



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: September 22, 2015

TO: Mayor and Councilmembers

FROM: Creeks Division, Parks and Recreation Department
Administration Division, Parks and Recreation Department

SUBJECT: Potential Acquisition Of Vacant Land (APNs 047-010-064, 047-010-065, And 047-061-026) Along Lower Arroyo Burro (Former Veronica Meadows Development Site)

RECOMMENDATION: That Council:

- A. Hear presentations from The Trust for Public Land (TPL) and City staff on the potential acquisition of vacant land along lower Arroyo Burro;
- B. Appropriate \$2.7 million from Creeks Restoration and Water Quality Improvement Fund reserves to cover a portion of the \$4 million purchase price; and
- C. Authorize the City Administrator, or his designee, to execute documentation necessary to accept title to the property from TPL for future creek restoration and open space park purposes, subject to final approval of form by the City Attorney.

DISCUSSION:

The Trust for Public Land (TPL), a non-profit land conservation organization, is working to acquire a 14.74-acre parcel of undeveloped land in the lower Arroyo Burro watershed. The subject property was the site of the proposed "Veronica Meadows" development project. TPL is planning to purchase the parcel and turn it over to the City for creek restoration and open space park purposes. TPL provided a report to the City Council on the status of the acquisition on April 7, 2015. TPL is now requesting that Council appropriate \$2.7 million to cover the balance of the purchase price and that the City accept title to the property. A copy of the TPL request letter is attached to this report.

The property includes valuable and environmentally sensitive riparian, aquatic and avian habitat. Acquisition offers a significant opportunity for creek restoration and water quality improvement as well as public open space. The property, which includes approximately 1,600 linear feet of creek frontage on lower Arroyo Burro, fits very well into City and County efforts to protect open space and natural resources in the Las Positas Valley and the Arroyo Burro watershed. It is directly adjacent to a six-acre open space parcel owned by the City, across from Elings Park, and just upstream of the

Arroyo Burro Estuary restoration project, Douglas Family Preserve, Arroyo Burro County Beach Park, and the Watershed Resource Center.

The Parks and Recreation Commission and Creeks Advisory Committee held a joint special meeting on August 19, 2015, to discuss the proposed acquisition. The Commission (6/0) and Committee (6/1) recommended that City Council appropriate up to \$2.7 million from available reserves in the Creeks Restoration and Water Quality Improvement Fund to pay for a portion of the \$4 million purchase price, and accept title to the property from TPL for future creek restoration and open space park purposes. The draft joint meeting minutes are attached to this report.

BUDGET/FINANCIAL INFORMATION:

In 2014, TPL hired an independent appraiser to determine the fair market value of the property. The appraisal determined the value to be \$4 million, and TPL entered into an option agreement to purchase the property for that price by the end of 2015.

TPL thoroughly explored all potential opportunities for grant funding to raise funds for the purchase. TPL received grant awards from the California Coastal Conservancy (\$500,000), the California Natural Resources Agency (\$500,000), and Santa Barbara County's Coastal Resource Enhancement Fund (\$300,000). The total grants awarded for the acquisition equal \$1.3 million.

TPL still needs \$2.7 million to close the funding gap. In the past, Measure B reserve funds have been used to acquire key creekside properties. This property's location, connectivity to other publicly owned open space parcels, and opportunity for significant restoration and water quality improvement, are unique within the City of Santa Barbara. Acquisition of this property is consistent with the Measure B Funding Guidelines, and there are sufficient Measure B reserve funds available to purchase the property.

SUSTAINABILITY IMPACT:

Acquisition and restoration of the 14.74-acre site will improve water quality and wildlife habitat as well as enhance public open space in the lower Arroyo Burro watershed.

ATTACHMENTS:

1. TPL Request Letter dated August 26, 2015.
2. Draft Minutes from the August 19, 2015, Special Joint Meeting – Site Visit of the Creeks Advisory Committee and the Parks and Recreation Commission.

PREPARED BY: Cameron Benson, Creeks Restoration/Clean Water Manager

SUBMITTED BY: Jill E. Zachary, Acting Parks and Recreation Director

APPROVED BY: City Administrator's Office



August 26, 2015

Mayor Helene Schneider and
City Councilmembers
City of Santa Barbara
735 Anacapa Street
Santa Barbara, CA 93101

**RE: Status Update and Request by The Trust for Public Land Regarding
the 14.74-Acre Veronica Meadows Property**

Dear Mayor Schneider and City Councilmembers:

Since my presentation to you on April 7, 2015, I am pleased to report that The Trust for Public Land (TPL) has made meaningful progress on the potential acquisition of the “Veronica Meadows” property along Arroyo Burro Creek. I am happy to provide you with the status update below regarding this project, together with a funding request in order to complete the acquisition of the property in a timely manner.

TPL now has \$1,300,000 in public funding committed to the acquisition price of \$4,000,000 from three separate sources: California Natural Resources Agency’s Environmental Enhancement and Mitigation Program (\$500,000), State Coastal Conservancy (\$500,000) and Santa Barbara County’s Coastal Resources Enhancement Fund (\$300,000). After research and thorough experience, it is TPL’s opinion that these programs represent all applicable sources of funding for the acquisition of the Veronica Meadows property. We have come to this conclusion after an exhaustive search of potential funding programs, a list of which is enclosed with this letter. It should be noted that many of these funding sources — while not applicable to the acquisition of the property — do provide funding for post-closing activities such as upland and creek restoration, as well as trail planning and construction.

The appraisal TPL received from James W. Hammock, MAI detailing the fair market value of the property (\$4,000,000) was recently approved by the California Department of General Services. This means that the State’s funding can be released once all other funding for the acquisition has been secured.

To this end, TPL is formally requesting the City of Santa Barbara consider two action items at an upcoming City Council meeting:

- Approving \$2,700,000 for the purchase of the Veronica Meadows property (this amount represents the balance needed for the acquisition);



- Accepting title to the property from TPL.

If you support these two items, TPL will continue our work on the remaining due diligence items necessary to insure that all legal, title, and environmental conditions of the property meet TPL and the City's standards and goals. TPL can then ensure that a closing occurs prior to our option to acquire the property expires.

I hope to move this acquisition towards completion with your support and very much appreciate the substantial amount of time and energy your talented staff have committed to this project thus far.

Thank you for your consideration.

Sincerely Yours,

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

Alex Size
Project Manager

Enclosures; Veronica Meadows Funding Research Chart

PROGRAM NAME	AGENCY	APPLIED FOR ACQUISITION?	IF NO, REASON?	PROVIDES FUNDING FOR RESTORATION?
Environmental Enhancement and Mitigation Program (EEMP)	Natural Resources Agency	Yes		Yes
Central Coast Proposition Funds	State Coastal Conservancy	Yes		Yes
Coastal Resource Enhancement Fund	Santa Barbara County	Yes		Yes
River Parkways	Natural Resources Agency	No	Can't combine EEMP and River Parkways funding for same project	Yes
Urban Greening	Natural Resources Agency	No	Program is no longer active	Yes
Discretionary Funds	CA Wildlife Conservation Board	No	Property not eligible: not within LAE, CAPP or HCP	Yes
Urban Streams Restoration Program	CA Department of Water Resources	No	Acquisitions not a priority for program, mostly restoration funding	Yes
CA-Habitat Conservation Fund	CA State Parks	No	Reimbursements ineligible, non-profits can't apply, grant cycle not open yet, timing issues w/ contract	Yes
Land and Water Conservation Fund	CA State Parks	No	Federally funded program with long wait time for funding (2+ years)	Yes
Watershed Restoration Grant Program (Prop 1)	CA DFW	No	Focus is on restoration	Yes
Proposition 1 Grant Program	State Coastal Conservancy	No	Focus is on restoration	Yes
Streamflow Enhancement Grant Guidelines (Prop 1)	WCB	No	Property not connected to large drinking water source	Yes



**CITY OF SANTA BARBARA
CREEKS RESTORATION/WATER QUALITY IMPROVEMENT
CITIZENS ADVISORY COMMITTEE AND
PARKS AND RECREATION COMMISSION MINUTES**

SPECIAL JOINT MEETING – SITE VISIT

August 19, 2015

Parks & Recreation Office, 620 Laguna Street

CALL TO ORDER

Parks and recreation Commission Chair Lesley Wiscomb called the meeting to order at 5:48pm.

ROLL CALL

Committee members present: Chair Danielle De Smeth, Vice Chair Lee Moldaver, Paul Bullock, Natasha Lohmus, Betsy Weber, Penny Owens, James Hawkins

Committee members absent:

Liaison members present: Parks and Recreation Commissioner Jim Heaton

Liaison members absent: Planning Commissioner June Pujo, Council Member Gregg Hart

Parks and Recreation Commission members present: Chair Lesley Wiscomb, Vice Chair Mark Rincon-Ibarra, Beebe Longstreet, Jim Heaton, LeeAnne French, Ed Cavazos

Parks and Recreation Commission members absent: Nichol Clark

Staff present: Acting Parks and Recreation Director Jill Zachary, Creeks Restoration and Clean Water Manager Cameron Benson, Creeks Administrative Specialist Jen Hollywood, Creeks Restoration Planner George Thomson, Parks Manager Santos Escobar

PUBLIC COMMENT

None

COMMITTEE MEMBER AND STAFF COMMUNICATIONS

None

1. SITE VISIT

Potential Acquisition of Vacant Land Along Lower Arroyo Burro (Former Veronica Meadows Development Site) – For Action

Recommendation:

That the Commission and Committee:

- A. Hear presentations from the Trust for Public Land (TPL) and City staff on the potential acquisition of vacant land along lower Arroyo Burro,

- B. Recommend that City Council appropriate up to \$2.7 million from the Creeks Fund Reserve to pay for a portion of the \$4 million purchase price; and
- C. Recommend that City Council accept title to the property from TPL for future creek restoration and open space park purposes.

Documents:

Staff Report – August 2015

Speakers:

Alex Size - Trust for Public Land
Cameron Benson - Creeks Restoration/Clean Water Manager
Jill Zachary – Acting Parks and Recreation Director

Committee Questions/Discussion:

Committee members and Commissioners asked questions regarding the length of time the contract with TPL was valid, the previous purchase price of the parcel, if corporate sponsorship is a possibility, whether TPL will take a commission from the purchase, how the purchase will affect the Creeks Fund Reserve, whether a new restoration plan will be established, whether the purchase of this property would affect the Division's ability to respond to future emergencies; and whether there was any organized opposition to the purchase.

Mr. Size reported that if TPL does not purchase the property, within months the property would need to be placed back on the market, that the property was purchased 16 years prior for an unknown amount, that only public funds had been solicited at the time; and, that TPL receives no commission.

Mr. Benson stated that the Creeks Division has reserve funds available for this purchase and has surplus funds budgeted to replenish the reserve to target levels by the end of FY 17, that the existing restoration plan will be reviewed and adjusted as necessary, that the Creeks Division will continue to have funds to provide repair of any Division projects which might sustain damage during an emergency; and, that there has been no organized opposition to the acquisition.

Public Comment:

Steve Boner from Stonecreek Home Owners Association spoke in favor of the acquisition.

Dan McCarter from Friends of Arroyo Burro Creek spoke in favor of the acquisition.

Parks and Recreation Commission Motion:

Longstreet/Cavazos to recommend that City Council appropriate up to \$2.7 million from the Creeks Fund Reserve to pay for a portion of the \$4 million purchase price, and accept title to the property from TPL for future creek

restoration and open space park purposes.

Voice vote: 6/0 (Clark absent)

Creeks Advisory Committee Motion:

Moldaver/Lohmus to recommend that City Council appropriate up to \$2.7 million from the Creeks Fund Reserve to pay for a portion of the \$4 million purchase price, and accept title to the property from TPL for future creek restoration and open space park purposes.

Voice vote: 6/1 (Bullock opposed)

ADJOURNMENT

Parks Commission Chair Wiscomb adjourned the meeting at 6:25 p.m.

Respectfully submitted,

Cameron Benson
Creeks Restoration/Clean Water Manager