



# County of Santa Cruz

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## PLANNING DEPARTMENT

701 OCEAN STREET, 4<sup>TH</sup> FLOOR, SANTA CRUZ, CA 95060  
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ALVIN D. JAMES, DIRECTOR

March 16, 1999

Agenda: March 23, 1999

Board of Supervisors  
 County of Santa Cruz  
 701 Ocean Street  
 Santa Cruz, California 95060

### AGRICULTURAL CONSERVATION EASEMENT PROGRAM

Dear Members of the Board:

On June 16, 1998 your Board approved the expenditure of funds granted under the California Wildlife, Coastal and Park Land Conservation Act of 1988 (Proposition 70) for the purchase of agricultural conservation easements (ACE) on portions of the Coast Dairies and Land Company (Coast Dairies) property and the Cardoza property. In addition, on September 22, 1998 your Board approved an extension of the deadline for the expenditure of funds allocated for the purchase of the easement on the Cardoza property to March 31, 1999 and directed staff to report back at that time.

Substantial progress has been made since the Planning Department's last report to your Board, by both the Trust for Public Land and the Open Space Alliance toward the acquisition of agricultural conservation easements on the Coast Dairies and Cardoza properties, respectively. However, neither of the acquisitions have been completed.

The Trust for Public Lands experienced delays associated with the preparation of the Present Conditions - Baseline Documentation for the Coast Dairies agricultural conservation easement. This draft report has just been released for staff's review and will require some minor changes. The escrow for the acquisition of the easement is planned for closure by March 31, 1999. To cover for any unseen delays Planning Department staff suggests the Board consider extending their deadline for expenditure of the ACE funds to May 31, 1999.

The Open Space Alliance has been successful in securing all of the remaining funding needed to purchase the Cardoza property. On January 27, 1999 the State Coastal Conservancy authorized the disbursement of \$500,000 to the Open Space Alliance to

acquire fee title to the Cardoza property, of which \$480,000 is in the form of a reimbursable grant. This amount, combined with the County's agricultural conservation easement funds constitute the purchase price and provide a grant of up to \$20,000 to cover additional acquisition costs for assessments, reports and a land survey. Repayment of the reimbursable grant within a two year period, for an amount not less than \$350,000 will be through direct fundraising, or more likely, the re-sale of the property to private use or ownership for agricultural production subject to appropriate use restrictions.

Prior to the disbursement of the Coastal Conservancy funds, the Open Space Alliance must submit for the review and approval of the Executive Officer of the Conservancy all relevant acquisition documents, including the appraisal, agreements of purchase and sale, escrow instructions, conservation easements and documents of title. Upon completion, a request for the transfer of funds will be sent to the State Controller. It would then be appropriate for the County to transfer the agricultural conservation easement funds to escrow at that time. The closing of escrow is not expected before May 31, 1999.

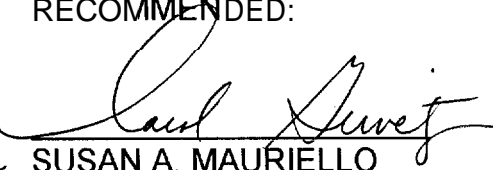
Planning Department staff will continue to work closely with both the Trust for Public Land and the Open Space Alliance to help ensure an expedient completion of both agricultural conservation easement acquisitions.

It is therefore RECOMMENDED that your Board accept this status report, approve extensions to the deadlines for expenditure of the Agricultural Conservation Easement Program funds on the Coast Dairies and Land Company and Cardoza properties to May 31, 1999 and direct staff to report back after the close of both escrows.

Sincerely,

  
ALVIN D. JAMES  
Planning Director

RECOMMENDED:

  
for SUSAN A. MAURIELLO  
County Administrative Officer

cc: Santa Cruz County Farm Bureau  
The Land Trust of Santa Cruz  
The Trust for Public Land  
Open Space Alliance  
California Department of Parks and Recreation