

AGENDA  
REGULAR MEETING  
BOARD OF DIRECTORS

EAST BAY REGIONAL PARK DISTRICT

Tuesday, September 18, 2007

BUSINESS BEFORE THE BOARD

LAND DIVISION

Authorization to Purchase Fee Interest in 320 Acres of Real Property from Cynthia B. Roberts and Nancy T. King (Phase I), Appropriate and Transfer Funds Therefor, and Approve a Separate Agreement with the Priem Family Foundation for the Future Purchase of the Remainder of the Tyler Ranch Property (Phase II): Pleasanton Ridge Regional Park  

---

(Wenninger/Doyle)

RECOMMENDATION

The General Manager recommends that the Board of Directors authorize the appropriation and/or transfer of funds to purchase fee title interest and pay for associated acquisition expenses for 320 acres (Phase I) of real property known as the Tyler Ranch, located adjacent to Pleasanton Ridge Regional Park near Sunol. The General Manager also recommends that the Board approve the agreement with the Priem Family Foundation for a bargain sale within three years of the remaining 1,156± acres of the Tyler Ranch (Phase II).

REVENUE/COST

The appraised fair market value of the 1,476± acre Tyler Ranch is \$7,160,000 (\$4,700 per acre plus \$220,000 for miscellaneous improvements). The owners have agreed to sell the property at a reduced price of \$6,637,500 (± \$4,500 per acre), thereby making a donation of \$522,500.

The generous financial support of a private foundation will enable the Park District to complete this large acquisition in two phases. The Priem Family Foundation ("Foundation") is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, created in part for the purpose of preserving open space in the greater East Bay Area. The Foundation and the Park District have entered into a "Memorandum of Agreement" ("MOA"), whereby they have agreed to work together to permanently protect wildlands, ridgelines and viewsheds in the Niles Canyon area. Further, they have agreed specifically to cooperate in the purchase of Tyler Ranch.

Pursuant to said MOA, at close of escrow on or before September 28, 2007 (Phase I), EBRPD agrees to purchase 320 acres of Tyler Ranch for \$1.44 million, plus acquisition costs as described below. The Foundation will purchase the remaining 1,156 acres for \$5,197,500, less the \$50,000 non-refundable option payment already remitted by them, and hold the property for a minimum of three years. These acquisitions will be structured as two separate, back-to-back transactions that will close concurrently and will involve (1) EBRPD's purchase of the entire Tyler Ranch property for \$6,637,500 under the Option Agreement with the current sellers, which was approved by the Board of Directors in July 2007, and (2) EBRPD's immediate resale to the Foundation of 1,156 acres for \$5,197,500, leaving EBRPD holding title to 320 acres for which it paid \$1,440,000.

In Phase II, the Park District agrees that within three years it will purchase the Foundation's 1,156 acres for \$3,468,000 (\$3,000 per acre), a bargain sale which includes a gift by the Foundation to the Park District of \$1,729,500. This information is restated in the chart below. A \$10,000 grant from the Frederick E. and Anne R. Barstow Fund, conveyed through the East Bay Community Foundation, will also help to fund the project.

	YEAR	BUYER	ACRES	PRICE
1,476± acres	2007	EBPARKS	320 @ \$4,500/ac	\$1,440,000
\$6,637,500	(Phase I)	FOUNDATION	1,156 @ \$4,500/ac	\$5,197,500
	2010	EBPARKS	1,156 @ \$3,000/ac	\$3,468,000
	(Phase II)	FOUNDATION	Donation	\$1,729,500

This action makes the following appropriations and transfers:

**APPROPRIATE / TRANSFER FROM:**

Measure AA: Pleasanton Ridge to Las Trampas (CIP229900BAAA)	\$241,007
Prop 40 Per Capita (CIP240000GS30)	745,000
Designated for Land Account (CIP240000DSLFL)	503,993
Designated for Land Account (CIP240000GP15) (Barstow Grant)	10,000
Total	<u>\$1,500,000</u>

**APPROPRIATE / TRANSFER TO:**

Pleasanton Ridge/Tyler Ranch Capital Project Account 2335	
Purchase Price:	\$1,440,000
Appraisal	10,000
Title Policy and Escrow Fees	19,000
Phase I Site Assessment	6,000
Staff Time	15,000
Fencing, Site Cleanup	10,000
Total	<u>\$1,500,000</u>

**BACKGROUND**

On September 19, 2006 by its Resolution No. 2006-9-218, the Board of Directors authorized staff to begin negotiations with the owners of the Tyler Ranch. Located in unincorporated Alameda County near the community of Sunol, the property was once owned by San Francisco financier C. H. Crocker. The ranch has been owned by the Tyler family since the 1940s. Now owned by Cynthia Roberts and Nancy King, sisters and heirs of Frances (Burr) Tyler, the property has been on the market for some time. Because of the property's significant natural resource and scenic values, as well as public access opportunities, staff is pleased to have reached agreement on the terms of a purchase, including a substantial donation from the family.

Comprised of 11 Assessor's parcels, the 1,476 acre Tyler Ranch stretches almost 3.5 miles along Sunol Ridge, rising dramatically nearly 2,000 feet in elevation from Nilas Canyon. Four large parcels comprise more than 1,450 acres of the ranch; the remaining seven parcels are much smaller—totaling only about 18 acres—and are undeveloped remnants of the old Kilcare Woods subdivision along Kilcare Road. Moderately to steeply sloped, these parcels have significant physical limitations regarding access and utility. The northerly boundary of Tyler Ranch abuts Pleasanton Ridge Regional Park at the terminus of Kilcare Road.

One of the most prominent ridgelines in Alameda County, Sunol Ridge provides panoramic views of the Bay Area in all directions. The ridgetop consists of open grasslands and rock outcrops used for foraging by raptors, including golden eagles, red-tailed hawks and prairie falcons. From the ridge, the land slopes steeply eastward down into Sinbad Canyon, with a series of undulating, heavily wooded spur ridges, gullies and seasonal creeks which drain to Sinbad Creek and ultimately to Alameda Creek. This large property constitutes a significant portion of the Alameda Creek watershed. The canyon slopes are densely vegetated with a mixture of oak/bay woodland and chaparral. The property's expansive size, diversity of habitat, abundant water and proximity to 5,000 acres of protected open space at Pleasanton Ridge Regional Park will provide excellent opportunities for wildlife and wildlife viewing.

The property has excellent access from Foothill Road, a public paved road. In addition, a large, relatively flat area immediately adjacent to the road provides an outstanding opportunity for a future staging and picnic area. A 1950's vintage two-bedroom one-bath wood frame residence is located adjacent to Foothill, along with a 2,600 square foot barn, several small agricultural structures and a three-bedroom one-bath manufactured home. Several stock ponds and springs are located on the ranch, and the property has historically been grazed by cattle. The property has a zoning designation of "A," Agricultural District, and is subject to a Williamson Act Contract. Near Sunol Peak, PG&E has constructed a microwave repeater station through a recorded easement which includes access via an unpaved fire trail from Foothill Road.

Thanks to the donation by the Priem Family Foundation, the District will, over a period of three years, be able to complete its largest single land acquisition since the 1990 purchase of the Wauhab property in the Ohlone Wilderness. The Foundation's generous support will allow the District to protect a significant portion of the Alameda Creek watershed, preserve a prominent ridgeline and secure regional trail connections and public recreational opportunities.

#### ALTERNATIVES

No alternatives are recommended.

EAST BAY REGIONAL PARK DISTRICT

RESOLUTION NO. 2007-9-

September 18, 2007

AUTHORIZATION TO PURCHASE FEE INTEREST IN 320 ACRES OF REAL PROPERTY FROM CYNTHIA B. ROBERTS AND NANCY T. KING (PHASE I), APPROPRIATE AND TRANSFER FUNDS THEREFOR, AND APPROVE A SEPARATE AGREEMENT WITH THE PRIEM FAMILY FOUNDATION FOR THE FUTURE PURCHASE OF THE REMAINDER OF THE TYLER RANCH PROPERTY (PHASE II): PLEASANTON RIDGE REGIONAL PARK

WHEREAS, the Board of Directors authorized negotiations with Cynthia B. Roberts and Nancy T. King, by Resolution No. 2006-9-218 approved September 19, 2006; and

WHEREAS, staff negotiated an Option, Purchase and Sale Agreement for acquisition of certain real property adjacent to Pleasanton Ridge Regional Park; and

WHEREAS, acquisition of this property aids in important resource protection goals by maintaining open space, protecting endangered species habitat and watershed, and extending a wildlife corridor; and

WHEREAS, acquisition of this parcel also provides excellent opportunities for developing future public access for regional trails and wildlife observation; and

WHEREAS, under CEQA and the District's Environmental Review Manual, this project is Categorically Exempt and therefore not subject to preparation and processing of environmental documentation; and

WHEREAS, the Park District has entered into an agreement with the Priem Family Foundation ("Foundation"), a tax exempt organization created in part for the purpose of preserving open space in the greater East Bay Area, to assist with the purchase of this important property; and

WHEREAS, the 1,476± acre Tyler Ranch may be acquired for \$6,637,500 (±\$4,500/acre), which is less than its fair market value of \$7,160,000, as determined by an appraisal; and

WHEREAS, pursuant to said agreement, the Park District will purchase 320 acres of the Tyler Ranch FOR \$1,440,000 (\$4,500/acre), and the Foundation will purchase and hold the remaining 1,156 acres for at least three years, after which the District intends to purchase said remainder for \$3,468,000 (\$3,000/acre); and

WHEREAS, these acquisitions will be structured as two separate, back-to-back transactions that will close concurrently and will involve (1) EBRPD's purchase of the entire Tyler Ranch property for \$6,637,500 under the Option Agreement with the current sellers, which was approved by the Board of Directors in July 2007, and (2) EBRPD's immediate resale to the Foundation of 1,156 acres for \$5,197,500, leaving EBRPD holding title to 320 acres for which it paid \$1,440,000; and

WHEREAS, the Park District has been awarded a \$10,000 grant from the Frederick E. and Anne R. Barstow Fund through the East Bay Community Foundation and staff recommends that these funds be appropriated to aid in the purchase of the Tyler Ranch; and

WHEREAS, the District also will use the balance of funds from Measure AA: Pleasanton Ridge to Las Trampas (\$241,007), Prop 40 Per Capita (\$745,000) and Designated for Land Funds (\$503,993);

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the East Bay Regional Park District hereby authorizes the purchase of 320 acres of the Tyler Ranch and approves the Memorandum of Agreement with the Priem Family Foundation for the future purchase of the remainder of the Tyler Ranch property; and

BE IT FURTHER RESOLVED that the Board of Directors hereby authorizes the appropriation and transfer of: \$241,007 from Measure AA Pleasanton Ridge to Las Trampas (CIP229900 BAAA), \$745,000 from Prop 40 Per Capita (CIP240000GS30), \$503,993 from the Designated for Land Account (CIP240000DSLFL) and \$10,000 from a grant from the Barstow Fund in the Designated for Land Acquisition account (CIP240000GP15) to CIP2335, as shown on the attached Budget Change form, to be applied towards the purchase of the property and to fund the following costs:

Purchase Price:	\$1,440,000
Appraisal	10,000
Title Policy and Escrow Fees	19,000
Phase I Site Assessment	6,000
Staff Time	15,000
Fencing, Site Cleanup	<u>10,000</u>
Total	\$1,500,000

BE IT FURTHER RESOLVED that the General Manager is hereby authorized and directed, on behalf of the District and in its name, to execute and deliver such documents and to do such acts as may be deemed necessary or appropriate to accomplish the intentions of this resolution.

Moved by Director \_\_\_\_\_, seconded by Director \_\_\_\_\_ and adopted this 18<sup>th</sup> day of September 2007 by the following vote:

FOR:

AGAINST:  
ABSTAIN:  
ABSENT: