



STAFF REPORT – CITY COUNCIL MEETING

February 07, 2024

TO: Honorable Mayor and City Council Members

FROM: Emily Sinkhorn, Director of Environmental Services

PREPARER: Emily Sinkhorn, Director of Environmental Services

DATE: January 25, 2024

TITLE: **Approve an Amendment to Existing Grazing Lease with A.N. Hunt & Sons, Inc., Expanding the Leased Area to include Assessor's Parcel Nos. 501-042-024, -026 and -028; and Authorize the City Manager to Execute All Applicable Documents.**

RECOMMENDATION:

It is recommended that the Council approve an amendment to existing grazing lease with A.N. Hunt & Sons, Inc., expanding the leased area to include Assessor's Parcel Nos. 501-042-024, -026 and -028; and authorize the City Manager to execute all applicable documents.

INTRODUCTION:

Dean Hunt, DBA A.N. Hunt & Sons Inc., has been leasing the City-owned Baylands Ranch portion of the Jacoby Creek Gannon Slough Wildlife Area since December 27, 2004. He has been an excellent tenant exercising high-quality ranch management techniques and land stewardship consistent with the City's wildlife habitat goals while providing prompt rent payments to the City. The proposed amendment expands the lease area by 54 acres, contiguous with the current leased area.

DISCUSSION:

Following decades of City ownership and management of diked former tidelands along the shores of Humboldt Bay, the City has determined that livestock grazing on portions of these properties are compatible with natural resource enhancement and open space protection goals. The City-owned Jacoby Creek/Gannon Slough Wildlife Area is located between Highway 101, Samoa Boulevard/Old Arcata Road and Bayside Cutoff. The wildlife area includes created and enhanced wetlands, portions of Jacoby Creek and Gannon Slough, tidal estuaries, and short-grass habitat maintained through livestock grazing.

This amendment proposes to add an expanded lease area to the current lease with A.N. Hunt & Sons, Inc. The City recently terminated a separate grazing lease due to chronic breach of lease provisions over the northeastern portion of the Jacoby Creek/Gannon Slough Wildlife Area, Humboldt County Assessor's parcel nos. 501-042-024, -026, -028. These parcels, the proposed expanded lease area for this contract amendment, are immediately contiguous with the current A.N. Hunt & Sons, Inc. lease

area, enabling an effective lease management transition. The City has previously implemented, and continues to plan for, additional natural resource restoration projects in the Jacoby Creek/Gannon Slough Wildlife Area, which reduce grazing lease acreage in order to restore/promote a different habitat for multi-benefit purposes. Expansion of the grazing lease with A.N. Hunt & Sons, Inc. will enable consideration of future restoration projects in the southern portion of the leased area along lower Jacoby Creek without dramatically impacting the viability of grazing operations.

All other lease provisions will remain the same through the lease term of December 31, 2026. The lease has a provision that allows the City to reduce the available grazing acreage for wildlife habitat if City restoration projects render areas unsuitable for grazing. The lease also requires maintenance of fences and appurtenant structures. The current lease and proposed amendment are attached.

POLICY

Continued livestock grazing on the Jacoby Creek/Gannon Slough Wildlife area is consistent with grant agreements obtained for the property purchase, the Arcata General Plan, and the current land use designation.

BUDGET/FISCAL IMPACT:

Revenue from City grazing leases is programmed in the budget under activity #51. Lease revenue offsets ranch ownership costs and provides cost share funds for restoration grants and the City's drainage and open space programs.

ATTACHMENTS:

- A. Hunt Grazing Lease Amendment2_Expanded Lease Area (PDF)
- B. Hunt Grazing Lease Amendment_extended to 12.31.26_signed_recorded (PDF)
- C. Hunt Grazing Lease Agreement_01-01-19 to 12-31-23_signed_recorded (PDF)