



Midpeninsula Regional
Open Space District

R-13-106
Meeting 13-34
December 11, 2013

AGENDA ITEM 7

AGENDA ITEM

Approval of a Lease and Management Agreement with Peninsula Open Space Trust for the Apple Orchard and Event Center Properties as additions to La Honda Creek Open Space Preserve, located at 6635 La Honda Road, 5711 La Honda Road, and 5460 La Honda Road in the Town of La Honda in unincorporated San Mateo County (San Mateo County Assessor's Parcel Numbers 082-130-130, 082-140-010, 082-150-030, 082-150-040, 083-361-040 and 083-361-100), and Determination that the Recommended Actions are Categorically Exempt from the California Environmental Quality Act

GENERAL MANAGER'S RECOMMENDATIONS

1. Determine that the recommended actions are categorically exempt from the California Environmental Quality Act, as set out in this report.
2. Adopt the Preliminary Use and Management Plan for the Apple Orchard and Event Center Properties, including the Special Use Requirements, as set out in this report.
3. Allow the following uses to continue at the Event Center:
 - a) Livestock staging and processing to support conservation grazing at the Preserve (via the grazing lease)
 - b) Staging for organized/group rides and access to the tunnel and Preserve roads and trails (via District use permit)
 - c) Agricultural and environmental education events (via District use permit)
 - d) Equine/Livestock Clinics and Trainings (via Facility Use Agreement)
 - e) Team Roping (via Facility Use Agreement)
 - f) LGBT Rodeo for a period of up to two years (via Facility Use Agreement)
4. Authorize the General Manager to:
 - a) Sign a Lease and Management Agreement for the Apple Orchard and Event Center Properties with Peninsula Open Space Trust consistent with the terms and conditions as set out in this report
 - b) Work with the new grazing tenant to formalize the tenant's responsibility for routine maintenance and repair of some of the Event Center grounds and infrastructure through grazing lease
 - c) Develop a Facilities Use Agreement and work with equestrian user groups to formalize their role in the maintenance of the equestrian facilities, to supplement the repair and maintenance work that the grazing tenant would assume.

- d) Work with the Peninsula Open Space Trust to complete land management projects at the Event Center and Apple Orchard properties using available Resource Legacy grant funds.
- e) Approve special use requirements and a Facility Use Agreement for the interim use of the Event Center (up to 2 years) by the LGBT rodeo.

SUMMARY

The Midpeninsula Regional Open Space District (District) is considering entering into a Lease and Management Agreement (Agreement) with the Peninsula Open Space Trust (POST) to manage the former Driscoll Ranches Apple Orchard and Event Center properties, which were purchased by POST in December 2012. The following report presents a brief description of these properties, an analysis and recommendation of uses to continue allowing at the Event Center, a recommended Preliminary Use and Management Plan that includes special use requirements, the environmental review analysis, terms and conditions for the proposed Agreement, and the potential impacts of the proposed transaction.

BACKGROUND (see map, Attachment A)

The 308-acre POST Apple Orchard and Event Center properties being considered for lease by the District are located adjacent to the 5,760 acre La Honda Creek Open Space Preserve (Preserve) and along Highway 84 (La Honda Road). These properties provide a natural extension of the Preserve with frontage along a public roadway, improve the District's ability to patrol and manage the Preserve, help protect the San Gregorio Creek riparian corridor, provide for a potential future public staging area and new trail opportunities for the Preserve, provide grazing support facilities for use by the Preserve grazing tenant(s), and provide an opportunity to continue horse/livestock activities that are important to the equestrian and Coastside community. While the Board of Directors (Board) is not considering purchase the properties at this time, a potential future purchase would provide for natural additions to the Preserve (R-13-60).

The properties consist of the 292 acre Apple Orchard property, which is situated on the western edge of the Town of La Honda with San Gregorio Creek bordering its southerly boundary and the Preserve bordering its northerly boundary. The 12-acre Event Center includes ranching and equestrian facilities and a 3.65 acre La Honda Road residential parcel located two miles west of the Town of La Honda on La Honda Road. The Event Center parcel is located on the south side of La Honda Road with the San Gregorio Creek forming its southern boundary. San Gregorio Creek provides high quality riparian habitat for Steelhead and Coho salmon. The La Honda Road residential parcel is located across the highway from the Event Center and is surrounded by the Preserve to the east, west, and north.

The District is considering managing the Apple Orchard and Event Center properties under a Lease and Management Agreement (Agreement). This proposed Agreement was first reviewed by the Real Property Committee at the Event Center on June 11, and initially presented to the full Board at a regular meeting on June 26 (R-13-60). During the June 26 meeting, the Board directed staff to further evaluate preexisting community uses of the Event Center and potential stewardship actions to protect and enhance the property's riparian and aquatic habitat.

A stakeholder meeting was subsequently held at Elkus Ranch on July 22 to receive public input regarding the preexisting uses of the Event Center, resulting in a comprehensive list and description of past and suggested future uses. These uses include livestock staging and processing, organized trail rides, equestrian trainings and clinics, agricultural and environmental education, and rodeos.

As part of a Board workshop held at Elkus Ranch on September 10, staff presented the recommended riparian protection measures and the known list of preexisting uses of the Event Center, in addition to a range of potential “use alternatives” (R-13-85). At the workshop, the Board stressed the importance of protecting and retaining the rural character of the properties, as well as allowing for uses and activities that support local agricultural viability in such a way that is realistically manageable for the District given current limitations in staffing and funding resources. The Board also directed staff to gather additional information regarding potential partnership opportunities and/or working with a tenant or outside operator to assist with the management and maintenance of the Event Center.

DISCUSSION

District staff has collected additional information on the various proposed uses (including their related maintenance and infrastructure requirements), developed recommended special use requirements, explored potential partnership opportunities, and met with the selected grazing tenant for the Driscoll Ranch area of the Preserve. This information serves to further inform the Board’s deliberation of whether to enter into a lease agreement for the properties, and if so, understand what outside resources are available to help maintain the Event Center facilities and determine which preexisting uses can be allowed to continue on the property.

Event Center Use Assessment and Recommendation

Management Requirements by Type of Use

To evaluate the management feasibility of resuming prior equestrian and community uses, staff researched their corresponding administrative, insurance, infrastructure, and maintenance requirements based on input and interviews of equestrian groups, the Cuesta La Honda Guild Homeowners Association, District Operations staff, LGBT rodeo organizers, and the California Joint Powers Insurance Authority (the District’s insurance carrier).

Uses have been grouped based on associated level of general requirements (e.g. land area, infrastructure, permitting). At the lowest level are organized trail rides, which have relatively few requirements. Most other uses, including education events, team roping, equestrian training and horse clinics are grouped in the moderate category. Rodeos require a higher level of requirements, including many more on-the-ground facilities and available land area to function.

Table 1: Management Requirements Associated with each Preexisting Use

	LOW	MODERATE	HIGH	Comments
	Organized/group trail rides	Education/4H Events, horse training & clinics, weekly team roping	Rodeos	
Typical Number of Attendees	10-30	10-50	500-1,500	
Legal/Administrative Requirements				
General Liability Insurance Requirements	Participant Waiver	\$1-2M, Education events may be eligible for Participant Waiver	\$2-4M	Applicant responsibility; equestrian, education, and roping groups may be eligible for low-cost group insurance or insurance waiver
District Permit	Standard use permit	Use Permit for Education Events, Facilities Use Agreement for all other uses	Facilities Use Agreement	Facilities Use Agreement would define District/User roles and responsibilities; may require significant administrative staff time
County Permit	None	None	Health/ Concession Permit, Liquor License Waiver	Applicant responsibility
Cost	None	None for education events, all others commensurate with use	Commensurate with use not to exceed \$1,000 per day	Applicant responsibility
Facility Needs				
Infrastructure	Arena	Stock Pens, Stock Alley, Arena, Round Pen	Stock Pens, Stock Alley, Arena, Round Pen	
Land	Parking for < 25 vehicles and horse trailers	Parking for <50 vehicles and horse trailers, pasture area for roping steers, overnight camping for some trainings/clinics, some trainings include a mock search and rescue using the Preserve	Parking for up to 250 vehicles, horse trailers, west pasture for overnight camping	Rodeos and some equestrian clinics require usage of the pasture west of the Event Center for overnight camping much of which is on a separate parcel owned by POST. The lease area under consideration includes only one third of this pasture area (see Exhibit B). POST plans to separately lease or sell this parcel located west of the Event Center. Therefore, this area will no longer be available for camping to hold large events such as rodeos.
Rental Equipment	None	Restrooms, tractor, drag, water truck, canopies, sound system, dumpster for manure and trash	Restrooms/showers, tractor, drag, water truck, canopies, sound system, dumpster, tents, bleachers	Applicant responsibility
Livestock	None	Pastured steers (for roping team)	Pastured or hauled-in steers, bulls, sheep, and goats	Applicant responsibility
Use Specific Maintenance	Occasional mowing	Occasional mowing, dragging and watering arena surface	Occasional mowing, dragging and watering arena surface, additional restroom facilities, additional parking mowing, seating set up and take down, garbage cleanup and general site prep and cleanup.	Applicant responsibility

	LOW	MODERATE	HIGH	
	Organized/group trail rides	Education/4H Events, horse training & clinics, weekly team roping	Rodeos	Comments
General Maintenance	Road: Office, corrals, equipment shed: Water Infrastructure: Tunnel: Septic System: Site Drainage: Corral/Arena:	Annual grading and rocking with additional spot work as needed. Brushing three times annually around each structure. Current potable supply is inadequate; upgrades to the spring water system across the highway need to be investigated for office and facility water supply. Annual inspections for repairs; periodic cleaning. Annual pumping with periodic repairs & improvements. Site drainage maintenance and erosion control upgrades to prevent erosion or flooding from winter rains. Monthly inspections with occasional maintenance/repairs. Recommend investment in a tractor, drag, and water truck, or have provided by potential partner or future tenant.		These minimal maintenance tasks would be necessary, regardless of what prior uses are allowed to continue at the Event Center.

Staff estimates that approximately five to six organized trail rides, trainings, or clinics were held at the Event Center annually, team roping occurred weekly between April/May and October, and at most one or two rodeos were held each year. In recent years, only the LGBT rodeo has been held annually.

Level of Intensity and Consistency with District Policy

Table 1 outlines the management requirements for the various preexisting uses of the Event Center. Staff has grouped these into three use alternatives based on their intensity of use as summarized below:

Compatible Low to Moderate Intensity Uses include livestock staging/processing, organized trail rides onto the Preserve, and agricultural and environmental education.

Livestock Staging/Processing

Over the last 12 years, a number of the Event Center facilities (corral, cattle chute, scale and alley way to tunnel) have been used to facilitate livestock staging and processing in support of the conservation grazing operation at the Preserve. The Event Center property provides improved access and line of sight for easier ingress and egress (particularly for large vehicles to transport cattle), and is connected to the Preserve via an underground tunnel that extends across La Honda Road. Continued use of the livestock support facilities by the Preserve grazing tenant is considered compatible with District goals and policy, particularly as they relate to resource management and conservation grazing. These facilities are expected to be used periodically throughout the year during cattle loading and off-loading. Use of these facilities can be included as part of the grazing lease.

Organized/Group Rides

The previous Event Center landowner allowed numerous organized and group equestrian rides to use the site for parking and staging. These groups would then use the La Honda Road tunnel to access the various roads and trails on the Preserve to use as part of their ride. Similar group trail rides are already allowed across many of the District’s Preserves via the District’s standard use permit system. As such, this low-intensity use is considered compatible with District policy.

Agricultural and Environmental Education

Prior agricultural and environmental education events and activities include the La Honda School Ranch days and 4-H programs, which are considered to be compatible with the District's Mission, Basic Policy and Coastal Service Plan. Similar environmental education events are also allowed to occur at other District Preserves. These uses can be allowed to continue using the District's standard use permit system. The District's Coastside Mission and Service Plan support outdoor environmental education and interpretive programs and the preservation of the rural agricultural character.

Moderate Intensity Uses include equestrian clinics and trainings, and team roping. These uses would require insurance and Facility Use Agreements (as opposed to standard use permits). These uses can be considered agricultural-related "special use activities" under the District's Basic Policy.

Equine/Livestock Clinics and Trainings

Equine/livestock trainings may at times benefit from limited overnight camping to host a trainer from out of the area for consecutive day trainings. This overnight camping would be limited to vehicles and horse trailers and can be accommodated fully within the limits of the Event Center property. San Mateo County Sheriff's Mounted Search and Rescue training includes a mock search and rescue exercise on the Preserve. LGBT Rodeo also conducts one day equine/livestock trainings/clinics, which includes roping and rodeo event practice.

The Board could reasonably find that the proposed overnight camping associated with these uses is in conflict with a Service Plan guideline. This Guideline, intended to mitigate fire hazard concerns, prohibits higher-intensity fire hazards related to trail uses, including "smoking, camping, picnic areas, fireworks and off-road vehicle use." (*San Mateo Coastal Annexation Area – Service Plan*, Guideline H.6.8.) Staff believes, however, that it would also be within the reasonable range of interpretation for the Board to determine that allowing camping in these circumstances is consistent with the Service Plan, based on the following findings: 1) it would not be a campground used for general public camping purposes, but only as an associated use for the permittees participating in the horse trainings and clinics; 2) the number of persons would be limited to fifty (50) total per night; 3) the number of overnight stays would be limited to three (3) consecutive days; and 4) no smoking or campfires would be allowed. This use is also a pre-existing use. This interpretation was discussed with San Mateo County Local Agency Formation Commission (LAFCO) staff, who also agreed given the Service Plan's prohibition of camping specifically relating to trail use and because pre-existing uses stem from the ranching tradition and economy of the rural San Mateo Coast.

Team Roping

Team roping involves approximately twenty members, which use the arena, large round pen and roping chute to practice roping steers. The roping season runs from April/May until the end of October. Typically six to eight team members show up weekly for roping practice. Roping involves two riders to practice roping. For cattle ranching, roping is used for restraining steer for vaccinations and herding. Roping is also a recreational hobby or practice for competition in rodeo events and requires six to eight steers, which would need to be rented or transported in by the applicants, and pastured on adjoining District land.

High Intensity Use*Rodeos*

Rodeos are considered a high intensity use and require much more land and a greater number of facilities to function. This includes parking for up to 250 vehicles, which would extend beyond the limits of the Event Center property onto Preserve land located on the opposite side of La Honda Road. Moreover, a large overnight camping area is also necessary, which has been primarily located on the two properties being retained by POST located west of the Event Center property. POST is leasing these properties to a youth environmental education organization. Therefore, these properties will not be available for continued camping use beyond the next year or two. Concessionaires for food, the sale of alcohol, portable toilets, garbage service, housing of rodeo livestock, installation of public bleachers for attendees, and event management are also required. Based on an analysis of this use, review of the District's Mission, Basic Policy and Coastside Service Plan, as well as Board input at prior meetings, rodeos are a high intensity use that is fully beyond what is allowed by District policy. However, staff has discussed with the LGBT representative and POST about the potential of continuing the LGBT rodeo on an interim basis next year and possibly in 2015 (up to two years total) to allow the LGBT rodeo to transition to another site that provides them the sufficient land area needed to run this event. POST is receptive to accommodating the camping use associated with the LGBT rodeo on an interim basis for up to two years. POST and their lessee will be included in any additional discussions with LGBT. During this two year period, camping and rodeo uses would be relocated outside the San Gregorio riparian corridor. If the Board agrees to this interim rodeo use, staff will develop specific special use requirements and a Facility Use Agreement for this interim use.

Event Center Use Recommendation

Based on the analysis of management requirements, use intensity, and consistency with District policy, the General Manager recommends allowing the following uses to continue at the Event Center:

- a) Livestock staging and processing to support conservation grazing at the Preserve
- b) Staging for organized/group rides and use of tunnel to access Preserve roads and trails
- c) Agricultural and environmental education events
- d) Equine/Livestock Clinics and Trainings
- e) Team Roping
- f) LGBT rodeo on an interim basis for a period of up to two years

Special Use Requirements (excluding LGBT rodeo)

In order to ensure that the recommended uses of the Event Center result in only minimal impacts to District staffing and funding resources and are protective of the property's natural resource values and sensitive creek habitat, the General Manager recommends the approval of use requirements for this site and the authority to approve Facilities Use Agreements that are consistent with these requirements.

Recommended Use Requirements

1. Limit the total number of annual Use Permits/Facility Use Agreements to eight (8) per year (*each permit/agreement may allow use of the facilities on multiple days by the same individual or organized group*)
2. Uses must be "turn-key" and not rely on District assistance for equipment, setup or clean up
3. Uses must operate within the boundaries of the Event Center Property (Exhibit B), including:

- i. Parking will be limited to a maximum of thirty-five (35) vehicles and trailers
 - ii. Number of participants will be limited to fifty (50)
 - iii. Overnight stays
 - iv. Events will be limited to three consecutive days, including set up and clean up
4. Overnight stay will be limited to three (3) consecutive nights
 5. Insurance/indemnification requirements must be met
 6. Uses are subject to the conditions of a Use Permit or Facilities Use Agreement, including fee and/or other means to offset District maintenance and administrative time
 7. Uses will be subject to the District's Rules and Regulations

Partnership Opportunities

To further reduce the potential staffing and funding impacts to the District that may result in managing the properties and the various recommended uses, the District has actively pursued a number of partnership opportunities to offset the cost for purchasing the facilities, maintaining the site, and implementing land management projects.

Outside Funds to Offset the Purchase of Event Center Facilities

The District has discussed with Driscoll Ranches the potential purchase of a portion of the remaining Event Center grazing facilities, such as holding pens and alley ways, for the hauling/off-hauling of livestock to support conservation grazing on the Preserve. If the Agreement with POST is approved by the Board, staff recommends purchasing the grazing facilities at a cost of \$12,870. The District has also explored partnership opportunities to facilitate the potential purchase of equestrian facilities, such as the arena and large round pen, for use by equestrian groups. Staff has spoken with equestrian user groups, including members of ETRAC (Equestrian Trail Riders' Action Committee) and San Mateo County Horsemen's Association, about securing outside funds to help purchase the equestrian facilities given that they are specifically for the benefit and use of special user groups, and not the general public. These equestrian groups have expressed their intention to raise funds to minimally cover half the cost of the facilities. The cost of the equestrian facilities is \$15,000. Outside funds would need to offset at least half the cost, or \$7,500. Staff is working with various equestrian user groups to secure funds to assist with the purchase of these facilities which the District would own.

Opportunities to Offset Facility Maintenance Costs

Staff has met with the new Driscoll Ranch grazing tenant to discuss potential tenant involvement in the maintenance of Event Center facilities. The grazing tenant has expressed an interest in taking on the following maintenance and repair responsibilities as part of the new grazing lease: the spring fed water system serving the Event Center, the livestock shipping pens and alley ways, cleaning of the tunnel under La Honda Road, mowing around structures, and arena surfacing to prepare the site for permitted uses. The grazing tenant has access to maintenance equipment, including a tractor and drag, to help maintain the facility long term.

In addition, representatives from equestrian user groups have expressed interest in assisting with regular facility maintenance, either through financial contributions (i.e., fee payment) or labor contributions (i.e., maintenance tasks such as mowing and arena surfacing). Under the prior ownership, use fees were charged commensurate with the size and intensity of the use, ranging from \$20 per person for team ropers to \$4,500 plus additional equipment rental fees for the LGBT rodeo. If equestrian and ranching uses are allowed at the Event Center, staff recommends negotiating the fee and/or maintenance contributions as part of a Use Permit or Facilities Use

Agreement process. These contributions would supplement the repair and maintenance work that the grazing tenant would provide, thereby further offsetting the District's maintenance costs.

Grant Funding to Offset the Cost of Land Management Projects

POST has secured grant funding through the Resource Legacy Fund to complete stewardship projects at the Event Center and Apple Orchard properties. This funding provides an important offset to cover the costs of projects that need to be completed to effectively manage the properties. POST and the District have met and identified the following potential stewardship projects for the Event Center and Apple Orchard properties:

Event Center property:

- Improvements to the spring water system serving the Event Center
- Removal of invasive plants along San Gregorio creek
- Installation of new fencing to buffer San Gregorio creek
- Crowning and rocking of the driveway access from La Honda Road

Apple Orchard property:

- Preparation of a road inventory and assessment
- Implementation of recommended road improvements

The Apple Orchard road network consists of three interconnecting seasonal access roads: (1) Sears Ranch Road access, (2) Access from the Preserve to the north via a railroad car bridge, and (3) La Honda Road access via a ford across San Gregorio Creek. Each of these three roads passes through riparian areas, and is not accessible during the wet season.

Consideration of Additional Partnership Opportunities (Including Caretaker)

Given the numerous potential partnership agreements that the District has pursued to reduce the District's management burden for running the Event Center, staff is proposing to evaluate the residual impact on staff time and resources for administration, monitoring and maintenance of the permitted uses at the Event Center over the next two years to determine if these uses are manageable under the permit/facility use agreement process being established or whether or not (1) the new grazing tenant can assume additional responsibilities or (2) a new Event Center operator/tenant/caretaker is needed to take full responsibility for the administration and management of uses and events. This assessment would be done in conjunction with use and management planning process to evaluate Event Center's potential for public staging and trail access as an amendment to the current La Honda Creek Master Plan.

Preliminary Use and Management Plan (Next Steps)

If the Board approves the proposed Agreement with POST, staff has prepared a Preliminary Use and Management Plan (PUMP), which would establish a status quo approach to land management during the lease's term. The original PUMP described in R-13-60 dated June 26, 2013 is provided below with additions shown in ***underlined bold italic*** and deletions in ~~strikeout~~ text to highlight the new recommended changes that address the special use requirements, as discussed above, as well as the stewardship actions to protect San Gregorio Creek. The PUMP below would take effect upon the signing of the Lease and Management Agreement, and remain effective until a subsequent plan is approved by the Board of Directors.

- Public Access: Designate the properties as closed to ~~the~~ **general** public **access** until the La Honda Master Plan is amended to include the properties. **Continue compatible, pre-existing community use of the Event Center Property on a permit or facilities use agreement basis, subject to Special Use Requirements provided above. Allow the LGBT rodeo to hold annual rodeos for a period of up to two years, subject to a separate facility use agreement and special use requirements.**
- Signs and Site Security: Install private property, closed area and preserve boundary signs where appropriate.
- Structures and Improvements: Assess Apple Orchard cabin for potential historic significance. For the Event Center Property, assess the need or potential public use of structures and improvements left on the property. Demolish and remove the outbuildings, debris, and equipment that are not useful to the District. Perform basic habitability repairs and assess future uses of the office building. Assess need for water/septic infrastructure upgrades and/or removal.
- Resource Management: Conduct a detailed resource assessment to develop long-term management recommendations for the property. Use conservation grazing, consistent with the Resource Management Plan, as a vegetation management tool to reduce invasive weeds and encourage native grasses within the property's grasslands. Conduct other interim invasive plant and animal management activities consistent with the District's policies and practices. Assess potential for instream or riparian restoration at La Honda and San Gregorio Creeks to enhance Steelhead trout/Coho salmon habitat.
For the Event Center Property,
- **Create a riparian buffer zone south of existing facilities that would still allow for adequate access to the arena, corrals, and riding ring. This buffer would include the installation of fencing and signage to restrict access within the buffer zone.**
 - **Develop plans and seek funding for landform restoration and re-vegetation.**
 - **Assess Cape Ivy control methods that would be consistent with the District-wide Integrated Pest Management Program.**
 - **Seek funding to develop a feasibility study and plan to enhance large woody debris within the stream channel.**
 - **Coordinate with appropriate state and local agencies to ensure that District management of these properties aligns with regional watershed protection enhancement goals.**
- Rangeland Management: Continue year-round grazing under the existing grazing lease. Amend the existing Resource Management Plan (Rana Creek et al 2005) to include the Event Center and Apple Orchard properties (see Attachment 2 Addendum to Resource Management Plan). Maintain corral system at the Event Center for use in livestock transfer and processing.

Patrol:	Routinely patrol the properties.
Wildfire Fuel Management:	Conduct conservation grazing, as noted above, as well as other current District-wide fuel management practices. Further assess vegetative communities on the property to determine wildfire management needs and consult with San Mateo County and the California Department of Forestry and Fire Protection in developing a site-specific fuel modification and management program as part of the subsequent planning process.
Fences and Gates:	Install, maintain, and repair gates and fences as necessary to prevent unwanted livestock movement and facilitate effective rotation. Working with the tenant, fence sensitive riparian corridors to minimize the impacts of cattle and horse access to the stream corridor, if deemed necessary, to protect resources. Install new fences and gates as necessary to prevent unauthorized vehicular entry at the property boundaries.
Roads and Trails:	Keep existing ranch roads for seasonal use in coordination with the grazing tenant. Limit patrol and maintenance use of the La Honda Creek crossing to the dry season (May 15 through October 15) only. Prepare a detailed road and trail assessment of the property as part of the subsequent planning process.
Coastside Service Plan:	Operate and manage the property in conformity with the provisions of the Service Plan for the Coastside Protection Program, and the mitigation measures adopted pursuant to the Coastside Service Plan Environmental Impact Report.
Site Safety Inspection:	No evidence of any recognized environmental condition has been found on the property that has not already been corrected. As with every situation involving older structures and past agricultural use, perform a thoughtful analysis of the specific working conditions before all future maintenance and repairs.
Name:	Properties will be incorporated as additions to the La Honda Creek Open Space Preserve.
Dedication:	Withhold dedication of the property as open space at this time.
Subsequent Planning:	Develop a long-term site plan for the property and any other properties added to La Honda Creek Open Space Preserve, including more detailed plans for grazing, resource management, and public access. Since the property is within the Coastside Protection Area and is subject to the Service Plan, the process for developing a long-term plan involves conducting more detailed resource assessments to inform resource management, range management, public access plans; further consultation with interested government officials, agencies and organizations; and an extensive public input process. The long-term plan will be subject to further environmental assessment under the California Environmental Quality Act (CEQA).

CEQA COMPLIANCE

Project Description

The proposed project consists of the lease and management of a 308-acre private property by the District for open space preservation purposes and a concurrent adoption of a Preliminary Use and Management Plan to manage the property as part of the District's La Honda Creek Open Space Preserve. The District would manage the property under the terms of a lease and management agreement, which maintains the land in a natural condition and open to the public on a permit basis and allows for a continuation of pre-existing uses of the Event Center property subject to the eligibility requirements outlined in this report. The La Honda Road residence will continue to be rented, the Apple Orchard cabin may be rented seasonally, cattle grazing will continue, and minor maintenance and repair of the existing improvements will occur.

In accordance with the Coastal Service Plan, the project incorporates all of the Coastside EIR mitigation measures which apply to lease and management agreements within the Coastside Protection Area and is subject to the Coastal EIR mitigation monitoring program.

CEQA Determination

The District concludes that this project will not have a significant effect on the environment. It is categorically exempt from CEQA under Article 19, Sections 15301, 15262, 15323, and 15061(b)(3) of the CEQA Guidelines as follows:

Section 15301 exempts operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. Under the terms of the Lease and Management Agreement and the proposed Preliminary Use and Management Plan, the properties will remain in a natural condition and closed to general public use. The Event Center will be open to special uses on a permit basis. However, no expansion of use of the Event Center will occur as a result of these permitted activities, all of which regularly occurred prior to adoption of the Lease and Management Agreement.

Section 15262 exempts a project involving only feasibility or planning studies for possible future actions which the agency has not approved, adopted, or funded. The project calls for further planning studies regarding changes to rangeland or agricultural resource management. No decisions are being made now about future physical changes to use, management or improvements on the property.

Section 15323 consists of the normal operations of existing facilities for public gatherings for which the facilities were designed, where there is a past history of the facility being used for the same or similar kind of purpose. For the purposes of this section, "past history" shall mean that the same or similar kind of activity has been occurring for at least three years and that there is a reasonable expectation that the future occurrence of the activity would not represent a change in the operation of the facility. The Event Center will continue to operate in a similar (or reduced) capacity as in the past.

The project is also exempt under Section 15061(b)(3), as there is no possibility the actions may have a significant effect on the environment.

TERMS AND CONDITIONS

Lease and Management Agreement (Agreement)

Under the proposed Agreement, the District will patrol and manage the properties in accordance with the requirements of the PUMP. The Driscoll Ranches lease of the Apple Orchard expired on November 1, 2013. As part of the Agreement, the following lease or license agreements between POST and Driscoll Ranches are assigned to the District:

- Event Center may be used for temporary use of the office and storage of livestock equipment until December 15, 2013
- La Honda residence lease expires on November 1, 2015
- Equestrian License for boarding horses at the Event Center or adjacent to the La Honda residence expires November 1, 2017

The proposed Agreement term is for two years with authority to extend for an additional one year term under the General Manager's authority. The Agreement provides for the District to assume all property management responsibilities of leasing to grazing tenants and a potential Event Center tenant and renting the residential improvements under the District's Property Management Program. Following evaluation of the access constraints of the Apple Orchard property, staff will pursue renting the grassland areas of the Apple Orchard for livestock under the Resource Management Plan Addendum (see Attachment C). Staff will return to the Board with this matter at a future Board meeting. The District may rent the residential improvements on a month-to-month basis as a private residence under the General Manager's authority.

FISCAL IMPACTS

Current Coastside Protection Area Fiscal Considerations

The property is located within the service area of San Mateo County Fire, and the La Honda-Pescadero Unified School District. Under the terms of the District/County Fire and District/School agreements, the District would not be required to pay the County Fire or School District fees to manage a property under a Lease and Management Agreement (R-13-60).

District Administration Time Associated with Event Center Uses

Even with the grazing tenant and user groups taking on the majority of the maintenance associated with the proposed Event Center uses, Operations patrol, maintenance, and administration staff hours are estimated at 280 hours, and 40 hours for the rodeo annually to monitor, the recommended eight use permits/facility use agreements at the Event Center annually. Real Property estimates that drafting of template Facilities Use Agreement and entering into agreements with user groups will take 120 hours during the first year and 30 hours the following year.

Purchase of Event Center Facilities

Upon approval of the Agreement, staff recommends purchase of livestock equipment on the Event Center property including shipping pens, holding pens and alley way to tunnel to support the conservation grazing operation on the Preserve at a cost of \$12,870. If partnership and user groups provide funding to assist in the purchase of equestrian facilities at the Event Center, staff recommends purchasing the arena and large round pen at an approximate cost of \$15,000. It is anticipated that user groups will fund at least half of these costs. These items would be

purchased under the General Manager's purchasing authority with funding provided from the District's New Land Budget category.

PUBLIC NOTICE

Property owners adjacent to or surrounding the subject property, interested parties, Coastal mailing list and the La Honda Creek Master Plan mailing list have been mailed written notice of this agenda item. The agenda and this report have been made available on the District's website. Accordingly, all notice required by the Brown Act and the Coastal Protection Program has been provided.

NEXT STEPS

Upon approval by the District's Board of Directors, the General Manager will execute the lease and management agreement and deliver an executed agreement to POST. The District's Skyline Field Office would include the property in its patrol and management of La Honda Creek Open Space Preserve. Staff will create a protocol to handle special uses at the Event Center with a goal of minimizing the impacts on staff time and District resources.

Once access to the Apple Orchard is evaluated, staff anticipates returning to the Board with a grazing lease recommendation for approval in 2014. District property management staff will rent the La Honda Road residence once vacated. Following consultation with coastal agencies, organizations, and knowledgeable individuals as required by the Coastal Service Plan, completion of required environmental review, and assuming purchase funds have been secured, the potential purchase of these properties is anticipated to go to the Board of Directors for consideration in 2015.

Attachments:

- A. Map
- B. Event Center Map
- C. Addendum to Resource Management Plan

Prepared by:

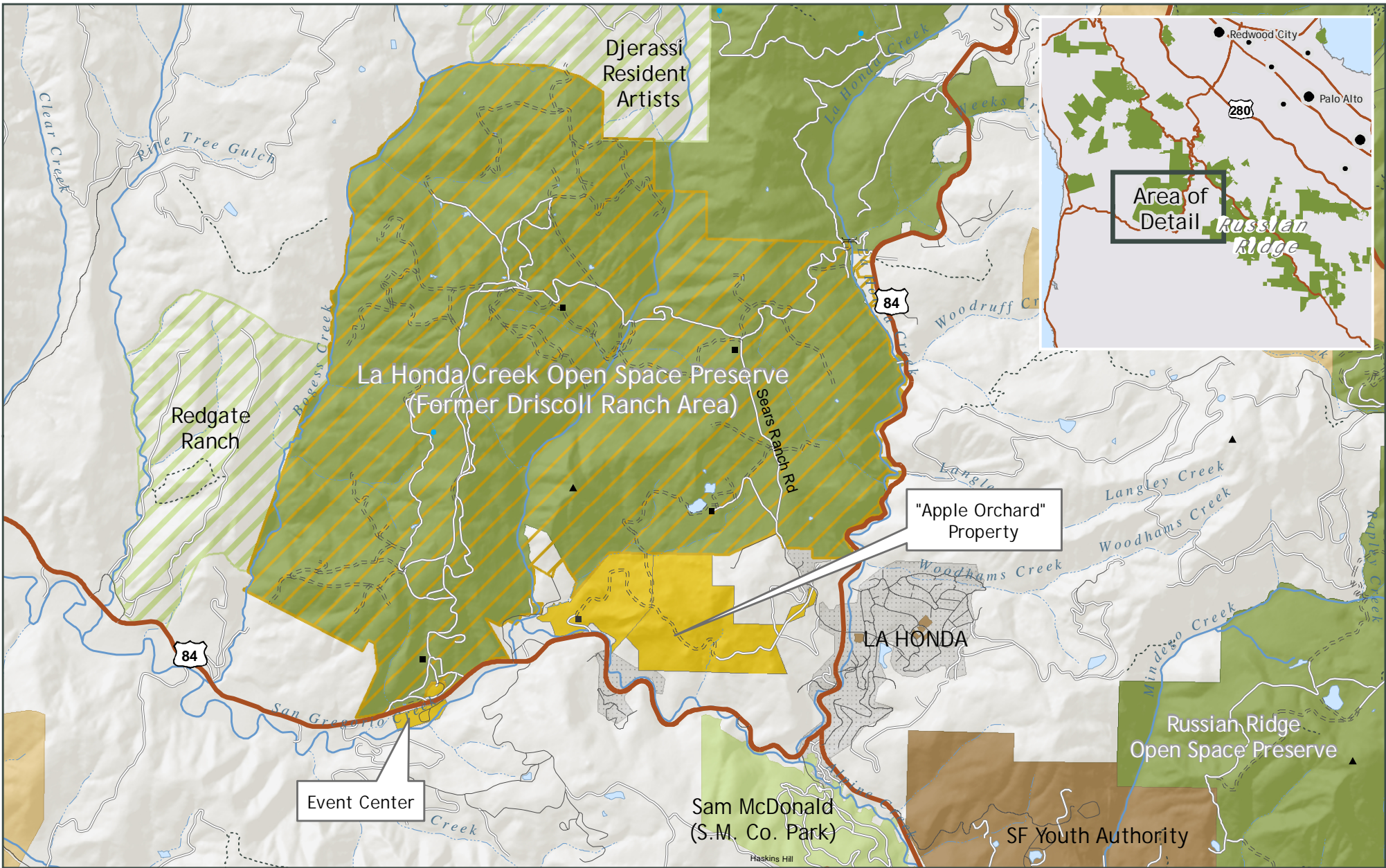
Lisa Bankosh, Planner III
Elaina Cuzick, Real Property Specialist
Michael Williams, Real Property Manager

Contact person:

Michael Williams, Real Property Manager

Graphics prepared by:

Michele Childs, GIS Technician



Attachment A: POST (Driscoll) Apple Orchard & Event Center

- | | | |
|------------------------------|--|---|
| Apple Orchard & Event Center | Other Protected Open Space or Park Lands | Private Property |
| Driscoll Ranch | Other Public Agency | Developed Land |
| MROSD Preserves | Land Trust | Non MROSD Conservation or Agricultural Easement |

Midpeninsula Regional
 Open Space District
 (MROSD)

December, 2013
 Miles 0 0.425 0.85



La Honda Open Space Preserve
(Former Driscoll Ranch Area)

Access Tunnel

Event Center

Office

Barns

Corral

Arena




Riding Ring

San Gregorio Creek

84

Source: Esri, DigitalGlobe, GeoEye, i-cubed, USDA, USGS, AEX, Getmapping, Aerogrid, IGN, IGP, swisstopo, and the GIS User Community

Attachment B: POST (Driscoll) Event Center

-  Apple Orchard & Event Center
-  La Honda Open Space Preserve
-  Riparian Habitat

Midpeninsula Regional
Open Space District
(MROSD)

November, 2013



Eventcenter_StudySessionMemoFig1&".mxd"

Created By: J:\montgomery\Path: G:\Projects\La_Honda_Creek\Driscoll\POST_Apple_Orchard\Eventcenter_StudySessionMemoFig1.mxd

While the District strives to use the best available digital data, this data does not represent a legal survey and is merely a graphic illustration of geographic features.

Attachment C

Addendum - 1:

Driscoll Ranch – A Resource Management Plan

June 2013



Original Plan Prepared March 2005 By:

Rana Creek Habitat Restoration

&

EcoLogic

ATTACHMENTS TO ADDENDUM:

1. ATTACHMENT A-1 – REGIONAL MAP OF APPLE ORCHARD & EVENT CENTER
2. ATTACHMENT B – EVENT CENTER MAP
3. APPLE ORCHARD AND EVENT CENTER ZOOM – FIELD MAP
4. APPLE ORCHARD MAP WITH PHOTO POINT LOCATIONS
5. PHOTO MONITORING – STOCK PHOTOS OF APPLE ORCHARD PROPERTY

OVERVIEW:

This is an addendum to the original Resource Management Plan, prepared in 2005 by Rana Creek Habitat Restoration and EcoLogic, for the 3,681 acre Driscoll Ranch. The original plan was prepared for Peninsula Open Space Trust (POST) in 2005 while the property was under POST's ownership. In 2006 the Midpeninsula Regional Open Space District (District) acquired the Driscoll Ranch in its entirety from POST and adopted the Resource Management Plan as well as lease agreements for livestock grazing and residential structures. This addendum will add two (2) additional properties, the Apple Orchard and the Event Center, totaling 304 acres, to the original resource management plan (2005).

BACKGROUND:

Location:

The properties are situated in rural San Mateo County along La Honda Road (Highway 84) west of the Town of La Honda. The 292 acre Apple Orchard property is situated at the western edge of the Town of La Honda with San Gregorio Creek running along its southern boundary and the La Honda Creek Open Space Preserve (Preserve) along its northerly boundary. The 12 acre Event Center is located approximately two miles west of the Town of La Honda along Highway 84. The Event Center parcel is located on the south side of Highway 84 with San Gregorio Creek running along its southern boundary.

Property Description:

The 12 acre Driscoll Event Center (event center) is relatively level, located in the flood plain of San Gregorio Creek which marks the properties southern border. The property includes several fenced corrals, horse barns, storage shed, a small office building and a rodeo arena. The San Gregorio Creek riparian corridor is generally densely wooded with a mixture of oak, bays, alders, firs and redwoods. Much of the riparian corridor, located nearest the corral and rodeo arena, has been altered or replaced to accommodate the event centers infrastructure.

The apple orchard property consists of rolling grassland ridges, steep wooded and brushy canyons, and a small but impressive redwood grove along San Gregorio Creek which provides high quality riparian habitat. The perennial Herrington Creek touches the western end of the property and an intermittent tributary to it cross the western portion of the property, and San

Gregorio Creek forms much of the southern boundary. The property has a central unimproved ranch road with two access points: one fording San Gregorio Creek off of La Honda Road which provides seasonal access to the western portion of the property, and the second off Sears Ranch Road in the town of La Honda at the properties eastern boundary. Several springs on the property are developed for livestock watering troughs, but no ponds are known to be present. The terrain ranges in elevation from 300 feet near San Gregorio Creek up to 840 feet at the properties eastern boundary.

Environmental Resources:

The event center possesses significant watershed and riparian values along San Gregorio Creek where steelhead trout and Coho salmon are known to occur.

The Apple Orchard property received its name sake as a result of the small, historic senescent apple orchard located near the western boundary. The apple orchard property includes stretches of San Gregorio Creek and Herrington Creek, both known steelhead and Coho fisheries comprised of redwoods, alders, and willows. In addition to the riparian corridors on the property, annual grassland and coastal scrub habitats are present and include coffeeberry, coyote brush, sticky monkey flower, sage, lupine, poison oak, and western leatherwood. The western leatherwood is a rare plant species and can be found between the grassland and wooded riparian area at the north west corner of the property. California red-legged frog and western pond turtle inhabit wetland and creek areas (URS Corporation, biological site assessment, May 2013).

Historical Land Use:

Current land use on the Event Center property includes equestrian facilities and horse barns for breeding and stabling horses, a small office building, a rodeo arena and a corral facility for livestock handling. The horse facility has received very little use in recent years and is currently vacant. The rodeo arena has been utilized to host the Driscoll Ranch Rodeo in past years but the rodeo has not been held there since 2011. The arena is currently utilized occasionally for local cowboys to practice roping and cattle sorting. The corral facility is currently utilized as a staging area for shipping/receiving livestock and for processing livestock that are run on the larger Driscoll Ranch property on the north side of La Honda Road. The main Driscoll Ranch is accessed through a tunnel on the north side of the Event Center property that runs under La Honda Road. The tunnel is large enough to allow for livestock and small vehicles to pass through.

The apple orchard property contains an old barn, a cabin, and livestock water troughs. The property has been utilized for livestock grazing for decades. The old barn and cabin have seasonal access and are located at the west end of the property near the apple orchard. There are no livestock handling facilities or corrals and the property cannot be accessed by truck and trailer due to the condition of the ranch roads and narrow access points. The property has historically been grazed by neighboring landowners with improved access and corral facilities nearby.

RECOMMENDED LAND USES

Proposed Land Use:

EVENT CENTER:

The event center staging area and corral facility provide excellent year around access for shipping/receiving livestock and livestock processing for cattle grazing on the Driscoll Ranch. The current corral facility is comprised of some permanent pipe fencing, loading chute, and scale while much of the corral facility is comprised of mobile panels, including the rodeo arena. The current tenant retains ownership of the mobile panels and non-permanent infrastructure. Maintaining a corral at this location is significant to the maintaining a livestock grazing operation on the Driscoll Ranch property and corral facility should maintained at the current location at the event center. In the event that the current tenant vacates the property, a new grazing tenant will need to improve the corral facility to replace the mobile panels that are currently utilized. It is suggested that permanent pipe corrals be constructed as an addition to the existing permanent corral, either by the grazing tenant or a qualified contractor.

Depending on the recreational needs of the District, a small livestock holding field may be constructed in addition to the corral. The holding field will consist of 3-5 acres and should be constructed utilizing field fence and barbed wire with a minimum height of 54 inches to ensure livestock do not escape onto La Honda Road or impact recreational infrastructure. A fenced alley way will need to be constructed to connect the tunnel under La Honda Road to the corrals.

The equine facilities and horse barn as well as the office building are not associated with the grazing operation.

APPLE ORCHARD:

The 292 acre Apple Orchard property is comprised primarily of annual grasslands, scrub, and oak woodland habitats. Livestock grazing will be utilized to manage grassland habitat on the property as well as reduce fire fuel levels by reducing dry forage and litter. Total carrying capacity estimates for the 292 acres of rangeland on the property are 22 to 25 animal units per year or 44 to 50 animal units for six months. These are estimated stocking rates and first year stocking on the property, in a normal rainfall pattern, should start with no more than the lower number in the above ranges. Stocking intensity may require a downward or upward adjustment depending on precipitation quantity, distribution and average temperature. The lessee shall be able to make necessary stocking adjustments during the grazing season in order to achieve the resource management objectives of the District.

Light to moderate year around grazing on the property is preferred to minimize the potential spread of invasive thistles. If seasonal grazing is preferred, the property should be grazed from December through April with an additional grazing rotation from August through September.

Water troughs, springs and natural seeps provide adequate livestock drinking water however, additional spring fed water troughs may be installed to increase livestock distribution and control localized grazing intensity. In addition to water development, salt blocks and protein supplements may be utilized to increase forage utilization by livestock. Supplemental feeding sights should be located no less than 300 yards from the nearest livestock water source.

Photo monitoring and residual dry matter (RDM) measurements will be collected in the fall of each year prior to the first significant rainfall, typically in September. RDM measurements will be recorded at each photo monitoring point, identified in attachment to this addendum. RDM performance standards are included below:

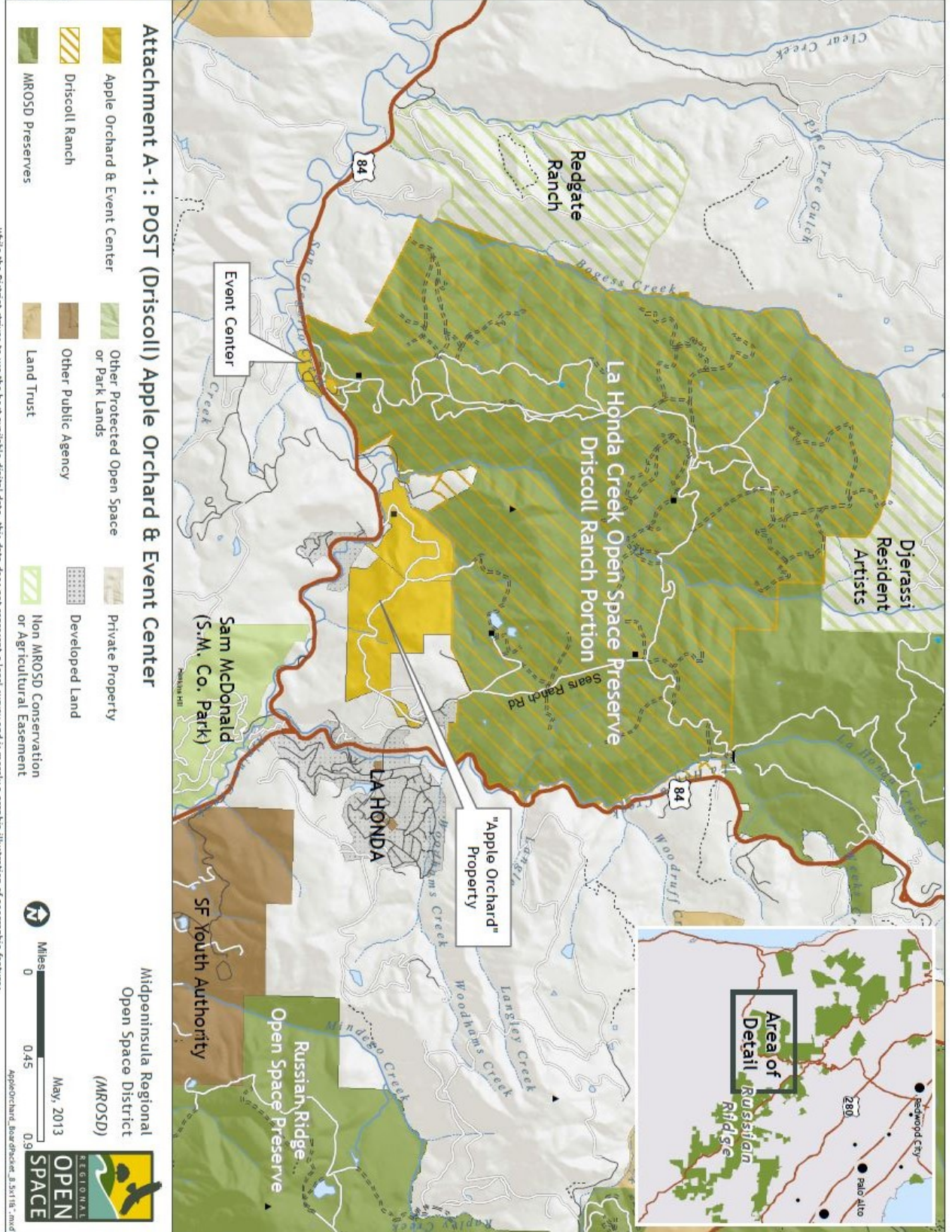
0 to 30% Slopes:

An average minimum of two inches to three inches of residual dry matter – approximately an average of 600-1,000 pounds of RDM per acre as slopes become steeper.

Greater than 30% Slopes:

An average minimum of three to four inches of residual dry matter – approximately an average of 1,000 to 1,200 pounds per acre as slopes become steeper.

For additional prescriptions regarding invasive plant management, infrastructure improvements/maintenance, and management of special status species, please refer to the original Resource Management Plan prepared for Driscoll Ranch.



While the District strives to use the best available digital data, this data does not represent a legal survey and is merely a graphic illustration of geographic features.



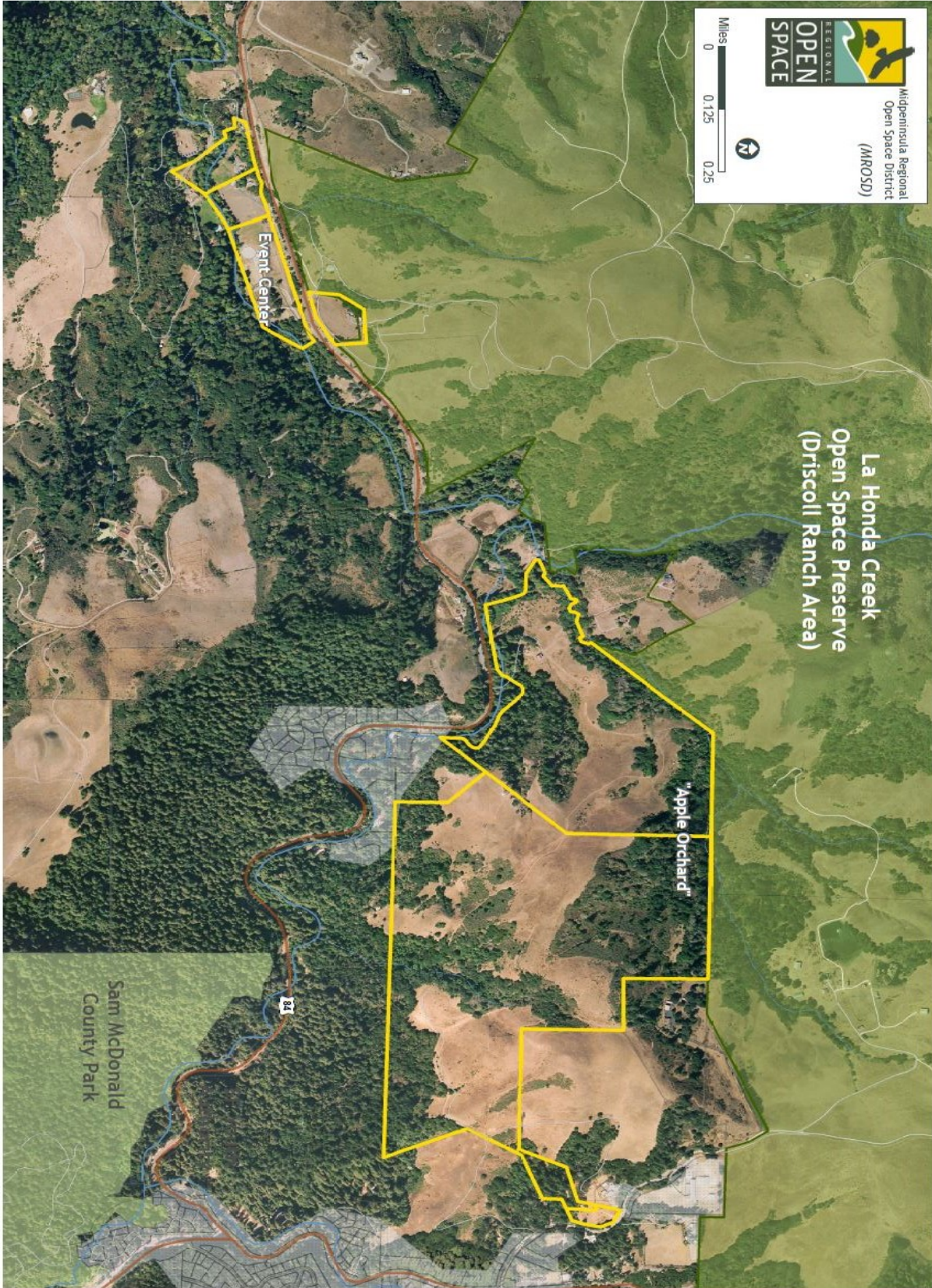


PHOTO MONITORING

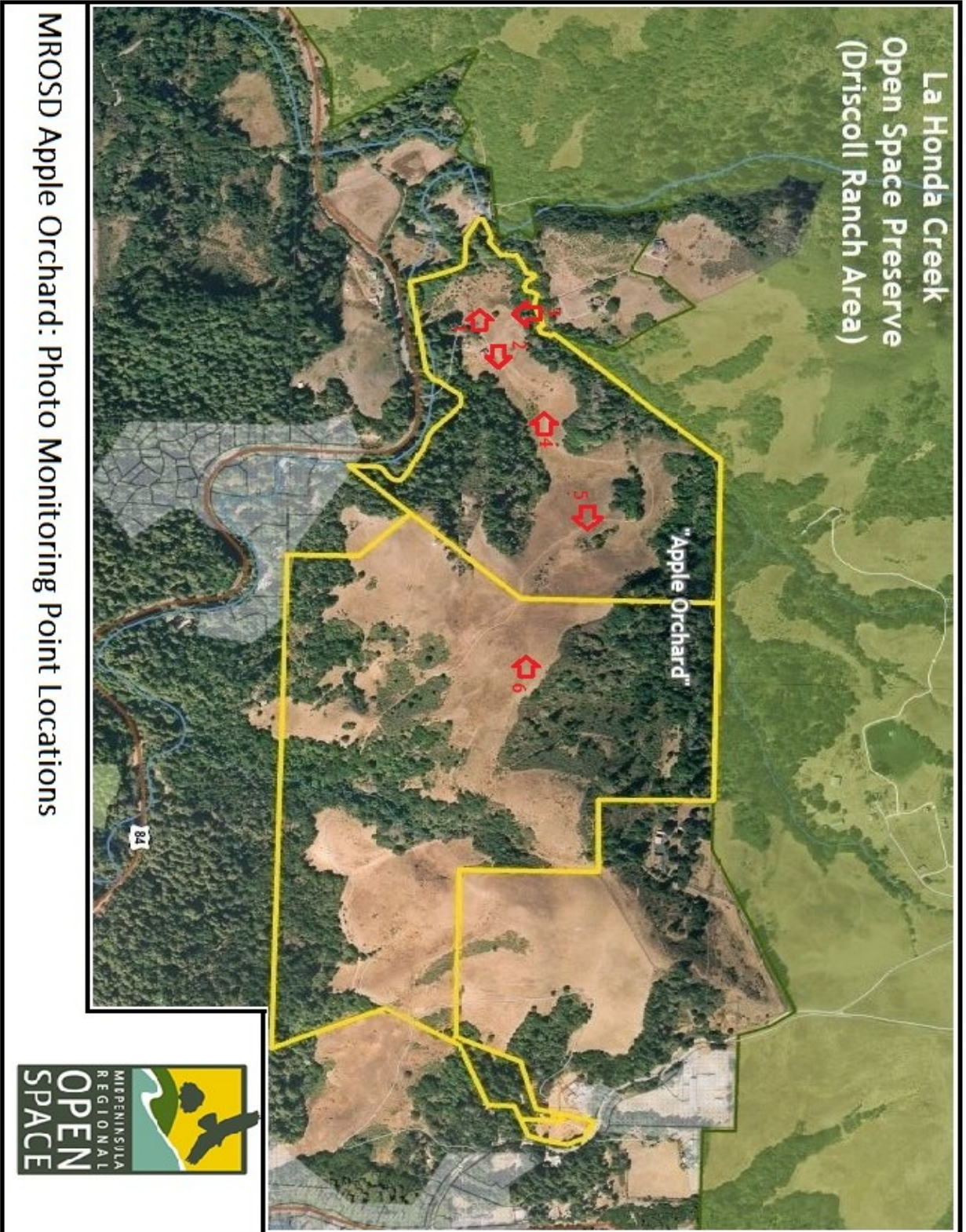




Photo Point 1: Looking West from old barn toward the apple orchard.



Photo Point 2: Looking east from the old barn.



Photo Point 3: Spring fed water trough directly north of the old barn.



Photo Point 4: Looking west toward old barn and cabin.



Photo Point 5: Looking east from the road near water tanks.



Photo Point 6: Top of hill looking west back toward old barn and cabin.