

June 30, 2022

Via E-Mail and U.S. Mail

Bert Whitaker
Sonoma County Regional Parks
2300 County Center Drive
Suite 120A
Santa Rosa, CA 95403

**Re: Letter of Intent for Donation of 47 acres of Scott Ranch
Property to Sonoma County Regional Parks**

Dear Mr. Whitaker:

This non-binding letter serves as a letter of intent between Earth Island Institute ("EII"), a California non-profit public benefit corporation, doing business as Kelly Creek Protection Project ("KCPP"), and Sonoma County Regional Parks ("Regional Parks") with regard to the intentions of these parties to negotiate a more defined agreement (the "Transfer Agreement") regarding the intended future donation by EII of approximately 47 acres of the 58.65-acre Scott Ranch property (APNs 019-120-040 and 019-120-041) in Petaluma, California to Regional Parks.

Currently the City of Petaluma ("City") is processing the application for a combined project ("Project") for the Scott Ranch property: a 28-unit single-family residential project and an extension of Helen Putnam Regional Park eastward to D Street. Once approved by the City and after the 47 acres is subdivided from the rest of Scott Ranch, the 47-acre parcel will be transferred to EII. EII then intends to donate the 47-acre property ("Property") to Regional Parks to be developed in accordance with the concept plan attached as Exhibit A ("Concept Plan").

Regional Parks, EII, and KCPP are all excited about this donation and the future transformation of 47 acres of Scott Ranch to an extension of Putnam Park that will provide public outdoor recreation to the entire community and restore the site's biological habitat in accordance with the Concept Plan.

The following identifies the elements of the Transfer Agreement that the parties will negotiate in good faith over the coming months.

- 1. Timing and Conditions of Donation.** The Transfer Agreement will detail when and under what conditions EII will donate the Property to Regional Parks. The parties anticipate that EII will be responsible for certain improvements and

maintenance of the Property prior to transfer, which will be detailed in the Transfer Agreement. This may include stabilization of the main barn structure; removal of the abandoned structures on the Property; restoration of the stock pond, eroded gully, and Kelly Creek riparian area; and construction of certain improvements including the lower parking lot, the trail north of Kelly Creek ("North Trail"), access to the North Trail from the parking lot, and a portable restroom. The Transfer Agreement will require acceptance of the offer of donation within six months after the completion of such improvements and maintenance, including the closure of all construction permits, except any involving long-term monitoring requirements. The parties recognize that any material changes to the Concept Plan (dated May 2, 2022), including to the North Trail, trail south of Kelly Creek, two parking lots, picnic area, play area, restoration elements, and red barn use area, may result in Regional Parks not accepting the Property.

2. Grazing Lease. The Transfer Agreement will address future grazing options on the property and a potential grazing leases.

3. Cooperation During City Process. Regional Parks will need the ability to effectively manage the Property on both sides of Kelly Creek once transferred. The Transfer Agreement will describe how the parties will cooperate during the City's entitlement and implementation phases of the Project so that Regional Parks can, at its sole discretion, participate in those elements of the process that will impact its ownership and management of the Property. This will include review and submittal of input on the conditions of approval for the Project, and review and approval of utility plans, subdivision maps, onsite and offsite improvement plans, permit applications, permit milestones (i.e. rough and final grading permits), permit sign-offs, and any other City requirement or agreement (collectively, "permits"), to the extent such permits could materially impact Regional Parks' management of the Property or the Property's condition.

4. Conservation Easements and Resource Agency Permitting. The Transfer Agreement will recognize that there will be two conservation easements over the Property: one with the resource agencies for the Project's biological impacts and one with the Sonoma County Agricultural Preservation and Open Space District, as will be required by the grant to be provided to EII for purchase of the Property. Regional Parks shall be included in the conservation easement negotiations and have approval authority of the conservation easements. The Transfer Agreement will also describe how the parties will cooperate during the resource agency permitting process so that Regional Parks can, at its sole discretion, participate in those elements of the process that will impact its ownership of the Property.

5. Implementation of the Putnam Park Extension. The Transfer Agreement will describe the responsibilities of Regional Parks and EII regarding

implementation of the different phases of development and improvements shown on the Concept Plan. This will include the timing of and funding for the improvements as well as any needed changes to the improvements.

6. Future Management of Park: The parties recognize that Parks has over 50 years of expertise managing parklands in Sonoma County, including parklands that contain sensitive biological habitat. The transfer agreement will address the following : (1) the south trail along Kelly Creek will not be constructed prior to completion of the Phase 1 restoration and enhancement of the eroded gully, stock pond, and riparian area along Kelly Creek, including initial planting of native vegetation; (2) a management and monitoring plan for California Red Legged Frogs (CRLF) will be implemented for the portion of the Property south of Kelly Creek, and Regional Parks will use best efforts to adapt its management of the Property, including use of the south trail along Kelly Creek, to address any concerns raised by the monitoring conducted under such plan; (3) any playground constructed on the property will be a natural style playground that incorporates natural materials consistent with current Regional Park standards; (4) the red barns will be preserved and not allowed to deteriorate so as to undermine the structural integrity of the buildings, except that if Regional Parks determines replacement of certain components is necessary, the structures shall provide the same aesthetic value as the existing structures, including with respect to colors and character defining features.

7. Connecting Trail. The Transfer Agreement will address the timing and permitting for the trail that Regional Parks will construct to connect the North Trail to the existing trails within Putnam Park with the intent of completing the connecting trail at approximately the same time as EII completes the North Trail. To facilitate the timely completion of the connecting trail, the parties will coordinate the submittal of the permit applications to the resource agencies so the application for the connecting trail and the application for the improvements on the Property can be considered at the same time.

8. Fundraising. The Transfer Agreement will address future fundraising for implementation of the Concept Plan, which the parties will support both individually and collectively.

9. Standard Provisions. The Transfer Agreement will include standard contract provisions, including indemnification.

It is expected that once this letter of intent is executed by all parties and the Project is approved by the City, the parties will collectively work to develop and approve the Transfer Agreement including approval by the Board of Supervisors. Unless as otherwise set forth in the Transfer Agreement each party is and will be solely liable for its own fees, costs and other expenses incurred and in connection with the negotiation and

preparation of this letter of Intent and Transfer Agreement. Nothing in this letter shall be construed as being binding on either party and is solely provided as a summary of the intended goals of EII and Regional Parks. We look forward to continuing and successfully completing negotiations regarding the transaction described by this letter.

Sincerely,

EARTH ISLAND INSTITUTE
a California nonprofit public benefit corporation

By: Gregory L. Colvin
Gregory L. Colvin
Director, Kelly Creek Protection Project

By: David Phillips
David Phillips
Executive Director, Earth Island Institute

SONOMA COUNTY REGIONAL PARKS
a Public Agency

By: Bert Whitaker
Bert Whitaker
Director, Sonoma County Regional Parks