



Midpeninsula Regional
Open Space District

R-12-71
Meeting 12-26
July 25, 2012

AGENDA ITEM 6

AGENDA ITEM

Review of the District's Draft Strategic Plan Document

STRATEGIC PLAN AD HOC COMMITTEE RECOMMENDATIONS

Just for SEA

1. Approve the District's draft Strategic Plan document for publication.
2. Sunset the Strategic Plan Ad Hoc Committee.

SUMMARY

After a year-long strategic planning process, which included several public workshops, the District Board of Directors (Board) adopted the District Strategic Plan on September 14, 2011. Attached to this report is the final draft Strategic Plan document for Board review.

DISCUSSION

The Board and staff officially kicked off the District's strategic planning process at a workshop in October 2010, after which, staff and the Strategic Plan Ad Hoc Committee refined the work completed at the workshop during winter 2011. During April, May, and June 2011, a series of public Board Workshops were held to determine the District's vision and long-term goals and to develop strategies to accomplish those goals. At its regular meeting on August 24, 2011, the Board discussed the District's draft Strategic Plan and on September 14, 2011, the Board unanimously adopted the District Strategic Plan.

The Strategic Plan was developed over the course of a year, with components of the Plan receiving Board review and approval throughout that time period. The attached draft Strategic Plan document consolidates all of those various documents into a single, comprehensive Strategic Plan document, which is now presented for Board review and approval.

The Committee would like to recognize and thank staff and the Board for the time, energy, and critical thinking that they put into the strategic planning process and outcomes. The Strategic Plan goals have been incorporated into the Fiscal Year (FY) 2012-13 District Action Plan and, as such, are reviewed as a part of the annual Action Plan and Budget development process. The Committee feels that its charge is completed and recommends sunsetting the Strategic Plan Ad Hoc Committee.

BOARD COMMITTEE REVIEW

This report and the draft Strategic Plan document were reviewed by the Strategic Plan Ad Hoc Committee on June 15 and July 6, 2012.

FISCAL IMPACT

Approval of the Committee's recommendation will not impact the District's FY 2012-13 Budget.

PUBLIC NOTICE

Public notice was provided as required by the Brown Act. No additional notice is required.

CEQA COMPLIANCE

The proposed actions are not a project under the California Environmental Quality Act (CEQA) and no environmental review is required.

NEXT STEPS

Upon approval by the Board, staff will work with the District's graphic design consultant to format and publish the Strategic Plan document.

Attachment:

1. Draft Strategic Plan Document

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ATTACHMENT 1

Midpeninsula Regional Open Space District

Strategic Plan

Preliminary Draft, Subject to Change

April 2012



MISSION

To acquire and preserve a regional greenbelt of open space land in perpetuity; protect and restore the natural environment; and provide opportunities for ecologically sensitive public enjoyment and education.

INTRODUCTION

The Midpeninsula Regional Open Space District (District) was created in 1972 when voters passed an initiative to preserve open space funded through property tax assessments. The District's purpose is to purchase, permanently protect, and restore lands forming a regional open space greenbelt, preserve unspoiled wilderness, wildlife habitat, watershed, viewshed, and fragile ecosystems, and provide opportunities for low-intensity recreation and environmental education.

The District works to form a continuous greenbelt of permanently preserved open space by linking its lands with other public parklands. The District also participates in cooperative efforts such as the Bay Trail, Bay Area Ridge Trail, and Skyline-to-the-Sea Trail, which are regional trail systems in the Bay Area that include District lands.

The District has permanently preserved over 60,000 acres of mountainous, foothill, and bayland open space, creating 26 open space preserves (24 of which are open to the public). The District covers an area of 550 square miles and includes 17 cities (Atherton, Cupertino, East Palo Alto, Half Moon Bay, Los Altos, Los Altos Hills, Los Gatos, Menlo Park, Monte Sereno, Mountain View, Palo Alto, Portola Valley, Redwood City, San Carlos, Saratoga, Sunnyvale, Woodside, and various unincorporated areas) over San Mateo, Santa Clara, and a portion of Santa Cruz Counties.

Funding is provided by a small share of the annual total property tax revenues collected within District boundaries. This amounts to about 1.7¢ per \$100 of assessed property value, which currently provides approximately \$28.7 million in tax revenue (2011-12 fiscal year). Other revenue sources may include federal and state grants, interest and rental income, donations, and note issues.

THE FIRST 39 YEARS: A LEGACY

Land Preservation Legacy

The District strives to preserve open space in perpetuity. Together with partners, the District preserves the rural heritage and scenic beauty of the Santa Cruz Mountains, San Francisco Bayfront and San Mateo Coast.

When the District was established almost 40 years ago, its emphasis was on land purchases because there were few other organizations focusing exclusively on land preservation on the peninsula. Additionally, this strategy leveraged the opportunity to front-load conservation land purchase costs before property became too expensive. The District has been successful in

implementing this vision for the last 40 years, having protected over 60,000 acres of open space in three counties.

The District's Basic Policy was developed in 1999 to guide the District's activities and states that the highest priority is to acquire land to complete the greenbelt and protect natural resources. According to this Policy, public access will be provided gradually to ensure that the higher priorities of acquisition and resource protection are maintained. Further, to maintain a long range perspective with emphasis on the preservation, protection and careful recreational development of open space, the District produced a Master Plan in 1992 and Regional Open Space Study in 1998. As such, the focus has been on securing large undeveloped or sparsely developed parcels of land and gradually linking existing preserved lands as additional land becomes available. To more effectively accomplish its mission, the District coordinates and collaborates with regional preservation partners including other public agencies, nonprofit organizations, and even private parties. The use of public-private conservation partnerships has been critical to leverage public funds for land purchase and preservation.

Conservation highlights include:

- Protection of 34% of the San Gregorio Creek watershed, an important watershed for coho salmon and steelhead trout, including the 3,681 acre Driscoll Ranch property at La Honda Creek Open Space Preserve.
- Protection of the corridor west of Purisima Creek Redwoods Open Space Preserve consisting of over 1,300 acres of working lands, wildlife habitat and watershed, including the preservation of over 50% of the Lobitos Creek watershed.
- Preservation of the Peninsula's and South Bay's iconic ridgelines and mountaintops, including Mt. Umunhum and Black Mountain.
- Connecting public lands for people and wildlife with protected corridors between District, county and state parks, including the Madonna Creek Ranch addition to Miramontes Ridge Open Space Preserve connecting to Burleigh Murray State Park, and the Loma Prieta Ranch addition to Sierra Azul Open Space Preserve connecting to Soquel Demonstration Forest and Forest of Nisene Marks State Parks.
- Preservation of the stunning 1,047-acre Mindego Ranch at Russian Ridge Open Space Preserve as habitat for the fully-protected San Francisco Garter Snake and as a working cattle ranch.

POST Partnership

The District helped found the Peninsula Open Space trust (POST) in 1977, and since then POST has been responsible for saving more than 70,000 acres as permanent open space and parkland in San Mateo, Santa Clara and Santa Cruz counties. The two organizations have complementary strengths: As a private nonprofit organization, POST can negotiate quickly and privately with sellers, as opportunities arise, to purchase critical open space lands. The District purchases new lands, and also has the capacity to manage properties.

To date, the District has expended approximately \$243 million of public property tax dollars to preserve over 60,000 acres of open space valued at over \$394 million. District taxpayer funds

have been leveraged by land purchase grants totaling over \$43 million, and gifts of land valued at over \$62.5 million.

In order to ensure adequate funds are available for land preservation efforts, the District's Board of Directors (Board) established guidelines to govern budgetary spending and preserve a significant portion of the budget to fund land purchases. The guidelines limit the amount of tax revenue that can be spent on operating and capital expenses. For Fiscal Year (FY) 2011-12 these limits are 51% and 10.5% of annual property tax revenue, respectively.

The District has also utilized debt financing extensively to supplement tax revenue for land purchases to take advantage of opportunities to acquire large and significant properties. Over time, as the District has issued more debt, its debt service obligations have required an increasing proportion of the District's annual property tax revenue. For FY2011-12, debt service payments total approximately \$9.7 million, or 35% of projected property tax revenue.

In addition to the District preserving over 60,000 acres of land during this time, many other land conservation organizations have been established or become more active in the area including Peninsula Open Space Trust (POST), Sempervirens Fund, and Save the Redwoods League, as well as public agencies and others. As a result of the combined efforts of these various organizations, over 200,000 acres of land have been preserved or saved from development within the Santa Cruz Mountains.

When the District acquires new land, it also acquires the responsibility of managing that land. Land management responsibilities include a wide range of actions, from building and maintaining trails for public recreation to stewarding the natural resources found within the preserves. These topics are discussed in more detail below.

Natural Resource Stewardship Legacy

Stewardship of natural resources on District lands is guided by the District's mission statement that identifies both the need to protect the resources and to sustain them in perpetuity. The Resource Management Mission Statement states that "The District will protect and restore the diversity and integrity of its resources and ecological processes for the value to the environment and to people, and will provide for the use of the preserves consistent with resource protection."

Management of the complex and constantly changing ecosystems of District preserves includes: forest management and fire management; grassland management and conservation grazing; vegetation management; rare species management and recovery; water quality protection; and cultural resource management. A collection of Resource Management Policies have been developed and adopted by the District's Board of Directors to address the types of management actions the District uses and to guide staff in allocating resources to competing land management needs.

Through land preservation efforts, the District now manages six ranch properties encompassing over 5,000 acres that are grazed with cattle to manage the grassland resources, over 25 miles of streams identified as critical habitat for threatened steelhead trout, and over 60 lakes and ponds,

many of which provide habitat for the threatened California red-legged frog. Additionally, District lands encompass more than 40,000 acres of forested lands, including approximately 12,000 acres of redwood and mixed conifer forest and over 20,000 acres of oak woodlands.

Public Access and Education Legacy

The District provides public access to open space land for the community to enjoy, limited to what is appropriate to the nature of the land, consistent with ecological values and public safety. The open space preserves are generally kept in a natural condition in order to best protect the environment and wildlife habitat, and are developed with only the amenities needed to provide public access for low-intensity recreation. Improvements may include gravel parking areas, restrooms, and signed trails for hiking, bicycling, and equestrian use.

The District offers 220 miles of hiking trails, ranging from easy to challenging terrain. Many trails are open to bicycles and horses. Leashed dogs are allowed on some preserves, including one off-leash area at Pulgas Ridge Open Space Preserve. The District also has a number of trails that are suitable for people with varying degrees of physical ability. These “easy access” trails are appropriate for visitors with wheelchairs, strollers, children, or for anyone desiring a less-strenuous open space experience.

The District’s volunteer programs provide an opportunity for individuals to contribute their time and energy to preserving and protecting open space lands by participating in a variety of ways such as educating and inspiring visitors, helping staff to construct and maintain trails, and removing invasive, non-native vegetation. The District currently has almost 500 volunteers who provided over 17,000 hours of volunteer service to the District in 2011, at an estimated value of \$405,000.

The David C. Daniels Nature Center features imaginative displays that both children and adults can enjoy and the District’s *Spaces and Species* program for children is an award-winning, innovative environmental science education program offered at Skyline Ridge Open Space Preserve. Additionally, the District operates Deer Hollow Farm which is an educational center where visitors, school classes, and community groups can observe and participate in a working farm.

Currently, 58% of the District’s land is open to public recreational use. Patrol staff monitors both the open and closed areas of the preserves, responds to emergencies, educates preserve visitors, and performs basic maintenance activities.

CHANGING LANDSCAPE

As the District approaches its 40th anniversary, the environment in which it operates has changed dramatically from its founding in 1972. While the District already can be proud of its wonderful legacy, the challenge for the future is to keep moving forward over the next 40 years with a shared vision of preservation, stewardship, access, and engagement that:

- Preserves and interconnects the Peninsula and South Bay’s valuable natural resources.

- Helps communities protect places that are special, highlights their history, and retains or rebuilds their environmental sustainability.
- Adapts to the changing needs of visitors, communities, and partners.
- Extends the benefits of conservation across physical, social, political, and jurisdictional boundaries.

Land Preservation Challenges

The Peninsula and South Bay have changed substantially since 1972. Most significantly, while the threat of large-scale urban development in the Santa Cruz Mountains has greatly decreased with more stringent zoning regulations from cities and county jurisdictions, the division of land into “mini-ranches” is still occurring, putting a strain on water resources, jeopardizing agriculture, diminishing scenic character, and fragmenting natural habitats.

The central question facing land conservationists today is how to scale up efforts to protect entire landscapes and whole natural systems. Places like El Corte de Madera and Mt. Umunhum stand out, but like any part of a network, open space is healthier when interconnected. The challenge is to close gaps in the system of protected natural areas, interconnect regional trail systems so that it is easy for people to reach natural areas, and preserve essential wildlife habitat.

Farmers and ranchers talk of the need to sustain a continuous network of working lands— a critical mass of agricultural activity—or risk losing the supporting businesses and community cooperation they require to survive. Fire fighters recommend keeping remote lands undeveloped to reduce the hazards and costs of firefighting for local communities. Biodiversity suffers when scattered rural development fragments habitat and conservation biologists have long suggested that protecting larger areas will sustain more species, and conversely, that fragmentation of habitat into smaller islands is the leading cause of species decline and loss. Finally, a rapidly changing climate reinforces the need to protect large, connected ecosystems to be resilient over the long term.

Stewardship Challenges

The District has always maintained a focus on stewardship of the lands that have been purchased for public open space even though land preservation has been the principle focus. Thus, during the purchase process, new lands are assessed to determine immediate management priorities to protect the environment and human health and safety. The District uses a combination of District staff, consultants and contractors, and partnerships with other conservation agencies to address these priorities. However, despite these partnerships and outsourcing of activities, the District’s ability to implement all of the essential land management projects that are identified is limited by available staffing and financial resources, resulting in a land stewardship capacity that has not kept pace with its average annual acquisition of approximately 1,600 acres.

The strain on the District’s land management capacity is compounded by the condition of purchased lands that often require significant remediation. Consequently, the District’s backlog of deferred maintenance projects has grown substantially over the past decade. Increasingly stringent environmental regulations have also contributed to the growing backlog as regulatory compliance projects take priority and regulatory review of design and permit issuance has

increased. Staff recently conducted a rough inventory of deferred maintenance and identified an estimated cost in excess of \$50 million.

A recent land purchase provides an illustration of the stewardship opportunities and challenges facing the District when carrying out its mission. This roughly 3,700 acre ranching property was purchased in 2006 and provides exceptional creek, pond, and riparian habitats. However, much of the ranching infrastructure – which includes roads and ponds originally constructed to provide water for the cattle ranching operation – was in need of significant repair due to years of deferred and substandard maintenance. Since the purchase, District stewardship staff has been working on a management plan for the roads and 20 ponds on the property, nearly half of which require substantial maintenance and repair work such as berm and spillway reconstruction. These projects are critical to cattle ranching and to continue to enhance the populations of threatened species that utilize the stream and pond habitats. However, these projects are also heavily regulated and are expensive and time-consuming to design and implement.

Public Access and Education Challenges

One of the main challenges for public access and education is the ability for the District to not only implement new projects on the ground, but also to staff the ongoing maintenance and management of these new facilities. Of the over 60,000 acres of open space land that has been acquired or is under District management, only 58% is currently open to the public. Constraints that have made it difficult to increase public access include: limited operational funding to allow for increased staff resources and capacity to implement and maintain new facilities; rigorous permitting requirements, costs, and associated delays; limited funding for new capital projects; and an ever increasing backlog of not only new public access projects, but also more time-critical infrastructure replacement projects.

Other factors that affect the ability to provide public access, regardless of staffing levels and financial resources, include physical site constraints. Many of the District's open space preserves are located in remote, steep terrain where topography and/or lack of public roads create physical limitations to developing new staging/parking areas and new trailheads. Also, the presence of sensitive natural resources, including rare and protected species, requires special protection areas within Preserves where use is limited or restricted.

Another challenge for public access to open space is equity: distributing open space fairly to all members of the public. Because people work and live primarily in urban areas, transportation to preserved lands becomes a limiting factor for some. Further, people are finding it difficult to reconnect with nature in a virtual age, and open space suffers from lack of relevancy. However, when asked, people express a strong desire for places to participate in healthy recreation in open space, and build a sense of community engagement with open space.

Financial Challenges

The District has benefitted from a stable and plentiful revenue stream from a dedicated share of property tax assessments. These revenues have historically increased over time; in fact, the District has enjoyed above average growth in property tax revenues due to its location within one

of the highest growing housing markets in the county. However, after almost a decade of annual increases averaging 7%, FY 2009-10 tax revenues were flat from the prior year as a result of the economic downturn and have remained flat until a slight projected increase for FY2012-13. This reduction in tax revenue increases and a projected limited of growth in these revenues presents a significant issue to the District's financial model. Traditionally, growth in the District's staffing and funds to cover land stewardship and public access projects was supported by the increases in tax revenues. Without tax revenue increases, the District's ability to add staff and funds for new land management, and to address deferred management projects cannot meet the demand.

At the same time, operating (largely staffing) and capital costs continue to rise as a result of increasing benefit costs, project costs, and regulatory requirements. In addition, the District's ability to continue to purchase land through bond financing will be severely constrained starting in the next 4-6 years, and will continue for 20 years, as the District approaches its debt capacity.

These two factors have significant implications for the District. First, as discussed above, in FY2011-12 current debt service totals 35% of District property tax revenue, operating expenses are 51%, and capital expenses are 8% for a combined total of 94%. As identified above, additional revenues traditionally were available through annual increases in property tax revenue. However, without these increases, only 6%, or approximately \$1.7 million, is available for increases in discretionary expenses such as staffing, stewardship, or capital projects. This amount of money is inadequate to address the District's projected land management needs.

Second, once the District reaches its debt capacity it will no longer be able to borrow additional funds to finance property acquisition. Without the ability to use debt financing, the District's land purchases would be limited to no more than 200 acres annually which, over 20 years, would total only 4,000 acres of new property.

If the District is to continue to carry out its mission to purchase land for open space preservation, increase its land stewardship activities, and open more land for public access, it will need to increase and/or diversify its revenues.

STRATEGIC PLANNING PROCESS

Given the significant changes in the regional land conservation participants and their efforts, combined with the projected reduced ability to purchase land and adequately address its resource management needs, in 2010 the District embarked on developing a Strategic Plan to address these challenges.

As the District explored development of a strategic plan, it was looking for a process that would not be overly cumbersome and time-consuming and would allow for flexibility and customization to the District's culture and goals. After researching several options, the District decided to utilize the methodology outlined by David La Piana in the book *The Nonprofit Strategy Revolution: Real-Time Strategic Planning for a Rapid Response World*. This method was a good fit for the District, providing tools to understand who the District is and what it does, yet provided the flexibility to adapt the process to best fit the organizational culture and needs. What follows is a description of those tools, processes, and outcomes.

As a first step, the District established the Strategic Plan Ad Hoc Committee, made up of three Board Directors, and the Strategic Plan Working Group, which was comprised of 10 employees from all departments and different levels in the organization, as well as five department managers. The strategic planning process was employee-driven, through the Working Group, and information and recommendations were presented first to the Ad Hoc Committee and then to the full Board.

In July 2010, the District kicked off the strategic planning process at a public Board workshop where staff presented an overview of the proposed process, the suggested format of the Strategic Plan, and the deliverables from the process. In October, the Board held another public meeting to develop the District's Strategic Planning Tools – Identity Statement, Strategy Screen, and Big Questions) – which are described below. After the Board's initial input at the October Workshop, staff and the Strategic Plan Ad Hoc Committee were tasked with compiling and finalizing the Tools, which were completed in April 2011. These documents are included as Attachments to this document.

Strategic Planning Tools

Identity Statement

The Identity Statement (**Attachment 1**) captures the essence of who the District is and enables the District to act with self-knowledge when undertaking strategic work, such as answering the District's "Big Questions". The Identity Statement is comprised of the following seven components:

1. Mission – succinct statement of the District's mission, its reason for existence.
2. Impact – what the District is aiming to accomplish in fulfillment of the mission.
3. By Serving – who the District considers to be its "customers."
4. In – the geographic area in which District services are provided.
5. Through – what "services" are provided by the District.

6. Differentiating Strengths – what attributes the District possesses that set it apart from other similar organizations.
7. Revenue Sources – the financial revenue and in-kind contributions that sustain the District and enable it to fulfill its mission.

Big Questions

“A Big Question is an opportunity or threat to which the organization must respond. Usually, it is beyond the scope of the organization’s strategies, thus requiring a new strategy.” (La Piana, 2008). Four Big Questions were developed by the District (**Attachment 2**) that generally fall into one of three categories:

1. An opportunity to do something new or expand an existing program or service.
2. A threat or barrier negatively impacting the organization’s current activities.
3. A business model challenge that affects the entire industry.

Strategy Screen

The Strategy Screen (**Attachment 3**) is essentially a discussion guide comprised of a list of criteria that will assist with consistent decision-making and priority-setting based on what is most important to the District. The proposed District Strategy Screen frames the evaluation of strategic options around the following contexts:

1. Best way to achieve Mission
2. Are we the best-suited organization?
3. Opportunity cost and consequences of no action
4. Capacity and sustainability
5. Benefits, impacts, and tradeoffs
6. Differentiating Strengths

Partner Outreach

A critical part of the District’s strategic planning process was sharing its draft Identity Statement with District staff and selected partner agencies: Peninsula Open Space Trust (POST), San Mateo County Parks, Santa Clara County Parks, California State Parks, and the City of Mountain View. The Identity Statement presents how the District sees itself and, through the partner outreach, the District received feedback on how others see it. With partner and staff input, the District’s Identity Statement was refined to provide more clarity, accuracy, and conciseness.

Visioning and Strategy Development Workshops

During April, May, and June 2011, a series of public Board Workshops was held to determine what the District’s vision and long-term goals are and then, with these goals in mind, respond to the Big Questions in order to develop strategies to accomplish those goals. The culmination of those efforts was a full-day Board, staff, and public Workshop on June 10, 2011 with two objectives: first, to reach agreement that the outcomes and quality standards discussed in the workshop will best fulfill the District’s mission; and, second, to develop roadmaps to move forward on the strategies, that address the Big Questions, recommended by staff at the May 25

Board meeting. The June 10 session ended with a unanimous Board decision that was based on staff's recommendation:

“We will continue to purchase land but we will elevate the other two key parts of our mission – protecting and restoring our lands and providing public access and education – to provide a better balance in our implementation of the District's overall mission.”

The rest of this document presents the goals and strategies the District will pursue in order to recommit to the outstanding stewardship and public enjoyment of a network of interconnected preserved lands, in a more balanced approach.

STRATEGIC PLANNING OUTCOMES

Re-Affirm Mission

As a first step identifying the District's long-term vision and goals, the Board revisited the District's mission and discussed whether it still accurately captures the reason the District exists. The result was unanimous re-affirmation of the District's mission.

To acquire and preserve a regional greenbelt of open space land in perpetuity; protect and restore the natural environment; and provide opportunities for ecologically sensitive public enjoyment and education.

Long-Term Vision and Desired Outcomes

The current effects of rural land development in the Santa Cruz Mountains and the tension between the need for further land conservation, stewardship, and engagement work compared to the funding shortfall clearly demonstrate that the District needs a new approach to conservation that benefits both nature and people. That is, a region-wide approach that promotes systematic thinking about the planning and protection of an integrated green space network and includes natural resources, public recreation, working landscapes, and other private open spaces. These new strategies need to meet the challenges and effectively take advantage of the opportunities to close the gaps in the preserved conservation network within District boundaries, and address the threats to natural open space resources, agriculture, and rural character at the landscape-scale.

Consequently, the District developed an overall desired outcome for accomplishing the Mission as follows:

Implement the entire mission well, ensuring balance between its three components: regional open space greenbelt preservation, protect and restore the natural environment, and public access and education.

The mission-related outcomes and quality standards below are what it looks like when the District implements its mission well.

Regional Open Space Greenbelt Preservation

1. The protected lands network is expanded, enhancing biodiversity, climate change resilience and scenic, rural character.
2. Priority watersheds are protected and carefully stewarded, whether in public or private ownership.
3. Preserved lands are linked for habitat and people: more land is conserved and linked together across ownerships and political boundaries.
4. Conservation efforts support working farms and ranches, whether in public or private ownership, and protection complements pre-existing land-based livelihoods.

Protect and Restore the Natural Environment

1. Focused water quality management efforts are underway for all priority watersheds.
2. Sensitive species and their habitats benefit from District management efforts.
3. Wildfire is managed to become a more natural component of the ecosystem, and minimizes negative effects on the community and environment.
4. The preserved lands network connects habitats and supports a diverse array of native plants and animals.
5. Cultural resources are protected.

Public Access and Education

1. Public access to preserved land is increased, and is balanced region-wide.
2. Preserve trails are linked to other regional trails, and ultimately to the places where people live and work.
3. Preserve visitors are educated about natural and cultural resources, and the benefits of open space.
4. Preserves are safe, clean, and inviting for healthy exercise and enjoyment.
5. Communities are involved and engaged in conservation outcomes.

Goals / Strategies

These strategies are not intended to cover the full breadth and scope of the work the District and its partners accomplish. Rather, it must continue the great work happening every day across the organization while transforming the organization to meet the changing needs of stakeholders. The heart of this strategic plan includes three broad themes supported by specific goals to move the District towards these outcomes and quality standards. It is important to note that these goals are interrelated and must be implemented concurrently in order to be successful. The goals are summarized below and represented graphically in [Attachment 4](#).

1. Increase collaboration with other land conservation organizations and work toward a common conservation vision.

Coordinate District activities with other regional conservation organizations to leverage resources; provide a unified, consistent approach; and maximize effectiveness on the peninsula.

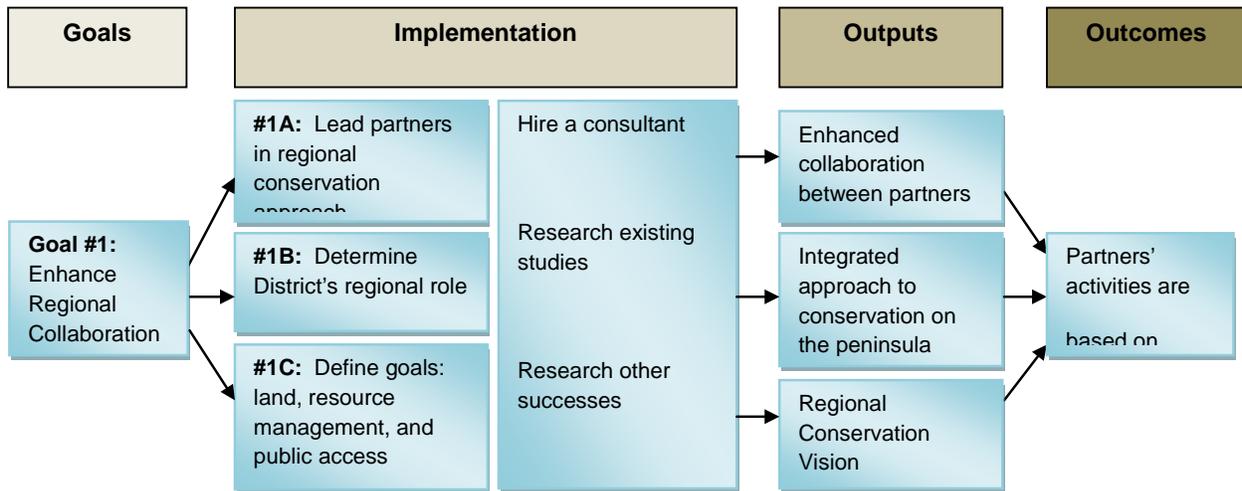
2. Evaluate public input to build support for a regional conservation vision.

Increase outreach to constituents to ensure they support creation of a regional vision of land conservation and develop a more comprehensive program to communicate with the public.

3. Increase District financial and staffing resources to fund the whole mission and increase natural resource management and public access.

Increase revenues, diversify funding sources, and optimize organizational capacity in order to be successful in creating greater balance between the three parts of the mission.

GOAL #1: Enhance Regional Collaboration – Coordinate activities with other regional conservation organizations to leverage resources; provide a unified, consistent approach; and maximize effectiveness on the peninsula.



The District's mission centers on the vision of a network of preserved natural open space lands for the San Francisco Peninsula and South Bay. Together, the District and its public and private partners have preserved an extensive network of regional trails, wildlife connectivity, and have established an edge to outward urban expansion along the Santa Cruz Mountains and San Francisco Bay front. Nonetheless, further conservation and stewardship work is still needed to improve the network of conserved lands, trails, and habitat to meet biodiversity goals, create better habitat connectivity, build climate change resiliency, and better connect open space to the places where people live.

Regional conservation and stewardship efforts are inherently collaborative. Numerous organizations are working with the same broad goals and focusing on the same geographic area; as such, they should work together to interconnect regional trails and create a network of connected lands. These broad conservation goals need to be looked at as a whole rather than as isolated pieces that individual agencies independently accomplish.

The regional "ecology" of conservation organizations in the San Francisco Bay Area is extremely robust, with numerous governmental agencies and non-profit organizations covering a wide spectrum of regulatory, advocacy, and stewardship roles. Private non-profit land trusts and foundations have recognized the value of combining forces on region-wide conservation initiatives that leverage the strengths of each and accomplish more than any one organization could accomplish alone.

Goal #1 is comprised of two important and distinct components which would need to occur concurrently: enhancing collaboration and synergy with other land conservation organizations, and developing a regional open space vision.

Enhancing Collaboration

Although the District has historically partnered with other park/conservation agencies and organizations, there is an increased need, and benefit, to focus and expand these regional collaboration efforts. Every organization has unique strengths and core competencies that make them successful. By working together, with each organization focusing on its core competencies, duplication of efforts can be avoided and conservation can be achieved most efficiently and effectively through leveraging the strengths of each organization.

Developing a Regional Vision

Creating a regional open space vision in collaboration with partners would help define priority conservation, stewardship, education, and recreation goals for the region. Clearly defining these goals and collaborating regionally to achieve them will increase the beneficial impact that conservation organizations, including the District, have on the Peninsula and South Bay. This strategy entails preparing an Open Space Vision Plan (Plan) that would address the need for integrated conservation programs, policies and projects, and the need to move beyond jurisdictional boundaries to better coordinate regulatory, policy, and protection efforts. Development of this Plan would need to be accomplished within the timeframe of one year and would likely entail significant consultant support to collect existing studies, facilitate the various partner organizations in identifying regional priorities and goals, and produce a document reflecting these goals.

Cooley Landing Partnership

To better position the City of East Palo Alto (City) for grant funding opportunities, including Proposition 84 monies (Statewide Park Development and Community Revitalization Program of 2008 through the California Department of Parks and Recreation), District and City staffs crafted a Partnership Agreement that describes the various roles and responsibilities and the anticipated timeframes for Project development. The Agreement accommodates the long-term development of the Cooley Landing Area of Ravenswood Open Space Preserve (Preserve) by use of a methodical, phased approach.

The Open Space Vision Plan would:

- Be a science- and community-informed document that recommends strategies and priorities for land conservation, resource stewardship, and recreational access on the San Francisco Peninsula and South Bay.
- Serve as a strategic tool and resource for the District and its conservation partners to make informed conservation choices and investments; enhance cooperation and coordination; accelerate the pace and effectiveness of conservation and stewardship; and better position the region for federal, state, local, and private funding for land protection, resource stewardship, and recreational access.
- Be an adaptive document that would be updated over time as conditions and needs change.
- Address District obligations under the LAFCO Conditions of Approval for the Coastsides Service Plan by informing the update to the District's Regional Open Space Study and Master Plan.
- Form the backbone of a potential funding measure by identifying the shared priorities of regional significance that the public wishes to see implemented.

Making the open space vision and goals a reality can better be accomplished by a collaboration of organizations rather than a single organization working alone. Collaboration—among conservation partners, local government, non-profit organizations, landowners, community members, and other District-wide stakeholders—is integral to the success and sustainability of long-term land conservation on the Peninsula.

Funding for the regional vision effort would likely be drawn from multiple sources, so that one organization is not overburdened. Direct costs to the District and staffing needs have not yet been estimated.

No single approach or activity will fully accomplish this goal, rather, multiple strategies need to be employed that, at a minimum, will include:

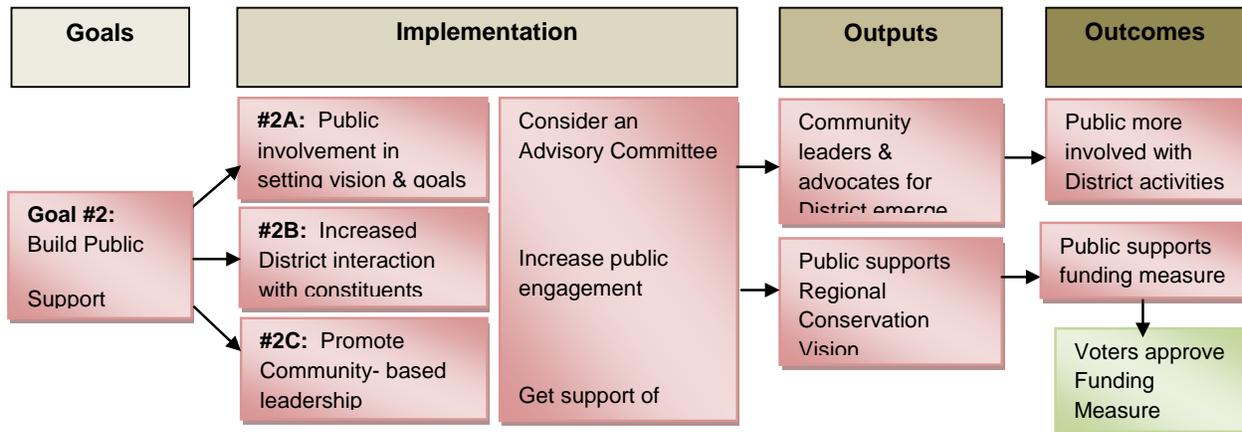
- A. Engaging and leading partner organizations in a regionally coordinated approach;
- B. Determining the District’s role in the regional context, and integrating these efforts with partner organizations;
- C. Working with partners to define regional land conservation, resource management and public access needs, vision and goals.

The District would perform specific activities to implement these strategies, including:

1. Hire a consultant to assist with the development of an Open Space Vision Plan and help coordinate its associated activities.
2. Research examples of similar regional conservation efforts that have been successful and identify what has already been completed in order to utilize lessons learned from similar efforts and estimate potential District costs and staffing needs.
3. Identify partners, including traditional partners (Park agencies, non-profit conservation organizations), but also including non-traditional partners (sustainable communities, transportation, health care) and consider partnerships with entities that operate outside District boundaries to support long-term sustainability of conservation efforts within our boundary to avoid being an “island”. Organize initial meetings with partners to determine current activities and establish an understanding of existing conservation visions / plans. This may include hosting a Partner Symposium and encouraging other conservation organizations to share their plans and vision to clarify shared goals.
4. Prepare a collaborative, community-informed Open Space Vision Plan which defines the scale and desired outcome of the effort; defines the region that the public access and conservation vision covers; uses a science-based GIS approach as a decision support tool; and includes input from the public and partners to identify regional goals. Using this

information, conservation, stewardship and recreational access needs will be evaluated and prioritized.

Goal #2: Build Public Support – Increase outreach to constituents to build their support for a regional vision of land conservation and develop a more comprehensive program to communicate with the public.



Starting with the District's establishment in 1972, the District has historically emphasized purchasing priority open space lands identified by the organization, with a secondary focus on land stewardship and operating the core system of open space preserves and trails. This focus on real estate transactions has been extremely successful; to date, the District has preserved over 60,000 acres of critical open space land since the early 1970s, about 35,000 of which are now open to the public for low-intensity recreation. Overall, these and other preserved lands have established an edge to outward urban expansion along the Santa Cruz Mountains and San Francisco Bay front, contributing greatly to the region's quality of life. This greenbelt comprises a critical habitat corridor as well as a recreational trail system.

As discussed under Goal #1, private land trusts, organizations, and foundations have recognized the need to combine forces on region-wide conservation initiatives. Stimulating community participation and identifying public conservation, stewardship, and recreational access priorities could benefit the District, as well as its conservation partners, by building support for land conservation in the community.

Goal #2 is comprised of two important and distinct components: developing a regional vision, and developing public support for this vision.

Developing a Regional Vision

Developing a regional conservation vision will provide a focus to engage District constituents and partners alike through the shared identification of conservation priorities both regionally (the greater San Francisco Peninsula and South Bay) and within the more narrowly defined District boundaries. This Open Space Vision Plan will be supported by scientific data on biodiversity, landscape connectivity, and other regional analyses and will be developed with public input. Additional discussion of the Open Space Vision Plan can be found under Goal #1.

Public Outreach

The District has a specific focused mandate to protect and restore the natural environment and provide low-intensity public recreation opportunities across a multi-county jurisdiction that includes a large portion of the San Francisco Peninsula and South Bay. As a public agency formed by the voters, the District has a responsibility to engage and develop support for conservation within the region, and particularly within its boundaries. Therefore, the District is uniquely qualified to lead public engagement efforts within the San Francisco Peninsula and South Bay areas.

The basic concept for public outreach is to obtain broad-based public input and begin a dialogue that will highlight the specific need for protecting local natural resources, which will require additional financial and staffing resources. Additional discussion of the District's strategies to respond to financial challenges can be found in Goal #3.

The intent is to develop the conservation vision with public input and achieve a broad consensus among those who live in, work in, or visit the area, that the vision and its goals represent the path to a more prosperous and healthy future, and that implementing the vision is a worthy joint effort which the whole community can support, i.e. a common vision for a common future.

Increasing public participation in the conservation efforts of the District and partners will require an approach that has a broad appeal across all socio-economic sectors of the surrounding communities. No single approach or activity will fully accomplish this goal; rather, multiple strategies need to be employed that, at a minimum, will include:

- A. Active public involvement in visioning and goal setting, including polls and public workshops to assess public sentiment and support, and enhanced communication with the public;
- B. Increasing Board and staff interaction with constituents and the public to enhance District visibility;
- C. Promoting community-based leadership and support (District volunteers, docents, grassroots supporters, etc.).

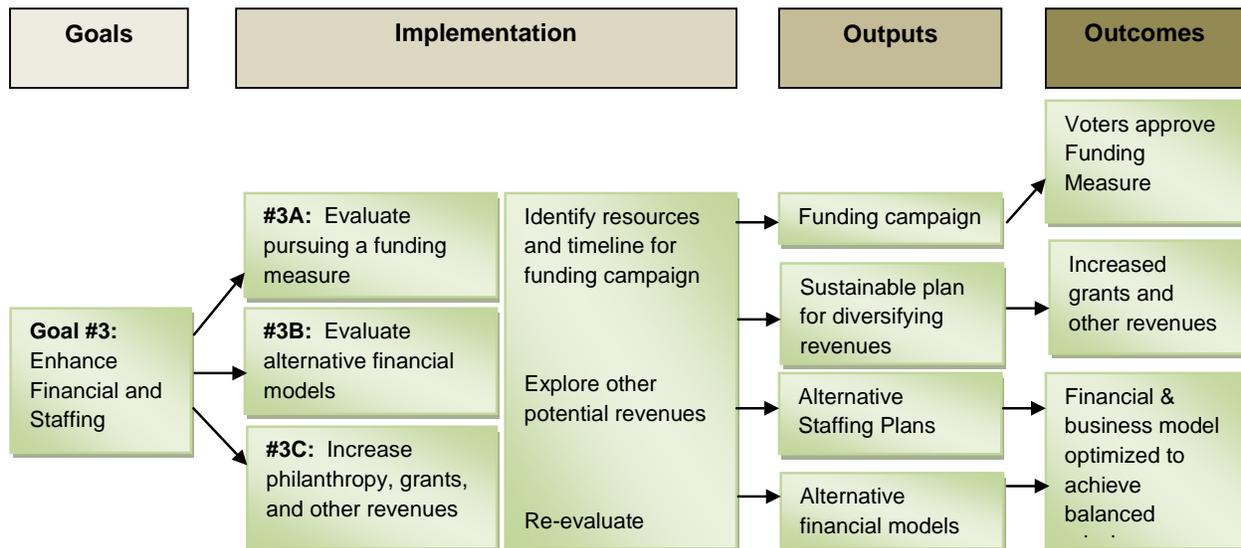
In order to achieve this goal, the District will need to defer nonessential projects and significantly reduce the number of major competing projects. Involvement by all Departments in public outreach and communication will be essential to its success.

The District would perform specific activities to implement these strategies, including:

1. Consider forming a diverse advisory committee from the community to advise the team during the open space vision preparation.

2. Increase public engagement through District interactions with the public to initiate dialogue regarding the future of open space conservation and stewardship; reinforce and increase public awareness of importance of local open space to quality of life.
3. Work with opinion leaders such as elected and appointed public officials, academics, and the business community to build their support for local open space preservation.
4. Conduct stakeholder and community workshops which might include community-focused forums so that local opinions are heard and engaging the Peninsula and South Bay communities, to hear what they value the most about open space. Periodic polls would also be conducted to determine public sentiment around land conservation issues, core parts of the conservation vision and to measure the public's awareness and support of the District and its programs.

Goal #3: Enhance Financial and Staffing Resources – Increase District revenues, diversify funding sources, and increase staffing in order to be successful in creating greater balance between the three parts of the mission.



Historically, the District has placed a primary emphasis on land acquisition, both through debt financing and direct cash outlays from reserves. Over time, as the District has issued more debt, the debt service obligations have required an increasing proportion of the District’s annual property tax revenue. For FY2011-12, debt service payments total approximately \$9.7 million, or 35% of projected property tax revenue.

As debt service has increased, combined with the operating and capital expenditure guidelines adopted by the Board, the proportion of usable funds available for operating expenses and resource management projects has declined. At the same time, resource management needs have increased substantially as has the public’s demand for increased access to District preserves. Responding to these challenges requires significant increases in staffing resources as well as increased funding for capital projects.

To date, the District’s funding model has relied on steadily increasing property tax revenue to support District growth. The recent economic downturn, which has slowed the growth of this revenue source, combined with the District’s increased debt service obligations, has limited the funds available to address the rapidly increasing resource management needs and public desire for more access to preserves. In addition, the District’s ability to buy land will be severely reduced starting in the next four to six years. Based on current assumptions contained in the District’s financial model, the District will have just under \$1 million annually in un-committed tax revenue available for discretionary expenses, whether it is land purchases, resource management projects, or operating expenses. Overall, District expenses continue to rise at a faster rate than tax revenues and, as such, the District is at risk of being unable to fulfill its mission due to financial constraints.

In order to continue to fund its mission and create balance between the three parts of the mission, the District has determined it needs to increase its revenues, diversify its funding sources, and

increase staffing. No single approach or activity will fully accomplish this goal, rather, multiple strategies need to be employed that, at a minimum, will include:

- A. Evaluating pursuing a tax or funding measure;
- B. Re-evaluating the District's current funding model and carefully considering whether or not to issue new debt;
- C. Evaluating increasing revenues from philanthropy and partnerships with philanthropy organizations (e.g., donations, estate planning, etc.), grants, and other potential revenue sources.

The District would perform specific activities to implement these strategies, including:

1. Identify the financial and staff resources required to conduct a funding measure and clearly identify District projects that would be funded should a funding measure pass and the communities that would benefit.
2. Staff will explore other potential revenue sources such as additional grants, engaging non-profits in partnering on philanthropic initiatives, fees, corporate sponsors, higher yield investment accounts, etc. Additionally, when receiving gifts or purchasing land, determine whether ongoing maintenance costs can be covered by others.
3. Based on the District's resource management and public access goals, evaluate the District's current business model to develop a staffing plan to achieve the goals and identify the infrastructure (e.g., staff facilities) needed to implement staffing plan.
4. Staff will work with the District Controller to evaluate alternative financing models and evaluate adjusting the Operating and Capital Budget Guidelines.

NEXT STEPS: HOW WILL THE DISTRICT USE THE STRATEGIC PLAN?

The District Strategic Plan is intended to be a dynamic document and will be re-evaluated by the Board and staff annually prior to development of the Annual Action Plan and Budget. As implementation of the Strategic Plan goals proceeds, new projects will need to be added to the Action Plan to reflect additional phases of implementation.

ATTACHMENT 2:

IDENTITY STATEMENT

We advance our mission of:

To acquire and preserve a regional greenbelt of open space land in perpetuity; protect and restore the natural environment; and provide opportunities for ecologically sensitive public enjoyment and education.

And seek to:

- Form continuous systems of permanently preserved open space by linking with other public parklands and other natural lands;
- Protect places for sensitive, rare, threatened, and endangered species, enhance habitats, and preserve and connect key land and water corridors for wildlife movement and survival;
- Increase public accessibility to and knowledge of the interconnected regional preserve systems and their value, and appropriately balance public use with resource protection.

By serving:

Everyone who lives or works within the District's boundaries, or visits the District's lands.

Within:

The District's legal boundaries on the San Francisco Peninsula from south of Pacifica to Los Gatos, and from the Pacific Ocean to the San Francisco Bay.

Through:

- Regional open space preservation;
- Biodiversity preservation, stewardship, and connectivity;
- Low-intensity public access;
- Community environmental education and involvement;
- Open space conservation advocacy;
- Compatible agricultural uses of open space.

And emphasizing our differentiating strengths by:

1. A special purpose district created by the voters to actively conserve additional open space using the following essential tools:
 - **Dedicated funding** from the voters that allows the District to exercise consistent, patient leadership to

Definition of Open Space:

(Adapted from the District's Basic Policy)

- Land area that is allowed to remain in or return to its natural, wild state. Open space lands may include compatible agricultural uses.
- Protects areas of scenic beauty and rural character.
- Preserves natural habitats necessary to sustain plant and animal life, especially native and endangered species.
- Offers opportunities to the public for education, recreation, and renewal of spirit.
- Enhances public safety by preventing development of areas prone to landslides, earthquake damage, flooding, and wildland fires.
- Establishes boundaries for urban growth, and provides a respite from urban living.
- Improves the environmental health of the region and the health of its people through the protection of air quality, water quality, and physical exercise.

pursue an **interconnected regional open space system**, accomplished with public and private partners.

- **Essential, efficient and economical land stewardship** including intensive and focused restoration to critical locations.
 - **Stable property tax funding** coupled with skillful, **sustainable leveraging** of District financial resources.
2. Owning and managing a unique asset – the Preserves and the benefits provided by them for species and people.
- Low-intensity public access where appropriate and cost effective for an enjoyable **wildland experience**.

We are sustained by:

Primarily Property Tax Revenue (\$17 per \$100,000 of assessed real property value).

Also by:

- Grants
- Gifts
- Interest income
- Investment income
- Rental income
- Partnerships
- Volunteer services
- Excellent credit rating

ATTACHMENT 3:

BIG QUESTIONS

These proposed Big Questions are interrelated and cannot be considered independently from each other. However, Big Question #1 needs to be considered first as it directly impacts how the District can best continue to fulfill its mission and thus influences the responses to Big Questions #2, 3, and 4.

1. The District has preserved approximately 61,000 acres of open space in the Santa Cruz Mountains, however our financial ability to carry out the mission with the primary emphasis on land acquisition is projected to substantially change within the next 3-6 years with current funding. How will we respond?
2. How do we allocate resources among programs to achieve the goal and desired outcomes?
3. Together with our partners, how can we most effectively take advantage of the opportunities to close the gaps in the preserved conservation network within District boundaries, and address the threats to natural open space resources, agriculture, and rural character?
4. How can the District diversify and increase its revenue stream, in the short and long term, to ensure funds are available to continue to sustainably fulfill our mission?

ATTACHMENT 4:

STRATEGY SCREEN / DISCUSSION GUIDE

Best way to achieve Mission

- Are the actions and the expected outcomes consistent with our mission and our identity?
- Is it consistent with long-term success?

Are we the best-suited organization?

- Can others do this better?
- Is there a role for partner agencies?
- Are we the only one who can or will do this?

Consequences of action / no action

- Are we required to act by law, policy or other imperative or is action discretionary?
- What is the time sensitivity?
- If we wait to decide or act, what will be the consequences? i.e. will an opportunity be lost or a resource damaged if we fail to act?
- Will our action preserve future options to the extent possible?
- Do the long-term impacts outweigh the effort/action required?

Capacity and sustainability

- Is staff and management capacity adequate to absorb those impacts?
- Can we sustain the effort required?
- Can it be accommodated within the constraints of our long-term financial model?
- What is the most effective way to leverage our resources?

Benefits, impacts and tradeoffs

- Do the benefits outweigh the impacts (to public, organization)?
- What are the strengths/weaknesses?
- Do we need to consider tradeoffs; are we willing to make tradeoffs?
- Will this provide the District with the opportunity to develop new skills and capacities?

Differentiating strengths

- Does it build on and reinforce our differentiating strengths?
- Does it make best use of and conserve our tools? (Independence, vision, economical land stewardship, stable tax funding, creative leveraging of funds)
- Does the action increase public knowledge and awareness of the District (branding)?

ATTACHMENT 5:

Midpeninsula Regional Open Space District Strategic Plan 2011

