



Midpeninsula Regional
Open Space District

R-24-139
Meeting 24-29
November 13, 2024

AGENDA ITEM 9

AGENDA ITEM

Purchase of the 35.17-acre Edwards Property located in unincorporated Santa Clara County, as an addition to El Sereno Open Space Preserve (Assessor's Parcel Number 544-02-004)

GENERAL MANAGER'S RECOMMENDATIONS

1. Determine that the recommended actions are categorically exempt from the California Environmental Quality Act (CEQA), as set out in the staff report.
2. Adopt a Resolution authorizing the purchase of the Edwards Property at a cost of \$1,207,500 with corresponding authorization for a Fiscal Year 2024-25 budget adjustment of the same amount, and an additional adjustment of \$10,000 for miscellaneous costs related to this transaction, for a total budget adjustment of \$1,217,500.
3. Adopt a Use and Management Plan for the Property, as set out in the staff report.
4. Withhold dedication of the Edwards Property as public open space at this time.

SUMMARY

The General Manager recommends purchasing the 35.16-acre Edwards Property (Property) at a purchase price of \$1,207,500 (\$34,343 per acre) as an addition to El Sereno Open Space Preserve (El Sereno OSP or Preserve) and authorizing an additional adjustment of \$10,000 for miscellaneous costs related to this transaction. The purchase provides the land rights for the trail connection between El Sereno OSP and the proposed trail overcrossing of State Route 17 (Highway 17). The following report includes a description of the Property, an amendment to the Use and Management Plan for the Preserve, findings of the environmental review, the purchase terms and conditions, and financial considerations. A budget adjustment increase of \$1,217,500 to the Fiscal Year 2024-25 (FY25) budget would be required to proceed with the acquisition.

DISCUSSION

The Midpeninsula Regional Open Space District (District) proposes the purchase of the 35.16-acre Property consisting of one legal parcel that is zoned Hillside (HS). The Property is bordered by El Sereno OSP on the west, private property to the north, and right-of-way for Highway 17 to the east and south. This purchase advances Measure AA Portfolio #19, *El Sereno Open Space Preserve for Dog trails, and connection to Skyline/Sanborn County Park and Lexington Reservoir* and Portfolio #20, *Wildlife Passage and Bay Area Ridge Trail Improvements*. With the Board of Directors (Board) selection of the Northern Trail Overcrossing alternative for the

Highway 17 Crossing Project in May 2024, the Property provides the necessary land rights to connect the trail overcrossing to El Sereno OSP.

Property Description and Regional Context (see Attachment 2 – Location Map)

The Property is located south of the Town of Los Gatos and is primarily accessed using a driveway off Highway 17. The property is comprised of a steep, east-facing slope running from approximately 1,150 feet of elevation at El Sereno OSP on the western boundary, down to approximately 550 feet of elevation at Highway 17 on the eastern boundary. The Property provides views of Lexington Reservoir and the Santa Clara Valley.

Land Use and Improvements

The Property is improved with landscaping and site improvements associated with a former homesite, including terrace walls, stairs, and concrete parking pads. A former residence was demolished in the mid-2010s. The former homesite is approximately 1 acre in size and located on the flattest portion of the property near Highway 17. A network of dirt roads lead from the former homesite through the uplands of the Property, with an existing connection to the El Sereno OSP boundary. The existing dirt roads are generally steep, eroded, and overgrown.

Habitat and Natural Resources Value

The Property contains a mixture of chaparral and bay and oak woodlands and the special status Loma Prieta hoita (*Hoita strobilina*) and woodland woollythreads (*Monolopia gracilens*). The Property also contains two stands of Eucalyptus and ornamental plants (such as aloes and cacti) associated with the former home site. The Property protects additional acreage for the wildlife corridor for the proposed Highway 17 wildlife undercrossing, located approximately 0.25 miles south of the Property at Trout Creek.

Water Resources and Rights

The Property contains a developed spring and waterlines and water tanks, associated with the former residence. The Property is within the Los Gatos Creek Watershed, however, direct flows from the Property to Los Gatos Creek have largely been minimized due to Highway 17.

USE AND MANAGEMENT

Planning Considerations

The Property consists of one parcel located in unincorporated Santa Clara County (County) with a General Plan designation of Hillsides and a zoning designation of Hillside (HS). In 1999, the County Planning Department found that all open space acquisitions by the District in unincorporated areas that are classified as a Resource Conservation Area in the County's General Plan comply with the General Plan. Per the County's Zoning Ordinance Section 2.20.010, very low-density residential use, low intensity recreation and land in its natural state (open space preserves) are allowable uses in HS zoning designation and shall be exempt from the Zoning Ordinance.

If purchased, the Property will be incorporated into El Sereno OSP. Subsequent planning for the Property would be coordinated with planning efforts for the Preserve and include consultation with appropriate agencies and organizations.

Preliminary Use and Management Plan

The Preliminary Use and Management Plan (PUMP) establishes a status quo land management approach in the interim between the purchase and the completion of a subsequent long-term plan. The PUMP would take effect at the close of escrow and remain effective until the PUMP is amended or a Comprehensive Use and Management Plan or Preserve Plan is approved for the Highway 17 Project or El Sereno OSP. The PUMP includes minor restoration and preservation of the Property in its natural condition, as described more fully below. If changes to land use or the physical environment were proposed in the future, the plan would be subject to further environmental review and public input.

Name:	Name the Property as an addition to El Sereno Open Space Preserve.
Dedication:	Indicate the District's intention to withhold dedication of the subject Property as open space at this time.
Public Access:	Designate the Property as closed to public use at this time. Analyze the Property and the existing road network for improvements necessary for a trail connection between El Sereno OSP and the Highway 17 Crossing Project trail overcrossing.
Signs and Site Security:	Install preserve boundary signs as needed.
Fences and Gates:	Install and maintain fences and gates as needed.
Roads and Trails:	Continue to maintain any necessary driveways in a serviceable condition in accordance with the District's adopted Resource Management Policies standards and regulatory permits to facilitate access to the site for patrol and future improvements associated with the Highway 17 Crossings Project.
Patrol:	Routinely patrol the Property.
Structures and Improvements:	Examine removing electrical and water services to the Property and remove if needed. Remove retaining walls, concrete pads, and other infrastructure as needed.
Resource Management:	Conduct plant and animal management activities consistent with the adopted Resource Management Policies, Integrated Pest Management Program Guidance Manual, Best Management Practices and regulatory permits.
Water Resources and Water Rights:	Protect the springs on the Property consistent with the adopted Resource Management Policies, Integrated Pest Management Program Guidance Manual, Best Management Practices and regulatory permits.
Wildfire Fuel Management:	Implement standard District-wide fuel management and defensible space practices consistent with the Resource Management Policies.

Subsequent Planning: Incorporate the Property into the Comprehensive Use and Management Plan for the Highway 17 Crossings Project when adopted by the Board of Directors.

CEQA COMPLIANCE

Project Description

The project consists of the purchase of the 35.16-acre Property as an addition to the District's open space preserve system, as set forth in the Purchase and Sale Agreement, and the concurrent adoption of a PUMP. The PUMP establishes a status quo land management approach, with no expansion or changes to the Property's existing use as open space and maintains it in a natural condition. As directed in the proposed PUMP, maintenance and minor resource management activities will be conducted in accordance with adopted District policies and programs and their associated CEQA documents. Future use of the Property as a trail connection for the Highway 17 Crossings Project was previously analyzed under the California Environmental Quality Act (CEQA) through an Initial Study/Mitigated Negative Declaration adopted by the Board of Directors on August 28, 2024.

CEQA Determination

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

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

Section 15316 exempts the acquisition of land in order to create parks if the land is in a natural condition, and the management plan proposes to keep the area in a natural condition. The PUMP for the Property specifies that the land will remain in a natural condition and will be designated as an addition to the District's El Sereno OSP.

Section 15325 exempts transfers of ownership of interests in land to preserve open space. This acquisition will transfer fee ownership of the Property to the District to ensure that the open space will be preserved and incorporated into El Sereno OSP.

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

TERMS AND CONDITIONS

The 35.16-acre Edwards Property is proposed for purchase at a sale price of \$1,207,500 (\$34,343 per acre). The Property would be purchased as-is on an all-cash basis. Escrow would close on or before December 6, 2024.

FISCAL IMPACT

Land acquisitions brought before the Board for approval include a budget adjustment to the adopted budget. If approved, an increase of \$1,207,500 for the acquisition and \$10,000 to cover other miscellaneous costs related to this transaction are required. If approved, a total increase of \$1,217,500 to the FY25 budget is required.

Edwards Property Purchase Amount* (includes \$10,000 deposit)	\$1,207,500
Estrada Property Purchase Amount* (includes \$10,000 deposit) <i>Also on the November 13, 2024 board meeting agenda</i>	\$950,000
Total Land purchases approved to date for FY25	\$1,900,000
Total FY25 Land Purchases (if approved)	\$4,057,500

*Cost only includes purchase price

The following table outlines the *Measure AA Portfolio 20 South Bay Foothills — Wildlife Passage and Ridge Trail Improvements* allocation, costs-to-date, projected future project expenditures and projected portfolio balance remaining.

MAA20 South Bay Foothills — Wildlife Passage and Ridge Trail Improvements:	\$13,966,000
Grant Income (through FY28):	\$8,050,000
Future Grant Funding and Fund 40 Allocation:	\$16,050,000
Total Portfolio Allocation:	\$38,066,000
Life-to-Date Spent (as of 10/08/24):	(\$4,646,597)
Encumbrances:	(\$940,382)
Edwards Property Acquisition:	(\$1,207,500)
MAA20-005 Title Insurance, Escrow fees, and other miscellaneous project costs:	(\$10,000)
Remaining FY25 Project Budgets*:	(1,882,388)
Future MAA20 project costs (projected through FY28):	(\$29,331,173)
Total Portfolio Expenditures:	(\$38,018,041)
Portfolio Balance Remaining (Proposed):	\$47,960

*If budget adjustment approved

The following table outlines the Measure AA Portfolio 20 allocation, projected life of project expenditures and projected portfolio balance remaining.

MAA20 South Bay Foothills — Wildlife Passage and Ridge Trail Improvements:	\$13,966,000
Grant Income (through FY28):	\$8,050,000
Future Grant Funding and Fund 40 Allocation:	\$16,050,000
Total Portfolio Allocation:	\$38,066,000
Projected Project Expenditures (life of project):	
20-001 Wildlife Corridor: Highway 17 Crossing	(\$17,719,192)

20-002 Bay Area Ridge Trail: Highway 17 Crossing	(\$18,800,651)
20-003 Edwards Property Acquisition*	(\$1,217,500)
20-004 El Sereno Loop Trail	(\$280,698)
Total Portfolio Expenditures:	(\$38,018,041)
Portfolio Balance Remaining (Proposed):	\$47,960

**If budget adjustment approved*

PRIOR BOARD AND COMMITTEE REVIEW

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

PUBLIC NOTICE

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

NEXT STEPS

Upon approval by the Board, staff would proceed with the close of escrow for the purchase of the Property by December 6, 2024, and take the next steps identified in the PUMP as contained in this report. The District's Foothills Field Office would manage the property as an addition to the El Sereno Open Space Preserve.

Attachment(s)

1. Resolution
2. Property Location Map

Responsible Department Head:
Allen Ishibashi, Real Property

Prepared by:
Aaron Peth, Real Property Planner, Real Property

Contact person:
Aaron Peth, Real Property Planner, Real Property

Graphics prepared by:
Fran Lopez, Data Analyst II

RESOLUTION 24 -__

RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT AUTHORIZING EXECUTION OF A PURCHASE AND SALE AGREEMENT, AMENDING THE FISCAL YEAR 2024-25 BUDGET, AND AUTHORIZING THE GENERAL MANAGER OR OTHER APPROPRIATE OFFICER TO EXECUTE THE CERTIFICATE OF ACCEPTANCE AND GRANT TO DISTRICT AND TO EXECUTE ANY AND ALL OTHER DOCUMENTS NECESSARY OR APPROPRIATE TO CLOSING OF THE TRANSACTION (EL SERENO OPEN SPACE PRESERVE - LANDS OF EDWARDS)

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

SECTION ONE. The Board of Directors (“Board”) of the Midpeninsula Regional Open Space District (“District”) does hereby accept the offer contained in that certain Purchase and Sale Agreement (“Agreement”) with Mark E. Edwards, Trustee of the Mark E. Edwards Revocable Trust, established November 16, 2015, and the Midpeninsula Regional Open Space District, a copy of which is attached hereto and by reference made a part hereof, and authorizes the President of the Board, General Manager, or other appropriate officer to execute the Agreement and all related transactional documents on behalf of the District to acquire the real property described therein (“the Edwards Property”).

SECTION TWO. The Board authorizes the expenditure of \$1,207,500 covering the purchase of the Edwards Property, including a deposit of \$10,000.

SECTION THREE. The Board authorizes an amendment to the District’s Budget and Action Plan for Fiscal Year (FY) 2024-25 consisting of an increase to the Measure AA Fund Capital budget in the amount of \$1,217,500. Except as herein modified, the FY 2024-25 Budget and Action Plan, Resolution No. 24-18 as amended, shall remain in full force and effect.

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

SECTION FIVE. The General Manager or the General Manager’s designee is authorized to provide notice of acceptance to the seller and to extend escrow if necessary.

SECTION SIX. The General Manager or the General Manager’s designee is authorized to expend up to \$10,000 to cover the cost of title insurance, escrow fees, and other miscellaneous costs related to this transaction.

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

* * * * *

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

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

ATTEST:

APPROVED:

Curt Riffle, Secretary
Board of Directors

Margaret MacNiven, President
Board of Directors

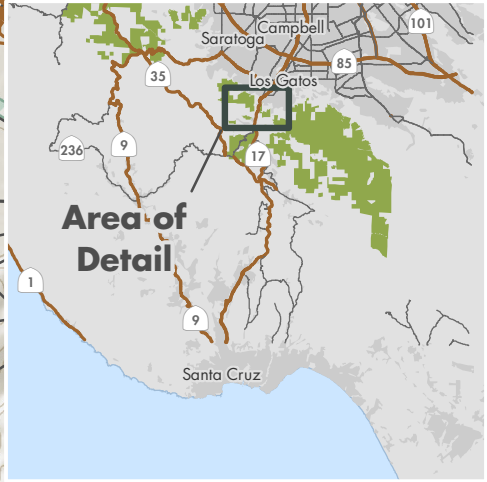
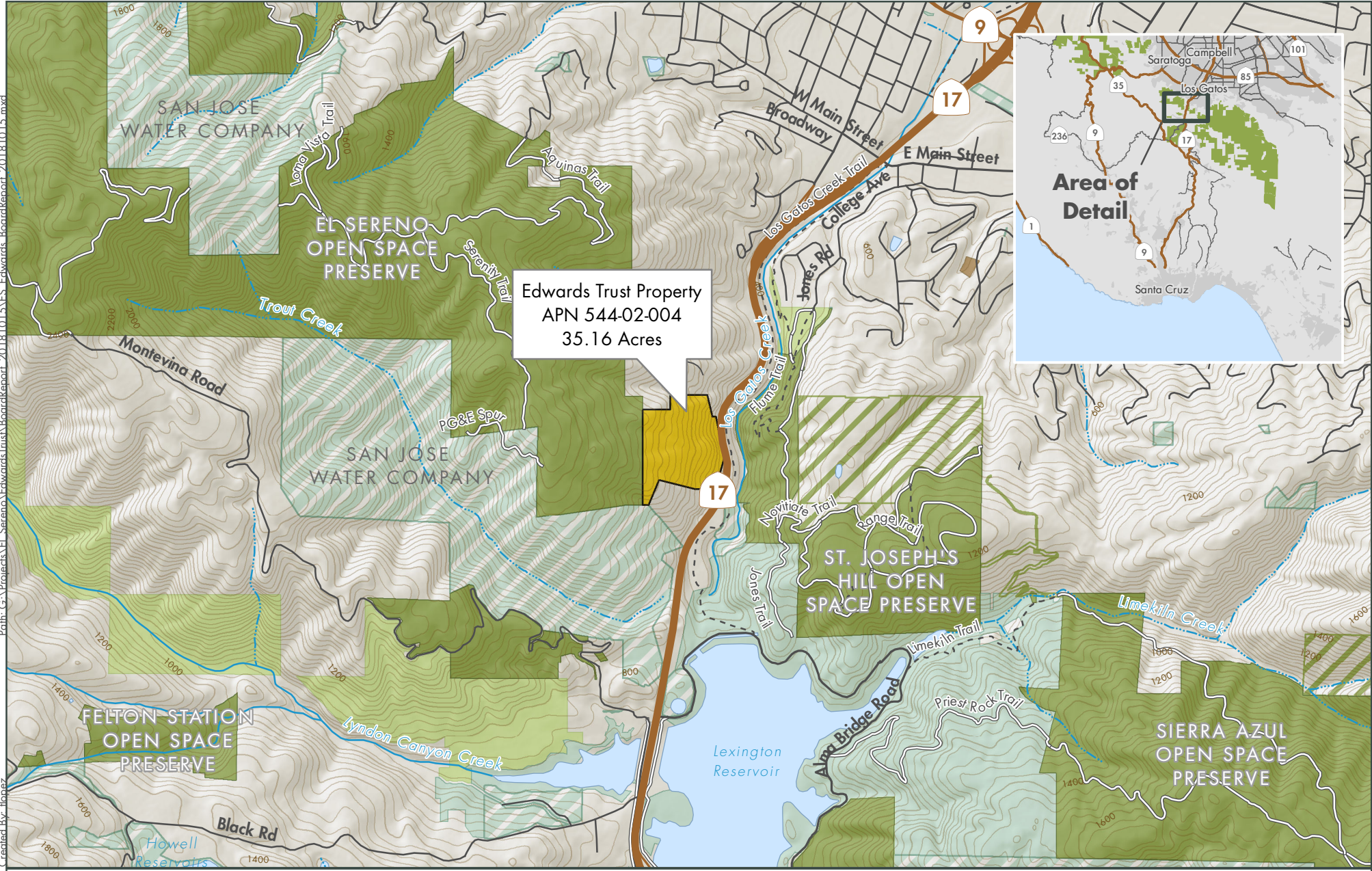
APPROVED AS TO FORM:

Hilary Stevenson, General Counsel

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

Maria Soria, District Clerk

Path: G:\Projects\El Sereno\EdwardsTrust\BoardReport_20181015\ES_Edwards_BoardReport_20181015.mxd
Created By: Lopez



Edwards Trust Property
 APN 544-02-004
 35.16 Acres

Edwards Property

- MROSD Preserves
- Other Protected Lands
- Private Property
- Watershed Land
- Edwards Property

Midpeninsula Regional
 Open Space District
 (MROSD)
 October 2018



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