



Midpeninsula Regional
Open Space District

R-15-132
Meeting 15-23
September 9, 2015

AGENDA ITEM 6

AGENDA ITEM

Proposed Purchase of the Meyer/Connolly Property as an addition to Sierra Azul Open Space Preserve located off of Mt. Umunhum Road in unincorporated Santa Clara County (Assessor's Parcel Number 562-22-041).

GENERAL MANAGER'S RECOMMENDATIONS

A handwritten signature in black ink, appearing to be "J. J. [unclear]".

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 Meyer/Connolly property.
3. Adopt a Preliminary Use and Management Plan for the property, as set out in the staff report.
4. Indicate the intention to withhold dedication of the Meyer/Connolly property as public open space.

SUMMARY

The Midpeninsula Regional Open Space District (District) is proposing to purchase the 38.97-acre Meyer/Connolly property (Property) at a purchase price of \$1,200,000.00 as an addition to Sierra Azul Open Space Preserve (Preserve). The following report presents a description of the Property, a Preliminary Use and Management Plan, the District's environmental review, the purchase terms and conditions, and financial considerations. The proposed purchase is identified as part of Measure AA Project # 23-1. The Fiscal Year (FY) 2015-16 Budget contains sufficient funds to cover the cost of this purchase.

MEASURE AA

The proposed purchase of the Property supports the goals of Measure AA Project #23-1 (*Sierra Azul: Mt. Umunhum Road and Trail Property Rights*) to secure additional property rights over Mt. Umunhum Road and as a desirable addition to the Preserve.

DISCUSSION

The Property is an in-holding in the 18,871-acre Sierra Azul Open Space Preserve and drains into the Guadalupe River watershed. The property is visible from Mt. Umunhum within the Preserve. The reasons for this purchase include advancement of the Measure AA Priority Project #23-1, strategic location for a possible employee residence, and the elimination of an in-holding within the Preserve.

Background

On September 20, 1993 the District and Meyer/Connolly entered into a settlement agreement regarding a potential property overlap between District property and the Meyer/Connolly property (see Board Reports R-94-44 and R-90-02). As part of the settlement, the District purchased the overlapping property, a portion of the fee title property under Mt. Umunhum Road, and secured a Right of First Refusal over the remaining 38.97-acre property owned by Meyer/Connolly.

Property Description and Regional Context (see attached map)

The rectangular 38.97-acre Property consists of one legal parcel, situated in unincorporated Santa Clara County. Access to the property is from Mt. Umunhum Road. The property is approximately 0.6 miles west of the intersection of Mt. Umunhum Road and Hicks Road, and a quarter mile north of Bald Mountain and the Bald Mountain parking lot. Rising to approximately 2,040 feet in elevation, the property offers panoramic views of the Preserve, Santa Clara Valley, the Diablo Range, and the Santa Cruz Mountains. Situated within the Guadalupe River Watershed, the property drains into Jacques Gulch and then flows into the Almaden Reservoir.

The landscape of the property consists of oak woodland and mixed chaparral, on a ridgeline above a steep canyon. Stands of oak woodland, including tanbark oak and canyon live oak, are dispersed over the property along with shrub lands of manzanita, chamise, and other plants associated with mixed chaparral. The property provides varied habitat for animals associated with the middle elevations of the Preserve, including large mammals such as deer, coyotes, bobcats, and mountain lions. A wide variety of bird species occupy and migrate through the general area.

Land Use and Improvements

The property has been used as a private residence going back to 1938. The Property is improved with a two-story main house that contains approximately 1,260 square feet. The original structure of the main house was constructed around 1938 before building permits were required, and several additions have occurred since without permits. The main house is in fair condition and it relies on a spring for water, solar power for electricity, propane for gas, and septic for sewer. There is also a garage/studio apartment structure on the property that was constructed in the 1990's without permits. The studio apartment contains approximately 730 square feet and the garage contains 581 square feet. The garage/studio apartment structure is in good to fair condition and it also relies on the spring for water, solar power for electricity, propane for gas, and septic for sewer. Staff will further assess the structures to determine if there are any habitability or building code improvements needed as part of the mid-year budget process.

USE AND MANAGEMENT**Planning Considerations**

The Property is comprised of one legal parcel, located in unincorporated Santa Clara County, and outside the urban service area or sphere of influence of any incorporated municipality. The 38.97-acre parcel has a General Plan designation of Hillside, with a zoning designation of Hillside District (HS District). Per the Santa Clara County General Plan and zoning regulations, recreation, open space, and natural preserves are allowable uses in HS Districts. A finding of compliance with the General Plan for all open space acquisitions by the District in Santa Clara County was made by the Santa Clara County Planning Department in 1999.

If purchased, the Property would be incorporated into the Sierra Azul Open Space Preserve. Subsequent planning for the property would be coordinated with the District's planning efforts for the Preserve and include consultation with appropriate agencies and organizations. The planning process would include public workshops to gather input on draft and final plans and further environmental review would be prepared as needed.

Williamson Act Considerations

The Meyer/Connolly property is subject to a Land Conservation Agreement between the County of Santa Clara and James F. Peckham under the California Land Conservation Act of 1965 (also known as the Williamson Act), recorded in 1975 (Contract #75.013). The Williamson Act Contract (Contract) is a voluntary agreement between a landowner and the County to encourage ongoing commercial agricultural use in exchange for a property tax reduction. The Contract also provides for the compatible uses of open space and recreation. Per the County of Santa Clara Planning Office's database of Williamson Act Contracts, a Contract non-renewal was filed by the property owner with the County in July 16, 2007 (Recorded Document #19513083). The Contract will terminate on January 1, 2017. If the purchase is approved, the District will continue to comply with the Contract provisions during the non-renewal period until the Contract termination date.

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 will 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 Sierra Azul Open Space Preserve. The PUMP includes minor restoration and maintenance of the Property in its natural condition, as described more fully below. If changes to land use or the physical environment are proposed in the future, the plan would be subject to further environmental review and public input.

Public Access:	Designate the Property as closed to public use at this time.
Signs and Site Security:	Install preserve boundary and closed area signs, where appropriate.
Fences and Gates:	Install gates as necessary on the access road to prevent unauthorized vehicular entry. Remove internal fences and gates that impede patrol or wildlife movement.
Roads and Trails:	Maintain the access route through the site in a serviceable condition. Implement maintenance and minor erosion and sediment control measures in accordance with District standards.
Patrol:	Routinely patrol property using existing access.
Structures and Improvements:	Evaluate the use of the existing structures as staff housing and use of the garage/shed structures for District equipment storage. If the existing improvements cannot be utilized, evaluate the replacement of the existing structures with a new District staff residence.

Resource Management:	Conduct invasive plant and animal management activities consistent with the District's Resource Management Policies.
Wildfire Fuel Management:	Implement standard District-wide fuel management and defensible space practices consistent with the District's Resource Management Policies.
Williamson Act Contract:	Comply with the existing Williamson Act contract during the nonrenewal period.
Name:	Name the property as an addition to Sierra Azul Open Space Preserve.
Dedication:	Indicate the District's intention to withhold dedication of the subject property as open space.

CEQA COMPLIANCE

Project Description

The project consists of the purchase of the 38.97-acre Meyer/Connolly Property as an addition to the District's Sierra Azul Open Space Preserve and concurrent adoption of a Preliminary Use and Management Plan, including minor maintenance and repair of the existing structures and infrastructure for rental occupancy. Minor erosion control and sediment control measures may be conducted at the developed sites and along existing driveways and roads to prevent erosion and water quality degradation. Minor resource management activities may be conducted to control invasive plants. The land would be permanently preserved as open space and maintained in a natural condition.

CEQA Determination

The District concludes that this project will not have a significant effect on the environment. It is categorically exempt from the California Environmental Quality Act (CEQA) under Article 19, Sections 15301, 15316, 15317, 15325 and 15061 of the CEQA Guidelines as follows:

Section 15301 exempts the repair, maintenance, or minor alteration of existing public or private structures, facilities, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. The PUMP specifies no alteration or expansion of use at this time beyond activities associated with the repair and maintenance of the existing structures and infrastructure.

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 specifies that the land will not be developed and will remain in a natural condition.

Section 15317 exempts the acceptance of fee interests in order to maintain the open space character of an area. The District will acquire fee interest in the property in order to maintain the open space character of the site.

Section 15325 exempts transfers of ownership of interests in land in order to preserve open space. This acquisition will transfer fee ownership of the property to the District and ensure that the open space will be preserved. The PUMP ensures that the property is preserved as open space by incorporating it into the Sierra Azul Open Space Preserve.

Section 15061(b)(3) exempts actions recommended in the PUMP as it has been determined that there is no possibility the recommended actions will have a significant effect on the environment.

TERMS AND CONDITIONS

The 38.97-acre Meyer/Connolly Property is proposed for purchase at a price of \$1,200,000.00. The District holds a Right of First Refusal over the Property and this opportunity to purchase stems from that agreement. The price is considered fair and reasonable for a larger, useable property that is improved with a house, garage and studio apartment. The purchase price is also supported by the appraisal commissioned by the District. The Property would be purchased as-is on an all-cash basis.

FISCAL IMPACT

FY2015–2016 Budget for New Land Purchases:

New Land Purchases Budget	\$11,000,000.00
Land approved for purchase this year	(\$7,640,000.00)
Meyer/Connolly Property	(\$1,200,000.00)
New Land Purchase Budget Remaining	\$2,160,000.00

The District Controller was consulted on this proposed purchase and has indicated that, considering cash flow and account balances, funds are available for this property purchase.

BOARD COMMITTEE REVIEW

This item was not presented to the Real property Committee because of the quick turn around schedule in the District's Right of First Refusal.

PUBLIC NOTICE

Property owners of land located adjacent to or surrounding the subject property and interested parties have been mailed a copy of the agenda for this meeting. Accordingly, all notice required by the Brown Act has been provided.

NEXT STEPS

Upon approval by the Board of Directors, staff would proceed with the close of escrow for the purchase of the property by September 25, 2015, and take the next steps identified in the PUMP as contained in this report. The District's South Area Outpost Field Office would manage the property as an addition to Sierra Azul Open Space Preserve.

Attachments:

1. Resolution Authorizing Acceptance of Purchase Agreement, Authorizing General Manager or Other Officer to Execute Certificate of Acceptance of Grant to District, and Authorizing General Manager to Execute Any and All Other Documents Necessary or Appropriate to Closing of the Transaction (Sierra Azul Open Space Preserve - Lands of Meyer/Connolly)
2. Location Map

Responsible Department Manager:
Michael Williams, Real Property Manager

Prepared by:
Allen Ishibashi, Senior Real Property Agent

Graphics prepared by:
Jaime Hawk, GIS Technician

RESOLUTION 15-__

RESOLUTION OF THE BOARD OF DIRECTORS OF MIDPENINSULA REGIONAL OPEN SPACE DISTRICT AUTHORIZING ACCEPTANCE OF PURCHASE AND SALE AGREEMENT, AUTHORIZING GENERAL MANAGER OR OTHER OFFICER TO EXECUTE CERTIFICATE OF ACCEPTANCE OF GRANT TO DISTRICT, AND AUTHORIZING GENERAL MANAGER TO EXECUTE ANY AND ALL OTHER DOCUMENTS NECESSARY OR APPROPRIATE TO CLOSING OF THE TRANSACTION (SIERRA AZUL OPEN SPACE PRESERVE - LANDS OF MEYER/CONNOLLY)

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

SECTION ONE. The Board of Directors of Midpeninsula Regional Open Space District (District) does hereby accept the offer contained in that certain Purchase and Sale Agreement between Catherine Meyer, a single Woman, and the Midpeninsula Regional Open Space District, a copy of which purchase agreement is attached hereto and by reference made a part hereof, and authorizes the President of the Board of Directors, General Manager, or other appropriate officer to execute the Agreement and all related transactional documents on behalf of the District to acquire the real property described therein (“the Meyer/Connolly Property”).

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

SECTION THREE. 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 FOUR. The General Manager or the General Manager’s designee is authorized to expend up to \$10,000.00 to cover the cost of title insurance, escrow fees, and other miscellaneous costs related to this transaction.

SECTION FIVE. 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 _____, 2015, at a Regular Meeting thereof, by the following vote:

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

ATTEST:

APPROVED:

Secretary
Board of Directors

President
Board of Directors

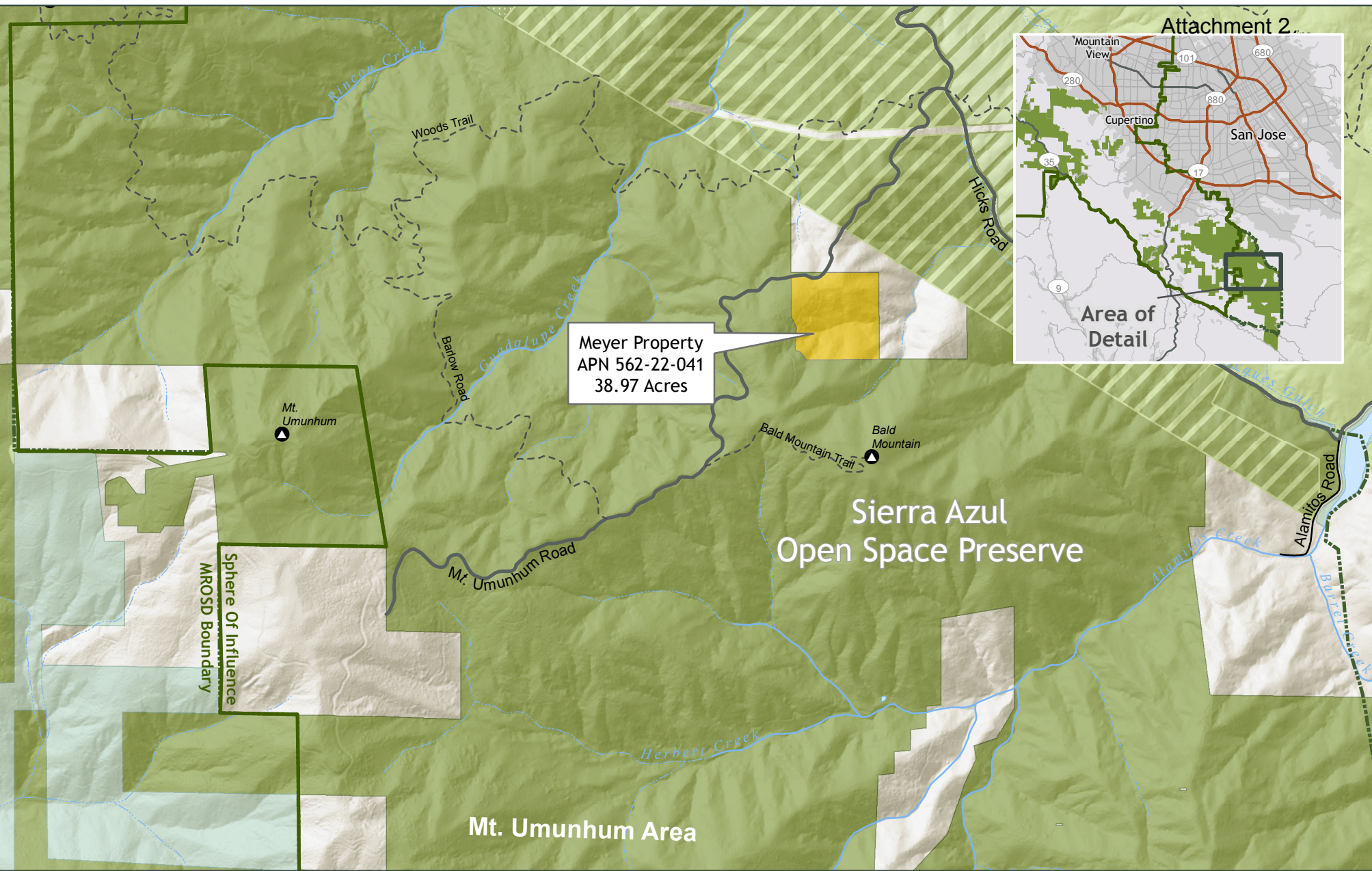
APPROVED AS TO FORM:

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.

District Clerk

Path: G:\Projects\Sierra Azul\Meyer\SA_Meyer_BoardPacket_Regional.mxd
Created By: jhawk



Meyer Property
 APN 562-22-041
 38.97 Acres

Sierra Azul
 Open Space Preserve

Mt. Umunhum Area

Meyer/Connolly Property

-  MROSD Preserves
-  Other Protected Open Space or Park Lands
-  Watershed Land
-  MROSD Conservation or Agriculture Easement
-  Non MROSD Conservation or Agricultural Easement
-  Private Property
-  Meyer Property

Midpeninsula Regional
 Open Space District
 (MROSD)



August, 2015

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