



# County of Santa Cruz

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## PARKS, OPEN SPACE & CULTURAL SERVICES

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BARRY C. SAMUEL, DIRECTOR

October 2, 2001

AGENDA: October 16, 2001

BOARD OF SUPERVISORS  
County of Santa Cruz  
701 Ocean Street  
Santa Cruz, CA 95060

SUBJECT: McGregor Property - Methods of Acquisition

Dear Members of the Board:

During Budget Hearings your Board directed the Parks Department to present a report on how to acquire the McGregor Property in Seacliff. As your Board knows, this three-acre property is located in the Seacliff Community and is bounded by Sea Ridge Road and McGregor Drive (see Exhibit 1). The Seacliff Community does not have a conveniently located neighborhood park and if this site were developed into a park it would serve the community on the ocean side of Highway One.

As of the writing of this report a development permit has not been filed. Since the McGregor Property has a "D" designation the County will have the "right of first refusal" once a development permit is filed. The County will have one year from the date of filing to decide if it will purchase the property or allow construction to commence. The estimated cost of the 3 acre property is approximately 1.8 million dollars and development is estimated to be \$800,000. The total cost of the property and development is about \$2,600,000. Operating costs will also require an additional commitment of local funds each year which are preliminarily estimated at \$75,000.00.

There are a number of ways the county could acquire this property:

1. Donation

The owners have been approached by members of the community and are not interested in donating this property to the County.

2. Sale of Certificates of Participation

The County could purchase the property by utilizing the sale of certificates of participation. This would be a neighborhood park and therefore the Aptos Park Dedication District would be responsible for payment of the debt service. The debt service would be about \$260,000 per year. The park dedication district does not bring in sufficient funds to offset this amount of debt service on an annual basis.

3. Outright Purchase

The County budget is fully programmed and costs for new land acquisitions for parks are not available in the current five-year Capital Improvement Program. This acquisition has been included as an unfunded project.

4. Proposition 12 Funds

The County will be receiving \$940,000 in per capita funds and \$410,946 in Roberti-Z'berg-Harris Funds (RZH). Your Board has requested that the Parks Commission make recommendations to your Board on how to allocate the Proposition 12 funds. It is anticipated that the Parks Commission will recommend funding for a variety of projects in each supervisorial district. Therefore, approximately \$270,000 would be available from Proposition 12 for use in District 2 and could be allocated toward the purchase of the McGregor Property.

5. Private Fund Raising Effort

The Parks Director has been encouraging the members of the Community to seek private funds for the purchase of the McGregor Property. The Community members have contacted some of the local foundations and businesses to see if there is interest in providing funding for purchase of the property. To date these private fund raising efforts are continuing. Community Members are looking into the possibility of hiring a professional fund raiser for the express purpose of finding funds for the purchase of the McGregor property.

6. State of California

The final State Budget does not include any funds for the purchase of this property.

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7. County Service Area (CSA)

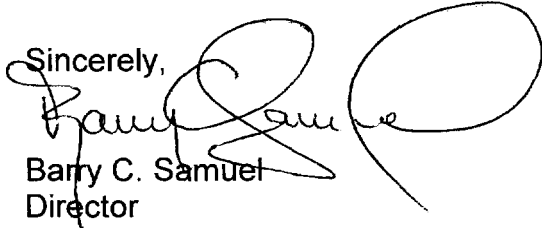
Local residents could organize a county service area under CSA 11. With a successful 2/3 vote (of the residents located in the delineated area of the CSA) a zone of the existing County Service Area for parks could be formed for the purchase and development of the McGregor Property.

Staff has analyzed all of the above strategies for acquisition and determined that the formation of a CSA to provide for purchase and development of the McGregor Property for park purposes should be further explored with the community. The formation of a CSA for the purchase and development of a park on the McGregor property would require a 2/3 majority vote, of those eligible voters living within the delineated area of the CSA, to be successful.

Exhibit 2 is a map which tentatively defines the area which would be included in the proposed zone of CSA 11. Highway 1 is an obvious northern boundary for users of a neighborhood park and therefore would limit the people who regularly visited the park to those properties on the ocean side of the Highway. The proposed western boundary of the CSA is Borregas Creek and the proposed eastern boundary is Creek Drive. It is estimated that there are approximately 2,000 residences which could be included in the new CSA zone. Thus, the estimated cost per household for the purchase and development of the property would be between \$125 and \$150 per year for a period of 20 years.

It is therefore RECOMMENDED that your Board direct staff to work with community members to explore the possibility of forming a CSA zone for the purchase and development of the McGregor Property and report back on or before January 22, 2002 with all the related information.

Sincerely,



Barry C. Samuel  
 Director

RECOMMENDED:



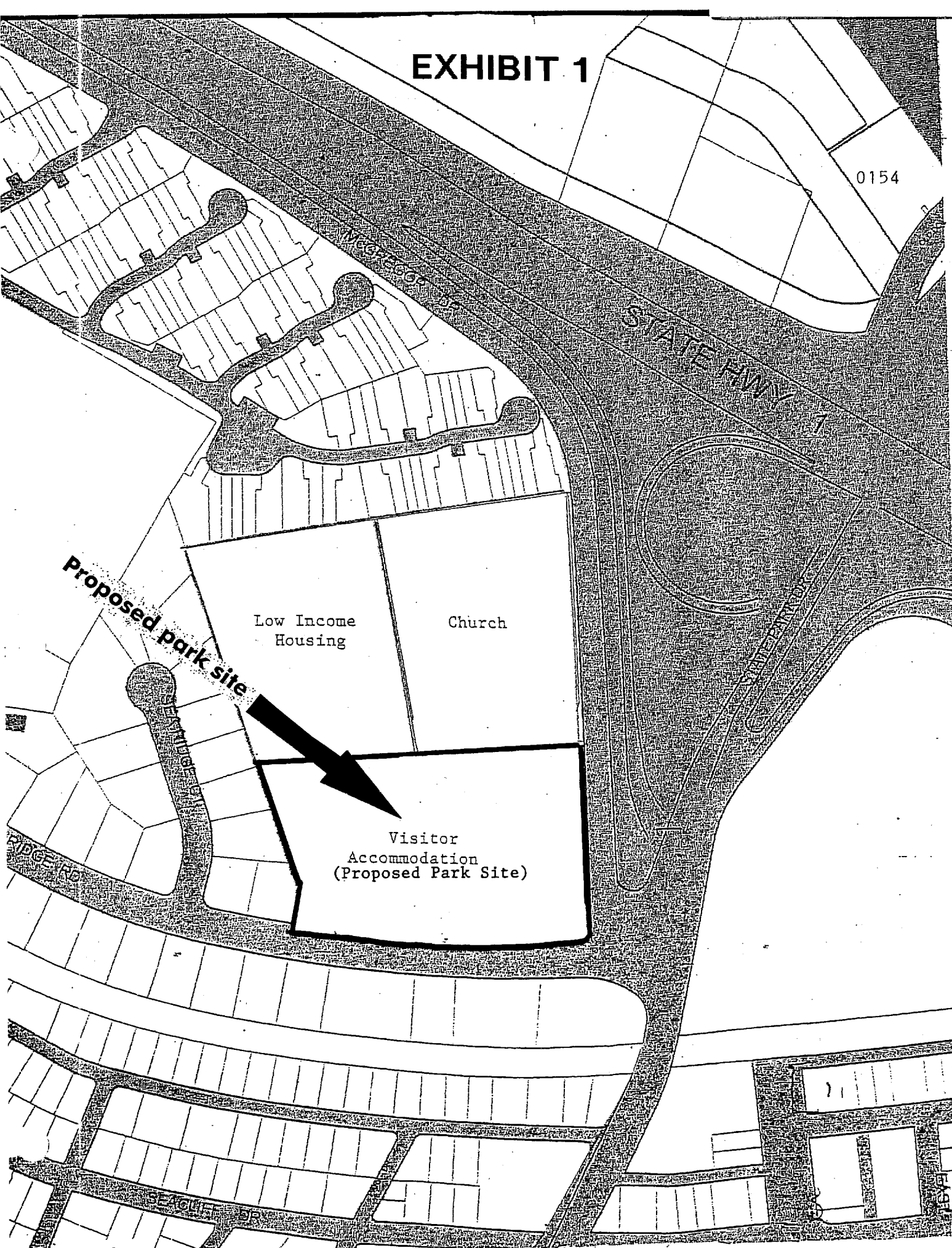
SUSAN A. MAURIELLO  
 County Administrative Officer

cc: CAO, Parks, Elections, County Counsel, Auditor/Controller, Seacliff Needs A Park (SNAP)

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# EXHIBIT 1

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# Exhibit 2

