MINUTE ITEM
This Calendar Item No. 27
was submitted for information
only, no action thereon
being necessary.

MINUTE ITEM

27

05/22/86
W 20704
Reese

INFORMATIVE
PURCHASE - SCARONI RANCH

During staff report on Calendar Item 27 attached, Assemblyman Sam Farr appeared briefly and had brief discussion with Executive Officer Dedrick. Ms. Dedrick relayed Mr. Farr's concerns that this issue be resolved as promptly as possible and that the Commission go forward with a settlement.

Commission-Alternate Ordway indicated that the Commission was unable to take any action on this item until the funding question was resolved. Ms. Ordway also stated that resolution of this matter was a priority for the Commission, and that the Commission would schedule a special meeting as soon as possible, assuming funds become available in the Budget. Ms. Ordway asked that this information be communicated to Assemblyman Farr.

INFORMATIVE
CALENDAR ITEM

27

A 28

S 17

05/22/86
W 20704
Reese

PURCHASE - SCARONI RANCH

BACKGROUND:

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

The parcel consists of +216 acres of coastal beach 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 $3,800,000 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.

CURRENT SITUATION:

On February 18, 1986, a joint memorandum prepared by staff of the Department of General Services (Real Estate Services) and the State Lands Commission, concerning the highest and best use of Scaroni Ranch was forwarded to Mr. Edward R. Miller, Chief Land Agent, Office of Real Estate Services.

On February 19, 1986, a memorandum prepared by Mr. Miller, requesting the appraisal prepared by General Services be re-analyzed in light of the joint memorandum he had received was forwarded to Mr. Warren Caldwell, Senior Land Agent, Department of General Services (Real Estate Services).

Commission staff is working with General Services to attempt to reconcile valuation differences. In addition, we have been informed that acquisition funds are no longer available.