

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Parks	(2) MEETING DATE 8/21/2012	(3) CONTACT/PHONE Curtis Black 781-5204	
(4) SUBJECT Consider the Edna to Pismo Beach segment of the Juan Bautista de Anza National Historic Trail (Anza Trail) and direct staff regarding completion of the preliminary studies associated with the possible purchase of three parcels near Edna within the Anza Trail corridor. District 3.			
(5) RECOMMENDED ACTION General Services Agency recommends your Board provide staff direction on two options for action regarding the purchase of three parcels along the Anza Trail corridor: 1) Direct staff to use \$40,000 of Fund Center 305 Parks operating funds to complete required preliminary studies to determine the appropriateness of purchasing three parcels along the Edna to Pismo Beach segment of the Anza Trail corridor; or, 2) Direct staff not to complete the preliminary studies and take no further action associated with the possible purchase of three parcels within the Anza Trail corridor.			
(6) FUNDING SOURCE(S) FC 305 Parks	(7) CURRENT YEAR FINANCIAL IMPACT \$40,000.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? No
(10) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. _____) <input checked="" type="checkbox"/> Board Business (Time Est.20 Min.)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input checked="" type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A Date _____	
(17) ADMINISTRATIVE OFFICE REVIEW			
(18) SUPERVISOR DISTRICT(S) District 3 -			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Parks / Curtis Black
781-5204

DATE: 8/21/2012

SUBJECT: Consider the Edna to Pismo Beach segment of the Juan Bautista de Anza National Historic Trail (Anza Trail) and direct staff regarding completion of the preliminary studies associated with the possible purchase of three parcels near Edna within the Anza Trail corridor. District 3.

RECOMMENDATION

General Services Agency recommends your Board provide staff direction on two options for action regarding the purchase of three parcels along the Anza Trail corridor:

- 3) Direct staff to use \$40,000 of Fund Center 305 Parks operating funds to complete required preliminary studies to determine the appropriateness of purchasing three parcels along the Edna to Pismo Beach segment of the Anza Trail corridor; or,
- 4) Direct staff not to complete the preliminary studies and take no further action associated with the possible purchase of three parcels within the Anza Trail corridor.

DISCUSSION

The Anza Trail corridor extends from Nogales, Arizona to San Francisco, California. It is the approximate route that Lt. Colonel Juan Bautista de Anza led settlers into the San Francisco Bay area of California – then Alta California. Within San Luis Obispo County, the Anza Trail is identified as a proposed project in the County's Parks and Recreation Element (PRE) and is listed on the Parks and Recreation Commission's (PRC) High Priority Park Projects list. The San Luis Obispo County, Anza Trail corridor extends along Highway 1, north to Price Canyon, turning inland until it reaches San Luis Obispo, at Cuesta Grade, and following the Salinas River to Paso Robles. From this point, the trail turns northwest and enters Monterey County near San Antonia Dam, with a majority of the route over Camp Roberts.

A private citizen, Eric Meyer, owns a 1.2-acre parcel of land with one small home on it, and is in escrow to purchase two additional parcels of land, with one additional home, within the proposed Anza Trail corridor. Mr. Meyer purchased the 1.2-acre parcel for \$120,000. The two additional parcels held in escrow, by Mr. Meyer, total approximately 7-acres and he has agreed to purchase them for the price of \$325,000. Mr. Meyer would like to sell the three parcels to the County, at his costs (including purchase, property taxes, interest, real estate transaction and loan transaction costs) for the purpose of securing a potential portion of the Anza Trail corridor.

Parks and Recreation Commission

Following a presentation by Mr. Meyer on April 26, 2012 the PRC recommended that the Board:

"Secure for the public use, a corridor designated as a section of the multi-use pedestrian/ bicyclist/ equestrian Juan Bautista de Anza trail; utilize the San Luis Obispo County Park's Public Facilities Fee funds, and/or other funds as they become available, to purchase APN 044-122-002 for the amount of \$120,000, and purchase APN's 044-151-012 and 044-122-001 for the amount of \$325,000 plus closing costs for each parcel; time being of the essence, conduct due diligence in each parcel transaction to take title of each of the properties within one year from the date of this Commission's recommendation."

Next Steps

With the Commission's recommendation in-hand, County Parks has worked with additional County staffs to assemble the steps and actions that would be required to move this project forward. Please see attached, related report for detailed information regarding: Real Property Purchasing Steps; Trail Planning and Development Steps; Trail Access Acquisition Methods; Park Project Evaluation Criteria; High Priority Park Projects Rating List; and Funding Options.

Per Public Facility Code, the County cannot directly pursue purchase of the three parcels of interest. Rather, the County must complete specific steps prior to purchase of any real property. As also noted by the PRC, it is important to perform "Due Diligence". Information regarding these steps is summarized below with additional complexities of this proposal outlined in Attachment B.

There are two options being considered for actions regarding these properties. The options and their related benefits and concerns are as follows:

Option One

Direct staff to use \$40,000 of Fund Center 305 Parks operating funds to complete required preliminary studies to determine the appropriateness of purchasing three parcels along the Edna to Pismo Beach segment of the Anza Trail corridor.

Benefits

Initiating the preliminary studies could lead to purchase of the three parcels. The Anza Trail corridor is identified in the PRE and is listed on the parks high priorities projects list. As such it is appropriate to invest resources to complete sections of this trail as opportunities arise. When completed, this section of the Anza Trail would connect the urban communities of San Luis Obispo and Pismo Beach. It would likely be popular with residents and visitors, offer alternate transportation options and improve safety, as bicyclists currently ride along high speed, Price Canyon Rd. in this area.

Exercising this option would begin the due diligence process and align resources with support expressed by PRC, communities, agencies and groups.

Concerns

Completing preliminary studies and due diligence could result in determining reasons not to purchase the three parcels. In which case significant resources would have been expended which could have been directed toward park operations and/or projects. As noted in the attached report, preliminary studies are estimated to cost approximately \$40,000. Many steps of the listed processes are required for public agencies but not for private parties. It is recommended that funding come from Park operating funds. This will decrease funds currently budgeted for park maintenance materials, supplies and services for fiscal year 2012-13. Regarding all high priority park projects, the acquisition of these properties ranks low relative to the other high priority park projects, as rated per the Parks and Recreation Element evaluation criteria. Acquisition of these properties ranked number 16 out of 17 for projects that would be eligible for Park Public Facilities fees (see Attachment B for the complete listing and ranking of projects).

Additional concerns include unknown ability to connect through adjacent properties to reach points of public access. That is, these properties could be purchased and not be useful in the eventual establishment of the Anza Trail. Purchase of these parcels would not secure a complete segment of trail and would not allow the County to open a trail for public use.

Per County policy, maintenance costs must be identified prior to development of any new facilities. These parcels are larger than that needed for the trail. Typically an easement of approximately twenty-five feet wide is secured through subdivision or development conditions. The available parcels are sixty feet wide and all acreage would need to be maintained beginning at purchase and would include the entire width, not just the trail width. Maintenance and/or removal of the two homes would also be required.

Option Two

Direct staff not to complete the preliminary studies and take no further action associated with the possible purchase of three parcels within the Anza Trail corridor.

Note: Option two presents an opposite direction and action for staff. As such, the Benefits and Concerns tend to be the opposites of those listed for Option One.

Benefits

As noted above, studies and due diligence could result in determining reasons not to purchase the three parcels. Exercising this option prevents significant resources being consumed that could be directed toward park operations and/or projects. Funding is of concern as the available funding option is from County Parks Operations. This option prevents use of funds that are budgeted to provide park maintenance materials, supplies and services. This option directs staff efforts and limited resources toward park operations and higher priority projects that are already in-progress.

Exercising this option prevents use of limited resources that are not budgeted to the need, on studies that could eventually result in the purchase of three parcels that exceed need and/or may not become viable sections of the future Anza Trail alignment.

Concerns

This option does not initiate the preliminary studies that could lead to purchase of the three parcels. This option does not take steps to complete the Anza Trail corridor identified in PRE and listed on the parks high priorities projects list.

Completing this trail has been discussed for decades; another opportunity to secure portions of the Anza Trail in Edna may not be available in the near future. This option would not take steps to acquire this section of the Anza Trail that may be part of the alignment eventually connecting the urban communities of San Luis Obispo and Pismo Beach.

Exercising this option would not take initial steps to secure these three parcels as potential portions of the eventual Anza Trail and does not align with support expressed by the PRC, communities, agencies and groups.

OTHER AGENCY INVOLVEMENT/IMPACT

On April 26, 2012, the PRC received a report and presentation on this topic and recommended that the Board: "secure for the public use, a corridor designated as a section of the multi-use pedestrian/ bicyclist/ equestrian Juan Bautista de Anza trail; utilize the San Luis Obispo County Park's Public Facilities Fee funds, and/or other funds as they become available, to purchase APN 044-122-002 for the amount of \$120,000, and purchase APN's 044-151-012 and 044-122-001 for the amount of \$325,000 plus closing costs for each parcel; time being of the essence, conduct due diligence in each parcel transaction to take title of each of the properties within one year from the date of this Commission's recommendation.

On May 8, 2012, the County Bicycle Advisory Committee recommended supporting construction of a class I bike path through Price Canyon and Edna Valley (the Anza Trail), that would ultimately connect the cities of Pismo Beach and San Luis Obispo.

County Counsel reviewed Title 18 - Public Facilities Fees Ordinance and the related Public Facilities Fee Financing Plan and recommends that PFF funds not be used to conduct a preliminary investigation and required studies associated with the potential purchase of property. Such funds must be used to fund the construction, expansion or improvement of a particular public facility or park (PFF - County Code, section 18.01.010, Government Code section 66000) or to develop park and recreation facilities that will serve the residents of a particular neighborhood/community (Quimby - County Code, section 21.09.040, Government Code section 66477). County Counsel has advised that PFF funds could be used to purchase the properties as long as the purchase is for the purpose of ultimately creating/constructing a public trail.

County Real Property Services reviewed the parcels and provided information regarding the steps required for the County to consider purchasing property.

Please see attached letters from numerous public agencies, commissions and boards that have expressed support for the Anza Trail, support for trails in general and/or support for the purchase these parcels along the Anza Trail corridor.

FINANCIAL CONSIDERATIONS

The preliminary investigation and required studies associated with the potential purchase of these three parcels of land for the Anza Trail would require approximately \$40,000.

If Option One is selected staff would redirect planned purchases in Park operations to allow \$40,000 to initiate preliminary studies as outlined in the attached report. This would result in spending \$40,000 less on park materials, supplies and services than was planned in the FY 2012-13 budget and impact the quality of park properties.

It would also be prudent to consider the costs of possible purchase of the parcels, if studies are pursued and support the purchase of these parcels. The purchase price of all three parcels is approximately \$445,000. Additional expenses could

include: closing costs; tenant relocation costs; hazardous material cleanup cost; carrying costs; and loan fees, for an additional approximately \$100,000 or more for a total of approximately \$545,000. A more specific estimate would become available through the preliminary studies. Park Public Facilities Fee (PFF) funds could be used for the purchase of the three parcels. This purchase would consume approximately one-half of the approximately \$1,200,000 balance of undesignated available PFF funds. These funds would not be available for other high priority projects currently in progress.

If Option Two is selected there would be no financial impact to County.

RESULTS

Actual results will vary depending upon the option selected. Considering these options supports the County's goal of providing well-governed programs and services.

ATTACHMENTS

1. Attachment A, Vicinity Map
2. Attachment B, Staff Report Anza Trail Properties
3. Attachment C, Parks & recreation Commission Minutes April 26, 2012