



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

(1) DEPARTMENT Parks and Recreation	(2) MEETING DATE 1/14/2020	(3) CONTACT/PHONE Nick Franco (805) 781-5204	
(4) SUBJECT Submittal of a resolution to Purchase Real Property located in the unincorporated area of the County situated between Morro Bay and Cayucos, a resolution to authorize a grant agreement with the California Coastal Conservancy to provide acquisition funding, and finding that the project is exempt from Section 21000 et seq. of the California Public Resources Code (CEQA). District 2.			
(5) RECOMMENDED ACTION It is recommended that the Board: <ul style="list-style-type: none"> <li>• Approve and direct the Chairperson to sign a resolution authorizing acquisition of real property situated between Morro Bay and Cayucos and authorize the County Real Property Manager or designee to sign all documents necessary to consummate the purchase.</li> <li>• Approve and direct the Chairperson to sign a resolution authorizing County Parks and Recreation to accept grant funds from the California Coastal Conservancy for the acquisition of real property and authorizing the Director of Parks and Recreation to negotiate and sign all documents related to the grant agreement on behalf of the County.</li> <li>• Find that the project is exempt from Section 21000 et seq. of the California Public Resources Code (CEQA).</li> </ul>			
(6) FUNDING SOURCE(S) Morro Bay to Cayucos Connector WBS 320054	(7) CURRENT YEAR FINANCIAL IMPACT \$50,000.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(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. <u>20 min</u> )			
(11) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) 19002016		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <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 type="checkbox"/> N/A Date <u>5/15/12; 8/12/14; 12/17/19</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Courtney Pene			
(18) SUPERVISOR DISTRICT(S) District 2			



## COUNTY OF SAN LUIS OBISPO

TO: Board of Supervisors

FROM: Parks and Recreation / Nick Franco (805) 781-5204

DATE: 1/14/2020

SUBJECT: Submittal of a resolution to Purchase Real Property located in the unincorporated area of the County situated between Morro Bay and Cayucos, a resolution to authorize a grant agreement with the California Coastal Conservancy to provide acquisition funding, and finding that the project is exempt from Section 21000 et seq. of the California Public Resources Code (CEQA). District 2.

### **RECOMMENDATION**

It is recommended that the Board:

1. Approve and direct the Chairperson to sign a Resolution authorizing acquisition of real property situated between Morro Bay and Cayucos and authorize the County Real Property Manager or designee to sign all documents necessary to consummate the purchase.
2. Approve and direct the Chairperson to sign a Resolution authorizing County Parks and Recreation to accept grant funds from the California Coastal Conservancy for the acquisition of real property and authorizing the Director of Parks and Recreation to negotiate and sign all documents related to the grant agreement on behalf of the County.
3. Find that the project is exempt from Section 21000 et seq. of the California Public Resources Code (CEQA).

### **DISCUSSION**

Chevron Land and Development Company, a Delaware corporation, is the fee simple owner of certain real property located in the unincorporated area situated between Morro Bay and Cayucos described as APN 073-092-052, consisting of approximately 258.47 acres (hereinafter, the "Subject Property") (Attachment 1 – Location Map).

County of San Luis Obispo Parks & Recreation Department is interested in the County acquiring the Subject Property for the purpose of obtaining acreage for a park, coastal access, and a trail connecting Morro Bay and Cayucos as identified in the County General Plan's Parks and Recreation Element. The Board of Supervisors approved a resolution of intent to acquire the subject property on December 17, 2019. As required by Government Code section 25350, a notice of the Board's intention to acquire the property was published in a newspaper containing a description of the property, the price, the vendor and a statement of the time the Board will meet to consummate the acquisition. A resolution to acquire the property is now required to complete the action. (Attachment 2 - Resolution to Purchase

Real Property).

The acquisition amount of the Subject Property is \$3,750,000, which is supported by a fair market evaluation determined by an independent real estate appraiser and confirmed by staff and contingent on a close of escrow no later than April 30, 2020. The purchase of the Subject Property has been negotiated between the Trust for Public Land (TPL), the Land Conservancy of San Luis Obispo (LCSLO) and Chevron with the intention of directing the transfer of title from Chevron to the County of San Luis Obispo. An Agreement for Purchase and Sale of Real Estate was signed on December 26, 2019. This document will be assigned to the County upon close of escrow via an Assignment Agreement. (Attachment 3 - Agreement for Purchase and Sale of Real Estate and Attachment 4 - Exhibit B to Purchase Agreement).

Funding of the acquisition includes grants from the Wildlife Conservation Board (WCB), the California Coastal Conservancy, the California Natural Resources Agency (CNRA) and private funding. The County of San Luis Obispo has already programmed \$50,000 for Right of Way acquisition for the Morro Bay to Cayucos Connector Trail that can also be used toward this acquisition. On December 17, 2019, the Board authorized the Director of the Parks and Recreation Department to sign for all necessary documents related to the WCB and CNRA grants. The California Coastal Conservancy requires a resolution authorizing the Director of the Parks and Recreation Department to sign all necessary documents to receive the grant funds. (Attachment 5 - Resolution accepting grant funds from the California Coastal Conservancy).

#### **OTHER AGENCY INVOLVEMENT/IMPACT**

Central Services Real Property Services is coordinating with the Land Conservancy of San Luis Obispo regarding the sale transaction including the escrow process.

The County Department of Planning & Building has completed a General Plan Conformity report which is Attachment 6 - General Plan Conformity Report.

The County Environmental Coordinator has reviewed the project and determined that it is exempt from the requirements of the California Environmental Quality Act, as found in Attachment 7 - CEQA Notice of Exemption.

County Parks and Recreation and Recreation is the lead for the grant agreements and has coordinated the grant documents with the California Coastal Conservancy. County Parks and Recreation will manage the property as part of the County Park System within the Community Parks Fund Center 222.

County Counsel has reviewed and approved the Resolutions and the Purchase and Sale Agreement as to form and legal effect.

#### **FINANCIAL CONSIDERATIONS**

County Parks and Recreation has identified \$50,000 which is already programmed for Right-of-Way acquisition for the Morro Bay to Cayucos Connector Trail and funded by the State Highway Account/Surface Transportation Program (SHA/STP) to contribute towards the acquisition and anticipated closing costs of the Subject Property.

The property will primarily be managed as open space and has two rental income agreement opportunities that can provide sufficient income to offset the operational costs of the property with no General Fund support anticipated.

The property will be included within the Community Park Fund Center (FC 222). Future operational costs of the proposed Morro Bay to Cayucos Connector Trail will come to the Board with the proposed approval of that project at some point in the future when funding for construction of that project has been identified. A breakdown of the funding is as follows:

<b>Costs</b>	<b>CNRA Grant</b>	<b>WCB Grant</b>	<b>SCC Grant</b>	<b>County of SLO</b>	<b>TPL/LCSLO</b>	<b>Total</b>
Fair market value	\$1,000,000	\$1,750,000	\$950,000	\$50,000	-	\$3,750,000
Title report/appraisal	-	-	-	-	\$30,000	\$30,000
State approval	-	-	-	-	\$7,810	\$7,810
Escrow, title, closing	-	-	-	-	\$15,000	\$15,000
Consultant reports	-	-	-	-	\$10,000	\$10,000
Funding sign	-	-	-	-	\$1,500	\$1,500
<b>TOTAL</b>	<b>\$1,000,000</b>	<b>\$1,750,000</b>	<b>\$950,000</b>	<b>\$50,000</b>	<b>\$64,310</b>	<b>\$3,814,310</b>

**RESULTS**

Approval of the Resolution of Intent to Purchase Real Property supports the County-wide goals for a healthy and livable community and the County General Plan’s Parks & Recreation Element. As development increases and the population grows within the County, competition for recreational resources increases. Recreation and exercise are fundamental to a healthy life.

The mission of the Parks & Recreation Department is to ensure diversified opportunities for recreation and personal enrichment of the County’s residents and visitors while protecting its natural, cultural and historical resources. It is the County’s desire to have an excellent inventory of parks and recreation facilities. Success depends upon numerous variables such as the availability of land and funding.

County Parks and Recreation aspires to provide a quality park, recreation and natural area system, and equitable distribution of parks and recreation lands and services, opportunities for all age groups and physical capabilities, a system of parks, recreation and natural areas consistent with the community’s existing and future needs.

**ATTACHMENTS**

- Attachment 1 - Location Map - Toro Creek
- Attachment 2 - Resolution to Purchase Real Property
- Attachment 3 - Agreement for Purchase and Sale of Real Estate
- Attachment 4 - Exhibit B Agreement for Purchase and Sale of Real Estate
- Attachment 5 - SCC Resolution - Toro Coast
- Attachment 6 - General Plan Conformity
- Attachment 7 - Toro Creek Categorical Exemption
- Attachment 8 - Toro Creek Presentation