EXHIBIT B

COASTAL CONSERVANCY

Staff Recommendation March 14, 2019

TUNITAS CREEK BEACH ACQUISITION AND PLANNING

Project No. 17-010-01 Project Manager: Hilary Walecka / Timothy Duff

RECOMMENDED ACTION: Authorization to disburse up to \$6,200,000 to San Mateo County for the acquisition of the 58-acre Tunitas Creek Beach in San Mateo County, and for the preparation of plans, designs, environmental documentation and permit applications for potential public access improvements and natural resource protection at Tunitas Creek Beach.

LOCATION: Tunitas Creek Beach, unincorporated San Mateo County

PROGRAM CATEGORY: San Francisco Bay Area Conservancy Program

EXHIBITS

Exhibit 1: Location and Site Maps

Exhibit 2: Photos

Exhibit 3: Project Letters

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31160-31165 of the Public Resources Code:

"The State Coastal Conservancy hereby authorizes the disbursement of an amount up to six million two hundred thousand dollars (\$6,200,000) to San Mateo County (County) to: (1) acquire approximately 58 acres at Tunitas Creek Beach in coastal San Mateo County (consisting of San Mateo County Assessor Parcel Numbers 081-060-03, 081-060-020, and 081-060-1300, collectively the "property") for open space, coastal natural resource protection, and public access to the coast; and (2) to prepare plans, designs, environmental documents, and permit applications for potential coastal public access improvements and natural resource protections for the property (collectively, the "project").

This authorization is subject to the following conditions:

1. Prior to the disbursement of funds for the acquisition portion of the project, the County shall submit for the review and approval of the Executive Officer of the Conservancy (Executive Officer):

- a. All relevant acquisition documents for the acquisition including, without limitation, the appraisal, purchase and sale agreement, deed, escrow instructions, environmental or hazardous materials assessment, and title report;
- b. A baseline conditions report;
- c. A monitoring and reporting plan.
- d. Evidence that sufficient funds are available to complete the acquisition.
- 2. The County shall pay no more than fair market value for the property, as established in an appraisal approved by the Executive Officer.
- 3. The property acquired under this authorization shall be managed and operated for open space preservation, public access to the coast, and natural resource protection. The property shall be permanently dedicated to those purposes by an appropriate instrument approved by the Executive Officer.
- 4. Conservancy funding shall be acknowledged by erecting and maintaining a sign on the property or in a nearby publicly-viewable area, the design and location of which are to be approved by the Executive Officer.
- 5. The County shall enter into a written agreement regarding management and operational activities for the Cowell-Purisima Coastal Trail by December 31, 2019.
- 6. Prior to commencement of the planning portion of the project, the County shall submit for the review and written approval of the Executive Officer the following:
 - a. A detailed work program, schedule, and budget.
 - b. Names and qualifications of any contractors to be employed in carrying out the project.
 - c. A plan for acknowledgement of Conservancy funding.
- 7. Prior to the disbursement of funds for the planning portion of the project, the County shall submit for the review and approval of the Executive Officer:
 - a. Evidence that the San Mateo County Board of Supervisors has approved the acquisition of the property and that the County has entered into a purchase and sale agreement with Peninsula Open Space Trust (POST), the seller of the property.
- 8. To the extent appropriate, the County shall incorporate into the planning portion of the project the guidelines of the Conservancy's 'Standards and Recommendations for Accessway Location and Development' and the requirements of all applicable federal and state laws governing barrier-free access for persons with disabilities into the project."

Staff further recommends that the Conservancy adopt the following findings:

"Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed authorization is consistent with Chapter 4.5 of Division 21 of the Public Resources Code, regarding the San Francisco Bay Area Conservancy Program.

2. The proposed project is consistent with the current Conservancy Project Selection Criteria and Guidelines."

PROJECT SUMMARY:

Staff recommends disbursement of up to \$6,200,000 to San Mateo County, acting through their Parks Department (County Parks) to: (1) acquire the scenic Tunitas Creek Beach property, located in coastal San Mateo County, and (2) conduct park planning for the property (together, the "project"). The proposed acquisition of this 58-acre property includes panoramic ocean views, nearly a mile of sandy beach and dune habitat, and a third of a mile of the Tunitas Creek riparian corridor from the mouth upstream to Highway 1 (Exhibit 1). Tunitas Creek Beach has long been considered a local gem, due to its long stretch of beautiful, wild, and secluded beach, and its dramatic rugged cliffs. The proposed project would secure a large portion of Tunitas Creek Beach for permanent coastal resource protection, open space, and coastal public access, and conduct the planning necessary to open the property to the public as a new San Mateo County Park, creating the first public coastal accessway to Tunitas Creek Beach.

For decades, this private property was accessed primarily by locals and surfers. More recently, this remote beach has become popular with visitors from throughout the Bay Area as a destination for both day use and informal overnight camping, including all-night parties with hundreds of people invited via social media. With no facilities and no park agency management, there has been a dramatic increase in adverse impacts on the property's natural resources and public health and safety, including large amounts human waste and garbage riddling the beach and creek corridor, multiple injuries, and a drowning. The creek corridor has become a primary trail route to the beach, damaging in-creek habitat for steelhead and impacting water quality before it drains to the Pacific Ocean. Trespassers have illegally cut down tree branches to create trails and creek crossings and for use in bonfires. Dozens of crab poachers have been cited for illegally poaching crab from the remote beach. Unregulated access has also increased bluff and creek erosion and damaged sensitive plant and wildlife habitat, including suitable habitat for federally-listed western snowy plovers.

Ownership of the property will enable San Mateo County Parks to develop safe and sustainable public access and recreation opportunities, reduce unregulated use and illegal dumping, and restore the property's natural resources. Conservancy funds will also enable County Parks to prepare design, environmental review and permitting documents, with the intention of eventually opening the property as a new county park. The park amenities the County anticipates as part of the plan for the property may include trails, restrooms, parking, interpretive signage on cultural and natural resources, and a potential ranger station to provide 24-hour presence of County Parks' staff. These potential amenities will not only improve access to this scenic section of coast, but also protect the property's sensitive biological and cultural resources.

To date, County Parks has reserved \$2 million for potential construction activities for the proposed park. Peninsula Open Space Trust ("POST"), the current owner of the property and

partner on the project, is striving to raise an additional \$2 million or more for a stewardship fund for Tunitas Creek Beach County Park.

With increased presence on this section of coast as a result of the acquisition, County Parks also intends to assume management responsibilities at the Cowell-Purisima Coastal Trail, located three miles north of the property. This popular segment of the California Coastal Trail is currently managed by POST; however, the trail is only open to the public on weekends due to POST's limited management capacity. POST, as the manager of the trail, and the Conservancy, a landowner of portions of the trail, are interested in having County Parks assume management responsibilities at the trail. County Parks is not seeking funds from the Coastal Conservancy for management and operations activities at Cowell-Purisima Coastal Trail.

Site Description: The 58-acre property is located within unincorporated San Mateo County, five miles south of Half Moon Bay. The property is comprised of three parcels bound by Tunitas Creek to the north, State Route 1 to the east, and the Pacific Ocean to the west. The bulk of the property is undeveloped and comprised of coastal bluffs, sandy beach and dune habitat, and a third of a mile of the Tunitas Creek riparian corridor. The only development on the property is a fire-damaged, two-story single-family dwelling, a dilapidated single-story cabin, and the remains of five additional cabins that were damaged by landslides associated with the 1997-1998 El Niño storms. There is one access road to the property from State Route 1. The property offers scenic views of the ocean, coastline, and dramatic cliffs at the north end of the beach. The remainder of Tunitas Creek Beach to the north of the proposed acquisition is private property with six small cabins on the bluff top and an access road from Highway 1 to the homes. East of the property across Highway 1 is the 1,660-acre Tunitas Creek Open Space Reserve, owned by Midpeninsula Open Space District.

The property supports a diversity of habitats including marine, sandy beach, dunes, northern coastal scrub, coastal terrace prairie, Monterey pine forest, coastal and valley freshwater marsh, red alder riparian forest, and a creek corridor. The property supports rare, endangered, and unique species including the federally threatened western snowy plover and the coastal marsh milkvetch, a California Native Plant Society listed rare plant.

Tunitas Creek Beach and surrounding areas have historically provided habitat for threatened or endangered species including steelhead, Coho salmon, California red legged frog, and the San Francisco Garter Snake. This lower section of creek provides a linkage to protected areas upstream including Tunitas Creek Open Space Preserve. Based on the presence of suitable habitat, two state species of special concern are also expected to occur on the property: California giant salamander and the Santa Cruz black salamander. A red alder riparian forest on the property is likely to provide habitat for San Francisco common yellowthroat, a California species of special concern.

The property is significant historically, as the Torose Village of the Cotegen Tribe was located at Tunitas Creek Beach (archaeological site P-41-000007). The area likely contains sensitive cultural resources and unrecorded archaeological sites. The property is also historically significant because the Spanish Portola expedition, the first European land exploration of Alta California, camped at Tunitas Creek on their historic journey in 1769. In addition, Tunitas Creek was the southern terminus of the Ocean Shore Railroad in the early 1900s. The County will undertake a cultural resource assessment as part of the planning process.

Grantee Qualifications: County Parks manages 23 parks and 194 miles of trail encompassing over 16,000 acres of parkland. It works to preserve San Mateo County's natural and cultural treasures and provide safe, accessible parks, recreation, and learning opportunities to enhance the community's quality of life. At the land-sea interface, County Parks has experience managing their popular Fitzgerald Marine Reserve, famous for its tidepools and seal colony. County Parks and POST have partnered successfully on similar projects, such as Pillar Point Bluff County Park, for which the Conservancy and the Wildlife Conservation Board provided grant funds.

Project History: Due to severe degradation occurring at Tunitas Creek Beach from unregulated public use and abuse over the past several years, there has been a strong outpouring of community support for establishing safe public access that limits adverse impacts to the area's spectacular natural resources. The local community raised this concern to local and state officials and requested their assistance. In late 2017, POST used their ability to act quickly and acquired the property for \$5 million from the previous landowner with private funding to secure protection of the property. POST purchased the property with intention of selling it to County Parks, as POST lacks resources to manage natural resources and public access, and cannot open the property to the public under their ownership. In the summer of 2018, County Parks and POST worked with legislators to secure a \$5 million appropriation from the state general fund to the Conservancy for the creation of Tunitas Creek Beach County Park.

PROJECT FINANCING

Coastal Conservancy	\$6,200,000
Peninsula Open Space Trust	\$2,040,000
Project Total	\$8,240,000

The anticipated source of Conservancy funding for this project are from two appropriations. The first anticipated source of Conservancy funding is a \$5 million FY 2018/2019 appropriation from the General Fund specifically for "local grants for San Mateo County and its local partners for the Tunitas Creek Beach County Park" (SB 840, Mitchell, Chapter 29 (2018)).

The second anticipated source of Conservancy funding is \$1,200,000 million from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 ("Proposition 84"), codified at Public Resources Code (PRC) Sections 75001-75130. Proposition 84 authorizes the use of these funds for the purpose of protecting and restoring beaches, bays and coastal waters and watersheds and for promoting access to and enjoyment of coastal resources of the state (PRC Section 75060). Consistent with PRC Section 75060, this proposed project will protect and restore Tunitas Creek Beach and promote access to and enjoyment of its coastal resources.

Section 75060(c) allocates funding specifically for the San Francisco Bay Area Conservancy Program (Chapter 4.5 of Division 21 of the Public Resources Code, Sections 31160-31165), and states that "not less than 20% of the funds allocated by this paragraph shall be expended on projects in watersheds draining directly to the Pacific Ocean." The proposed project is consistent with Chapter 4.5 of Division 21, since the proposed acquisition and planning will conserve natural habitat values of the property and promote access to and enjoyment of coastal resources,

as further discussed below in "Consistency with Conservancy's Enabling Legislation." Tunitas Creek Beach is also located in an ocean-draining watershed of one of the nine counties in the San Francisco Bay Area Conservancy Program, so the project meets the requirements of Section 75060(c) of Proposition 84.

PRC Section 75070.4 requires acquisitions of real property pursuant to PRC Section 75060 to be from willing sellers. For the proposed project, POST is a willing seller of the Tunitas Creek Beach property to County Parks.

For projects that include the acquisition of property for natural resource protection, Proposition 84 requires the Conservancy to give priority to those projects that demonstrate one or more of the characteristics identified in PRC Section 75071. Conservancy staff gave priority to this project because it demonstrates three of the specified criteria in Section 75071: subsection (a), the project will protect the riparian corridor of Tunitas Creek, which provides a habitat linkage from the mouth of Tunitas Creek to protected areas upstream, including Midpeninsula Open Space District's Tunitas Creek Open Space Preserve and facilitates wildlife movement and botanical transfer; subsection (c), acquisition of the property will support a relatively large area of underprotected major habitat types, including sandy beach, dune, and riparian habitat; and subsection (e), the project is supported by non-state matching funds and in-kind contributions, as POST, the seller of the property, is contributing additional funds in the form of a bargain sale and matching funds for planning. As also required by Section 75071(f), staff have submitted to the Natural Resources Agency an explanation as to whether and how the proposed acquisition meets these criteria, and posted this explanation on the Conservancy's website.

POST will be donating substantial funds to the project by selling the property for less than the fair market value (final amount subject to a pending updated appraisal to the 2017 appraised value of \$5 million for the property), and will also provide \$240,000 in funding from the Gordan & Betty Moore Foundation to initiate park planning and Community Advisory Committee meetings.

County Parks and POST are also raising additional funds for management and stewardship costs, and are donating significant staff time and resources to the project. In addition, Midpeninsula Open Space District has committed funding to San Mateo County Parks for natural resource restoration, public access improvements, and management of Tunitas Creek Beach. Lastly, up to 15 members of a Community Advisory Committee are volunteering their time for the planning phase of the project. Funding has been committed by County Parks and POST for potential construction and operation of the proposed new park.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The proposed project will be undertaken pursuant to Chapter 4.5 of Division 21 of the Public Resources Code, Sections 31160-31165, to address the natural resource and recreational goals of the nine-county San Francisco Bay Area.

Section 31162 authorizes the Conservancy to award grants in the nine-county San Francisco Bay Area to achieve specified goals of the San Francisco Bay Area Conservancy Program. Tunitas Creek Beach is located in San Mateo County, one of the nine counties of the San Francisco Bay Area, and so is part of the San Francisco Bay Area Conservancy Program. Consistent with Section 31162(b), the proposed project will protect natural habitats, and will also serve as a

connecting corridor to other open space resources of regional importance, such as Tunitas Creek Open Space Preserve. Consistent with Section 31162(c), the proposed project assists in the implementation of the policies and programs of the California Coastal Act, which calls for maximum public access and recreational opportunities along the coast (PRC Section 30210). Consistent with Section 31162(d), the project will enhance public access to the San Mateo coast, a natural area that is within a short drive of the urban population of the Bay Area. Consistent with Section 31163(a), POST is willing to sell the Tunitas Creek Beach property to County Parks. Consistent with Sections 31163(c), the project is: (1) supported by local and regional plans, including the San Mateo County Local Coastal Program; (2) serves a multijurisdictional area, as visitors from around the Bay Area and California are likely to visit the proposed Tunitas Creek Beach County Park; (3) the project can be implemented in a timely way, as the acquisition is anticipated to close before the end of 2019; (4) the project provides opportunities for benefits that could be lost if the project is not quickly implemented, as opening the property to the public would be significantly delayed; and (5) the project includes matching funds from other sources (see "Project Financing" section above).

CONSISTENCY WITH CONSERVANCY'S <u>2018-2022 STRATEGIC PLAN</u> GOAL(S) & OBJECTIVE(S):

Consistent with **Goal 2**, **Objective B** of the Conservancy's 2018-2022 Strategic Plan, the proposed project will open new coastal areas to the public.

Consistent with **Goal 2, Objective C** of the Conservancy's 2018-2022 Strategic Plan, the proposed will design access facilities to enhance coastal recreation.

Consistent with **Goal 2, Objective G** of the Conservancy's 2018-2022 Strategic Plan, the proposed project entails acquiring land for development of new coastal accessways.

Consistent with **Goal 5, Objective A** of the Conservancy's 2018-2022 Strategic Plan, the proposed project will protect 58 acres of a significant coastal and watershed resource property.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA & GUIDELINES:

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines, last updated on October 2, 2014, in the following respects:

Required Criteria

- 1. **Promotion of the Conservancy's statutory programs and purposes:** See the "Consistency with Conservancy's Enabling Legislation" section above.
- 2. Consistency with purposes of the funding source: See the "Project Financing" section above.
- 3. Promotion and implementation of state plans and policies:

- California @ 50 Million: The Environmental Goals and Policy Report (2015): The project is consistent the Plan's 3rd key area to "steward and protect natural and working landscapes" including Action 1, which calls for the support of landscapescale approaches to conservation that account for multiple benefits. Acquisition and proper management of the property will provide multiple ecosystem benefits, including habitat protection and reduction of negative impacts to water quality in Tunitas Creek and Pacific Ocean.
- California Water Action Plan (2016 Update): The project is consistent with Action 4 to "protect and restore important ecosystems," including protecting and restoring coastal watersheds. The proposed project protects Tunitas Creek from future degradation.
- CA Wildlife Action Plan (2015 Update): The project furthers the statewide recommended actions under Section 4.2.7 for Conservation Strategy 1: Land Acquisition, Easement, and Lease, by "protect[ing] land and/or water through acquisition fee-title ownership or...conservation easements" for the following identified conservation targets in the Central Coast Province: American Southwest Riparian Forest and Woodland and Coastal Dune and Bluff Scrub.
- CA Climate Adaptation Strategy/Safeguarding California (2018 Update, p.140): The project is consistent with the action set forth in this plan to develop management practices to help safeguard species and ecosystems from climate risks. By protecting habitat and water quality in Tunitas Creek and the Pacific Ocean the project protects critical connectivity between Tunitas Creek, the Monterey Bay National Marine Sanctuary, and the California Coastal National Monument.
- 4. **Support of the public:** The project has broad support of the public, local community groups, public agencies, and elected officials as demonstrated by the letters attached as Exhibit 3 including San Mateo County Supervisors Don Horsley and Carole Groom; Senator Jerry Hill, State Assemblymembers Marc Berman and Kevin Mullin; Surfrider Foundation; and Committee for Green Foothills.
- 5. **Location:** The proposed project would be located within the coastal zone of San Mateo County.
- 6. Need: Without Conservancy funding, County Parks will be unable to acquire the property and the property would remain closed to the public. POST, the current landowner, lacks the resources to manage public access and does not plan to open the property to the public. Without County Parks' involvement, the property will remain closed. In addition, County Parks has limited resources to complete the extensive planning and design of new facilities, and Conservancy funds will ensure the project does not experience delays due to budget constraints.
- 7. **Greater-than-local interest:** The proposed project has regional significance with respect to recreation and natural resources. The project will enable County Parks to provide public access and coastal recreation to one of San Mateo County's most beautiful beaches while also protecting significant natural resources in a coastal watershed that drains to the ocean, conserving landscape-level linkages, and benefiting federally-listed threatened and endangered species, including the coastal marsh milkvetch and western snowy

- plover. Midpeninsula Regional Open Space District identifies the Tunitas Creek watershed as a Tier 1 conservation priority.
- 8. **Sea level rise vulnerability:** The project is located in an area vulnerable to sea level rise due to its location at the edge of the Pacific Ocean. The property's beach, dune, and bluff habitats are vulnerable to sea level rise and increased erosion due to rising sea levels. This project will ensure the protection of these natural areas in order to increase the adaptive capacity of these habitats in response to climate change. The park planning portion of this project will incorporate sea level rise considerations in its design, including increasing resilience of the property's habitats to sea level rise. Managed access through the Property is expected to improve soil and vegetation conditions that support adaptation to sea level rise.

Additional Criteria

- 9. **Urgency:** Managed access is urgently needed as people travel from around the Bay Area and world to visit California's beaches, and Tunitas Creek Beach is known throughout social media as a hotspot for illegal beach access. Impacts from unregulated beach access are damaging sensitive and unique coastal resources and threatening public safety.
- 10. **Resolution of more than one issue**: The project will protect rare and declining habitat types from degradation through unmanaged public use and will provide new opportunities for public access.
- 11. Leverage: See the "Project Financing" section above.
- 12. **Readiness**: County Parks and POST are currently working on a purchase and sale agreement for the transaction, and the acquisition is expected to be completed by the end of 2019. Park planning has recently begun through POST's assistance with matching funds to initiate planning work and convene a Community Advisory Committee.
- 13. **Cooperation**: This project is a collaboration between many partners: San Mateo County, POST, the local community, and state legislatures have worked together to secure funding for the project; POST and County Parks have worked cooperatively for the development and implementation of the project; public input in the planning process will be provided by Community Advisory Committee; and San Mateo County Resources Conservation District plans to contribute to habitat restoration activities.

CEQA COMPLIANCE:

The proposed acquisition of the property is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations (CCR) Section 15325, as a transfer of ownership of land to preserve open space and habitat. Under Section 15325(a), the acquisition is as a transfer of ownership of land to preserve existing natural conditions, including plant and animal habitats. The property currently supports rare, endangered, and unique species; with the transfer of the property to County Parks, the property will be protected from human impact and potential development that damages sensitive biological and cultural resources. Under Section 15325(f), the acquisition is a transfer of property ownership to preserve lands for park purposes. County Parks is acquiring Tunitas Creek Beach specifically to preserve open space and habitat, and intends to eventually open the property to the public as a park, subject to environmental review in compliance with CEQA.

TUNITAS CREEK BEACH ACQUISITION AND PLANNING

The planning phase of the proposed project is statutorily exempt from the provisions of CEQA pursuant to Title 14 CCR Section 15262, as it involves only planning for future actions which have not yet been approved or funded. The planning activities anticipated under this proposed project include environmental review in compliance with CEQA, and will consider environmental factors. With this authorization, the Conservancy is only approving the acquisition of the property for a potential county park and the preparation of plans for the park; the anticipated plans and any potential improvements for the proposed park at Tunitas Creek Beach will not be approved without undergoing environmental review in compliance with CEQA.

Upon Conservancy approval, staff will file a Notice of Exemption.