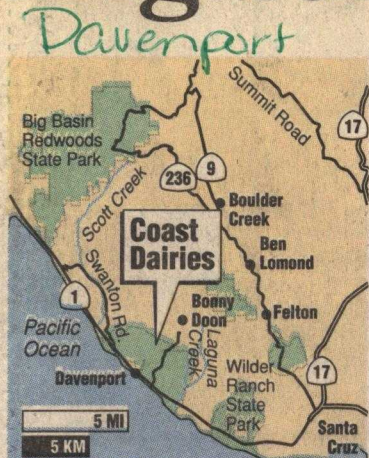


✓ 'This property is phenomenal. There is no greater gift we can leave to future generations.'

— Santa Cruz County Supervisor Mardi Wormhoudt

Big strip of the coast is clear



MERCURY NEWS

■ **Deal:** Group buys 7,500 acres to preserve it as park; developer's 139-lot plan ends.

BY PAUL ROGERS
Mercury News Staff Writer

A vast parcel of oceanfront land along Highway 1 — with five miles of beaches, rolling meadows and redwood canyons on Santa Cruz County's rural north coast — will be purchased for a public park under a deal reached this weekend.

One of the most significant open space acquisitions in the Bay Area in decades, the purchase ends a Las Vegas developer's plans to subdivide the sprawling rural landscape into 139 lots.

■ **Coast Dairies is but one parcel bought for preservation in recent years.**

BACK PAGE

Under the new arrangement, the Save-the-Redwoods League, a San Francisco-based environmental group, will buy the 7,500-acre Coast Dairies and Land Ranch, near the town of Davenport. The land is currently owned by seven Swiss citizens whose great-grandparents, the Moretti and Rispini families, farmed it in the 1800s.

The scenic ranch is believed by preservationists and state officials to be the largest piece of private beachfront property along the California coast between the Hearst family property at San Simeon and the Oregon border.

Its pastoral character has changed little since 1902, when the two families intermarried and joined holdings. Several tenant farmers grow artichokes and other

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PATRICK TEHAN — MERCURY NEWS

Beachgoers scramble over rocks one mile south of Davenport, part of a 7,500-acre acquisition by the Save-the-Redwoods League. The Coast Dairies property will now be protected from development.

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Key coastal preservation acquisitions

The Coast Dairies deal marks the fifth key purchase of coastal land for public access along the central coast over the past two years.

Gray Whale Ranch October, 1996

Last October, the Save-the-Redwoods League bought Gray Whale Ranch, a 2,319-acre property next to the University of California-Santa Cruz and Wilder Ranch State Park. Terms were not disclosed. But that property, with redwood forests, rolling meadows and sweeping views of Monterey Bay, was reportedly sold for \$11 million to \$14 million by an Idaho lumberman who had planned to build a gated subdivision there.

The Save-the-Redwoods League donated the land to the state parks department this summer. It will be open for public hiking, horseback riding and mountain biking by the end of this year. Although league officials would not confirm it, much of that funding apparently also came from the Packard Foundation, which reported a \$10 million gift to the league in its 1996 annual report.

Gazos Creek Forest June, 1997

In June, the Sempervirens Fund, a redwood preservation group based in Los Altos, purchased two portions of the Gazos Creek Forest in southern San Mateo County for \$3 million.

The property had been owned by three great-grandchildren of John C. Ainsley, who ran one of Santa Clara Valley's largest fruit canneries from 1890 to 1934. The 820 acres, in a lush canyon thick with second-growth redwood, ferns and Douglas fir trees, will be sold next year to the state parks department for about half the purchase price, increasing the size of 2,700-acre Butano State Park by about 30 percent.

Cloverdale Ranch June, 1996

Also, in June 1996, the Peninsula Open Space Trust, a non-profit group based in Menlo Park, announced a \$7 million deal to acquire the 5,638-acre Cloverdale Ranch on the San Mateo coastline. That sprawling beachfront property, which offers views of Pigeon Point Lighthouse from its grassy ridge-tops and coastal benchlands, will be sold or donated to the state parks department in two years after planning and restoration work is completed, according to Audrey Rust, the trust's executive director.

Lime Kiln State Park October, 1995

And in October 1995, a stunning 716-acre parcel on the Big Sur Coast became Lime Kiln State Park. The S.H. Cowell Foundation sold the land for \$4.1 million, with the state parks department paying half and the Save-the-Redwoods League paying the other half. Of California's 265 state parks, it was one of only three or four new parks created since 1980.

"The last bond authorized by the voters for parks was in 1988," said California Resources Secretary Douglas Wheeler. "Private money is absolutely essential."

7,500-acre coast parcel to become open space

■ COAST DAIRIES

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crops on its benchlands, and ranchers graze cattle on its grassy hills.

"We're overwhelmed. It's incredible," said Mary Angle-Franzini, executive director of Save-the-Redwoods League. "This is such a huge piece of open space. It's the opportunity of a lifetime."

Terms of the deal remained confidential Saturday.

The property was offered for sale in 1994 for \$21 million. Sources said the final sales price was roughly \$40 million.

"When people look back 100 years from now, they will be amazed that this could have happened," said Santa Cruz County Supervisor Mardi Wormhoudt, in whose district the property lies. "This property is phenomenal. There is no greater gift we can leave to future generations."

Funding came from a partnership of at least six major donors, Angle-Franzini said. Among them is the David and Lucile Packard Foundation in Los Altos.

"The Packard Foundation is pleased to work with Save-the-Redwoods League and a number of other donors to preserve the Coast Dairies property," said Colburn Wilbur, executive director of the Packard Foundation. "This purchase will benefit this and many future generations of people."

All donors have requested anonymity, although several are Silicon Valley leaders, sources said.

Public money probable

The deal is also likely to involve public money. About \$700,000 is subject to approval by the Santa Cruz County Board of Supervisors, said Wormhoudt. Meanwhile, another \$1 million is included in a bill sitting on Gov. Pete Wilson's desk, authored by Assemblyman Fred Keeley, D-Boulder Creek, and Bruce

McPherson, R-Santa Cruz.

Details of the transaction were set to be finalized and signed early next week, possibly Monday.

"This is an acquisition of enormous consequence to California and the nation," said California Resources Secretary Douglas Wheeler.

"I can think of no more significant action by this organization and its donors than the protection of a five-mile stretch of pristine California coastline," Wheeler said. "It assures that yet another swath of our magnificent coast will not be inappropriately developed."

Public access for hiking, horse riding, mountain biking and other uses will probably not occur for about two years. Officials of Save-the-Redwoods League will begin a planning process to determine how to manage the lands. Angle-Franzini said the farmers probably will be allowed to remain, paying rent to help cover maintenance and ranger costs.

State park intended

Large sections, including the beaches, will then likely be donated or sold to the state for a new state park.

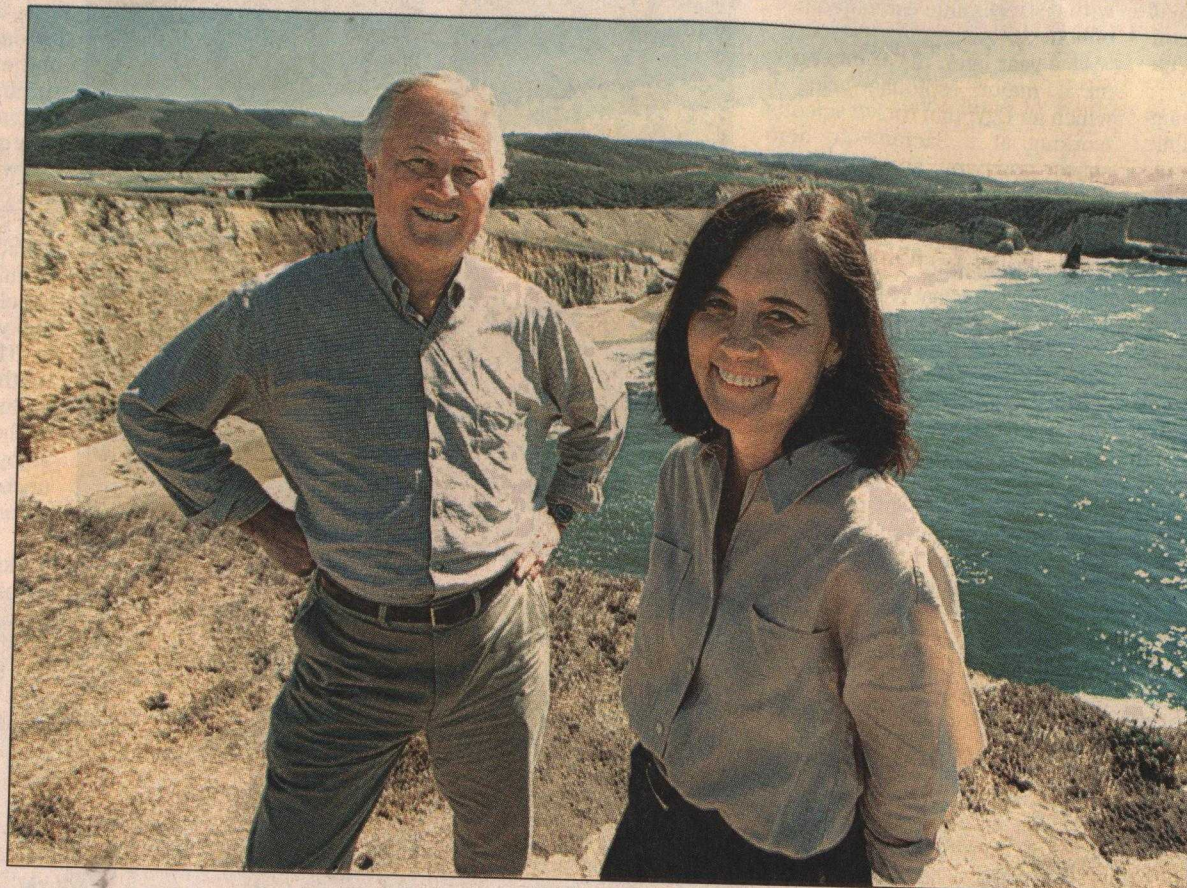
"There are habitat and recreation values deserving of inclusion into the state parks system," said Wheeler. "This is a high priority for us."

The ranch includes irrigated fields of brussels sprouts and artichokes, grassy uplands where cattle graze, and six major creeks.

The creeks contain steelhead trout and possibly coho salmon, both on the federal endangered species list, according to a 1994 biological study by San Francisco State University.

The ranch — nearly four times the size of the University of California-Santa Cruz campus — also is home to deer, bobcats, mountain lions and hawks.

About 10 miles north of Santa Cruz, the property is bordered by



PATRICK TEHAN — MERCURY NEWS

Richard C. Oster, president of the Save-the-Redwoods League, and Mary A. Angle-Franzini, secretary and executive director, stand by some of the acreage their group recently bought near Davenport.

Laguna Creek to the south and Scott Creek to the north. For motorists driving north toward Davenport on Highway 1, everything visible on both sides of the road for five miles is part of the property.

Wormhoudt, who had earlier vowed to fight any development plans on the ranch, noted that preserving the land in its rural state is all the more remarkable because of the booming Silicon Valley economy and stepped-up pressures of urban sprawl across the Bay Area.

"A lot of the California coastline

has become urbanized," she said. "If you drive north from San Diego to Eureka, you find very few places where you can see the mix of tide pools, agriculture, cliffs and beaches that you find here."

Over the years, dozens of uses have been proposed for the Coast Dairies parcel, including hotels, golf courses and housing. All were blocked by former Santa Cruz County Supervisor Gary Patton, an ardent slow-growth advocate who represented the area from 1974 to 1994.

The property made headlines in 1994, when Patton and other lawmakers included \$12.5 million in funding under Proposition 180, a state parks bond act, to help buy the parcel. But voters rejected every bond act on the ballot that year.

Developer enters picture

In September 1995, Las Vegas developer Brian Sweeney acquired an option to buy the land. Sweeney hoped to complete a complicated swap in which he would buy Coast

Dairies and give it to the federal government for a park. In exchange, he wanted thousands of acres of desert land in North Las Vegas owned by the federal Bureau of Land Management (BLM), an area city planners there said might accommodate up to 35,000 new homes.

But that deal collapsed when Nevada's congressional delegation opposed it. This summer, Sweeney filed an application with Santa Cruz County to subdivide the land into 139 lots.

Even as thousands of motorists have whizzed by Coast Dairies' green fields oblivious to the deal-making, the land has quietly attracted national attention while the high-stakes struggle for its future played out. Top federal officials, including U.S. Interior Secretary Bruce Babbitt and California BLM chief Ed Hastey, have held discussions about ways to preserve it.

But there has been almost no government money to buy parks. Acquisition money in California's state parks system plunged 92 percent from 1983 to 1995, according to department records, to \$3.45 million — down from \$45.6 million. Meanwhile, federal money to buy new parklands has shrunk steadily as well under a Congress struggling to balance the federal budget.

It became apparent that private donations would be needed to buy Coast Dairies.

For much of this year, representatives of the Save-the-Redwoods League, an organization founded in 1918 to preserve Northern California's old-growth redwoods, had been in negotiations with Sweeney. The final deal to buy the land came about after extensive talks and strategy sessions that the League had with many of Northern California's leading land trusts. Among the background players were the Nature Conservancy, the Peninsula Open Space Trust and the Santa Cruz County Land Trust.