretaker residence
- General rodent control by keeping food secure, preventing feeding, and following District hygiene general cleanup
- Emergency Evacuation Plan updates and training

Insurance requirements

Note that this is one area where District staff and Friends have not yet fully agreed on coverage levels. Staff have requested that Friends solicit quotes for the required coverage amounts prior to making a final determination on the insurance requirements.

- General liability - 2 million each occurrence / 4 million in aggregate
- Commercial equine general liability - 2 million each occurrence / 4 million in aggregate
- Care, Custody and Control - \$10,000 per horse / \$50,000 in aggregate
- Umbrella coverage - 2 million / 4 million (desirable, but only required if general liability and commercial equine coverage limits are lowered 1 million / 2 million)
- Business Auto coverage - \$2,000,000 single limit
- Personal property insurance for property owned by Friends
- Workers Comp as required by State law

Boarding, Public Programming, and Public Access Specifications

Boarding

- All horse owners boarding at the Stables will be required to participate in programming as either a volunteer and/or through the use of their horse(s). Due to providing programming to minors, pursuant to Public Resources Code Section 5164, all volunteers will be required to pass a background fingerprinting check.
- Boarding fees will be set by the Friends. All boarding fees will be paid to the Friends.
- Friends can board up to 30 of their own horses for use in programming. Total number of horses shall not to exceed 72.
- Friends will have discretion to remove boarders for nonpayment or breaking stables rules but must have an initial warning action (for non-egregious issues) as part of their boarder management process.

Programming

- Programming will be provided by Friends through volunteers, contractors and/or employees
- Fee payments must be made to Friends and not directly to a service provider (i.e., trainers cannot charge a fee to class participants with a percentage paid to Friends except for governmental agencies that collect fees on behalf of Friends, such as city parks and recreation departments). Non-profits approved in writing by the District could also collect fees directly for programming that supports the District's mission.
- Contractors, employees, and volunteers who provide programming to minors will be required to pass background fingerprinting check.
- Public programming may include:
 - Nature walks/lessons
 - Equestrian interactions/exposure (e.g. horsemanship classes, grooming, pictures)
 - Barnyard animal interactions (subject to District approval of pens and type and number of animals)
 - Traditional equestrian programming (e.g. lessons, camps, mounted and unmounted demonstrations)
 - Arts and crafts
 - Guided stables tours
 - Volunteer and community service projects
 - Community and corporate group events
 - Horse rentals and trail rides are prohibited
- Activities shall be limited to 40 program participants on site at one time unless special permission is given by the District in writing to raise the maximum number. A lower limit may need to be instituted, if required, to conform to permitting requirements for the site. Friends have requested 70 participants on site at one time. The General Manager does not recommend going to that higher number until we understand permitting requirements and have experience with programming operation constraints. The number of onsite participants can be revisited when additional parking is available at the planned North Parking lot and the use permit process is complete.

- One-one-one pony rides may be given to children as young as 2 years old.
- Program participants in group and individual riding lessons and camps must be a minimum age of 6 years old for activities inside a ring/arena and 7 years old for activities outside a ring/arena.
- Supervision requirements are specified for program participants under 12 years old.
- Use of the preserve outside the stables area as defined in the agreement shall follow District ordinances. Use in the stables area shall follow District ordinances unless expressly permitted in the agreement.
- All boarding and programming opportunities must be publicly noticed
- ADA accommodations shall be provided as required by law
- 50% of all programming activities must be made free of charge or at a discounted rate with at least 25% of all programming free of charge or at a minimum 50% discounted rate for underserved communities
- Annually serve at least 3,000 individuals through programs at the stables or in the preserve

Public Access

- During preserve hours, general visitor hike-in access shall be provided to a portion of the stables, including the public restrooms
- Regular set hours shall be posted for supervised visitor hike-in access to the rest of the Stables
- Equestrian trailer permit parking spaces shall be kept clear for use by visitors for permit equestrian parking

District Hiring Plan

Based on the division of responsibilities for the Bear Creek Stables site, the District will need approximately a 0.75 full-time equivalent position within the new Facilities and Fleet Department and approximately a 0.5 full-time equivalent in the Land Stewardship and Trails Department (formerly in the Land & Facilities Department). As such, a new Facilities Maintenance Specialist position will be requested as part of the Fiscal Year 2026-27 budget. The new position would perform most of the service calls to the Stables and coordinate with the Property Management Specialist who is responsible for monitoring the Stables agreement. A new maintenance position, likely an Open Space Technician position, would be deferred, until the District needs to hire a full FTE, likely in FY28. Until that time the impact to the current crew would be minimized by contracting out larger seasonal tasks at the stables.

Maintenance responsibilities for the District would include annual road maintenance, structural repairs, maintaining the main water line, annual defensible space fire clearance, and pest management. Existing maintenance crew personnel would support the new position as needed to complete discreet work order items. The remainder of the work would be contracted out to

external contractors. Below is a breakdown of the costs for the additional personnel and the associated overhead costs related to vehicle use and services and supplies (e.g., materials, tools, equipment). Experience with the shared responsibilities for the Stables upkeep may change the mix of staffing and contracting requested in the future.

Annual District Costs for Stables Repair and Maintenance		
		Cost (per year)
Facilities Maintenance Specialist	<i>0.75 of full time equivalent (FTE) including benefits</i>	\$117,052*
Open Space Technician	<i>0.5 of FTE including benefits</i>	\$67,398**
F-150 Lightning	<i>Depreciated for annual cost</i>	\$14,200
Annual Services and Supplies Budget	<i>Contract services and materials</i>	\$60,000
Total Annual Operating Costs		\$258,650

*Amount reflects 0.75 FTE. A full FTE will be proposed, with the remainder of the time dedicated to maintaining other District facilities and structures.

** Amount reflects 0.5 FTE. Prior to hiring a full FTE work will be covered through contracting shifting cost into Services and Supplies do the degree feasible.

FISCAL IMPACT

There is no fiscal impact associated with Board review of the milestones, agreement framework, and hiring plan. However, there is insufficient funding in FY25 to cover expenditures for the extension of the Stable Services Agreement. The next quarterly budget update will include a reallocation of unspent funds from other project budgets to cover this expenditure. Future fiscal year budgets would include the necessary funds to carry out the long-term agreement for the stables.

PRIOR BOARD AND COMMITTEE REVIEW

Since the approval of the Preserve Plan, this Project previously came before the full Board at the following public meetings:

- **December 15, 1999:** The Board adopted an amendment to the preliminary use and management plan for Bear Creek Redwoods Open Space Preserve to continue horse boarding facility use and authorized the General Manager to execute a stables rental agreement. ([R-99-159, meeting minutes](#))
- **October 14, 2015:** The Board approved the assignment and amendment of the Bear Creek Stables Rental Agreement from Glenda Smith to Pamela Ashford. ([R-15-146, meeting minutes](#))
- **January 25, 2017:** The Board adopted a resolution certifying the Final Environmental Impact Report, adopting the Findings of Fact and Statement of Overriding Considerations, approving a Mitigation Monitoring and Reporting Plan, and approving the Bear Creek Redwoods Preserve Plan. ([R-17-15, meeting minutes](#))
- **April 25, 2019:** The Board considered various project options for the Stables and directed staff to move forward with Deferred Maintenance Repairs at the Stables in the near-term and the Preserve Plan Site Design as a long-term solution. ([R-19-53, meeting minutes](#))

- **September 25, 2019:** The Board received an FYI memorandum on the revised scope and fee for the design consultant, John Northmore Roberts & Associates. ([FYI Memo](#))
- **October 9, 2019:** The Board directed the General Manager to refrain from pursuing a public-private fundraising endeavor and focus on implementing Deferred Maintenance Repairs. ([R-19-131, meeting minutes](#))
- **April 8, 2020:** The Board directed the General Manager to allocate \$1.223M of the available Interest on Measure AA Proceeds to close the known funding gap to implement the Stables Project. ([R-20-34, meeting minutes](#))
- **June 09, 2021:** The Board received an update on the Bear Creek Stables Project, including its legal non-conforming permitting status and challenges therein, and affirmed the Use Permit permitting approach. ([R-21-74, meeting minutes](#))
- **July 14, 2021:** The Board approved operational requirements, concessionaire selection criteria, and agreement terms for a new concessionaire at Bear Creek Stables. ([R-21-98, meeting minutes](#))
- **August 24, 2022:** The Board authorized the General Manager to enter into a Concessionaire Agreement for Bear Creek Stables with Chaparral Country Corporation. ([R-22-99, meeting minutes](#))
- **May 14, 2024:** The Board received an update on the Repair Project and reviewed several long-term stables options. The Board voted to form an Ad Hoc Committee to work with community members to explore and develop potential additional options and return to the full Board in approximately four months. ([R-24-58, meeting minutes](#))
- **November 20, 2024:** The Board selected a long-term use and management option for Bear Creek Stables ([R-24-142, minutes](#))

PUBLIC NOTICE

Public notice was provided as required by the Brown Act. Additional notices were provided electronically to Stables boarders, individuals signed up for the Bear Creek Redwoods interested parties list and members of the Bear Creek Stables Ad Hoc Committee and focused Working Groups. A physical notice was posted at multiple sites at the stables.

CEQA COMPLIANCE

This item is not a project subject to the California Environmental Quality Act.

NEXT STEPS

If approved by the Board, the General Manager will amend the interim, short-term Stables Services Agreement to extend it by six (6) months and increase the not-to-exceed total to \$100,000. Staff will also incorporate Board feedback on the proposed milestones and framework into a final draft of the long-term agreement. Pending Friends reaching the initial milestones, staff would bring the final long-term agreement to the Board for consideration of approval.