



Agenda Report

Fullerton City Council

MEETING DATE: NOVEMBER 16, 2021

TO: CITY COUNCIL / SUCCESSOR AGENCY

SUBMITTED BY: STEVE DANLEY, CITY MANAGER

PREPARED BY: ALICE LOYA, DEPUTY DIRECTOR OF PARKS AND RECREATION

SUBJECT: WEST COYOTE HILLS GRANT AWARD

SUMMARY

The Parks and Recreation Department requests adoption of two resolutions to approve grant funding for the acquisition of Neighborhoods 1 and 3 of the West Coyote Hills development project. The Wildlife Conservation Board and the US Fish and Wildlife Services have awarded \$4,805,000 for Neighborhood 1 and the State Coastal Conservancy has awarded \$10,134,450 for Neighborhood 3.

RECOMMENDATION

1. Adopt the following resolutions:

RESOLUTION NO. 2021-XX - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FULLERTON, CALIFORNIA, APPROVING THE GRANT OF FUNDS FROM THE STATE COASTAL CONSERVANCY AND AUTHORIZING THE CITY MANAGER, OR DESIGNEE, TO ENTER INTO A GRANT AGREEMENT FOR THE ACQUISITION OF A PORTION OF ASSESSOR'S PARCEL NUMBER 287-081-52 TOTALING APPROXIMATELY 13.7 ACRES, KNOWN AS NEIGHBORHOOD 3 WITHIN THE WEST COYOTE HILLS DEVELOPMENT, IN ORANGE COUNTY.

RESOLUTION NO. 2021-XX - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FULLERTON, CALIFORNIA, AUTHORIZING THE CITY MANAGER, OR DESIGNEE, TO ENTER INTO A GRANT AND SUBGRANT AGREEMENT WITH THE CALIFORNIA WILDLIFE CONSERVATION BOARD AND THE US FISH AND WILDLIFE SERVICES AND AUTHORIZING THE ACQUISITION OF A PORTION OF ASSESSOR'S PARCEL NUMBER 287-081-52 TOTALING APPROXIMATELY 10.4 ACRES, KNOWN AS NEIGHBORHOOD 1 WITHIN THE WEST COYOTE HILLS DEVELOPMENT, IN ORANGE COUNTY.

2. Authorize City Manager to execute all documents related to the grants.
3. Authorize acceptance and appropriation of grant funds.

PRIORITY POLICY STATEMENT

This item matches the following Priority Policy Statement:

- Infrastructure and City Assets.

FISCAL IMPACT

No anticipated fiscal impact. The appraised price to acquire the remaining property on the east side of West Coyote Hills totals \$18.040 million. While the resolutions require that the City provide any funds beyond the respective grant funds, staff anticipates the combined State and private agencies funding sufficient as the City has received grant funding from State and private agencies to purchase Neighborhoods 1 and 3. Staff has incorporated the awarded funds in the adopted budget.

BACKGROUND

The City has actively pursued the purchase of Neighborhoods 1 and 3 from Chevron / Pacific Coast Homes (Chevron / PCH) since approval of the Vesting Tentative Tract Map 17609 (VTTM) for the development of West Coyote Hills in 2015. The acquisition will protect the open space and habitat, protect and restore urban watershed health and provide environmental education and stewardship.

Neighborhoods 1 and 3 are located on the eastern portion of the 510-acre property owned by Chevron / PCH. With the purchase of Neighborhood 1 (10.4 acres) and Neighborhood 3 (13.7 acres), the City will own the entire 217.2-acre eastern portion of West Coyote Hills from Gilbert Street to Euclid Street. The eastern portion also includes the City owned 72.3-acre Robert Ward Nature Preserve and an additional 120.8 acres of open space that Chevron / PCH will deed over to the City as part of the VTTM.

DISCUSSION

The City has completed the appraisal for both Neighborhoods 1 and 3 and the state has approved the appraisal. The appraisal valued Neighborhood 1 at \$6,710,000 and Neighborhood 3 at \$11,330,000. The City received \$27.45 million in grant funds from State agencies and a private foundation. California Wildlife Conservation Board (WCB) along with the US Fish and Wildlife Service (USFWS) have awarded the City \$4,805,000 for Neighborhood 1 and the State Coastal Conservancy (SCC) has awarded \$10,134,450 for Neighborhood 3. The following table shows the funding agencies and amount that will apply to the purchase of each neighborhood.

Property Details	Neighborhood 1			Neighborhood 3		
	Purchase	Closing	Total	Purchase	Closing	Total
Rivers & Mountains Conservancy	\$450,000	\$11,300	\$461,300	\$1,483,280	\$52,170	\$1,535,450
HWarne Family Foundation		\$140,000	\$140,000			
CA Natural Resources Agency	\$970,000	\$30,000	\$1,000,000			
US Fish & Wildlife Services	\$2,000,000	\$0	\$2,000,000			
Wildlife Conservation Board Match for USFWS	\$2,805,000	\$0	\$2,805,000			
CA Parks & Recreation	\$485,000	\$15,000	\$500,000			
CA Coastal Conservancy				\$3,782,212	\$116,976	\$3,899,188
CA Coastal Conservancy State Budget				\$6,064,508	\$170,754	\$6,235,262
Total Funds	\$6,710,000	\$196,300	\$6,906,300	\$11,330,000	\$339,900	\$11,669,900

The City will use grant funds remaining after acquisition for maintenance and operation of the recreational trails and the interpretive center to be built on the City-owned Robert Ward Nature Preserve.

With the exception of the WCB, USFWS and SCC, all of the other grant funding agencies have finalized their grant agreements with the City. These three remaining agencies require State approval of the appraisal as well as a City resolution accepting the grant funds and authorizing the City Manager to sign the grant documents prior to approval of a grant agreement and distribution of funds. WCB will consider the grant agreement for funding awarded by the WCB and USFWS for approval on November 18, 2021. The SCC Board will consider their grant agreement on December 2, 2021. City Council must adopt resolutions for both grants and submit to the funding agencies prior to the WCB board meeting on November 18.

Staff expects close of escrow on Neighborhoods 1 and 3 completed by December 31, 2021.

Attachments:

- Attachment 1 – Draft Resolution - CA Coastal Conservancy
- Attachment 2 – Draft Resolution - Wildlife Conservation Board