

AGENDA ITEM NO. 6-F
MONTEREY PENINSULA REGIONAL PARK DISTRICT
BOARD REPORT

DATE: October 7, 2026
TO: Board of Directors
FROM: Jake Smith, Planning & Conservation Program Manager
REVIEWED BY: Eric Morgan, General Manager *E. Morgan*
SUBJECT: Extension of the Palo Corona Regional Park Conservation Grazing Lease with Paddock Land and Cattle

SUMMARY

On June 3, 2026, the Board rejected all proposals received under RFP No. 202526-2, directed staff to advertise a new solicitation for a lease commencing November 1, 2026, and extended the current conservation grazing lease with Paddock Land and Cattle (DBA LE Cattle Company LLC) through October 31, 2026. Developing the solicitation has taken longer than anticipated and has not yet been released as of writing this report. Staff recommend extending the current lease, on its existing terms, through September 30, 2027. This schedule allows staff to complete the RFP solicitation and bring a recommended award to the Board by March 3, 2027, provides the current operator nearly seven months' notice before the end of the term if another operator is selected, allows the herd to be managed through the winter and spring, and avoids a change in operators during the El Niño wet season. Staff also recommend that the RFP's lease commencement date be set to October 1, 2027.

FISCAL IMPACT

None. The current lease provides for nominal rent of \$1.00 per year.

DISCUSSION

Background

Livestock grazing at Palo Corona Regional Park predates the District's acquisition of the property in 2004, and the District has continued it as a resource management tool since. Grazing is guided by the Grassland Management Plan for Palo Corona Regional Park (2007), which prescribes, for each grazing unit, the months in which cattle may graze and the amount of residual dry matter to be left on the ground at the end of the season. Under those prescriptions, grazing helps maintain the Park's coastal grasslands, limit the spread of coyote brush and other woody shrubs into grassland, and manage fire fuels near neighboring communities. The District does not operate its own cattle; it leases grazing rights to a private operator who conducts grazing under the oversight of the District.

The current lease commenced May 1, 2014, and was amended on November 2, 2017, to extend its term through May 1, 2024. On April 3, 2024, the Board authorized a 26-month

renewal through June 30, 2026, with direction that any subsequent lease be awarded through an open, competitive RFP process. On June 3, 2026, following the Board's rejection of proposals under RFP No. 202526-2, the Board authorized a temporary extension through October 31, 2026 (**ATTACHMENT 1**). On June 3, 2026, the Board directed staff to revise and re-advertise the RFP. This has taken longer than the June 3 schedule anticipated, and a November 1, 2026 commencement needs to be adjusted to allow for time for a thorough process by the District.

The current operator advised the Board in writing (September 25, 2026; **ATTACHMENT 2**) that uncertainty over the lease term has required the herd to be held in the front grazing units in anticipation of a possible exit, rather than moved according to the operator's ordinary rotation. The operator requested notice of at least six months, and preferably one year, after a Board decision on the new lease to plan an orderly exit, if not awarded the new lease.

NOAA's Climate Prediction Center has issued an El Niño Advisory, reporting that El Niño is strengthening, with a greater than 90% chance of a very strong event during the Northern Hemisphere fall and winter 2026–27. A strong El Niño does not guarantee a wet winter on the Central Coast, but it substantially increases the likelihood of heavy rainfall, saturated soils, and storm damage during the months when cattle would ordinarily be in the backcountry units. A change of operators during this period, which would require removing one herd and introducing another, would be challenging during this period. Extending the current lease through September 30, 2027, keeps an experienced operator in place through the winter and spring and avoids scheduling a potential transition during the period of higher operational risk.

An extension of the current lease through September 30, 2027, addresses these concerns. It allows the operator to manage the herd through a full winter and spring on a known schedule, provides nearly seven months between the Board's decision and the end of the current term, assuming Board action on the new lease by March 3, 2027, exceeding the six-month minimum the operator has requested. Additionally, it allows a new lease to commence October 1, 2027, giving whatever operator is awarded the new lease time to establish its operation before the start of the November 1 grazing year. An extension is a continuation of the existing lease to maintain grazing while the revised solicitation is completed. It does not create any preference, entitlement, or advantage in the revised solicitation, which will be evaluated solely on the criteria stated in the RFP. All proposers, including the current operator, will be subject to the same solicitation terms, RFP communication protocols, and schedule.

CEQA Compliance

The extension of the existing conservation grazing lease is categorically exempt from the California Environmental Quality Act under the Class 1 Categorical Exemption (Existing Facilities), which applies to the operation, leasing, and minor alteration of existing public or private facilities and topographical features involving negligible or no expansion of existing use (14 Cal. Code Regs. §15301); as well as Class 4 Categorical Exemption (Minor Alteration to Land), which applies to minor public or private alterations in the condition of the land, water, and/or vegetation which do not involve the removal of healthy,

mature, scenic trees except for forestry and agricultural purposes. There are no exceptions present that make these Exemptions inapplicable. The extension continues an existing grazing use that has been conducted on the property continuously since before the District's acquisition and changes only the lease term. Grazing on the property was treated as part of the existing baseline in the District's Initial Study/Mitigated Negative Declaration for the Palo Corona Regional Park General Development Plan, adopted by Resolution 2021-02.

RECOMMENDED ACTION

Pursuant to Section 601 of the District's Regulations of Use, which provides that no person shall permit livestock to graze on District lands without the written permission of the Board, staff respectfully recommend that the Board of Directors:

1. Find that the extension of the existing conservation grazing lease is categorically exempt from CEQA under CEQA Guidelines section 15301 (Class 1, Existing Facilities) and section 15304 (Class 4, Minor Alterations to Land).
2. Authorize and direct the General Manager to execute an amendment extending the conservation grazing lease with Paddock Land and Cattle (DBA LE Cattle Company LLC) through September 30, 2027, on its existing terms, substantially as to form. (**ATTACHMENT 3**)
3. Direct staff to set the new lease commencement date in the revised conservation grazing RFP to October 1, 2027.

ATTACHMENTS

1. [Current grazing lease with Paddock Land and Cattle \(DBA LE Cattle Company LLC\), with amendments and extensions](#)
2. [Letter from LE Cattle Company to the Board of Directors, September 25, 2026](#)
3. [Draft Amendment extending lease term](#)