



Midpeninsula Regional  
Open Space District

R-26-51  
Meeting 26-11  
April 22, 2026

## AGENDA ITEM 5

### AGENDA ITEM

Proposed Funding Agreement with Peninsula Open Space Trust for Purchase of an Agricultural Conservation Easement on the North Cowell Property located at 2475 Cabrillo Highway, Half Moon Bay, in unincorporated San Mateo County (Assessor's Parcel Numbers 066-170-070 & 066-170-080) to ensure perpetual agricultural use of the property

### GENERAL MANAGER'S RECOMMENDATION

Adopt a Resolution authorizing the execution of the Funding Agreement with Peninsula Open Space Trust for the agricultural conservation easement over the North Cowell property.

### SUMMARY

Midpeninsula Regional Open Space District (District) is proposing to enter into a Funding Agreement with Peninsula Open Space Trust (POST) to provide a \$500,000 contribution to an affirmative agricultural conservation easement (ACE) on the 277-acre North Cowell property (Property) to protect and continue the agricultural uses on the Property. The Giusti family will continue to own the property in fee with the ACE held by POST requiring farming to continue on the Property in perpetuity and restricting residential development to farmworker housing. The District would be named a third-party beneficiary to the ACE, allowing the District to enforce the terms of the easement if needed. The following report presents a description of the Property, the terms and conditions, and the financial impact of the proposed transaction.

### DISCUSSION

#### Property Description and Regional Context

The North Cowell property is comprised of two parcels located approximately two miles south of Half Moon Bay on the San Mateo County coast (Attachment 2: Location Map). State Route 1 borders the Property to the east, while the California Coastal Conservancy owns the bluffs on the western boundary of the Property. The parking area and access trail for the Cowell Ranch State Beach form the northern boundary of the Property and Purisima Creek forms the southern boundary.

The Property has been used for agricultural purposes for over 165 years. Approximately 200 acres of the 277-acre Property are currently irrigated and under agricultural production. The remainder of the Property is comprised of open space and riparian lands, three small reservoirs, and a 10-acre farm center.

**Improvements and Land Use**

Improvements to the Property are primarily concentrated in the 10-acre farm center area. The farm center includes five housing units (three single-family units and a duplex), two barns for storage and packaging, and numerous accessory structures used for miscellaneous storage. Water to the residences is provided through a domestic water connection to the City of Half Moon Bay.

The water supply for agricultural activities on the Property is provided through adjudicated rights to Purisima Creek. A diversion from Purisima Creek supplies three reservoirs totaling approximately 64 acre-feet of water storage.

An approximately 2-mile stretch of the California Coastal Trail runs along the western boundary of the Property, both on the North Cowell property and the neighboring Coastal Conservancy property. On the North Cowell property, the Coastal Trail alignment is within an approximately 40-foot-wide trail easement that allows for the trail to be moved inland as needed due to bluff erosion. This trail is currently managed by San Mateo County Parks.

**Existing and Proposed Easements**

In 1992, POST sold the North Cowell property to the Giusti Family while retaining a conservation easement over the Property (1992 Easement). The 1992 Easement restricts use of the Property to activities involving farming and grazing and related uses, although it does not require agricultural uses to continue in perpetuity. The 1992 Easement also allows for residential use of the Property, including up to 12 farmworker housing units and the construction of an up to 5,000 square foot home in the farm center or field near the northern end of the Property.

POST is intending to purchase a new, affirmative ACE for the Property to ensure that the Property perpetually remains in active agricultural production. The ACE will require that 132 acres of the Property (approximately 48% of the total Property size and 66% of the existing farmed area) remain in commercial production measured over a rolling three-year average period. The ACE will also remove the development rights for the 5,000 square foot home while maintaining the ability to develop up to 12 farmworker housing units.

**District Agriculture Policy**

The District updated its Agricultural Policy in 2023. The Agricultural Policy encourages the District, in the coastside protection area, to support the preservation of significant agricultural lands through partnerships projects that are led by others and through agricultural easements. Specifically, Policy AG-1d directs the District to work in partnership with organizations like POST to prevent the conversion or loss of agricultural lands through funding contributions with the ultimate goal of transferring these lands to private farmers subject to land protections such as agricultural conservation easements (ACEs).

**Terms and Conditions**

The current appraised value of the Property is \$14,500,000, while the hypothetical value of the Property after implementation of the ACE is determined to be \$1,925,000. POST will be purchasing the ACE for \$12,575,000, which is the difference between the existing appraised value and the hypothetical value of the Property after the ACE is recorded.

The proposed funding agreement between the District and POST provides a District contribution of \$500,000 to the ACE. In return, the District will be named as a third-party beneficiary to the ACE, which gives the District the right to enforce the terms of the ACE if needed.

**FISCAL IMPACT**

By entering into the Funding Agreement, the District would incur a one-time cost of \$500,000 from the General Fund to contribute toward POST’s acquisition of the ACE on the North Cowell property. Because this opportunity arose after the FY26 budget was adopted, the FY26 adopted budget does not include funding for the recommended action. The recommended action will require a budget increase of an additional \$500,000, which will be offset by Quarter 3 (Q3) budget decreases at the May 13, 2026 Board meeting.

**PRIOR BOARD AND COMMITTEE REVIEW**

Due to the timing of this potential purchase, this item was not presented to the Real Property Committee.

**PUBLIC NOTICE**

Public notice was provided as required by the Brown Act.

**CEQA COMPLIANCE**

This item is not a project subject to the California Environmental Quality Act.

**NEXT STEPS**

Upon approval by the Board, staff would proceed with executing the funding agreement and provide the funds to POST once the ACE is acquired (expected closing date is June 2026).

Attachment(s)

1. Resolution
2. Location Map: North Cowell

Responsible Department Head:  
Allen Ishibashi, Real Property Manager

Prepared by/contact person:  
Aaron Peth, Real Property Planner

RESOLUTION NO. 26-\_\_

RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT AUTHORIZING APPROVAL OF THE FUNDING AGREEMENT WITH PENINSULA OPEN SPACE TRUST, AMENDING THE FISCAL YEAR 2025-26 GENERAL FUND CAPITAL BUDGET, AND AUTHORIZING THE GENERAL MANAGER TO EXECUTE ANY AND ALL OTHER DOCUMENTS NECESSARY OR APPROPRIATE TO EFFECTUATE THE TERMS OF THE AGREEMENT (NORTH COWELL PROPERTY)

WHEREAS, the Midpeninsula Regional Open Space District’s (“District”) Agricultural Policy directs the District to work in partnership with organizations like Peninsula Open Space Trust (“POST”) to prevent the conversion or loss of agricultural lands through funding contributions, with the ultimate goal of transferring these lands to private farmers subject to land protections such as agricultural conservation easements; and

WHEREAS, POST is preparing to purchase an affirmative agricultural conservation easement with restriction of development rights (“ACE”) on the North Cowell Property to ensure the North Cowell Property continues to be used for agricultural purposes; and

WHEREAS, the District desires to contribute \$500,000 to assist with the ACE purchase in return for designation of the District as a third-party beneficiary under the ACE as set out in the Funding Agreement.

NOW, THEREFORE, be it resolved by the Board of Directors of Midpeninsula Regional Open Space District as follows:

SECTION ONE. The Board of Directors of the Midpeninsula Regional Open Space District authorizes the General Manager to execute a Funding Agreement with POST (“Agreement”) to contribute funding to POST for the purchase of an ACE for the North Cowell Property.

SECTION TWO. The General Manager or General Manager’s designee (Real Property Manager) is authorized to execute any and all other documents necessary or appropriate to effectuate the terms of the agreement.

SECTION THREE. The Board approves an amendment to the Budget and Action Plan for Fiscal Year 2025-26 consisting of an increase to the General Fund Capital budget in the amount of \$500,000. Except as herein modified, the FY 2025-26 Budget and Action Plan, Resolution No. 25-11 as amended, shall remain in full force and effect.

\* \* \* \* \*

PASSED AND ADOPTED by the Board of Directors of the Midpeninsula Regional Open Space District on \_\_\_\_\_, 2026, at a Regular Meeting thereof, by the following vote:

**AYES:**  
**NOES:**  
**ABSTAIN:**  
**ABSENT:**

**ATTEST:**

**APPROVED:**

\_\_\_\_\_  
Margaret MacNiven, Secretary  
Board of Directors

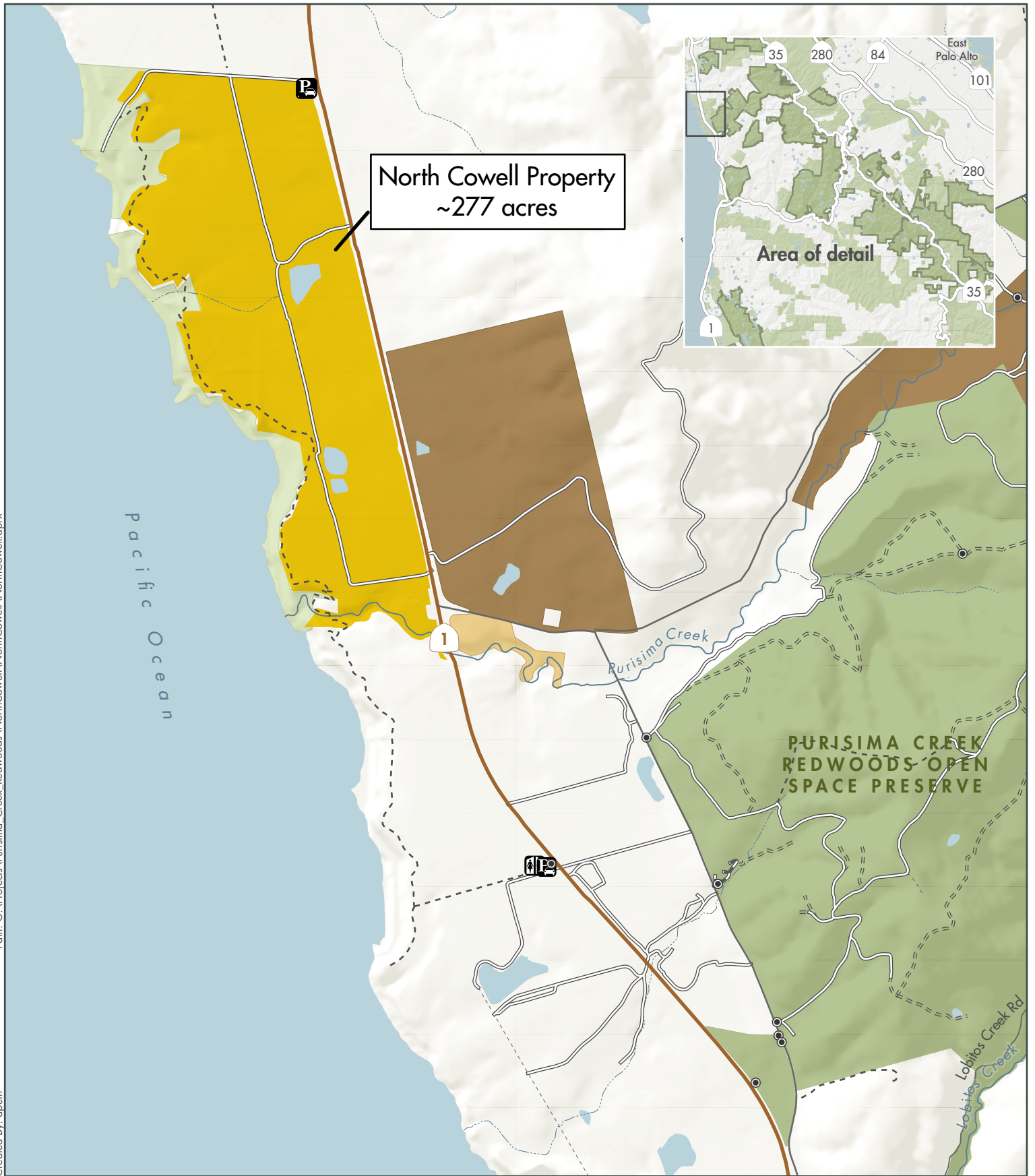
\_\_\_\_\_  
Zoe Kersteen-Tucker, President  
Board of Directors

**APPROVED AS TO FORM:**




\_\_\_\_\_  
Hilary Stevenson, General Counsel

I, the District Clerk of the Midpeninsula Regional Open Space District, hereby certify that the above is a true and correct copy of a resolution duly adopted by the Board of Directors of the Midpeninsula Regional Open Space District by the above vote at a meeting thereof duly held and called on the above day.

\_\_\_\_\_  
Maria Soria, District Clerk



# North Cowell Property ATTACHMENT 2

- |   |   |
|---|---|
|  Midpen preserves      |  North Cowell Property (APNs: 066-170-070 & 080) |
|  Other protected lands |  Land trust                                      |
|  Private property      |  Other public agency                             |

Midpeninsula Regional  
Open Space District  
(Midpen)  
8/27/2025



While the District strives to use the best available digital data, these data do not represent a legal survey and are merely a graphic illustration of geographic features.