

AGENDA  
REGULAR MEETING  
BOARD OF DIRECTORS

EAST BAY REGIONAL PARK DISTRICT

Tuesday, March 1, 2011

C. BUSINESS BEFORE THE BOARD

4. LAND DIVISION

- c. Authorization to Enter into and Exercise the Option and Transfer Funds for the Phase I Acquisition of 955.17 Acres of Real Property from Knoel L. Owen and Christina L. Owen: Pleasanton Ridge Regional Park  
(Musbach/Wenninger)

RECOMMENDATION

The General Manager recommends that the Board of Directors authorize staff to enter into and exercise the option, and transfer funds for acquisition costs for the Phase I purchase from Knoel L. Owen and Christina L. Owen of their 955.17-acre property located on Palomares Road in the unincorporated Castro Valley area of Alameda County.

REVENUE/COST

This property may be acquired for \$3,965,000 (\$4,150 per acre), its appraised fair market value, plus acquisition costs as described below. Pursuant to the option, purchase and sale agreement, the property will be acquired in two phases. Phase I comprises the northerly three parcels, totaling approximately 414.68 acres or 43% of the property, and is to close escrow on or before March 30, 2011 for \$1,725,000. Phase II consists of the southerly three parcels, totaling approximately 540.49 acres or 57% of the property, and is to close on or before September 30, 2011 for \$2,240,000. An option payment of \$250,000 is to be releasable to the Seller at the time of the Phase I closing, and credited towards the Phase II closing, resulting in an initial payment of \$1,975,000 on March 30, and a final payment of \$1,990,000 on September 30. The transaction is structured in this manner so as to accommodate the Owen family's desire to sell the property as soon as possible, while providing the Park District with additional time to seek third-party funding.

Pursuant to the previously approved Board Resolution No. 2010-12-301, dated December 7, 2010, staff has filed an application for grant assistance to the San Francisco Bay Area Conservancy Program to provide \$1 million towards the purchase of Phase II. In addition, District staff is pursuing other outside funding sources, including a private foundation and a possible resource enhancement project, for an additional \$1 million towards the purchase of the second phase. The balance of the funding will come from Measure WW funds for

Pleasanton Ridge. Staff will seek authorization from the Board to fund Phase II prior to the September 30 closing date and after funding sources are fully identified.

This action transfers funds for associated acquisition expenses as follows:

**TRANSFER FROM:**

|  |                     |
|--|---------------------|
| Designated for Land Acquisitions Measure WW: |                     |
| Pleasanton Ridge (CIP229900WWOO)             | \$ <u>2,007,000</u> |
| Total  | \$ 2,007,000        |

**TRANSFER TO:**

|                                    |               |
|------------------------------------|---------------|
| Capital Project Account:           |               |
| Pleasanton Ridge/Owen (CIP 235700) |               |
| Phase I Purchase Price             | \$1,725,000   |
| Phase II Option Payment            | 250,000       |
| Appraisal                          | 6,500         |
| Title and Escrow                   | 5,500         |
| Staff Time                         | <u>20,000</u> |
| Total                              | \$2,007,000   |

**BACKGROUND**

On April 20, 2010 by its Resolution No. 2010-04-099, the Board of Directors authorized staff to begin negotiations to acquire the subject property. Located in unincorporated Alameda County near the community of Castro Valley, the 995-acre ranch has been in the Owen family since the 1970s. Access to the property is directly off of Palomares Road to its west, a major local road connecting Dublin Canyon Road to the south of Interstate 580 with Niles Canyon Road and the town of Sunol to the west of Interstate 680. Pleasanton Ridge Regional Park surrounds the property on its northern, eastern and southern sides.

The Owen property has panoramic views of the Bay Area in all directions, climbing from 990 feet at roadside to an elevation of 1,800 feet atop Sunol Ridge. This significant acreage also contains potential habitat for Alameda whipsnake, California red-legged frog, and California tiger salamander with its rolling grasslands, chaparral-covered hills, heavily wooded drainages and Palomares Creek on the western boundary. The ridgetop consists of open grasslands and rock outcroppings used for foraging by raptors, including golden eagles, red-tailed hawks and prairie falcons. Northerly facing hillsides are sheltered and densely packed with native trees such as sycamore, California bay laurel, buckeye, big-leaf maple and a variety of oaks. Less sheltered areas have a mixture of scrub vegetation. The property's expansive size, diversity of habitat, abundant water and proximity to 6,000 acres of protected open space at Pleasanton Ridge Regional Park provide excellent opportunities for wildlife and wildlife viewing.

Fronting on Palomares Road for over one mile, the property also has excellent access from a public paved street. In addition, a large flat area immediately adjacent to the road provides an outstanding opportunity for a future staging area, and a major public access route into the western side of the park. Of its over eight miles of interior roads, approximately one-half are

well-maintained fire roads, with the remainder in need of clearing and grading. The property's existing road network provides well-developed trail access around the perimeter of the property, up to the top of the ridge, and immediately into adjacent Park District lands.

The Alameda County General Plan classifies the subject property as "Large Parcel Agricultural"; zoning allows for one single-family residence plus a possible secondary dwelling per 100 acres. According to the property's appraiser, a maximum of three buildable parcels is a reasonable number to assume given the site's topographical challenges. Several stock ponds and springs are located on the ranch, and cattle historically have grazed the property. A dilapidated farmhouse, barn and storage structure merit demolition, and stretches of fencing are in need of repair. Except for the fire roads and old farm structures, the property essentially is in a natural condition.

Acquisition of the 995-acre Owen property will preserve a large expanse of diverse habitat, add significant acreage to Pleasanton Ridge Regional Park, and provide a western entrance into the park with the potential for a new staging area off an existing public road and utilizing the existing interior road system that connects to Park District lands. The Owen property also provides an important wildlife corridor between Palomares Creek, Sunol Ridge and Pleasanton Ridge. This connection allows for a number of animals with expansive ranges to use the undisturbed habitats on the property. Additionally, the property will link Palomares Road with Sunol Ridge and the trails it contains, providing opportunities for expansion of the park's trails network for hikers, bikers and equestrians.

There will be no District operational impacts until both phases of the acquisition are completed. Staff recommends that the subject property be acquired and placed into land bank status until a Land Use Plan amendment can be prepared.

#### ALTERNATIVES

No alternatives are recommended.

## ACQUISITION EVALUATION

Pleasanton Ridge Regional Park  
Owen Property  
955± Acres

### **Site Description:**

The Owen Property consists of 955 acres located on the westerly side of Pleasanton Ridge Regional Park east of Palomares Road approximately 5.5 miles south of Interstate 580.

The property can be accessed from multiple points along approximately one mile of frontage on Palomares Road. Currently a gate leads into the interior of the property along the primary road. Future access points and staging areas could be established along the lower elevations of the property off of Palomares Road.

A deteriorating home, barn, and accessory structures are located on the interior of the property which would require demolition and cleanup. No other structures exist on the property. The property is currently fenced, but conditions could be improved along the property's frontage with Palomares Road. The property is grazed and a number of springs and reservoirs exist throughout the property that provide water to livestock. Interior roads provide access through the property from the lower elevations to the ridgeline and connect to existing trails within Pleasanton Ridge Regional Park.

Acquisition of the Owen property provides the opportunity to significantly expand the regional trail network within Pleasanton Ridge Regional Park and provide access from Palomares Road to scenic vistas providing unparalleled views throughout the East Bay.

The property consists of six contiguous assessor's parcels located in the unincorporated area of Alameda County. The property is subject to the restrictions of Measure D, passed by Alameda County voters in November of 2000. Measure D established an Urban Growth Boundary to preserve and enhance agricultural land and open space. Measure D specifically identified the Palomares Canyonlands as areas which should remain rural and undeveloped. The property has a General Plan and Zoning designation of Agriculture with a minimum parcel size of 100 acres.

APN's: 085A-3750-001-04, 085-3750-002-01, 085A-3750-002-05, 085A-3900-001-01, 085A-3900-001-06, and 085A-3900-001-05.

### **Natural Resources:**

The property ranges in elevation from 990 feet to 1,800 feet and slopes up steeply from Palomares Road to the east to Pleasanton Ridge Regional Park. A number of ravines slope down from the ridge that are heavily populated with mature trees and brush. The upper ridgeline and open slopes are composed primarily of open grasslands. The property contains numerous ponds and springs interspersed throughout the property. The upper ridgelines, adjacent to Pleasanton Ridge Regional Park, have a number of rock outcroppings.

Preservation of the Owen property will enhance biological values of adjoining open space areas by increasing the preserve size. It will also secure the area from urban/wildland interface impacts associated with urbanization along Pleasanton Ridge.

**Planning Issues:**

Master Plan: This acquisition will be an expansion of an existing parkland or trail and is, therefore, consistent with the Master Plan 1997 Regional Parkland and Trail Map.

Land Use Planning: This acquisition is not located within the Pleasanton Ridge Regional Park Interim Land Use Plan area. The lands will be included in a future Land Use Plan amendment prior to taking this property off of the land bank list.

**CEQA Compliance:** This acquisition is exempt from CEQA requirements under both Sections 15061(b)(3), 15316, and 15325 of the State CEQA Guidelines, the transfer of ownership of the land to preserve open space.

**Public Safety:**

Police: This property does not pose a significant impact on Police services as it will remain in land bank status until a Land Use Plan amendment can be prepared. The acquisition will have a cumulative effect upon future staffing requirements.

Fire: The parcels are located within the jurisdiction of the City of Hayward. The area is classified as State Responsibility Area (SRA) for fire protection, and is within the State's Direct Protection Area. EBRPD would respond with one or two engines, a watertender and overhead personnel from the closest staffed stations, either Station 1 (Tilden), Station 7 (Garin), Station 10 (Chabot) or all of them. Response time would be between 20 and 40 minutes, depending on from which station they were dispatched. The EBRPD helicopter would arrive within 10 minutes or less from the Hayward Air Unit. Nearby water hydrants provide a good water supply for fire suppression.

The parcel is located within the State's "Very High" Fire Hazard Severity Zone. A wildland fire would be of high intensity and would likely cause substantial damage to natural resources and infrastructure improvements, such as fences, nearby homes and other structures, and a radio transmission site. In a recent three year period (2006-2008), EBRPD responded to 10 fire incidents within Pleasanton Ridge Regional Park— a pattern which may typify this new acquisition as well.

Hazardous materials responses will be the responsibility of EBRPD. District records document that over the three years of 2006 through 2008, Pleasanton Ridge Regional Park had two hazardous materials incidents. This is a Low rate of occurrence, compared with other District parks. One could expect a similar low occurrence level in the new acquisition.

In the recent three years of 2006 through 2008, EBRPD fire department personnel responded to 11 medical incidents in Pleasanton Ridge Regional Park. This is a Low level of occurrence when compared with other District parks, and would likely characterize medical response activity in the new parcels as well.

This suggests that the impact from the acquisition of these six parcels **will not** warrant additional fire protection personnel.

**Acquisition Criteria:** This property:

- Presents an acquisition opportunity.
- Provides opportunity to expand the regional trail network.
- Helps maintain an equitable parkland distribution of facilities and programs throughout the District.
- Possesses significant natural resources.
- Helps complete existing parks and protect wildlife corridors and the visual integrity where necessary in existing parks.

**Recommendation for Land Bank Status:** Yes  No

- The property is not located within an area covered by an approved Land Use Plan. The property can be removed from Land Bank Status at such a time that an amendment to the Pleasanton Ridge Regional Park Land Use Plan is approved.

**Site Cost Estimate:**

|  |                    |              |
|--|--------------------|--------------|
| Acquisition Estimate:                          | \$ 3,965,000 TOTAL |              |
| Development Estimate <sup>1</sup> :            | \$ 65,000          | TOTAL        |
| <i>Demolition/Material Cleanup:</i>            | \$ 25,000          |              |
| <i>Road Repair:</i>                            | \$ 10,000          |              |
| <i>Fencing and Gates:</i>                      | \$ 30,000          |              |
| Maintenance and Operational Estimate (annual): | \$ 78,530          | <sup>1</sup> |
| <i>Total Five-Year Projection:</i>             | \$ 392,648         |              |
| Weed Abatement (5-year estimate)               | \$ 5,000           |              |

**Timing:** The option is to be exercised by March 30, 2011, with escrow to close by: September 30, 2011.

<sup>1</sup> Estimate is based upon the annual Land Base Operating Cost Methodology.

2/23/2011  
BHolt

EAST BAY REGIONAL PARK DISTRICT

RESOLUTION NO.: 2011 – 3 -

March 1, 2011

AUTHORIZATION TO ENTER INTO AND EXERCISE THE OPTION AND  
TRANSFER FUNDS FOR THE PHASE I ACQUISITION OF 955.17 ACRES  
OF REAL PROPERTY FROM KNOEL L. AND CHRISTINA L. OWEN:  
PLEASANTON RIDGE REGIONAL PARK

WHEREAS, the Board of Directors authorized negotiations with the Owen family by Resolution No. 2010-04-099 adopted April 20, 2010; and

WHEREAS, under direction given by the Board of Directors, staff has negotiated an option, purchase and sale agreement with the property owner for acquisition of the subject property; and

WHEREAS, the 955.17-acre property may be acquired in two phases on or before March 30, 2011, and September 30, 2011, respectively, for the agreed-upon price of \$3,965,000, its appraised fair market value; and

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

WHEREAS, acquisition of this parcel also provides excellent opportunities for developing future public trail access and a staging area on the western side of Pleasanton Ridge Regional Park; and

WHEREAS, staff has filed a grant application with the San Francisco Bay Area Conservancy Program to provide \$1 million towards the purchase of Phase II as authorized by the Board of Directors on December 7, 2010 by Resolution No. 2010-12-301; and

WHEREAS, staff is seeking additional third-party funding for Phase II in discussions with a private foundation and a possible resource enhancement project source; 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;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the East Bay Regional Park District hereby authorizes the acquisition of 995.17 acres of real property from the Owen family for a purchase price of \$3,965,000 to be acquired in two phases; and

BE IT FURTHER RESOLVED that the Board authorizes the transfer of \$2,007,000 from Designated for Land Acquisition Measure WW (CIP229900WWOO) to Pleasanton Ridge/Owen (CIP 235700WP48), as shown on the attached Budget Change form, to be applied towards the purchase of the property and to fund the following costs:

|                         |               |
|-------------------------|---------------|
| Phase I Purchase Price  | \$1,725,000   |
| Phase II Option Payment | 250,000       |
| Appraisal               | 6,500         |
| Title and Escrow        | 5,500         |
| Staff Time              | <u>20,000</u> |
| Total Cost              | \$2,007,000   |

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 1st day of March, 2011 by the following vote:

FOR:

AGAINST:

ABSTAIN:

ABSENT:



# PLEASANTON RIDGE REGIONAL PARK

## Owen Properties - Topography

-  Owen Properties
-  EBRPD Parkland
-  Local Roads

