COASTAL CONSERVANCY

Staff Recommendation
December 2, 2004

POZZI RANCH CONSERVATION EASEMENT

File No. 04-084
Project Manager: Sheila Semans

RECOMMENDED ACTION: Consideration and possible Conservancy authorization to disburse up to $1,000,000 to the Marin Agricultural Land Trust (MALT) to acquire an agricultural conservation easement over the 1,125-acre Pozzi Ranch in the Walker Creek watershed in west Marin County.

LOCATION: The Pozzi Ranch is located on the eastern shore of Tomales Bay and adjacent to the mouth of Walker Creek in western Marin County, along Highway 1 (Exhibit 1).

PROGRAM CATEGORY: Preservation of Agricultural Lands

EXHIBITS

Exhibit 1: Project Location and Site Map

Exhibit 2: Parcel Detail Map

Exhibit 3: Photos

Exhibit 4: Letters of Support

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31150 - 31156 of the Public Resources Code:

"The State Coastal Conservancy hereby authorizes the disbursement of an amount not to exceed one million dollars ($1,000,000) to the Marin Agricultural Land Trust for the purpose of the acquisition of an agricultural conservation easement over the Pozzi Ranch property (Marin County Assessors Parcel Nos. 104-040-03, 104-040-04, 104-040-14, 100-100-15 and 100-100-16), subject to the following conditions:

1. Prior to the disbursement of any Conservancy funds for acquisition, the Marin Agricultural Land Trust shall:
    a. Submit for review and approval of the Executive Officer of the Conservancy (the "Executive Officer"), all relevant acquisition documents, including, without limitation, appraisals, purchase agreements, conservation easements, escrow

instructions and documents of title; and

b. Provide written evidence to the Executive Officer that all other funds necessary to the acquisition have been obtained.

2. The purchase price of the conservation easement shall not exceed fair market value, as established in an appraisal approved by the Executive Officer of the Conservancy.
3. The easement interest acquired under this authorization shall be managed and operated in a manner consistent with the purpose of agricultural conservation, open space preservation and natural resource protection. The property interests acquired under this authorization shall be permanently dedicated to those purposes in accordance with Public Resources Code Section 31116(b).
4. Conservancy funding shall be acknowledged by erecting and maintaining on the property a sign, the design and placement of which has been reviewed and approved by the Executive Officer."

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 of Division of the Public Resources Code (Sections 31150 *et seq.*), regarding the Conservancy's mandate to address the preservation of agricultural lands.
2. The proposed project is consistent with the Project Selection Criteria and Guidelines adopted by the Conservancy on January 24, 2001.
3. The Marin Agricultural Land Trust is a nonprofit organization existing under Section 501(c)(3) of the U.S. Internal Revenue Code, whose purposes, which include the preservation of land for agricultural and open space opportunities, are consistent with Division 21 of the Public Resources Code."

PROJECT SUMMARY:

This authorization would enable the Marin Agricultural Land Trust (MALT) to acquire an agricultural conservation easement over the Pozzi Ranch in west Marin County. The Pozzis, a fourth-generation agricultural family from west Marin, currently lease two spectacular properties on the east shore of Tomales Bay. Totaling approximately 1,125 acres, these contiguous properties are presently under separate ownership. The Pozzis have agreements with both owners to purchase the properties, but will need to sell an agricultural conservation easement to facilitate the purchase. The purchase of an agricultural conservation easement on these properties will consolidate ownership into one parcel and one ranch, and keep the use of the property in productive agriculture.

The Pozzi family first came to Marin in the early 1880s and by the mid 1900s, the extended Pozzi family owned half a dozen properties in northwestern Marin and western Sonoma. Martin Pozzi was one of nine children raised on a ranch just a few miles from the property he now hopes

to buy with his wife and two children. The proposed conservation easement would allow the Pozzi family to secure a future in ranching and continue to raise cattle for beef and sheep for wool onsite.

The purchase of agricultural land for subdivision and use as rural estates is one of the most pressing problems facing the agricultural sector in Marin County. These purchases often result in increased property values, making it hard for the rancher to compete with increased lease and purchase prices, but more importantly diminish Marin's agricultural heritage with every acre removed from production. The purchase of a conservation easement over the Pozzi Ranch will accomplish many goals: a longtime ranching family will be able to continue to operate in an area that is highly threatened for conversion to estates; the aesthetic scenic value of western Marin along the shore of Tomales Bay will be preserved; and the natural resources and water quality of Tomales Bay and Walker Creek will be protected from increased runoff from development.

Specific provisions of the proposed easement would limit development of the property to improvements to the main house (up to 3,500 square feet or the size of the existing structure, whichever is bigger) and an associated garage up to 540 square feet, and improvements to another existing housing structure, up to 3,000 square feet. The easement would also prohibit recreational off-road vehicle riding; restrict tree harvesting or removal except for use as firewood for onsite heating and to remove diseased trees for safety reasons; generally prohibit dumping of wastes, refuse, or debris, except organic matter for agricultural uses; bar practices that cause soil degradation or reduced water quality; restrict surface alteration or excavation; and prohibit permanent separation of water rights from the property. In addition, the watercourses located on the property will be protected from impacts by placing further limits on the use of those areas. Additional facilities and improvements may not be located within 1,500 feet of the high water mark of Tomales Bay from the westerly boundary of the property to Preston Point at the mouth of Walker Creek; on active floodplains of Walker Creek and the unnamed blue line stream along the northeast boundary; or on any slope greater than 20% bordering Walker Creek or the unnamed blue line stream along the northeast boundary of the property. The easement will also extinguish 17.75 development rights associated with the property, and prohibit subdivision.

With its panoramic views of Tomales Bay and its proximity to Novato, Petaluma, Santa Rosa and San Francisco, as well as its size, this property has extremely high development potential. With MALT's purchase of the conservation easement, the property will be protected from these threats.

Site Description: The Pozzi Ranch is located in a rural area of west Marin on the eastern shore of Tomales Bay, near the community of Tomales (Exhibit 2). The majority of the property lies between Dillon Beach Road and the shorelines of Walker Creek and Tomales Bay (Exhibit 3). The ranch is primarily open pasture, with elevations ranging from sea level to 544 feet.

The property has expansive views of Tomales Bay. Tomales Bay is one of California's most unspoiled natural resources, offering a wide variety of recreational and rural activities and attracting increasing numbers of people seeking to buy and establish large estates. Its location on Highway 1 makes it easily accessible to nearby urban settings of San Francisco and Santa Rosa, which increases the threat for subdivision and estate development.

The property drains into Tomales Bay, long recognized by local, state, and federal agencies as deserving of a high level of protection. Many threatened and endangered species inhabit the

watershed, including California freshwater shrimp, coho salmon and steelhead trout. In 1981, Tomales Bay became a part of the Gulf of Farallones National Marine Sanctuary, one of three such marine sanctuaries in the state. It supports large numbers of wintering and migrating shorebirds, making it a significant habitat to preserve and protect from degradation. A conservation easement would prevent subdivision of the property, eliminating the threat of reduced scenic value and increased surface runoff that results from development and protect the open space of west Marin to maintain its rural setting and ranching heritage.

Project History: MALT's agricultural conservation easement program is part of an overall effort to preserve Marin County's agricultural land. Forty percent, or 120,000 acres, of Marin County's privately owned land is used for agriculture. Of the agricultural lands, approximately 29 percent, or 35,000 acres, is protected forever by agricultural conservation easements held by MALT. MALT purchased its first conservation easement in 1983, and now holds 52 agricultural conservation easements.

The Conservancy has a history of interest and involvement in protecting, restoring, and enhancing the agricultural and natural resource values of west Marin. Over the past nearly 20 years, the Conservancy has granted $4,627,500 to MALT resulting in the protection of 7,087 acres of agricultural lands with significant habitat and natural resource protection elements.

Other west Marin county agriculture projects the Conservancy has been involved in include the 1989 Conservancy study entitled "Evaluation of Agricultural Land Trusts" in which MALT was acknowledged as a successful, competent nonprofit organization that had met all the goals required by the Conservancy's previous grants, and grants to assist with riparian corridor fencing on several ranch properties.

PROJECT FINANCING:

Coastal Conservancy	$1,000,000
Marin Agricultural Land Trust	$3,131,000
Total Project Cost	**$4,131,000**

The expected source of funds for this project is the FY 02/03 appropriation to the Conservancy from the "California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protection Fund" (Proposition 40). Proposition 40 funds may be used for the acquisition and protection of land and water resources in accordance with the provisions of the Conservancy's enabling legislation (Public Resources Code Section 5096.650). This project is consistent with Proposition 40 in that it will preserve open space and farmland that is threatened by unplanned development from encroachment from Santa Rosa, Novato and Petaluma, and protect critical water resources by reducing or controlling surface runoff to Tomales Bay. In addition, the proposed project is appropriate for Proposition 40 grant funding priority, since it includes a significant commitment of matching funds (Public Resources Code §5096.651).

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The proposed project is undertaken pursuant to Chapter 4 of Division 21 of the Public Resources Code (Sections 31150-31156), which authorizes the Conservancy to undertake projects and award grants to public and private agencies and organizations for the purpose of agricultural preservation.

Consistent with §31156, the Conservancy is proposing to award a grant to MALT, a nonprofit organization whose primary purpose is the preservation of agricultural lands, that will be used to acquire an agricultural conservation over land located in the coastal zone of western Marin County. The easement would prevent the loss of agricultural land to other uses, such as development of estate residences. Additionally, the easement would enable a single owner to purchase two parcels in order to maintain adequate acreage for continued grazing operations.

CONSISTENCY WITH CONSERVANCY'S STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):

Consistent with **Goal 4, Objective A**, the proposed project will acquire a conservation easement over 1,125 acres of coastal agricultural lands of special significance.

Consistent with **Goal 10, Objective A**, the proposed project will increase the acreage of agricultural land in the nine Bay Area Counties protected by conservation easements.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA & GUIDELINES:

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines adopted January 24, 2001, 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. **Support of the public:** U.S. Congresswoman Lynn Woolsey, State Senator John Burton, State Assemblyman Joe Nation and Marin County Supervisor Steve Kinsey support this project. See Exhibit 4 for letters of support**.**
4. **Location:** The proposed easement acquisition is located within the coastal zone, on the shoreline of Tomales Bay, near the town of Tomales in west Marin County.
5. **Need:** Due to its picturesque location on Tomales Bay and its proximity to the Bay Area, the Pozzi Ranch is extremely attractive to non-agricultural buyers for the development of estate homes. The proposed agricultural easement will permanently protect the agricultural uses of this land. While MALT has a long history of successful easement acquisitions, their ability to continue the easement program is predicated on ongoing public funding, in addition to private donations. MALT has successfully raised funds for more than three quarters of the cost of the easement through private donations, but needs Conservancy funding to complete the acquisition.
6. **Greater-than-local interest:** Protecting a strong agricultural community is at the heart of west Marin. This project assures the continued use of the site for permanent agriculture, provides open space and wildlife habitat, and protects scenic vistas for both the local community and all visitors to the area.

Additional Criteria

7. **Leverage:** See the "Project Financing" section above. The $1,000,000 of Conservancy funds for the easement acquisition will be matched by $3,131,000 in private funds.
8. **Readiness:** MALT and the Pozzi family have been working toward this acquisition for almost one year; Conservancy authorization of this project will enable MALT to proceed with the acquisition. It is anticipated the transaction will be completed by summer 2005.
9. **Realization of prior Conservancy goals:** See the "Project History" section above.
10. **Cooperation:** This project is a cooperative effort among the Conservancy, MALT, and the landowners.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The acquisition by MALT of a conservation easement on the Pozzi Ranch is consistent with the *County of Marin, Unit II (Northern Marin) Local Coastal Plan* (LCP). The local coastal program policies of the LCP include alternative methods of preserving agricultural land (found at Agriculture Chapter, Item 7), indicating "[T]he County strongly supports the objectives of the Marin Agricultural Land Trust to protect agricultural lands through . . . purchase . . . of conservation easements on agricultural lands." By acquiring a conservation easement over the Pozzi Ranch, this project will achieve the above stated objectives.

COMPLIANCE WITH CEQA: Acquisition of a conservation easement over the Pozzi Ranch is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) under 14 Cal. Code of Regulations Section 15325 because it involves the transfer of ownership interests in land to preserve open space and to allow continued agricultural use of the Ranch. Staff will file a notice of exemption upon approval of the project.

Exhibit 1: Regional Map

Exhibit 1: Site location map

Exhibit 2: Parcel Detail Map

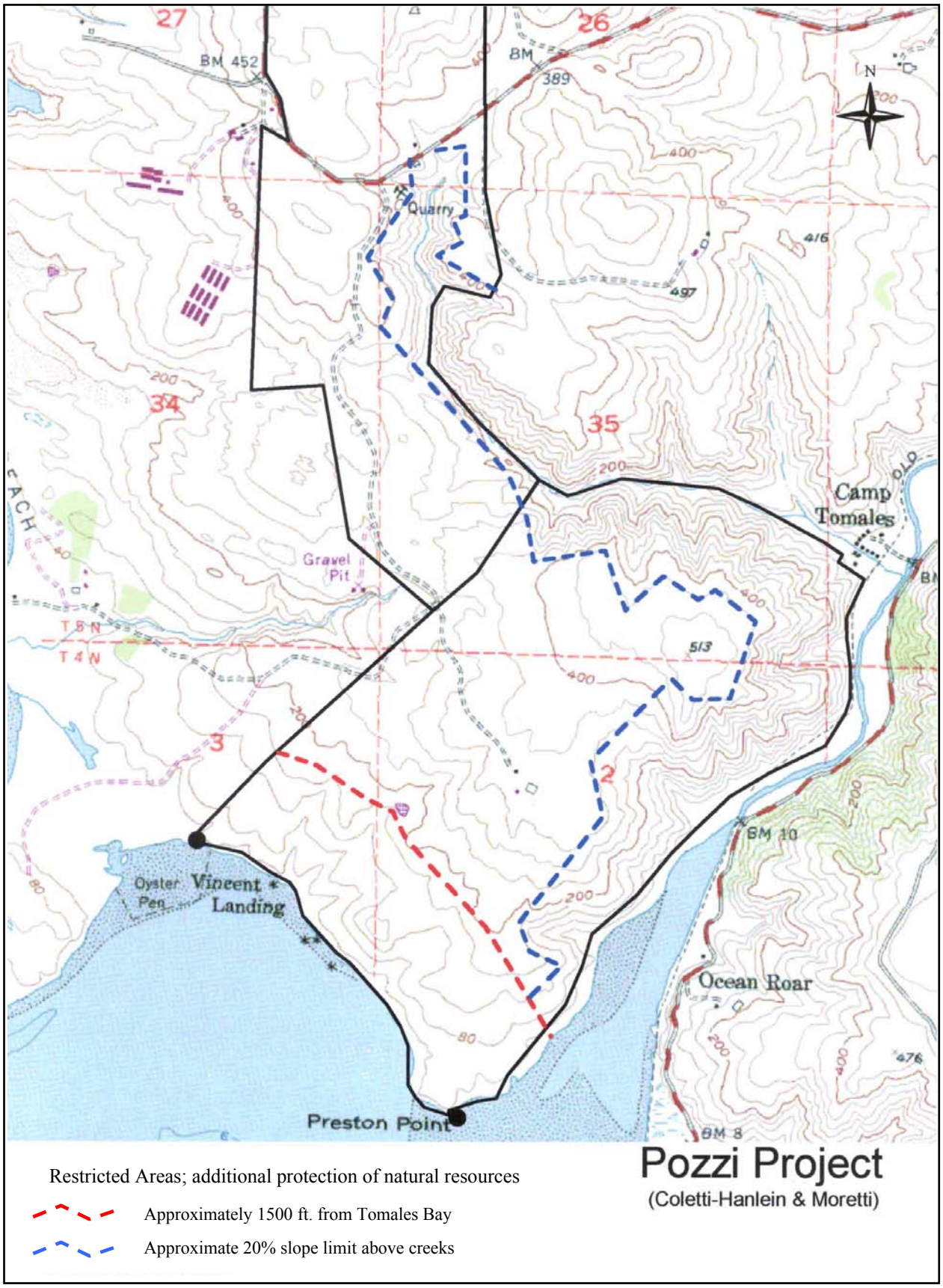
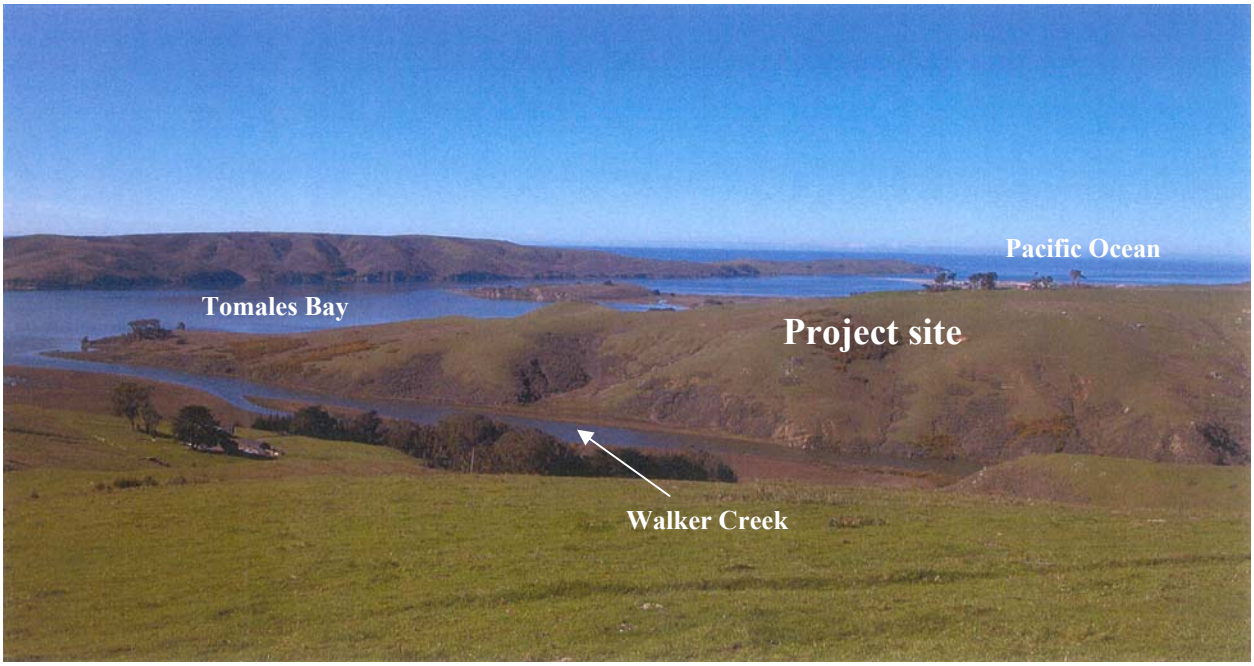
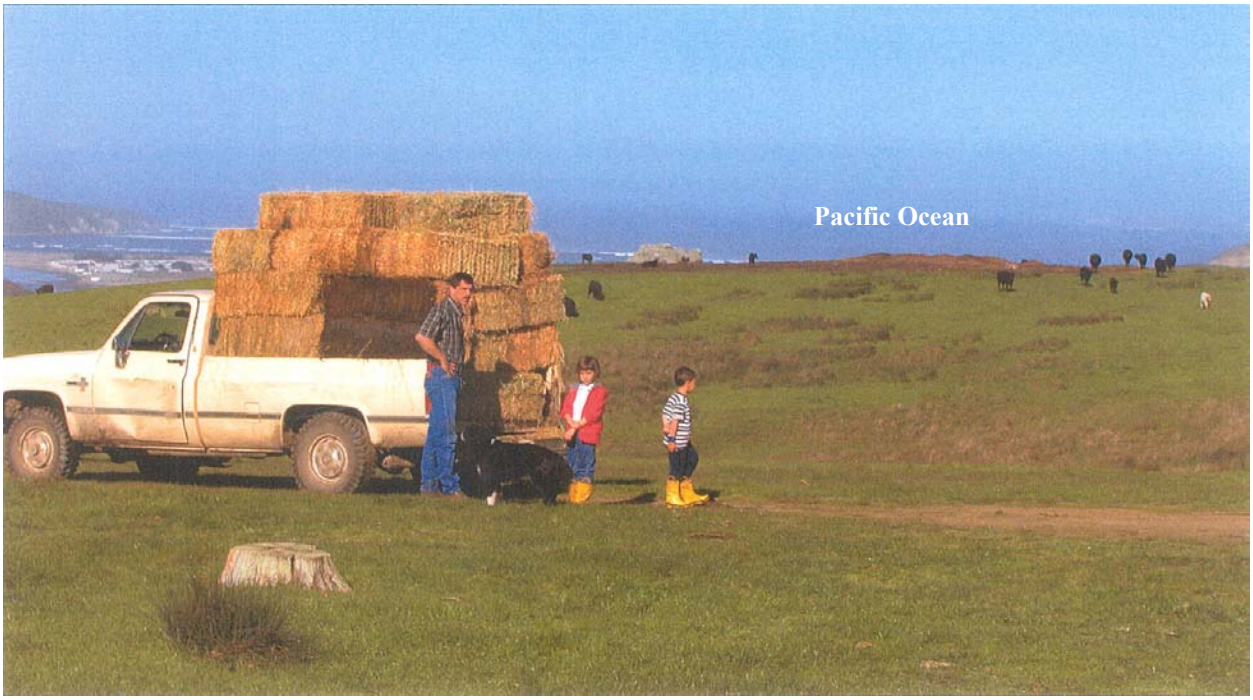


Exhibit 3: Photos

POZZI RANCH CONSERVATION EASEMENT

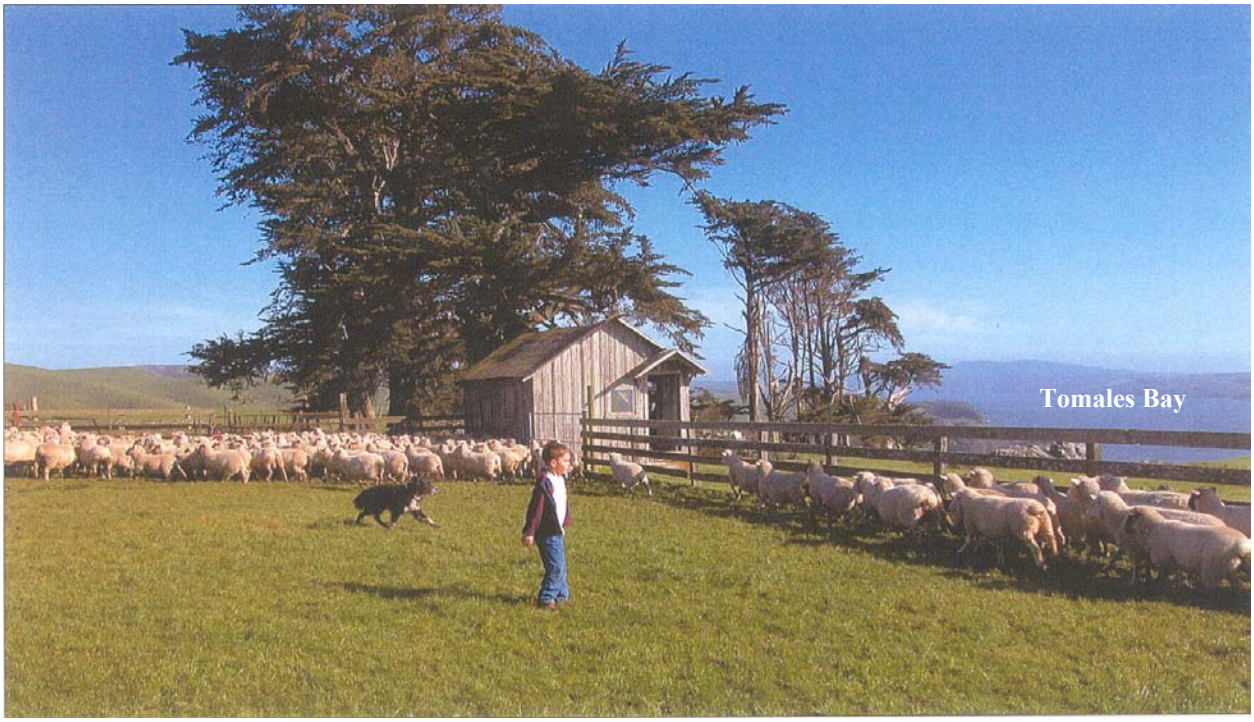


Pozzi Ranch, front parcel



Marin Pozzi and kids on ranch

Exhibit 3: Photos



Sheep operation

Cows on the ranch, Tomales Bay in background

Exhibit 4: Letters of support

LYNN WOOLSEY
6TH DISTRICT, CALIFORNIA

COMMITTEES:
EDUCATION AND THE WORKFORCE
RANKING MEMBER, SUBCOMMITTEE ON EDUCATION REFORM
SUBCOMMITTEE ON WORKFORCE PROTECTIONS
SCIENCE
SUBCOMMITTEE ON ENERGY

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NORTHGATE BUILDING
1050 NORTHGATE DRIVE, SUITE 354
SAN RAFAEL, CA 94903
TELEPHONE: (415) 507-9554

November 5, 2004

Paul Morabito, Chairman
State Coastal Conservancy
1330 Broadway, Suite 1100
Oakland, California 94612

Dear Mr. Morabito:

I am writing to express my support for the application submitted by Marin Agricultural Land Trust (MALT), for funding for the Pozzi project agricultural conservation easement acquisition. This property, located on the east shore of Tomales Bay in West Marin County, encompasses 1,125 acres of agricultural land used to raise sheep and beef cattle.

It is my understanding that with this funding, MALT will be able to permanently protect the land comprising the Pozzi family's two properties, restricting building and protecting wildlife. West Marin County has a high risk of development through increased residential, commercial and transportation building. This growth is extremely detrimental to agriculture and wildlife in an area designated by local, state and federal agencies as deserving a high level of protection. Tomales Bay, part of the Gulf of Farallons National Marine Sanctuary, also qualifies as a wetland of regional importance under the Western Hemisphere Shorebird Reserve Network. This easement would help to ensure this land remain open and protected, offering scenic vistas, watershed resources and habitat conservation to both the human and wildlife communities.

This project will greatly benefit the 6th Congressional District and I urge you to give this application your full and careful consideration. If you have any questions or comments, please contact Stephanie Kenny in my Santa Rosa office at (707) 542-7182.

Sincerely,

Lynn Woolsey

Lynn Woolsey
Member of Congress

LW: sk

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Nov-09-2004 10:09am From- T-376 P.001/001 F-073

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STATE CAPITOL, ROOM 2054
SACRAMENTO, CA 95814-4900
(916) 445-1412

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455 GOLDEN GATE AVENUE
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ROOM 425
SAN RAFAEL, CA 94903
(415) 479-6612

California State Senate

JOHN L. BURTON
PRESIDENT PRO TEMPORE

COMMITTEES
RULES
CHAIRMAN

November 5, 2004

Sam Schuchat, Executive Officer
California Coastal Conservancy
1330 Broadway, 11th Floor
Oakland, CA 94612

Dear Mr. Schuchat,

I am writing to offer my full support of Marin Agricultural Land Trust's request for $1,000,000 from the State Coastal Conservancy Board to assist with the Pozzi project agricultural conservation easement acquisition. This is an unprecedented opportunity to permanently protect one of the largest ranches that fronts on the east shore of Tomales Bay and Walker Creek in Marin County. The property's location adjacent to Tomales Bay presents a significant opportunity to protect and enhance the water quality of the Bay, which is designated a part of the Gulf of the Farallones National Marine Sanctuary and a "Wetland of International Importance" by the U.S. Fish & Wildlife Service.

The Pozzis are young agriculturalists with a long family history in Marin. The sale of an agricultural conservation easement to MALT will enable them to buy the two contiguous ranches they have been leasing for several years, consolidating these ownerships into one and ensuring that the land remains productive and undeveloped. In addition to permanently protecting this important property for Marin's agricultural land base, this easement acquisition will provide protection of open space, scenic vistas, watershed resources and wildlife habitat that will benefit all Bay Area residents and the millions of visitors to our coast.

This is an important opportunity for MALT to permanently protect 1,125 acres of productive and beautiful land on the east shore of Tomales Bay from future development. MALT's pioneering work in agricultural land preservation over the last 25 years has permanently protected 53 Marin County family ranches on 35,000 acres. Completion of the Pozzi project is a high priority project for MALT and I believe it is worthy of support from the Conservancy. Thank you for your consideration.

Peace and friendship,

JOHN L. BURTON
President pro Tempore

JLB:msjt

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Assembly
California Legislature

JOE NATION

ASSEMBLYMAN, SIXTH DISTRICT
Representing Marin and Sonoma Counties

November 10, 2004

Paul Morabito, Chairman
State Coastal Conservancy
1330 Broadway, Suite 1100
Oakland, CA. 94612

Dear Chairman Morabito:

I am writing to offer my full support of Marin Agricultural Land Trust's request for $1,000,000 from the State Coastal Conservancy Board to assist with the Pozzi project agricultural conservation easement acquisition. This is an unprecedented opportunity for MALT to permanently protect 1,125 acres of productive and beautiful land on the east shore of Tomales Bay and Walker Creek in Marin County from future development. The property's location adjacent to Tomales Bay presents a significant opportunity to protect and enhance the water quality of the Bay, designated a part of the Gulf of the Farallones National Marine Sanctuary and a "Wetland of International Importance" by the US Fish & Wildlife Service.

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MALT's pioneering work in agricultural land preservation over the last 25 years has permanently protected 53 Marin County family ranches on 35,000 acres. Completion of the Pozzi project is a high priority project for MALT. I would greatly appreciate your support of this proposal.

Sincerely,

JOE NATION
Assemblyman, 6th District

JN: mwl
E6c

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STEVE KINSEY
SUPERVISOR
4th District County of Marin

November 4, 2004

Mr. Paul Morabito, Chairman
State Coastal Conservancy
1330 Broadway, Suite 1100
Oakland, CA 94612

Dear Mr. Morabito,

I am writing to offer my full support of Marin Agricultural Land Trust's request for $1,000,000 from the State Coastal Conservancy Board to assist with the Pozzi project agricultural conservation easement acquisition. This is an unprecedented opportunity to permanently protect one of the largest ranches that fronts on the east shore of Tomales Bay and Walker Creek in Marin County. The property's location adjacent to Tomales Bay presents a significant opportunity to protect and enhance the water quality of the Bay, designated a part of the Gulf of the Farallones National Marine Sanctuary and a "Wetland of International Importance" by the US Fish & Wildlife Service.

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Sincerely,

Steve Kinsey
Supervisor, District Four

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