



## Preservation Ranch – Project Summary

### Background

California Public Employees' Retirement System (CalPERS) owns a majority stake in one of the finest vineyard investment portfolios in North America, supplying grapes to over 80 leading wineries in California and Oregon. All the vineyards are farmed sustainably, ensuring premium quality wine grapes with minimal environmental impacts.

### The Preservation Ranch Project

In 2004, the Portfolio acquired Preservation Ranch, a significant yet environmentally degraded property of 19,650 acres in northwest Sonoma County. The management team created a bold **90/10 vision** for a sustainable, integrated land use project with public benefits. Over 90% of the land will be permanently conserved with less than 10% being converted to sustainable vineyards. Premium winegrape production will fund the conservation and restoration efforts, without the use of public funds.

Due to a legacy of clear-cut logging and parcel fragmentation, the property currently presents a number of serious challenges, including a large number of legal parcels; depleted timber resources; degraded fish and wildlife habitats; excessive forest fire risks; reduced carbon storage; and limited economic benefit to Sonoma County. The Project aims to address these concerns, while offering significant public benefits. Key components are:

- **Forest conservation** – create one large sustainably managed forest of ~14,900 acres (76%);
- **Protected habitats** – establish a permanent wildlife preserve of ~2,700 acres (14%);
- **Sustainable agriculture** – plant ~1,150 acres of sustainably farmed vineyards on ~1,769 acres (9%);
- **Public recreation** – donate ~220 acres to the existing 40 acre Soda Springs Reserve (1%).

### Public Benefits

Implementation will bring the property into conformance with the General Plan for land use densities and:

- Restore the forest by planting 1 million trees and implementing sustainable forestry practices;
- Enhance and permanently protect wildlife and fish habitat within the Gualala River watershed;
- Connect to its northern neighbors, creating 60,000 acres of conserved working forestlands;
- Reduce existing fire risks, increase forest carbon storage, and improve water quality;
- Expand a Sonoma County Reserve and create a 5 mile public trail;
- Eliminate ~100 existing parcels, reducing fragmentation and dramatically restricting future development;
- Generate \$300 million in property value and create 1,500 local jobs.

### Key Concerns and Mitigation Strategies

1. **Concern:** New vineyard development impacts on soil erosion, water quality, water flow, wildlife habitat, wildlife connectivity, and threatened and endangered fisheries.
  - **Mitigation:** Strict planning, permitting, project management, and monitoring procedures will be followed; vineyards will be farmed sustainably and certified by a third party organization.
2. **Concern:** Sets precedent of large scale forest to vineyard conversion in Sonoma County and California
  - **Mitigation:** Rezoning and consolidating the land enables an integrated land-use plan for sustainable management of the entire property. All the public benefits, conservation easements and stewardship endowments will be secured prior to the timber conversion commencing.

### Collaboration, Transparency and Next Steps

The Project is pursuing a collaborative and transparent process with all key stakeholders. The project application and all related documents are available on the Sonoma County PRMD website (<http://www.sonoma-county.org/prmd/presranch/index.htm>). By year end, the County will release a Draft EIR for public review and comment, including public hearings on the adequacy of proposed environmental protections. The full project is described on: [www.preservationranch.org](http://www.preservationranch.org)