

**MEMORANDUM
DEPARTMENT OF FACILITY SERVICES
COUNTY OF PLACER**

To: Honorable Board of Supervisors Date: May 5, 2015
From: Ken Grehm, Facility Services Interim Director
By: Laurie Morse, Property Manager
Subject: Oest Ranch – Agricultural Conservation Easement Funding Agreement

ACTION REQUESTED:

1. Approve a Funding Agreement between the County of Placer and Placer Land Trust to provide \$32,000 towards the Placer Land Trust's acquisition of an agricultural conservation easement, over 36 acres near the northeast corner of Lone Star Road and Highway 49 in the North Auburn area of Placer County, from the Oest Family Trust at a total estimated County project cost of \$52,000 from previously budgeted net county costs.
2. Adopt a Resolution authorizing the Facility Services Director, or designee, to finalize and execute the Funding Agreement subject to approval by County Counsel for the acquisition, and to take all actions necessary to facilitate this transaction and implement provisions of the Funding Agreement.

BACKGROUND: Since inception of the Placer Legacy Open Space and Agricultural Conservation Program (Legacy), your Board has provided significant policy direction and financial support towards acquisition of property interests that are considered the highest priority in terms of the Legacy objectives. Your Board has specifically placed priority on the conservation of landscapes that meet multiple Legacy objectives.

As a result of a recent opportunity to secure up to \$400,000 in conservation funding from the State of California Wildlife Conservation Board (WCB) Oak Woodland Preservation Program, the County and Placer Land Trust (PLT) identified an opportunity to partner and secure an Agricultural Conservation Easement (CE) over a 36-acre portion of the Oest Ranch property near the northwest corner of Lone Star Road and Highway 49 in Auburn, CA and described as APNs 075-070-041, 075-080-045, and 075-080-046 (Exhibit A – Oest Property). This property contains a large unfragmented foothill oak woodland community, grasslands and irrigated pasture used for seasonal livestock grazing, and is located within the Placer County Conservation Plan (PCCP) Reserve Acquisition Area (Exhibit B - Oest Ranch Legacy Attributes). As such, the County's financial contribution towards the acquisition of a CE over the Oest Property is consistent with Legacy Program Objectives and is considered a PCCP credit.

The Oest Property is located in the northern portion of the 437-acre Oest Ranch, which was settled by the family over 150 years ago and continues to operate as a working cattle ranch. Throughout development of the PCCP, the Oest Family expressed an interest in conserving their oak woodland properties, and in 2008 they submitted a Willing Seller Letter for a CE over their entire property. At this time, the Oest Family is now willing to grant a CE over the 36-acre subject property for a \$214,000 purchase price. As future funding is identified this can potentially lead to CE acquisition over the entire 437-acre Oest Ranch.

PLT worked with the County to submit a WCB pre-application for \$182,000 to partially fund the purchase price, and this pre-application was favorably received. WCB asked PLT to submit a formal application for consideration at their May 21, 2015 meeting. With your Board's approval, PLT's application will identify \$32,000 in funding from the Placer County Open Space Fund. PLT will contribute an estimated \$15,000 for transaction fees and another \$100,000 for stewardship. WCB has informed PLT its consideration of PLT's application requires all funding be remitted to

escrow prior to the WCB's May 21, 2015 meeting. In anticipation of WCB's approval, the CE has been reviewed and accepted by WCB, PLT and the Oest Family.

With your Board's approval, PLT and the County will finalize terms of a Funding Agreement (Agreement) to provide for deposit of the County's funds into escrow. The Agreement includes the following key terms:

1. The County will deposit \$32,000 into an escrow account opened at Placer Title Company to be applied to the CE purchase price. If the CE acquisition does not close escrow within sixty days following the Agreement Effective Date, the County's contribution will be returned.
2. PLT will acknowledge the County's contribution on CE sign(s) and other PLT promotional materials or literature, as appropriate.
3. The County will be permitted to accompany PLT on monitoring visits to the Oest Property to assess compliance with the terms, covenants, and conditions of the CE.

Staff believes this contribution towards acquisition of the CE is in the best interest of the County given this acquisition preserves additional open space property that meets both Legacy and PCCP objectives. The CE will protect in perpetuity the Oest Property's historic values, current and future agricultural use including livestock grazing, its oak woodland habitat, and scenic open space values. This acquisition is also consistent with the Placer County Agriculture Commission's support for the preservation of working agricultural lands. To proceed with the acquisition, your Board's approval of the Resolution is necessary to authorize the Facility Services Director, or designee, to finalize and execute the Agreement, subject to approval by County Counsel, and to take all actions necessary to facilitate this transaction and implement provisions of the Agreement.

ENVIRONMENTAL CLEARANCE: Financial participation in this acquisition is categorically exempt from the California Environmental Quality Act pursuant to CEQA Guidelines Section 15317 and 15325. These sections provide for the transfer of ownership of land to accept easements or fee title interests in order to maintain the open space character of an area and to preserve existing natural conditions and other resources. Each of these facts is a separate and independent basis for the Board's determination that the Board's actions are exempt from CEQA and the requested actions do not require further CEQA review.

FISCAL IMPACT: Funding for the \$214,000 CE purchase price is being sought from WCB (\$182,000) and Placer County (\$32,000). The estimated total County project cost of \$52,000 includes staff and legal expenses, and will be funded from the Open Space Fund (\$42,000) and the Property Management FY 2014-15 Budget (\$10,000).

ATTACHMENTS: EXHIBIT A – OEST PROPERTY
EXHIBIT B – OEST RANCH LEGACY ATTRIBUTES
RESOLUTION

CC: COUNTY EXECUTIVE OFFICE
AUDITOR – CONTROLLER

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**EXHIBIT A
OEST PROPERTY**

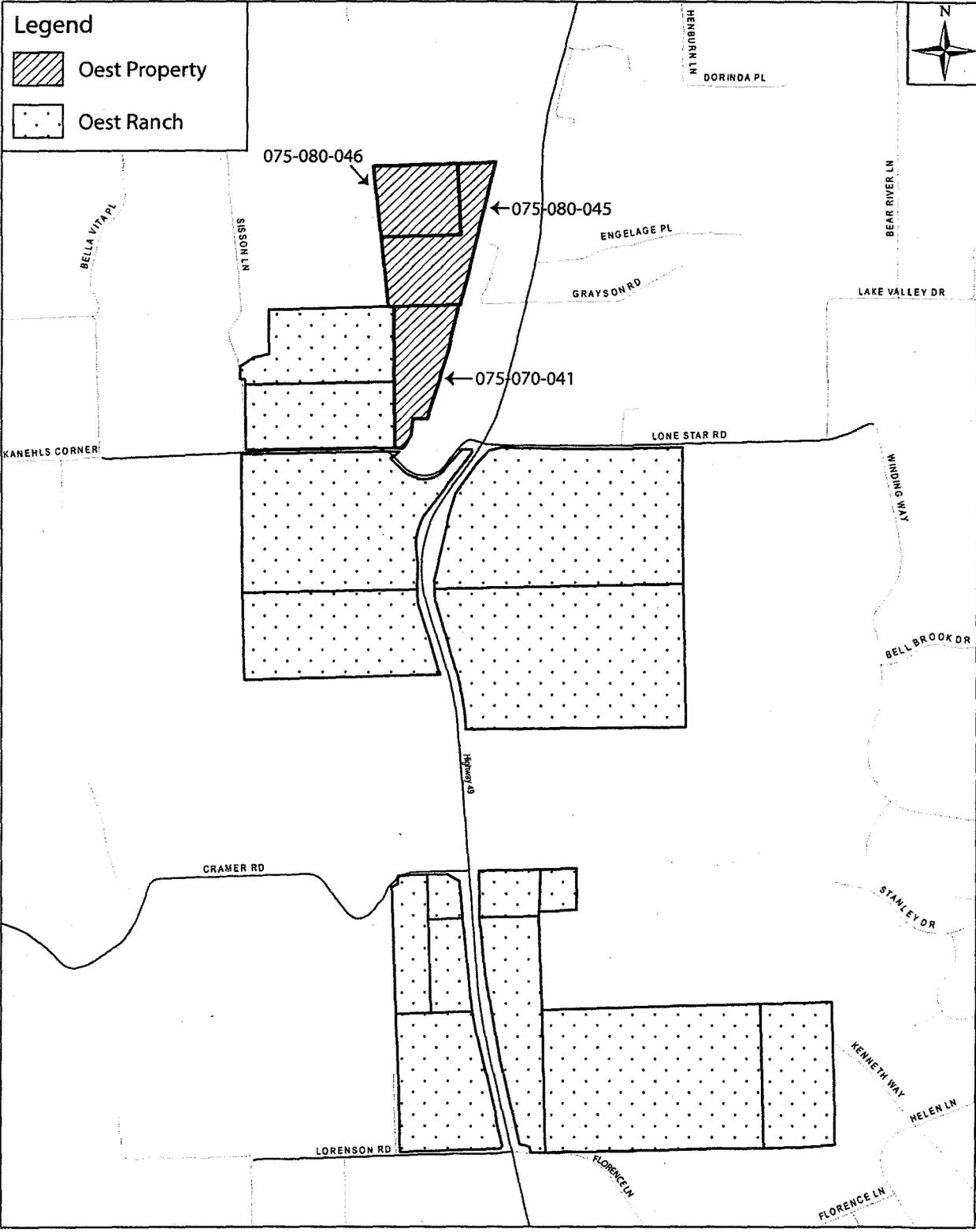


EXHIBIT B
OEST RANCH LEGACY ATTRIBUTES

Oest Ranch possesses the following attributes which are considered a priority to the Placer Legacy Open Space and Agricultural Conservation Program Objectives:

1. Agricultural: Oest Ranch is a working cattle ranch, operating on a mixture of dry and irrigated pasture.
2. Biological: The property contains significant oak woodlands, which are the most diverse and rich biological resources in the Sierra Foothills. The potential exists to protect a north/south wildlife corridor between Oest Ranch and the Bear River, through conservation of the entire 437-acre Oest Ranch and the large Laursen holdings to the north. Similarly there is an east-west corridor for properties within the Coon Creek watershed. The Coon Creek watershed is a high priority conservation area for the PCCP because of the presence of Chinook salmon and Steelhead, and along with the Bear River, it represents the only other watershed that connects the Sierra Nevada, to the valley floor in one relatively unbroken contiguous corridor without any significant urban influences. PCCP covered species that will benefit from this acquisition include Chinook salmon, Cooper's hawk, Yellow-breasted Chat, Yellow Warbler and potentially the California Red-legged frog and Foothill Yellow-legged frog.
3. Scenic/Historic: The Oest Ranch is one of the oldest continuously producing ranches in Placer County, dating back to the Gold Rush era. Traveling north on Hwy 49 as you leave the North Auburn area, the Oest Ranch provides the first large open-space vistas on both sides of the highway.
4. Separation of Urban Areas: The Oest Ranch is the quintessential "green belt" property, which defines the North Auburn area by separating Auburn from the Lake of the Pines population center.

Before the Board of Supervisors County of Placer, State of California

In the matter of: **A RESOLUTION AUTHORIZING THE FACILITY SERVICES DIRECTOR, OR DESIGNEE, TO FINALIZE AND EXECUTE THE FUNDING AGREEMENT, SUBJECT TO APPROVAL BY COUNTY COUNSEL, AND TO TAKE ALL ACTIONS NECESSARY TO FACILITATE THE ACQUISITION OF AN AGRICULTURAL CONSERVATION EASEMENT OVER A 36-ACRE PORTION OF THE OEST RANCH PROPERTY**

Resolution No: _____

The following **RESOLUTION** was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held _____, 2015 by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chair, Board of Supervisors

Attest: Clerk of said Board

WHEREAS, for consideration, the Oest Family desires to grant an Agricultural Conservation Easement (CE) over a 36-acre area located near the northwest corner of Lone Star Road and Highway 49 in Auburn, CA, described as APNs 075-070-041, 075-080-045, and 075-080-046, to Placer Land Trust (PLT); and,

WHEREAS, PLT will apply and anticipates receipt of funding from the State of California's Wildlife Conservation Board (WCB) in the amount of \$182,000 toward the CE's \$214,000 purchase price; and,

WHEREAS, PLT has requested funding in the amount of \$32,000 from Placer County toward the CE acquisition and has provided the County with a draft Funding Agreement for approval and execution; and,

WHEREAS, Staff believes pursuit of funding from the WCB and continued partnership with PLT is in the best interest of the County given this acquisition preserves additional open space property that meets both Legacy and Placer County Conservation Plan objectives.

NOW THEREFORE, BE IT RESOLVED, the Board of Supervisors does hereby authorize the Facility Services Director, or designee, on its behalf to finalize and execute the Funding Agreement, subject to approval by County Counsel, and to take all actions necessary to facilitate this transaction and implement provisions of the Funding Agreement.

