

**STATE OF CALIFORNIA
REGIONAL WATER QUALITY CONTROL BOARD
CENTRAL COAST REGION**

STAFF REPORT FOR REGULAR MEETING OF DECEMBER 9, 2010

Prepared on November 10, 2010

ITEM NUMBER: 16

**SUBJECT: Funding for Wild Cherry Canyon Preservation Project,
Additional Extension of Grant Sunset Date**

SUMMARY

In July 2009, the Water Board adopted a resolution to allocate \$950,000 of Guadalupe Settlement funds to the American Land Conservancy for the purpose of preserving Wild Cherry Canyon (Attachment 1). This project is to purchase a 190-year lease on about 2,400 acres of coastal watersheds and transfer management of the land to California State Parks. The resolution included a sunset date of June 30, 2010, by which the American Land Conservancy (ALC) was required to have all other funding in place in order to receive the Water Board funds. In May 2010, the Water Board approved an extension of the sunset date to December 31, 2010.

All funding has been obtained except for a Public Works Board grant of \$6.7 million. The Public Works Board decision (if approved) will also give final approval for the State to acquire the property. The hearing was expected to be held in November 2010, but is now scheduled for February 2011.

Additionally, the property was re-appraised in April 2010. As such, the purchase price of the property was reduced from \$24,000,000 to \$21,240,000. When the purchase price was reduced, the ALC had not raised enough funds to match the \$24,000,000 price. The remaining dollars would have been raised through miscellaneous efforts which were then curtailed with the price reduction. The ALC is also in the final stages of negotiating the details and timing of the fee title transfer from PG&E to the State. Attachment 2 is a letter from the ALC explaining these details and requesting the extension.

RECOMMENDATION

By Board motion, revise Resolution No. R3-2009-0048 to extend the sunset date for the Wild Cherry Canyon preservation project funds to April 30, 2011.

ATTACHMENTS

1. Resolution No. R3-2009-0048
2. American Land Conservancy Letter dated November 3, 2010