

COASTAL CONSERVANCY

Staff Recommendation
September 25, 2008

**RANCHO PALOS VERDES NCCP:
UPPER FILIORUM AND PLUMTREE ACQUISITIONS**

File No. 05-071-02
Project Manager: Bob Thiel

RECOMMENDED ACTION: Authorization to disburse up to \$5,500,000 to the City of Rancho Palos Verdes to acquire the 191-acre Upper Filiorum property and 28-acre Plumtree property on the Palos Verdes Peninsula to assist in implementing the City's Natural Communities Conservation Plan.

LOCATION: City of Rancho Palos Verdes, Los Angeles County

PROGRAM CATEGORY: Reservation of Significant Coastal Resource Areas

EXHIBITS

- Exhibit 1: [Project Location](#)
 - Exhibit 2: [Regional Maps](#)
 - Exhibit 3: [NCCP Preserve Design Map](#)
 - Exhibit 4: [Map of Upper Filiorum and Plumtree Sites](#)
 - Exhibit 5: [Natural Vegetation and Sensitive Species Map](#)
 - Exhibit 6: [Aerial and Site Photos](#)
 - Exhibit 7: [Project Letters](#)
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RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31350-31356 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes the disbursement of an amount not to exceed five million five hundred thousand dollars (\$5,500,000) to the City of Rancho Palos Verdes to acquire approximately 191 acres known as the Upper Filiorum property (consisting of Assessor Parcel Numbers 7581-023-029 and 7572-002-022 and a portion of APN 7581-023-034) and approximately 28 acres known as the Plumtree property (consisting of APN 7572-010-023 and a portion of APN 7581-023-034) on the Palos Verdes Peninsula in Los Angeles County to protect significant coastal resource areas. This authorization is subject to the following conditions with

respect to the acquisition of each of the properties:

1. Prior to the disbursement of funds for acquisition, the City of Rancho Palos Verdes (the City) shall submit for the review and approval of the Executive Officer of the Conservancy all relevant acquisition documents, including but not limited to the appraisal, environmental assessments, agreement of purchase and sale, escrow instructions, and documents of title necessary to the acquisition.
2. The City shall pay no more than fair market value for the property.
3. The City shall permanently dedicate the property for habitat and resource protection, open space preservation, and public access (to the extent compatible with habitat and resource protection) in a manner acceptable to the Executive Officer.
4. The City shall acknowledge Conservancy funding by erecting and maintaining on the Upper Filiorum and Plumtree properties, or at another approved location, a sign that 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 the purposes and objectives of Chapter 8 of Division 21 of the Public Resources Code (Sections 31350-31356) regarding reservation of significant coastal resource areas.
2. The proposed authorization is consistent with the current Project Selection Criteria and Guidelines.”

PROJECT SUMMARY:

This project would provide funds to assist the City of Rancho Palos Verdes in acquiring approximately 219 acres of undeveloped property on the Palos Verdes Peninsula for habitat and open space preservation and limited compatible public access, in support of the City’s Natural Communities Conservation Planning effort.

The project would involve the purchase of two properties located on the hillside above Palos Verdes Drive South, which are now held in common ownership:

- (a) The Upper Filiorum property, a 191.2-acre site consisting of APNs 7581-023-029 and 7572-002-022 and a portion of APN 7581-023-034.
- (b) The adjacent Plumtree / Cinnamon Lane property, consisting of a 27.42 acre estate homesite and .82-acre developable lot (APN 7572-010-023 and a portion of APN 7581-023-034) which are referred to here collectively as “the Plumtree property.”

The acquisition would connect two reserve components of the City’s Palos Verdes Nature Preserve (the Preserve), a 1,400-acre preserve that is being assembled under a draft subarea plan that the City has prepared under the state’s Natural Communities Conservation Planning (NCCP)

Act. (See Exhibit 3). This project will complete the acquisitions which the plan has proposed for the Preserve. (Once known as “the Portuguese Bend Nature Preserve,” the name of the Preserve was recently changed to the Palos Verdes Nature Preserve).

As shown on Exhibit 4, the Upper Filiorum property and the downslope Plumtree site, whose northern boundary abuts that of the Upper Filiorum site, would link the Three Sisters Reserve (once known as the Barkentine property) on the west with the Portuguese Bend Reserve to the east. Acquisition of these sites is considered critical for the long-term protection of coastal sage scrub habitat---habitat that supports the California gnatcatcher, Palos Verdes blue butterfly and other special status species. Their inclusion in the Preserve would also provide trail connections and habitat linkages to other components of the Preserve.

The Upper Filiorum property is the last major segment of private property targeted by the draft NCCP subarea plan for acquisition and inclusion in the Preserve. The plan originally identified Upper Filiorum, the 423-acre Portuguese Bend (or Hon) property, and the 43-acre Agua Amarga Canyon parcel as the major private lands to be purchased for the Preserve. The latter two properties were both acquired by the City in 2005, with Coastal Conservancy and other funding.

In May 2008, the City and the owners of the Upper Filiorum and Plumtree properties entered into a purchase and sale agreement, under which the City is to acquire the Upper Filiorum property for \$9.2 million. A recent appraisal of the Upper Filiorum property, now under review by the Department of General Services, appraises the fair market value of the property at \$9.5 million. The agreement also gives the City the option to purchase the Plumtree property for \$3.0 million, an amount which a recent appraisal of the property has determined to be its fair market value. The agreement specifies that the close of escrow is to occur by December 31, 2008, but may be extended to March 31, 2009, to allow the City to secure funding for the purchase.

In addition to the proposed Conservancy funding for this project, the City anticipates receiving a \$2 million grant from the Wildlife Conservation Board of federal funds that have been set aside for this acquisition by the US Fish and Wildlife Service. The City will contribute \$613,000 for the acquisition, with the balance of the purchase price (about \$4.09 million) provided by the Palos Verdes Peninsula Land Conservancy and private donors (See the “Project Financing” section below).

Under the proposed project, the City would acquire and own the land. Following the acquisition, the City would grant a conservation easement over both properties in favor of the Palos Verdes Land Peninsula Land Conservancy (PVPLC), which has entered into an interim agreement with the City to manage these and other units of the Preserve. The conservation easement would identify the California Department of Fish and Game (DFG) and the US Fish and Wildlife Service (USFWS) as third party beneficiaries to enforce the provisions of the conservation easements.

The PVPLC, USFWS and DFG have been working with the City for more than a decade to develop and implement an NCCP subarea plan that would provide for comprehensive conservation and management of multiple species within the City’s portion of the Palos Verdes Peninsula. As the principal feature of that plan, the Preserve is designed to conserve regionally

important habitat areas and provide habitat linkages to benefit sensitive plants and wildlife.

The plan has been written under the provisions of the state's Natural Communities Conservation Planning Act of 1991 (California Fish and Game Code Section 2800 et seq), which promotes the preparation of subregional and subarea plans that address conservation and management on an ecosystem scale, while accommodating compatible land use and development. The intent of the law is to overcome the limitations of the single-species, project-by-project approach to conservation by planning proactively and comprehensively for the management and conservation of multiple species, including those listed under state or federal endangered species legislation. An NCCP plan is to provide for the regional protection of biodiversity by setting aside enough land to conserve intact ecosystems and their dependent species. In exchange, the plan defines with greater certainty where development would be allowed to occur, particularly on other property that might otherwise be subject to designation as critical habitat for a particular species.

The NCCP program represents an effort to reconcile some of the common conflicts between wildlife conservation and land development. At the time it was created, both development interests and the conservation community had become increasingly dissatisfied with the reliance on agency consultations and single-species habitat conservation plans to address concerns over sensitive species. To the development community, addressing endangered species on the basis of one project at a time had become unnecessarily costly, burdensome, and unpredictable. To conservation groups, emphasizing only the impacts of individual projects failed to prevent the fragmentation of habitat and ecosystems.

The NCCP process is supposed to benefit landowners by offering a more streamlined, predictable regulatory approach. Cumbersome project-by-project, species by-species review under state and federal endangered species statutes is to be replaced by comprehensive plans for an entire region that establish where development would be allowed to occur and under what conditions. For local government, on the other hand, the NCCP program offers the prospect of greater predictability and control over land development in its jurisdiction, as well as a mechanism to assemble biodiversity reserves that can also provide open space, aesthetic and recreational benefits.

Although created by state law, the NCCP program has been a joint state and federal effort; state and federal wildlife agencies collaborate in overseeing the planning process so that the plans can be approved simultaneously under the state NCCP act and the HCP provisions of the federal Endangered Species Act. But because one of its goals is to promote coordination among local government, developers, landowners, environmental groups, and other stakeholders in developing and implementing its plans, the NCCP program depends on the cooperation of a number of diverse interests.

In Southern California, where most of the state's NCCP plans have been written, many (such as the Rancho Palos Verdes effort) have focused on coastal sage scrub communities and protection of the coastal California gnatcatcher. Since the gnatcatcher is dependent on coastal sage scrub habitat and nearly 80 percent of the remaining coastal sage scrub habitat in Southern California occurs on private land, these plans confront the conflicts of development-versus-wildlife in fairly stark terms. Yet the resulting NCCP plans in San Diego, Orange, Los Angeles, Riverside and

San Bernardino counties have created reserves with large blocks of habitat and sought to protect or recover the connections between fragmented natural areas across a 6,000 sq mile area with 18 million people in one of the most heavily urbanizing areas in the country.

The draft Palos Verdes subarea plan, which was approved by the Rancho Palos Verdes City Council in 2004, focuses on the federally-listed, endangered Palos Verdes blue butterfly, the endangered El Segundo blue butterfly, the threatened coastal California gnatcatcher, and Lyon's pentachaeta (an endangered plant), as well as the cactus wren (a state species of concern) and seven plant species cited by the California Native Plant Society as rare, threatened, endangered or of limited distribution in the state.

The City's primary conservation strategy under the plan is to acquire several key privately owned parcels that are deemed regionally significant, dedicate selected City-owned lands to the Preserve, and then have the Palos Verdes Land Conservancy manage the ten Reserve components of the Preserve with the assistance of the City and the two wildlife agencies. The Preserve has been designed to conserve the most practicable amount of regionally-important habitat and provide adequate linkages between patches of conserved habitat. The City and the PVPLC also intend to restore certain habitat areas within the Preserve, emphasizing areas that would enhance habitat patch size and habitat linkage function. The restoration plan is to be developed by the PVPLC in consultation with the City and the wildlife agencies, focusing on restoration of coastal sage scrub, cactus scrub, and Palos Verdes blue butterfly habitat.

The City and the PVPLC are also jointly developing a Public Use Master Plan (to be approved by the City Council and the two wildlife agencies) to address such issues as public access, trailhead locations, parking, trail use, fencing, and fire and brush management. Nearly 40 miles of informal trails exist within the Preserve, although only the Forrestal Reserve has a designated trails system with names and uses for each trail segment. As a result, the proposed Conservancy authorization will help enhance public access to and along the coast, in addition to protecting important coastal habitat and linkages. Informal trails on the two acquisition sites will connect with trails on adjoining properties to become part of the trail network that will be dedicated to public use within the Preserve.

Site Description:

The City of Rancho Palos Verdes is home to significant areas of undisturbed coastal sage scrub in the Portuguese Bend area and in scattered patches of its coastal bluffs and canyons. Its coastline is also important to the seasonal migration of many bird species along the Pacific Flyway. The ecology of the Palos Verdes Peninsula (which in recent geologic time was actually an island) often bears striking relationships with that of the Channel Islands; in fact, the Peninsula is home to a number of resident plant and bird species that are otherwise endemic only to the Channel Islands. As the City's Coastal Specific Plan points out, "[t]hese similarities between the flora and fauna of the Peninsula and the Channel Islands make the natural vegetation of Rancho Palos Verdes a natural biological research laboratory for the study of geographical isolation and evolutionary change in species, island biogeography and ecological relationships, and many other topics of interest to scientists."

The Palos Verdes Nature Preserve offers a diverse topography that varies from relatively flat

lowland areas above steep coastal bluffs in the south to very steep slopes, ridgelines and gullies on the slopes to the north. Elevations range from approximately sea level along the coastal edges of Vicente Bluffs, Abalone Cove and Ocean Trails to approximately 1,300 feet above mean sea level (MSL) at the northern-most parcel, Vista del Norte. Adjacent land uses include single-family residences on most sides, open space, the Pacific Ocean to the south and west, and two coastal golf courses near the western and eastern ends of the Preserve.

Dominant species in the Preserve area include California sagebrush, California encelia, lemonadeberry, ashy-leaf and California buckwheat, coyote bush, California desert thorn, black and purple sage, goldenbush, laurel sumac, and coast cholla. A 2006 plant survey identified over 260 plant species within the Preserve, almost half of which are native to the region. Focused wildlife surveys have documented 270 coastal California gnatcatchers, including 72 breeding pairs, residing in the Preserve.

One of the major ecological objectives for creating the Preserve is the recovery of the Palos Verdes blue butterfly (*Glaucopsyche lygdamus paloverdesensis*), a rare subspecies of the silvery blue butterfly. Its lifespan is extremely short, and its habitat is restricted to open coastal sage scrub that supports either ocean milk vetch or deerweed, which are the PV blue butterfly's larval food plants. Although historical occurrences of the PV blue butterfly have included a number of locations in the Preserve, currently the species is known to occur only at several isolated sites in the region, including the Naval Fuel Depot in San Pedro. A captive breeding program at Moorpark College is underway to reintroduce the PV blue butterfly to selected sites in the Preserve.

The 191-acre Upper Filiorum property---the larger and more significant of the two properties proposed for acquisition---is located south and southwest of the southern end of Crenshaw Boulevard and the north side of Vanderlip Road. The property is bordered by residential estate subdivisions on the north, open hillsides to the west and east, and the private Portuguese Bend Community Association on the south. The northeast corner of Upper Filiorum is adjacent to the 17-acre Del Cerro Buffer, another component of the Preserve that acts as an ecological buffer to the City's Del Cerro Park.

The Upper Filiorum property is characterized by gentle to steeply sloping terrain, ranging in elevation from about 1100 feet above mean sea level (MSL) in the northeast section of the property to 475 above MSL in the southern portion of the site. The 28-acre Plumtree site is located downslope and adjacent to that property. Surface drainage on both properties flows generally south toward the Pacific, which is located less than a mile away. Although freshwater springs are known to exist in some portions of Upper Filiorum, there are no surface water bodies on the property. Two prominent natural drainages cross portions of the site, and the property offers excellent panoramic views of the coastline, the Pacific, and Catalina Island more than 30 miles away. As shown on Exhibit 5, the principal vegetation communities on the Upper Filiorum property are grassland, southern cactus scrub, and both undifferentiated and California sagebrush (*Artemisia*)-dominated coastal sage scrub.

According to a 2000 Phase I Environmental Site assessment, much of the Upper Filiorum property was once utilized for agriculture, as evidenced by air photos dating back to 1928. Agricultural uses decreased over time and more recently the property has been in open space,

with a portion occasionally used for equestrian purposes. No other land uses are known to have occurred on the site. About half of the property is zoned RS-1 or RS-2 (single family residential). The greater Portuguese Bend area of the Palos Verdes Peninsula is known for unstable soil conditions most notably manifested by earth movement, and all but approximately 15 acres of the Upper Filiorum property is included in a landslide moratorium area.

Project History

As noted above, the state's Natural Communities Conservation Planning (NCCP) Act of 1991 provides for the preparation and implementation of large-scale natural conservation plans. The purpose of these plans is to identify and provide for the area-wide protection of natural wildlife diversity, while allowing for compatible and appropriate development and growth. Because of the relatively high concentration of coastal sage scrub habitat in the City, and the growing intensity of development pressures on these areas, in 1996 the City entered into a planning agreement with DFG and the USFWS to develop an NCCP subarea plan that would encompass the entire City. As an initial step, the City (as lead agency) was required to develop a landscape-scale database of biological resource and land-use information that would allow the City and the wildlife agencies to make informed land-use and conservation decisions about future projects.

Since that time, the City and its partners have mapped existing vegetation communities, along with sensitive species distributions and their potential habitat, and applied that information to develop alternative designs for a proposed preserve. From three preliminary design alternatives presented to the City Council and the public in 2000-2001, the City selected a new alternative in 2002 as the basis for the plan. The Draft NCCP Subarea Plan was completed and made available to the public in June 2003, and a draft and then final EIR was prepared and adopted to assess the environmental impacts of implementing that plan. The Draft Subarea Plan, which was adopted by the Council in 2004, outlines the proposed NCCP Preserve, how the Preserve will be assembled and managed, and how much the implementation of the Plan would cost.

The Subarea Plan establishes actions the City will take to obtain Section 10(a) take authorizations for covered species under the federal Endangered Species Act, including current and future management, maintenance and compatible uses of covered lands, as well as funding for habitat management. The plan also identifies the process for mitigating development on any habitat that is not to be conserved, and how permits and take authorizations will be obtained for covered species.

The draft Subarea Plan, along with a draft implementing agreement among all four partners and a proposed preserve management agreement between the City and the PVPLC, is now under review by and discussion with DFG and USFWS. The City hopes to complete the NCCP by the end of this year, with a target date of March 2009 for final approvals by the City, PVPLC, CDFG and the USFWS.

The creation of the City's NCCP Preserve relies on the dedication of existing public land and the acquisition of certain private holdings. To that end, the City and PVPLC have been successful in acquiring considerable acreages of privately held open space to create the Preserve. In December 2005, the City obtained title to 458 acres of additional lands--- the Portuguese Bend and Agua

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Amarga Canyon properties---for dedication into the Preserve. With those acquisitions, the City currently owns 1,138.33 acres (or 80 percent) of the 1,428.27 acres that have been targeted to become the Preserve. The two acquisitions being proposed here would complete the Preserve.

The Coastal Conservancy has been an active partner in these efforts for more than a decade. In March 1997, the Conservancy authorized a grant of \$400,000 to the Wildlife Conservation Board toward the acquisition of the 163-acre Klondike Canyon property, which is now known as the Forrestal Reserve. And in October 2005, the Conservancy approved a grant of \$1,550,000 to the City to help acquire the Portuguese Bend and Agua Amarga Canyon Reserves. The Conservancy has also contributed \$100,000 to the renovation and development of the interpretive center at PVPLC's White Point Nature Preserve and recently awarded two other grants to the PVPLC totaling more than \$268,000 for habitat restoration projects at Point Vicente Bluffs and McCarrell's Canyon.

PROJECT FINANCING:

Upper Filiorum acquisition

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|--|--------------------|
| Coastal Conservancy | \$4,787,000 |
| Wildlife Conservation Board (USFWS funds) | 2,000,000 |
| City of Rancho Palos Verdes | 613,000 |
| Palos Verdes Peninsula Land Conservancy and private donations | 1,800,000 |
| Total | \$9,200,000 |

Plumtree acquisition

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|--|--------------------|
| Coastal Conservancy | 713,000 |
| Palos Verdes Peninsula Land Conservancy and private donations | 2,287,000 |
| Total | \$3,000,000 |

Total Project Cost **\$12,200,000**

The anticipated source of funds for this project is an appropriation to the Conservancy from Proposition 84---the Safe Drinking Water, Water Quality and Supply, Flood Control River and Coastal Protection Bond Act of 2006 (Public Resources Code Sections 75001 et seq). Consistent with the purposes specified in Section 75060 of that bond act, the acquisition of the Upper Filiorum and Plumtree properties would protect natural habitat values of coastal lands on the Palos Verdes Peninsula, as well as promote access to and enjoyment of the coastal resources of the state.

In evaluating acquisition projects for the purpose of natural resource protection under Proposition 84, the Conservancy is directed by Section 75071 of the bond act to give priority to projects that meet one or more of the five criteria specified in Section 75071. Acquisition of the Upper Filiorum and Plumtree properties by the City would meet at least three of those criteria:

1. “Properties that link to, or contribute to linking, existing protected areas with other large blocks of protected habitat. . .”[§75071(a)]. As discussed above, the acquisition of the Upper Filiorum and Plumtree sites would provide the necessary connection between the 98-acre Three Sisters Reserve with the 423-acre Portuguese Bend Reserve.

2. “Properties that support relatively large areas of under-protected major habitat types” [§75071(c)]. The proposed acquisition would help protect an important segment of coastal sage scrub, an ecological community whose losses in Southern California have exceeded 90 percent of its original extent.

3. “Properties for which there is a non-state matching contribution toward the acquisition, restoration, stewardship or management costs.” [§75071(e)]. As shown above, the federal, local and private contribution towards these acquisitions would represent about 55 percent of the purchase price.

As mandated by Section 75071(f) of the bond act, the Conservancy’s staff has submitted to the Resources Agency, and posted on the Conservancy’s website, an explanation of how the proposed acquisitions meet the criteria established in Section 75071.

CONSISTENCY WITH CONSERVANCY’S ENABLING LEGISLATION:

The proposed project is consistent with Chapter 8 of the Conservancy’s enabling legislation, Division 21 of the Public Resources Code (Sections 31350-31356), regarding reservation of significant coastal resource areas.

PRC §31350 vests in the Conservancy the authority to ensure the reservation of significant coastal resource areas that would otherwise be lost to public use. Under Section 31351, the Conservancy is to cooperate with other public agencies [such as the City of Rancho Palos Verdes] to ensure the reservation of such properties for park, recreational and wildlife habitat purposes in order to meet the objectives of a certified local coastal plan or other local plan. As discussed below under the section “Consistency with Local Coastal Program Policies,” the acquisitions of the Upper Filiorum and Plumtree properties would be consistent with the policies of the City’s Coastal Specific Plan (1978, its certified local coastal plan). Those acquisitions would also help fulfill the objectives of the City’s draft NCCP subarea plan.

The proposed authorization would also be consistent with PRC §31352, which states that the Conservancy may award a grant to a public agency for a purpose specified in Section 31351 if (as is the case with this project) that agency is unable, due to limited financial resources, to acquire such property. Without the Conservancy funding proposed here, the City would lack the requisite funding to acquire the Upper Filiorum and Plumtree properties.

CONSISTENCY WITH CONSERVANCY’S 2007 STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):

Consistent with **Goal 4, Objective A** of the Conservancy’s 2007 Strategic Plan, the proposed project would protect over 219 acres of significant coastal watershed lands. Consistent with the strategies identified in the Strategic Plan, this project would connect existing protected lands to provide large, contiguous blocks of habitat; protect habitat and wildlife corridors; and help

implement a regional plan for natural resource protection. The City has been identified as an appropriate entity to own the property, and the PVPLC has been identified as the appropriate entity to manage it.

Consistent with **Goal 1, Objective G** of the Conservancy's 2007 Strategic Plan, the proposed project would secure property that would facilitate development of inland connecting trails to the Coastal Trail.

Consistent with **Goal 5, Objective C** of the Conservancy's 2007 Strategic Plan, the proposed project would preserve wildlife corridors between core habitat areas along the coastal slopes of the Palos Verdes Peninsula.

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 September 20, 2007, in the following respects:

Required Criteria

- 1. Promotion of the Conservancy's statutory programs and purposes:** See the above discussion on "Consistency with Conservancy's Enabling Legislation."
- 2. Consistency with purposes of the funding source:** See the "Project Financing" section above.
- 3. Support of the public:** The project is supported by Los Angeles County Supervisor Don Knabe, State Senator Edward Vincent, State Senator Alan Lowenthal, State Senator Jenny Oropeza, Assembly Member Betty Karnette, and US Congressman Dana Rohrabacher, as well as a number of environmental organizations, community groups, and inland cities in the South Bay region of the Los Angeles Basin. Letters of support are provided in Exhibit 7.
- 4. Location:** Although the proposed project is located outside the Coastal Zone, it would essentially complete the creation of the Palos Verdes Nature Preserve, which includes numerous reserve components that are located within the Coastal Zone (Exhibit 3). These parcels include Shoreline Park, which includes a coastal access trail and a planned segment of the Coastal Trail. In addition, conservation of the Upper Filiorum and Plumtree properties would benefit coastal resources by protecting coastal drainages and providing habitat to special status species that are dependent on areas in the Coastal Zone.
- 5. Need:** Acquisition of the Upper Filiorum and Plumtree properties is needed to complete the implementation of the City's NCCP and to provide a critical linkage between core habitat areas that are already protected under the Plan. Without funding from the Coastal Conservancy, this acquisition would not be possible in time to exercise the City's rights under its purchase and sale agreement with the sellers.
- 6. Greater-than-local interest:** This project will add to and connect with other components of the Palos Verdes Nature Preserve. The Preserve is the focal point for numerous nature walks for the community, as well as science and natural history educational programs conducted by

the PLPVC in association with regional K-12 schools, colleges and universities; it attracts visitors from all over the Los Angeles area, a metropolitan region of more than 17 million people, particularly from inland communities in the South Bay area, many of which have little or no park or open space. In addition, the Preserve provides critical habitat for a number of special status species---such as the California gnatcatcher and Palos Verdes blue butterfly----whose survival and recovery are of regional, statewide and national significance.

Additional Criteria

7. **Urgency:** The City has been advised that if the purchase of the Upper Filiorum property does not occur soon, the City will risk losing \$2 million of federal funds that were set aside four years ago for this acquisition by the Fish and Wildlife Service. In addition, the Purchase and sale agreement specifies that the acquisition must close no later than March 31, 2009.
8. **Resolution of more than one issue:** Acquisition of the Upper Filiorum and Plumtree properties will address coastal and watershed resource protection, habitat restoration, endangered species recovery, and public recreation and access.
9. **Leverage:** See the “Project Financing” section above.
10. **Innovation.** The development and implementation of the City’s NCCP Subarea Plan has demonstrated an exemplary approach to protecting a core of key coastal habitats in a rapidly urbanizing area of Southern California.
11. **Readiness:** The City and the sellers have negotiated a purchase and sale agreement for the properties and are prepared to close on their sale by the end of the First Quarter 2009 if adequate funding can be secured.
11. **Realization of prior Conservancy goals:** For over a decade, the Coastal Conservancy has been involved in helping purchase and protect components of the Palos Verdes Nature Preserve. The Conservancy helped fund acquisition of the Forrestal Preserve with a grant to the Wildlife Conservation Board in 1997, and it helped fund acquisition of the 424-acre Portuguese Bend Preserve and 39-acre Agua Amarga Canyon Preserve with a grant to the City in 2005. Since that time it has also provided grants to the PVPLC for development of an interpretative center and several habitat restoration projects, including one at the Point Vicente Bluffs Reserve.
12. **Cooperation:** The Rancho Palos Verdes NCCP is a cooperative venture among the City of Rancho Palos Verdes, the Palos Verdes Peninsula Land Conservancy, the California Department of Fish and Game, and the US Fish and Wildlife Service.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The proposed project is located outside the designated Coastal Zone within the City of Rancho Palos Verdes, a narrow band that generally extends inland only to Palos Verdes Drive, the first main thoroughfare along the City’s 7.5 mile coastline. Acquisition of the Upper Filiorum and Plumtree properties, however, would be consistent with the mandate in Section 30140 of the Coastal Act to protect environmentally sensitive habitat areas. In addition, it would complement protections mandated by the City’s Coastal Specific Plan (1978; its local coastal plan) for sensitive wildlife habitat, natural vegetation, and preservation corridors in the Coastal Zone. For

example, policy CRM-10 of that Plan specifies that “[t]he existing natural vegetation of Rancho Palos Verdes is a major component of the environmental character of the City. The open natural hillsides are visibly apparent and create an atmosphere of a hilly rural community. The retention of wild flowers, low coastal sage scrub, chaparral, and grassland communities is desirable as is revegetation with native material wherever clearing of vegetation is required.”

COMPLIANCE WITH CEQA:

The acquisition of the Upper Filiorum property and the Plumtree property is each categorically exempt from review under the California Environmental Quality Act (CEQA) pursuant to Sections 15313 and 15325 of 14 Cal. Code of Regulations (CCR). Section 15313 exempts acquisition of lands for fish and wildlife conservation purposes and for preserving access to public lands and waters where the purpose of the acquisition is to preserve the land in its natural condition. The proposed project is similarly exempt pursuant to 14 CCR Section 15325 because it involves a transfer of ownership in order to preserve existing natural conditions and open space. Upon Conservancy approval of the proposed authorization, staff will file a Notice of Exemption for the project.