



MOUNTAINS RECREATION & CONSERVATION AUTHORITY

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MEMORANDUM

TO: The Governing Board

FROM:  Joseph T. Edmiston, FAICP, Hon. ASLA, Executive Officer

DATE: June 7, 2017

SUBJECT: **Agenda Item XIV: Consideration of resolution authorizing option payments for the acquisition of Stickleback Ranch, APNs 3210-009-013, 014, Soledad Canyon, unincorporated Los Angeles County.**

Staff Recommendation: That the Governing Board adopt the attached resolution authorizing up to \$25,000 of option payments, to be applied towards the purchase price and to be refunded upon the close of escrow, for the acquisition of the 41-acre Stickleback Ranch in the Soledad Canyon section of the Santa Clara River.

Background: At its February 1, 2017 special meeting, the Governing Board adopted resolution No. 17-30 authorizing the acquisition of APNs 3210-009-013 and 014 that comprise a 41-acre ownership in Soledad Canyon. That resolution also authorized entering into agreements with public agencies for funding to complete the acquisition. Maps of the property are attached.

The Mountains Recreation and Conservation Authority (MRCA) has the property under contract (since January) until June 30, 2017. The MRCA had hoped to receive a Proposition 1 grant from the Wildlife Conservation Board to combine with secured Proposition A funds to acquire the property by that date. To secure an extension to close on June 30th, the MRCA entered into an agreement with the Metropolitan Water District (MWD) staff to supply a non-refundable \$20,000 option payment in exchange for the rights to conduct possible future mitigation on the property for potential future impacts to the Federal and State-listed endangered unarmored three spine stickleback (UTS) fish. The Governing Board adopted resolution No. 17-42 which authorized the contingent advance of funds for this non-refundable payment which also pays down the \$2.3 million acquisition price.

Both the California Department of Fish and Wildlife (CDFW) and the United States Fish and Wildlife Service (USFWS) recognize the regional significance of the subject 41 acres to the survival of this rare, un-hybridized population of this unique endangered fish. The unique flexibility of the MRCA is paving the way to protect the property.

Staff has been working closely with the Los Angeles County Department of Public Works on an agreement to provide the remaining acquisition funding. The Department needs more time to complete the agreement and to obtain Board of Supervisor's approval of an agreement with the MRCA and to provide acquisition funding and mitigation rights. The agreement would preserve mitigation rights for the County on the property that fortunately are not in conflict with the needs of MWD. The Department just supplied a first draft of the agreement to staff on June 2nd. The County hopes to bring the package to the Board of Supervisors during the week of July 9th.

In order to extend the escrow closing period an additional month to July 31st, the Seller has demanded a \$10,000 non-refundable payment towards the purchase price prior to June 30th. In the unlikely event that the County cannot cut its check by the 31st, the Seller has offered to allow time extensions at \$1,000 per day which also all count towards the purchase price. The County and the MWD do not have the flexibility to provide this option funding in the required time frame not being party to the escrow.

The proposed action would authorize up to \$25,000 in option payments. The escrow instructions shall be written that the MRCA is to be reimbursed for any of the \$25,000 used for the transaction. Those instructions shall clearly state that any Proposition A funds will not be used for said repayment. The County is under regulatory agency deadlines to secure mitigation and has shown strong commitment to complete its part of the deal. In a worst case scenario where the County cannot perform, a private party is ready to jump into the breach and provide the funding to obtain mitigation credits.

The subject 41-acre ownership was a long time recreational vehicle park on the Santa Clara River call Oasis. Flooding over ten years ago washed out an access bridge over the river from Soledad Canyon Road. The primary use of the site since then has been as a filming ranch with an access over culverts in the riverbed. However the ranch has struggled as of late with Los Angeles County Conditional Use Permit issues. The property is now known as the Stickleback Movie Ranch. The property straddles the Santa Clara River and the Metro rail tracks. Property owned by both the Santa Clarita Watershed Recreation and Conservation Authority (SCWRCA) and the Mountains Recreation and Conservation Authority (MRCA) are located just north of the tracks. The Angeles National Forest is situated just across Soledad Canyon Road to the south.

The property contains well over 1,000 feet of substantial perennial stream with several species of native fish. The California Department of Fish and Wildlife (CDFW) considers the site critical to supporting a genetically distinct (not-hybridized) population of the UTS. Although 85 percent burned in the July 2016 Sand fire, the site supports a substantial willow-cottonwood flood plain fed by the high water table. There is good public access and parking just off of Soledad Canyon Road. The site has existing functional high quality water wells, water tanks, and electrical service. It is optimal for large scale riparian restoration.