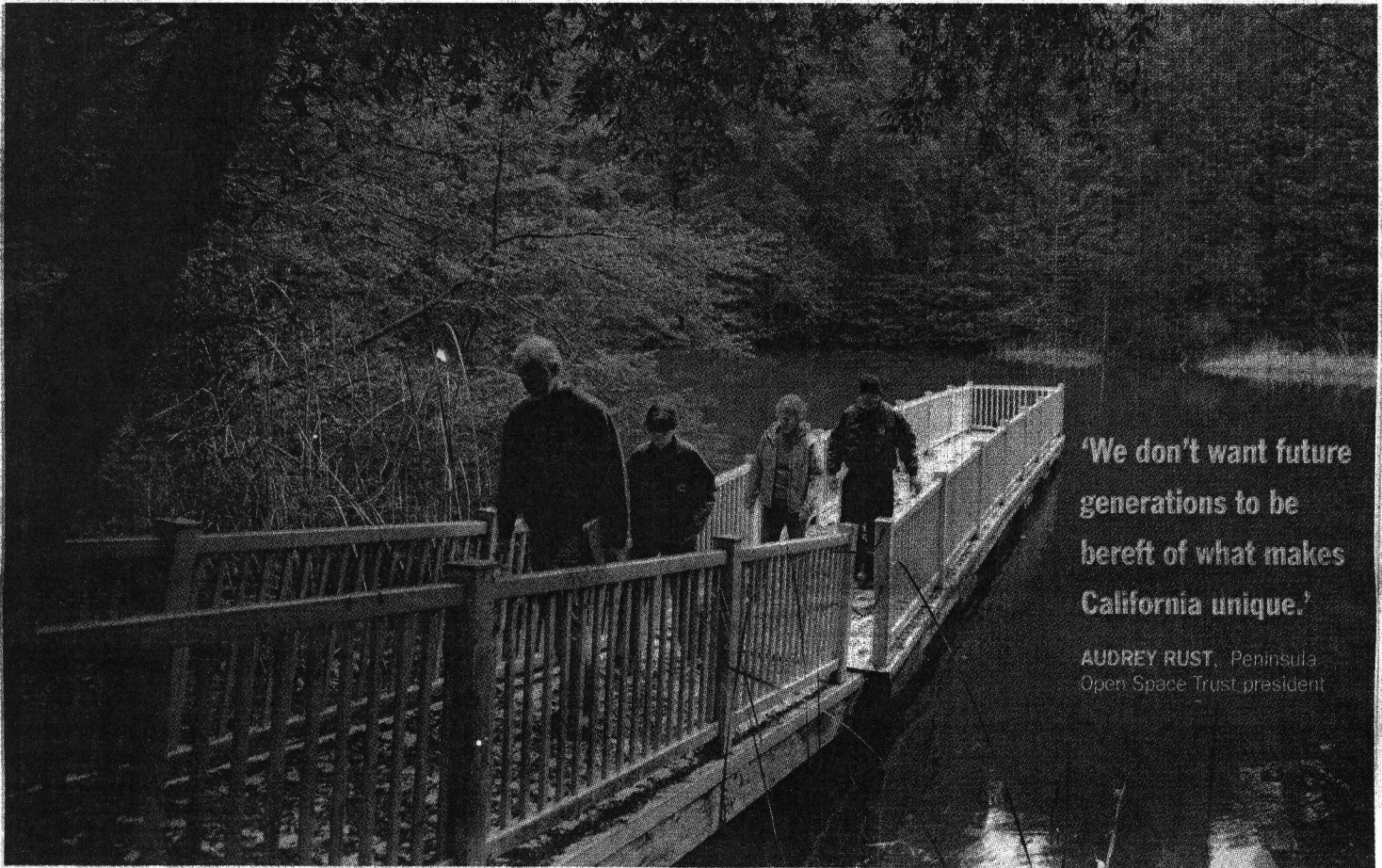


FIRST-OF-ITS-KIND DEAL



'We don't want future generations to be bereft of what makes California unique.'

AUDREY RUST, Peninsula Open Space Trust president

PATRICK TEHAN/MERCURY NEWS

From left, Paul Ringgold, director of Land Stewardship for the Peninsula Open Space Trust, Katie Ferrante of Sempervirens Fund, Audrey Rust, president of Peninsula Open Space Trust, and Reed Holderman, executive director of the Sempervirens Fund, tour a fishing pond at Little Basin, a 534-acre expanse of redwood forests adjacent to Big Basin Redwoods State Park. On Jan. 14, after negotiations that will require the environmental groups to put up money to hire state park rangers, the State Parks Department is scheduled to take title and add it to Big Basin State Park.

Little Basin, big gift

Big Basin 1-15-11
Land trusts sell scenic area that includes staff, maintenance budget to State Parks

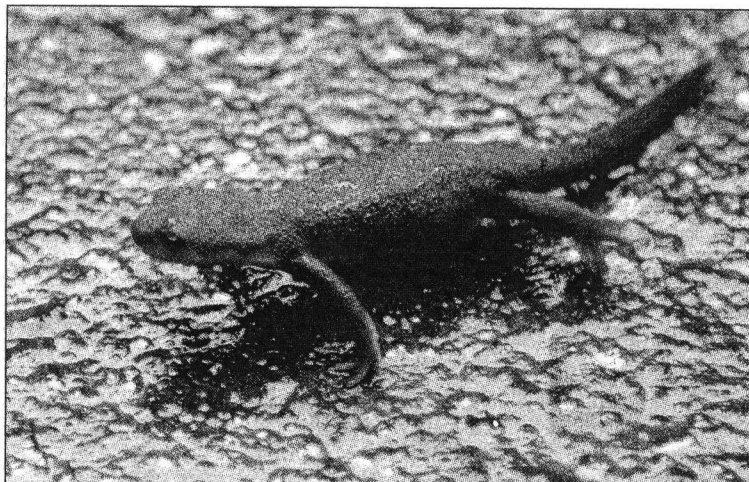
By PAUL ROGERS

San Jose Mercury News

BIG BASIN — In a first-of-its-kind deal designed to throw a financial lifeline to California's cash-strapped state parks system, two Bay Area land trusts on Friday sold Little Basin, a scenic 535-acre redwood forest in the Santa Cruz Mountains, to the State Parks Department — but also provided a staff and maintenance budget.

The Peninsula Open Space Trust in Palo Alto and the Sempervirens Fund in Los Altos created a \$1.3 million private endowment to fix water systems and maintain the property, a former retreat for Hewlett Packard employees. The land becomes part of Big Basin Redwoods State Park.

The land trusts also hired a nonprofit



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A Salamander crosses a road at Little Basin, a 534-acre expanse of redwood forests adjacent to Big Basin Redwoods State Park.

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PARK

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concession company to take reservations and staff the site, so the State Parks system won't have to hire any additional rangers.

"This is an experiment. We should learn a lot of lessons," said Audrey Rust, president of the Peninsula Open Space Trust. "How can we be creative and responsive at this difficult time? We don't want future generations to be bereft of what makes California unique."

While land trusts have been buying land and donating it to the state for years, it's rare that such groups agree to help operate and maintain the parkland they purchase.

Little Basin has 36 campsites, 14 cabins, a fishing lake, softball field and dunking booth. During company picnics in the 1960s and '70s, technology pioneers Bill Hewlett and David Packard flipped hamburgers for employees.

When the property opens to the public in June, the deal will expand camping opportunities in the redwoods and preserve a remnant of a simpler time in Silicon Valley history. But in a wider sense, it also offers a new potential economic model for California's 278 state beaches, parks and historic sites, a once-proud system reeling from budget cuts, reduced hours and a \$1.2 billion maintenance backlog.

"We find this proposal exciting because it demonstrates a new model," said State Parks Director Ruth Coleman. "It's done in recognition of the current budget climate. State parks has been in difficult

budget times for a while."

For decades, land trusts such as the Nature Conservancy, Trust for Public Land and other nonprofits have purchased scenic places to keep them from being developed, and then sold them to local, state or federal parks agencies, usually at cost or slightly below.

That doesn't work in California anymore, however.

Several years ago, as California's budget worsened, the state Finance Department announced that even though California voters had approved billions of dollars in parks and water bonds over the past decade to buy parkland, it no longer would acquire land to expand state parks if that meant the state would need to hire new rangers or maintenance workers.

In the case of Little Basin, Hewlett Packard purchased the landscape of second-growth redwoods, madrones and manzanita in 1963 as an employee retreat, then built cabins, a mess hall and baseball field with volunteer labor, and in 2007 put it up for sale.

The Peninsula Open Space Trust and Sempervirens Fund, a nonprofit redwood preservation group, bought the land for \$4 million. It had been appraised at the time for \$13 million, allowing HP a tax write off.

Under the existing zoning, the property, whose trails connect with Big Basin State Park, could have been logged or carved into 13 lots for homes.

"This is a crown jewel," said Reed Holderman, executive director of Sempervirens Fund.

"What if somebody had decided to buy this property and cut the timber? Tourists

visiting some of the most beautiful old-growth redwood forests in the world at Big Basin would be hearing chain saws half a mile away."

Even though California had the bond funding to buy the land to add to Big Basin, the state couldn't do it because bonds can only be used legally for capital projects, and can't pay for operations, such as hiring rangers.

So the two land trusts worked out a Plan B. They sold the property to the state Friday for \$6.5 million. They set up the \$1.3 million endowment to pay for maintenance and repairs in years ahead. They agreed to pay an additional cost of up to \$450,000 to repair sewer lines and other utilities. And they handed over to State Parks a deal they signed with a concession company, United Camps Conferences and Retreats that runs to 2017.

The nonprofit group based in Petaluma manages 12 camps in California, many in the Sierra Nevada, along with Westminster adult retreat center in Alamo, and Monte Toyon Conference Center in Aptos. It will take reservations, collect money and maintain the land, while state park rangers from Big Basin will provide law enforcement and patrols.

Holderman and Rust cautioned that nonprofits can't afford to provide endowments with every land preservation deal. They said that the state's leading conservation groups are working on a new funding source for state parks, perhaps a 2012 ballot measure, following the defeat of Proposition 21 in November, which would have raised vehicle license fees \$18 to fund state parks.