

MINUTE ITEM

22

Consideration of Purchase Offer -
Scaroni Ranch, Santa Cruz County

01/23/86
Grimes
Reese
W 20704

Calendar Item 22 was pulled from the agenda prior to the meeting.

Attachment: Calendar Item 22.

CALENDAR ITEM

A 28

22

01/23/86

W 20704

S 17

Grimes

Reese

CONSIDERATION OF PURCHASE OFFER - SCARONI RANCH,
SANTA CRUZ COUNTY

In mid-1977, under authority of Chapter 973 of the Statutes of 1973, the State Lands Commission acquired, by exchange, 950 acres of ocean front land, approximately three-and-one-half miles north of Santa Cruz in Santa Cruz County.

The parcel consists of 216 acres of coastal bench land, presently leased for brussel sprout farming, 440 acres of grazing land (presently leased), and 294 acres of second-growth redwood timber and brush land. The parcel presently produces \$36,647 annual rental income and contains approximately \$79,000 of second-growth redwood timber.

The property has long been desired by the Department of Parks and Recreation as an addition to the Wilder Ranch State Park, and in 1985, a budget item of \$3,880,000 was approved for the inter-departmental purchase. The budget item was based on a State Lands Commission appraisal.

The Department of General Services has appraised the property for the Department of Parks and Recreation and has made an offer to purchase the property for \$2,400,000.

The General Services appraisal has been reviewed by the staff and found to be unacceptable.

The primary fault with the appraisal is that the sales selected by the appraiser are not comparable to the property under appraisal. Only one comparable has any degree of ocean access, and it is quite inferior to the Scaroni Ranch in all other aspects.

CALENDAR ITEM NO. 22 (CONT'D)

The remaining comparables are back lands, generally consisting of poor grazing and brush land.

It is the staff's opinion that the search for comparables should be expended until genuine comparables are located. Until this is done, it is recommended that the offer not be accepted.

AB 884: N/A.

EXHIBITS: A. Site Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THIS ACTION IS EXEMPT FROM CEQA IN THAT IT IS NOT A PROJECT AS DEFINED IN CEQA.
2. REJECT THE OFFER OF THE DEPARTMENT OF GENERAL SERVICES TO PURCHASE THE PIO SCARONI RANCH FOR THE DEPARTMENT OF PARKS AND RECREATION FOR \$2,400,000.

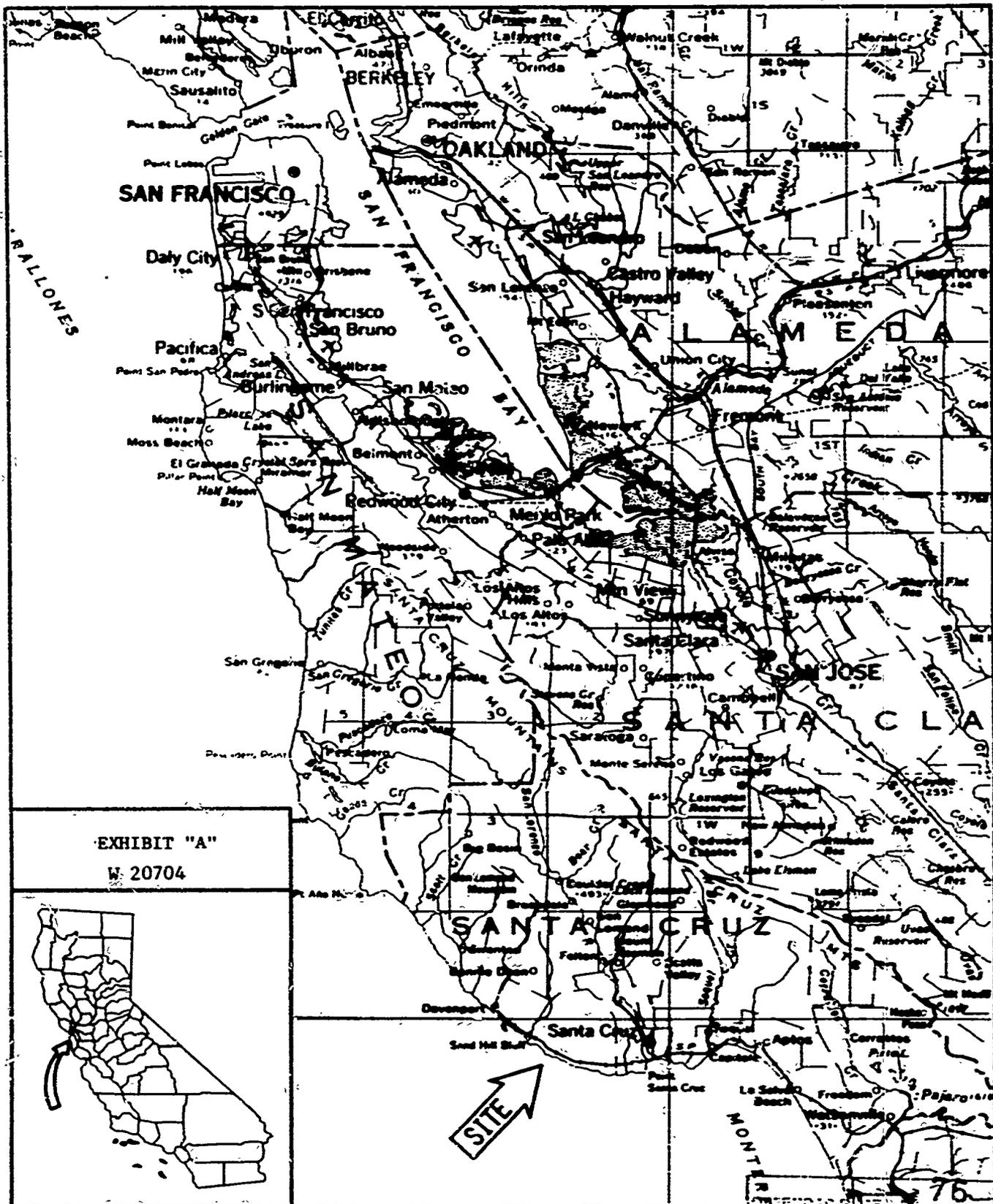


EXHIBIT "A"
W. 20704



SITE