

OAKLEY



CALIFORNIA

STAFF REPORT

Approved and Forwarded to City Council:


Bryan H. Montgomery, City Manager

Date: September 26, 2017
To: Bryan H. Montgomery, City Manager
From: Kenneth W. Strelo, Principal Planner
SUBJECT: **Agricultural Conservation and Viticulture Program (ACVP)
Consideration and Acceptance of Final Report for Phase 2**

Summary

The Agricultural Conservation and Viticulture Program ("ACVP") was initiated by the City Council in June of 2012 through adoption of City Council Resolution 64-12, approving an agreement with Agricultural Natural Resources Trust ("ANRT"). Since that time, ANRT has completed two phases of the program. Phase 1 was completed and accepted by the City Council in May of 2014. Phase 2 was kicked off in February of 2016 through another agreement with ANRT. To date, ANRT has completed Phase 2 and will be presenting the deliverables to the City Council. Staff recommends the City Council accept the deliverables from Phase 2 of the ACVP and direct Staff regarding the future of the program.

Fiscal Impact

The scope of work for Phase 1 totaled \$13,700 and was paid in full upon acceptance of the Phase 1 deliverables. The scope of work for Phase 2 totals \$17,500. Two invoices have been paid to ANRT; the initial payment in the amount of \$7,500 and a second payment in the amount of \$5,000, leaving \$5,000 remaining. Since a portion of Phase 2 was unable to be completed (electricity to Walnut Meadows Vineyard), there is no remaining balance due. Currently, no funding is specifically encumbered for future phases.

Phase 2 Summary

Phase 1 focused on building a parcel inventory of all vineyards in the City along with land use designations, active uses, and other pertinent information, reaching out to vineyard owners and operators to test the waters about conservation easements and/or bringing more attention to Oakley's vineyard history, and a look into whether a mitigation fee would be feasible. Upon receiving the deliverables for Phase 1, the main topics for the Phase 2 Scope of Work were decided upon, and included:

- Carrying over data maintenance and records retention from Phase 1;
- Updating the Parcel Inventory Map;
- Reviving discussion with O'Hara Cluster Vineyard Owners;
- Further addressing Community Awareness in a measured manner;
- Showcasing Walnut Meadows Vineyard; and
- Bringing electricity to Walnut Meadows for automatic irrigation operation.

As ANRT will further discuss in their presentation, gaining commitment for cluster easements, getting buy-in for more community awareness on the part of the growers, and bringing electricity to Walnut Meadows have all proven difficult to achieve.

Analysis and Options

ANRT has put much time and effort into accomplishing certain goals of this program. They have made adjustments when met with resistance and come with new ideas to help navigate towards the vision. Unfortunately, due to development potential of many vineyards, apparent lack of interest in community viticulture, or other less obvious reasons, many elements of the program, as approved, no longer seem achievable in the near future.

Assuming the City Council accepts the deliverables from Phase 2, several options are available. Staff has listed those which seem most obvious; however, other options may also be recommended and considered by the City Council:

- Entertain a scope of work for a Phase 3, whether from ANRT or through the process of another request for proposal (details of such a SOW could be later addressed);
- Hold off on a Phase 3 and allow time to re-evaluate the general direction of the program;
- Take on the role of assisting, probably through financing, ANRT or another program on more specific tasks as they are presented in the future; or
- Accept Phase 2 as a completion of the ACVP with no immediate plans to pursue further phases.

Recommendation

Staff recommends the City Council accept the deliverables from Phase 2 of the ACVP and direct Staff regarding the future of the program.

Presentation

ANRT will deliver a presentation to the City Council after Staff's introduction of the item.

Attachments

1. ACVP Phase 2 – Final Status Report



Agricultural – Natural Resources Trust
 5554 Clayton Road, #2
 Concord, CA 94521-4180
 (925) 672-2354

CITY of OAKLEY

Agricultural Conservation & Viticulture Program

Status Report **April 14, 2017**

March 9, 2016 - Phase 2 Launch Date

Progress Report Summary:

1. Power needs at Walnut Meadows
 1. PG&E Engineering plan cancelled due to expense of trenching under Walnut Meadows Dr. for underground utility lines.
 2. Rangeland Improvements supplied bid for standalone solar pump that meets the proposed budget in Phase 2. The City Manager's office has determined that the installation of the solar pump is not a financial priority to the City at this time.
 3. Within the scope of work plan, developing Walnut Meadows into a "showcase" of Oakley's Ancient Vines w/o electricity is not possible.

2. General research leading to funding assistance
 1. Discussions with NRCS opened for Walnut Meadows development
 2. Little to no opportunities available for Conservation Easement funding

3. Develop O'Hara Cluster
 1. Letter of Intent, Timeframe, Process Notes and Outline were presented to landowner; however due to inaction and indecisiveness on Mr. Luchessi's part, ANRT has discontinued pursuing the possibility of an easement on this cluster parcel at this time.

4. Vineyard property appraisal and OACVP outreach completed
 1. Vineyard appraisal values were determined from appraisal completed on Planchon Estate.
 2. Outreach conducted via ANRT presentation at Brentwood Harvest Festival and Heart of Oakley as well as on ANRT website and Facebook page.
 3. Ancient Vine Historical designation of Planchon Vineyard

Potential Issues Identified:

1. Dialog with O'Hara Cluster property landowner re:Conservation Easement has stalled during growing season. Mr. Lucchesi has expressed his hesitancy to move forward with his LOI due to fears of eminent domain as well as without his son's input, which he has not received. ANRT attempts to contact his son have failed as well.

2. General research leading to funding assistance for OACVP Conservation Easements is still undergoing with few opportunities. May need to shift focus to creating (Oakley or E CoCo County?) vineyard appellation and historic status for more funding options as well as Builder and/or Private funding.

Conserving the agricultural heritage and natural resources of Contra Costa and surrounding counties.

At this juncture in the Project ANRT feels meeting with the Sub-Committee would be the most viable option to determine a new focus on the direction the Ancient Vines Program. The Program was initially built on the prospective that landowners within each cluster would commit to a conservation easement, thus increasing the amount of acreage needed to secure grant funding. With only one cluster potentially available for an easement and the city not able to participate in creating the Walnut Meadows Vineyard Showcase the program has come to a halt.

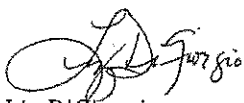
Discussion on how and why to move forward is needed.

Discussion Points for next meeting with Sub-Committee:

1. Walnut Meadow Showcase
 - a. Rangeland Improvements estimate to provide new submersible pump and solar paneled powering system are in line with estimates from Phase 2 proposal. ANRT started discussion with NRCS on possible grants
 - b. Repair dilapidated fencing between rail tracks and Walnut Meadows
 - c. Open dialog with Freedom High school video class to shoot updated OACVP video
2. Open community dialog about what Oakley's "Uniqueness" is
3. Form Task Committee to poll residents on how they would like to protect it
 - a. Create Ag Enterprise district?
 - b. Propose small property tax increase for development of OAVCP & Waterfront District?
 - c. Other ideas?
4. Visitor draw -
 - a. City owned Community Wine Making facility - Custom Crush (City purchase Planchon property or easement?)
 - b. Historical designation of all ancient vines vineyards
 - c. Develop Ancient Vine vineyard signage prototype
 - d. Oakley or E Contra Costa County Appellation designation
 - e. Tie in Water to Vine
 - f. Waterfront hotel/retail and tasting room
5. Tasting Room permitting - consistent for each property - how can City make process simpler and less cost prohibitive?
6. Future of River Oaks Crossing - Fred Cline's participation in OAVCP

I look forward to meeting with the Sub-Committee in the near future and am optimistic that the OAVCP can and will be a signature program for the City.

Best regards~



Liz DiGiorgio
Executive Director
Agricultural-Natural Resources Trust