

## **ANNUAL AUTHORIZATION OF LAND BANK ACTIVITIES**

**Summary:** Staff recommends Board authorization to take all actions necessary to implement the Land Coverage and Marketable Rights Program.

**Location:** Throughout the six hydrologic transfer areas located on the California side of the Lake Tahoe Basin (Attachment 1)

**Fiscal Summary:** No expenditure of funds is proposed under this recommendation.

**Recommended Action:** Adopt Resolution 13-06-07 (Attachment 3).

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### **Background**

Regulation of land coverage is one of the primary tools in meeting resource-related objectives within the Lake Tahoe Basin (Basin). Coverage refers to an existing or potential development's footprint on the natural surface of the ground that prevents water from percolating from the surface into the ground. The existence of coverage prevents the natural filtering function of the soil and the take-up of nutrients by vegetation. Additionally, coverage increases the volume and velocity of runoff, which accelerates erosion and the transport of sediment to the Lake.

Placement of coverage is strictly regulated in the Basin. Pursuant to the Tahoe Regional Planning Agency (TRPA) Regional Plan and other regulatory requirements, the amount of coverage that can be placed on a parcel is limited based on a number of considerations, including the tendency of the land to erode.

The Regional Plan features two key elements dealing with coverage. The first limits the amount of allowable coverage on each parcel in the basin (generally from 1% on sensitive land up to 30% on high capability land). Under TRPA's rules, however, permit applicants can acquire coverage beyond these limits by transferring coverage rights to the site from one or more eligible parcels in the same hydrologically-related

area (HRA). Permit applicants can satisfy this requirement by acquiring the required coverage rights from willing sellers on the open market or by acquiring these coverage rights from a Land Bank.

The second major element of the Regional Plan related to coverage is the excess coverage fee program. Properties developed before the TRPA Bi-State compact was adopted in 1972 may have coverage (structures, pavement, etc.) beyond the amount allowed under the Regional Plan. To address the impacts of these parcels, TRPA requires property owners seeking permits to remodel or develop these parcels to reduce at least a portion of the excess coverage or pay a fee.

Specifically, permit applicants may: (1) retire (eliminating) existing coverage (structures, pavement, etc., which already exist on the land); (2) retiring coverage from other parcels; or (3) pay an excess coverage fee into a special fund held by TRPA. Monies paid into the special fund are deposited by TRPA into the Land Banks operated by the Conservancy and the Nevada Division of State Lands, which then restores or retires an equivalent amount of coverage.

### **California Tahoe Conservancy Land Bank**

Since 1987, the Conservancy has operated the Land Bank on the California side of the Basin under its Land Bank Program (Program), governed by a Memorandum of Understanding (MOU) with TRPA. The Program is designed to:

- 1) Offset the effects of existing ground coverage which exceed current standards, and redirect the pool of unused coverage rights toward less-sensitive parcels;
- 2) Assist property owners in securing additional coverage for their properties, consistent with TRPA requirements; and
- 3) Complement and support the Conservancy's efforts to protect and restore lands for resource purposes and objectives.

The MOU provides, among other things, that the Conservancy will acquire and restore or acquire and retire coverage on the California side of the Basin with the excess coverage fees collected by TRPA.

The Conservancy has also acquired "restoration credits" by restoring coverage or disturbed landscapes on environmentally sensitive lands. In the Tahoe basin, new coverage is prohibited on highly sensitive lands unless TRPA determines that the coverage is necessary for public safety reasons or for public facilities, including utility lines and bike trails. If TRPA determines coverage is permissible in these highly

sensitive areas, the coverage must be mitigated with restoration credits originating from equally sensitive areas that have been successfully restored.

Through the acquisition of properties the Conservancy can generate a wide range of marketable rights, depending on what existed or was credited to the property at the time of acquisition. The Conservancy periodically acquires these other rights, including those for tourist accommodations, sewer connections, residential units, and commercial floor area. Such rights are usually sold to parties building or remodeling a commercial site or a multi-family unit(s). The rights are recognized by the various regulatory agencies within the Basin and can therefore be sold or transferred under the proper circumstances. The use of these rights is reserved for projects in the areas where the rights originated in order to maintain the economic base of those communities. Generally, the Conservancy has acquired the marketable rights incidental to other land acquisition purposes.

Over the past 25 years, the Conservancy's Land Bank has been enormously successful in facilitating market-based transactions of coverage and other commodities within TRPA's strict limits on development. To date, the Conservancy has facilitated the development of nearly 7,000 projects. Table I below summarizes the Land Bank's project activity to date, in terms of projects served, coverage provided, mitigation fees collected and revenues earned.

**Table I**  
**Conservancy Land Bank Cumulative Totals**  
 Projects Facilitated through March 31, 2013

Project Category		Number of Projects Served	Coverage Provided (Sq. ft.)	Units Provided (Units)	Revenues (\$)	
Land Coverage Related	TRPA Excess Coverage Mitigation *(Fiscal Year)	5,708	1,242,504	-	8,077,977	
	Open Market Transfers	1,011	745,308	-	5,026,120	
	Public Service Transfers:					
	-Sales	35	65,620	-	379,901	
	-Exchange or Grant	16	248,889	-	0	
	Restoration Credit	81	175,601	-	385,434	
	<b>Sub Totals:</b>	<b>6,851</b>	<b>2,477,922</b>	<b>-</b>	<b>\$13,869,432</b>	
	Other Marketable Rights	Other Marketable Rights:	<b>Projects</b>	<b>Units Provided (Sq. ft.)</b>	<b>Units Provided (Units)</b>	<b>Revenue (\$)</b>
		Commercial Floor Area	8	8,151	-	278,912
Tourist Units		2	-	16	30,300	
Sewer Units		12	-	29	77,925	
Residential Development Rights		78	-	128	254,650	
Existing Residential Units		5	-	5	258,300	
<b>TOTALS:</b>		<b>6,956 Projects</b>	<b>Coverage: 2,477,922 sq. ft.</b> <b>CFA: 8,151 sq. ft.</b>	<b>178 Units</b>	<b>\$14,769,519</b>	

\*The number reported for TRPA Excess Coverage Mitigation represents the total fees collected by TRPA over the life of the Program.

## **Proposed Changes in Land Bank Authorizations and Reporting**

Conservancy staff is revising the Land Bank's available "inventory" of coverage, restoration credits, and marketable rights (Rights). In past years, staff has provided the Board with the Conservancy's allocated inventory of coverage and other marketable rights, but sought Board authorization to sell only those rights anticipated to be needed by public and private parties in the following year. This has led to a great deal of confusion with the public between commodities that are in the Conservancy's inventory and those that are available on the market. To reduce this confusion and greatly simplify recordkeeping, staff is proposing to eliminate annual authorizations of specific levels of coverage and marketable rights based on expected future demand. Instead, the Conservancy will simply publish its total inventory of coverage and other marketable rights, and seek Board authorization each year to operate the Land Bank consistent with TRPA rules.

The inventory includes all coverage and marketable rights acquired through previous Board approvals. The inventory will be adjusted in response to specific transactions authorized by the Board, including authorizations to acquire land and/or Rights or authorizations to expend funds to restore land coverage and disturbed areas.

### *Ongoing reporting*

The Board will continue to maintain the authority to adjust the inventory by removing or including available coverage, restoration credits, and marketable rights. All Land Bank transactions will continue to be subject to existing TRPA Regional Plan and Conservancy rules and guidelines. As in the past, all Land Bank projects requiring environmental review (CEQA) are subject to Board review and approval.

During the fiscal year staff will continue to maintain the ability to sell, reserve, and use coverage, restoration credits, and marketable rights that have been included in the inventory for the purposes of meeting ECM and Caltrans obligations, reserving Rights for Conservancy projects, and to provide for other public service projects and open market sales when the inventory allows.

Annual reporting to the Board will include beginning and ending inventory balances of coverage, restoration credits and Rights for the period of time that corresponds with the last reporting date. Land Bank activity for the period will reflect net increases or decreases in inventory by transaction type (i.e. open market sales, public/ Conservancy projects, obligations, and ECM). Staff will also document the agency's material liabilities, reserves, and contingencies during the reporting period.

## Land Bank Coverage and Restoration Credit Transactions

Table II summarizes the Land Bank Coverage transactions in square feet for the period January 1, 2012 through March 31, 2013. The rows present types of coverage by hydrologic area and the columns show the type of transaction by category. As shown in the table, the Conservancy has sold, used, or reserved coverage for the following purposes:

- 1) Provide coverage under the excess coverage mitigation fee program
- 2) Provide coverage for Caltrans projects
- 3) Provide coverage for public and Conservancy projects
- 4) Sell coverage on the open market to individuals and businesses
- 5) Reserve coverage for future Conservancy and public service projects

The Land Bank allocates coverage based on the Memorandum of Understanding (MOU) with TRPA and Conservancy needs. Mitigating the excess coverage element of the Regional Plan is the first priority of the Land Bank. The second priority is satisfaction of the existing Caltrans MOU obligation. The third priority is providing coverage for public service and Conservancy projects. The remaining inventory is made available for open market sales.

Each of these purposes is divided into separate columns in the following table. In summary, the Conservancy began with an inventory balance of 3,526,031 square feet of coverage and restoration credits as of January 1, 2012. During the 15 months ending March 31, 2013 the Conservancy used 56,789 square feet to satisfy excess coverage, 12,440 square feet for Caltrans projects, 4,753 square feet for public and Conservancy projects, 26,116 square feet for open market sales and has a remaining reserve balance of 1,532,110 square feet leaving an ending inventory balance with applied reserves of 1,893,823 as of March 31, 2013.

Table II								
Land Bank Coverage Transactions - Square Feet								
For the Period January 1, 2012 through March 31, 2013								
	Beginning Inventory Balance	Excess Coverage	CalTrans MOU	Public & CTC Projects	Open Market Sales	Ending Inventory Balance	Reserves	Ending Inventory Balance with Applied Reserves
South Stateline HRA								
Potential Coverage	689,702	(1,444)	(9,293)	-	(8,833)	670,132	(400,091)	270,041
Hard Coverage	1,879	(1,879)	-	-	-	-	-	-
Soft Coverage	-	-	-	-	-	-	-	-
Total Coverage	691,581	(3,323)	(9,293)	-	(8,833)	670,132	(400,091)	270,041
Upper Truckee HRA								
Potential Coverage	1,440,341	(31,731)	-	(574)	(5,189)	1,402,847	(664,278)	738,569
Hard Coverage	76,142	(1,968)	-	-	(8,068)	66,106	-	66,106
Soft Coverage	46,033	-	-	-	-	46,033	-	46,033
Total Coverage	1,562,516	(33,699)	-	(574)	(13,257)	1,514,986	(664,278)	850,708
Emerald Bay HRA								
Potential Coverage	2,116	(916)	-	-	-	1,200	-	1,200
Hard Coverage	-	-	-	-	-	-	-	-
Soft Coverage	-	-	-	-	-	-	-	-
Total Coverage	2,116	(916)	-	-	-	1,200	-	1,200
McKinney Bay HRA								
Potential Coverage	42,518	(4,799)	-	-	(1,076)	36,643	(29,545)	7,098
Hard Coverage	-	-	-	-	-	-	-	-
Soft Coverage	-	-	-	-	-	-	-	-
Total Coverage	42,518	(4,799)	-	-	(1,076)	36,643	(29,545)	7,098
Tahoe City HRA								
Potential Coverage	708,285	(4,911)	-	-	(813)	702,561	(35,605)	666,956
Hard Coverage	-	-	-	-	-	-	-	-
Soft Coverage	-	-	-	-	-	-	-	-
Total Coverage	708,285	(4,911)	-	-	(813)	702,561	(35,605)	666,956
Agate Bay HRA								
Potential Coverage	461,289	(8,988)	-	(3,545)	(1,354)	447,402	(389,590)	57,812
Hard Coverage	153	(153)	-	-	-	-	-	-
Soft Coverage	-	-	-	-	-	-	-	-
Total Coverage	461,442	(9,141)	-	(3,545)	(1,354)	447,402	(389,590)	57,812
Restoration Credit	57,573	-	(3,147)	(634)	(783)	53,009	(13,001)	40,008
Total Coverage	3,526,031	(56,789)	(12,440)	(4,753)	(26,116)	3,425,933	(1,532,110)	1,893,823

### *Excess Coverage Mitigation*

The Conservancy's obligation to retire coverage under the Excess Coverage Mitigation (ECM) requirements remains problematic. Table III below documents the Program's ECM obligation balance of 126,525 square feet as of July 1, 2011 with an additional obligation incurred of 59,013 square feet for the period July 1, 2011 through December 31, 2012. The existing Land Bank inventory can satisfy 56,789 square feet of the additional obligation. The Conservancy will permanently retire coverage from existing inventory parcels originally purchased and/or restored with mostly bond funds. The Conservancy will present to TRPA a list of the APN's and coverage of sending parcels used to satisfy the ECM and request reimbursement at \$8.50 per square foot (rate of \$8.50 is set by TRPA), pending approval by TRPA.

<b>Table III</b>				
<b>Excess Coverage Mitigation (ECM) - Square Feet</b>				
<b>For the Period July 1, 2011 through December 31, 2012</b>				
	<b>Beginning ECM Obligation</b>	<b>Additional Obligation</b>	<b>Requested Mitigation</b>	<b>Ending ECM Obligation</b>
<b>South Stateline Hydrologic Area</b>				
Potential Coverage	-	1,444	(1,444)	-
Hard Coverage	72,638	-	(1,879)	70,759
Soft Coverage	-	-	-	-
<b>Total Coverage</b>	<b>72,638</b>	<b>1,444</b>	<b>(3,323)</b>	<b>70,759</b>
<b>Upper Truckee Hydrologic Area</b>				
Potential Coverage	-	31,731	(31,731)	-
Hard Coverage	-	1,968	(1,968)	-
Soft Coverage	-	-	-	-
<b>Total Coverage</b>	<b>-</b>	<b>33,699</b>	<b>(33,699)</b>	<b>-</b>
<b>Emerald Bay Hydrologic Area</b>				
Potential Coverage	15,916	1,697	(916)	16,697
Hard Coverage	-	-	-	-
Soft Coverage	-	-	-	-
<b>Total Coverage</b>	<b>15,916</b>	<b>1,697</b>	<b>(916)</b>	<b>16,697</b>
<b>McKinney Bay Hydrologic Area</b>				
Potential Coverage	-	4,799	(4,799)	-
Hard Coverage	7,136	325	-	7,461
Soft Coverage	-	-	-	-
<b>Total Coverage</b>	<b>7,136</b>	<b>5,124</b>	<b>(4,799)</b>	<b>7,461</b>
<b>Tahoe City Hydrologic Area</b>				
Potential Coverage	-	4,911	(4,911)	-
Hard Coverage	1,365	47	-	1,412
Soft Coverage	-	-	-	-
<b>Total Coverage</b>	<b>1,365</b>	<b>4,958</b>	<b>(4,911)</b>	<b>1,412</b>
<b>Agate Bay Hydrologic Area</b>				
Potential Coverage	-	8,988	(8,988)	-
Hard Coverage	29,470	3,103	(153)	32,420
Soft Coverage	-	-	-	-
<b>Total Coverage</b>	<b>29,470</b>	<b>12,091</b>	<b>(9,141)</b>	<b>32,420</b>
<b>Total Coverage</b>	<b>126,525</b>	<b>59,013</b>	<b>(56,789)</b>	<b>128,749</b>

As of December 2012, the Program is unable to address 128,749 square feet of the total ECM needs in California as reported by TRPA. This ECM liability consists of 70,759 square feet of hard coverage in the South Stateline HRA, 16,697 square feet of potential coverage in the Emerald Bay HRA, 7,461 square feet of hard coverage in the

McKinney Bay HRA, 1,412 square feet of hard coverage in the Tahoe City HRA and 32,420 square feet of hard coverage in the Agate Bay HRA.

If the Conservancy continues to face difficulties in replenishing the Program's coverage inventory, the Program's effectiveness will be greatly threatened. Under current conditions, most of the funds needed to acquire, restore, and retire existing hard coverage are set using a formula that estimates existing coverage purchase/restoration at a cost of \$8.50 per square foot. However, the current estimated cost to acquire, restore, and retire existing coverage can be two to fifteen times higher than the fee paid. Furthermore, the current market's dearth of available properties for acquisition and restoration and the deficit of over 128,000 square feet of land coverage for Excessive Coverage Mitigation make it difficult to satisfy our obligations.

The Conservancy continues to work on updates to the ECM program and MOU with TRPA. The use of ECM fees under the newly adopted TRPA Regional Plan is no longer restricted to hydrologic areas as of February 11, 2013. Staff believes the elimination of HRA restrictions for ECM is a positive step towards making the Program economically sustainable in the future. In addition, staff is considering proposals of a coverage impact score, use of a reverse auction, modification of the "dollars per square foot" requirement and restrictions on the use of future ECM funds to acquire and restore only existing land coverage as topics to be discussed under a revised MOU.

### *The Conservancy's Memorandum of Understanding with the California Department of Transportation*

The Conservancy and California Department of Transportation (Caltrans) entered into a MOU on November 1, 2000. The Conservancy obtained control over property and incidental rights with a market value of \$5,500,000 from Caltrans (the proposed highway 50 freeway right-of-way). In return for the property and Rights, the MOU stated that the Conservancy shall provide 583,000 square feet of land coverage, mitigation or other restoration credits to be used by Caltrans for Environmental Improvement Projects and other transportation related projects within California's six HRAs. The term of the MOU shall be either 25 years ending October 31, 2025 or the transfer of 583,000 square feet of Conservancy Credits, whichever occurs first.

Table IV summarizes Land Bank activity towards meeting the outstanding obligation for the period January 1, 2012 through March 31, 2013.

<b>Table IV</b>	
<b>Caltrans Coverage Obligation - Square Feet</b>	
<b>For the Period January 1, 2012 through March 31, 2013</b>	
	Coverage Obligation - Square Feet
Beginning Balance - CalTrans Obligation	478,913
Potential Coverage	(9,293)
Restoration Credit	(3,147)
Ending Balance - CalTrans Obligation	466,473
Reserve - 77%	361,446
Ending Balance - with applied reserves	105,027

As of March 31, 2013 the Caltrans obligation remains at 466,473 square feet. Staff has reserved approximately 361,446 square feet of coverage, or 77% of the outstanding liability, as sufficient to address the MOU obligation with Caltrans.

#### ***Public Service Projects and Conservancy Projects***

These projects benefit the public as a whole in some way, such as Caltrans, county, utility, or bike trail projects. During the 15 months ending March 31, 2013 the Conservancy sold or used 4,753 square feet of coverage for approximately \$3,444. The projects include the Placer County Domus housing project and the Caltrans Trout Creek to Ski Run Project, both of which satisfy existing Land Bank obligations.

#### ***Open Market Sales***

Homeowners and businesses rely upon the Conservancy's open market sales to obtain the coverage necessary to secure permits for residential or commercial projects. During the 15 months ending March 31, 2013, the Conservancy sold 26,116 square feet of coverage through open market sales for approximately \$197,242. Buyers included owners of several single family residences, Bob Dog Pizza in Meyers, and the Aspens Affordable Housing Project in South Lake Tahoe.

#### ***Restoration Credit for Sensitive Lands***

The Conservancy's primary source of restoration credits originates from numerous Environmentally Sensitive Lands (ESL) acquired under the Conservancy's ESL Program, SEZ Program, and Public Access and Recreation Program, and from litigation settlement acquisitions.

As shown in Table II, the Conservancy restoration credit beginning balance as of January 1, 2012 was 57,573 square feet. For the period January 1, 2012 through March 31, 2013, the Conservancy provided 4,564 square feet of restored mitigation credit from sensitive land areas to assist eight projects for a total of \$29,400. Of the 4,564 square feet used, 783 square feet was sold through open market sales, 634 square feet was provided for public and Conservancy related projects, and 3,147 square feet was provided to satisfy the Caltrans MOU. As of March 31, 2013, the restoration credit inventory balance with applied reserves is 40,008 square feet.

*Reserves*

The Conservancy maintains coverage reserves for projects and obligations related to the Caltrans MOU, and known and measurable future public service projects and Conservancy projects. The reserves reduce the available inventory balances presented in Table II. Placement of inventory into reserves may be for planning or administrative purposes, but actual disposal of Rights through sale or use would require Board approval if CEQA findings are needed or by staff under existing delegated authority. Table V presents total reserves by project as of March 31, 2013.

<b>Table V</b>	
<b>Coverage Reserves - Square Feet</b>	
<b>as of March 31, 2013</b>	
<b>Type of Project</b>	<b>Coverage Reserves</b>
Conservancy Greenway Project	401,515
North Tahoe Bike Trail	361,518
Caltrans MOU	361,446
City of South Lake Tahoe	110,000
El Dorado County Ball Field Easement	60,000
South "Y" Asset Land	47,698
Lake Tahoe Blvd. Bike Trail	10,000
Unspecified Projects - Contingency	179,933
Total	<b>1,532,110</b>

Unspecified project reserves serve as a contingency and may be placed back into the inventory if no longer needed.

## Land Bank Marketable Rights Transactions

The Land Bank's other marketable rights are generally defined by their land use category. Under the residential use category, these rights include Residential Development Rights (RDRs), residential allocations, and Existing Residential Units of Use (ERUUs). Under the commercial use category is Commercial Floor Area (CFA), and under the tourist use category are Tourist Accommodation Units (TAUs), commonly known as motel units. For further definition on marketable rights please see attachment II for a list of definitions on Land Bank terms and rights.

The following Table VI summarizes the beginning balance of marketable rights as of January 1, 2012, the corresponding 15 month market activity and the resulting inventory balance.

<b>Table VI</b>				
<b>Land Bank Marketable Rights</b>				
<b>For the Period January 1, 2012 through March 31, 2013</b>				
	<b>Beginning Balance</b>	<b>Marketable Rights Bought</b>	<b>Marketable Rights Sold</b>	<b>Ending Balance</b>
<b>Residential Development Rights</b>				
City of South Lake Tahoe	7	-	-	7
El Dorado County	92	-	-	92
Placer County	52	-	-	52
Sub-Total	151	-	-	151
<b>Existing Residential Units of Use</b>				
City of South Lake Tahoe	24	-	(1)	23
El Dorado County	2	-	-	2
Placer County	30	-	-	30
Sub-Total	56	-	(1)	55
<b>Commercial Floor Area*</b>				
City of South Lake Tahoe	228	-	-	228
El Dorado County	6,537	-	-	6,537
Placer County				
Kings Beach	12,312	-	-	12,312
Carnelian Bay	599	-	-	599
Sub-Total	19,676	-	-	19,676
<b>Total Marketable Rights</b>	<b>19,883</b>	<b>-</b>	<b>(1)</b>	<b>19,882</b>
* Commercial Floor Area is in square feet				

During the period January 1, 2012 through March 31, 2013 the Conservancy sold one ERUU for \$17,000 in the City of South Lake Tahoe. The sale of only one marketable right reflects the overall economic downturn since 2007. Recent indicators such as residential home sales reflect a potential rebound occurring in the Lake Tahoe market.

**List of Attachments:**

Attachment 1 – California Hydrologic Transfer Areas Map

Attachment 2 – Land Bank Definitions

Attachment 3 – Resolution 13-06-07

**Conservancy Staff Contact:**

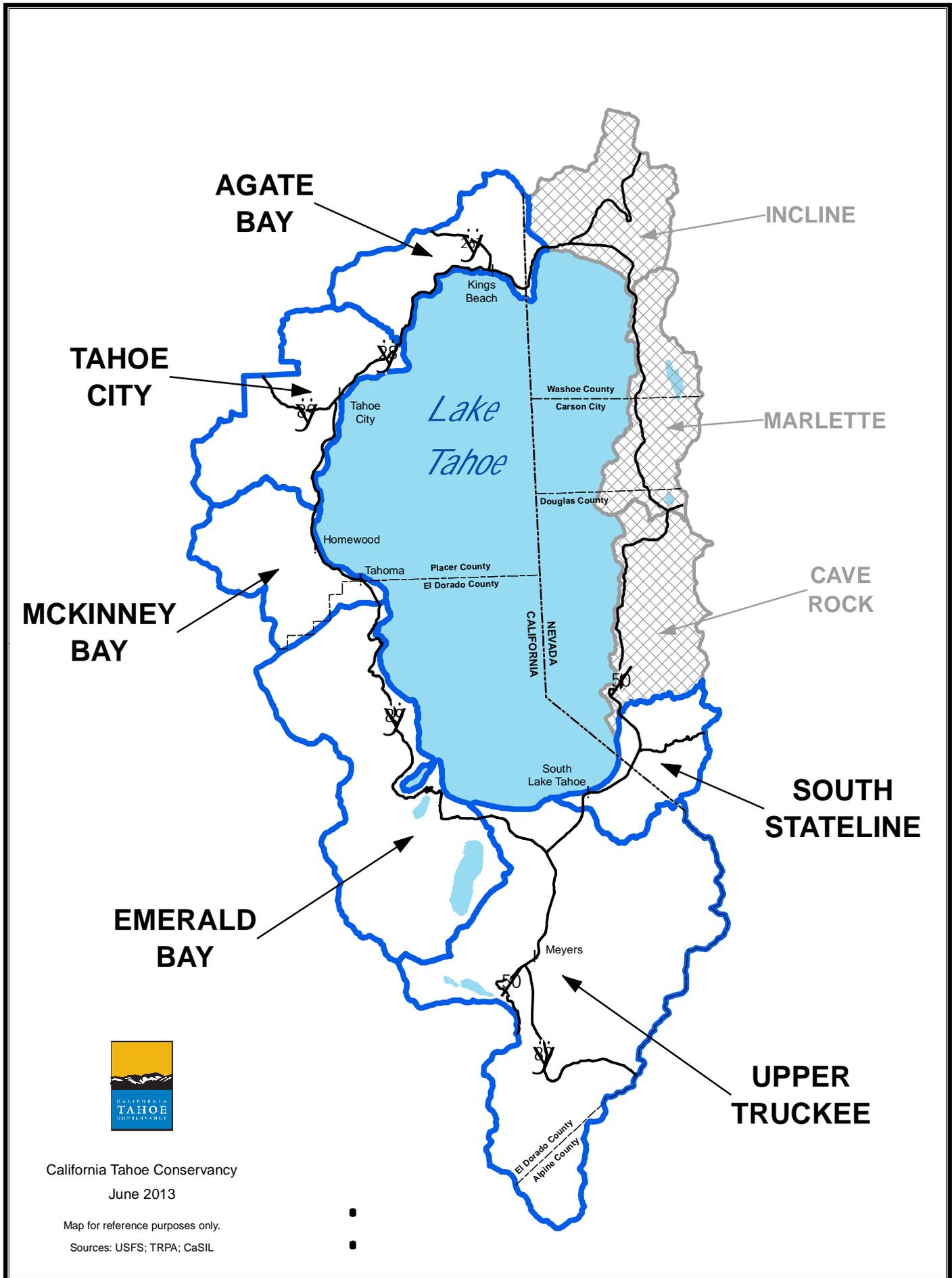
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ATTACHMENT 1  
California Hydrologic Transfer Areas



California Tahoe Conservancy  
June 2013

Map for reference purposes only.  
Sources: USFS; TRPA; CaSIL



## ATTACHMENT 2

### LAND BANK DEFINITIONS

Allocation = Unit set aside for building. A set number of allocations are granted by TRPA to each jurisdiction annually.

Bailey system = Developed in the early 1970's by Tahoe Regional Planning Agency (TRPA) and U.S. Forest Service, Lake Tahoe Basin Management Unit (LTBMU) using U.S. Department of Agriculture (USDA) soils maps, the Bailey system gives all properties in the Lake Tahoe Basin an environmental rating between Classes 1-7. Class 1 is the most environmentally sensitive and contains the least amount of coverage rights. Class 7 is the most suitable for development, and contains up to 30% coverage. All commercial and multi-family properties contain a Bailey Score.

Base allowable land coverage = The amount of coverage that was originally assigned to a parcel under the Bailey or IPES system.

Commercial Floor Area (CFA) = The footprint of a commercial building located within the outer walls and designed for commercial use. Rating is by square footage and does not include stairs, parking areas, and walkways.

Excess Coverage Mitigation (ECM) = A property is already covered with structures, pavement, etc. beyond the amount allowed under the TRPA Code of Ordinances. This coverage must be mitigated by retirement of coverage on the same parcel, a different parcel, or by paying a fee.

Hydrologically Related Area (HRA) = Groups of watershed areas located in the Basin. There are 9 total hydrologic areas, 6 of which are in California (Attachment 1).

IPES System = Individual Parcel Evaluation System. Designed by TRPA in 1987, the IPES system scores any vacant residential parcel containing road access. Any parcel scored under IPES over-rides the previous

Bailey score. The system rates properties between 0-1150 points. Lower scores are more sensitive. Higher scores are more suitable for development.

Land Coverage = Any impervious surface that does not allow water infiltration and plant growth (i.e. house, parking lot). Coverage must be transferred within the same hydrologic area and from a more sensitive parcel to a less sensitive parcel. Applies to any IPES parcel or Bailey 4-7.

Potential Coverage = Does not physically exist until transferred. Used for residential projects.

Hard Coverage = Existing or potentially existing man-made commercial structures.

Soft Coverage = Compacted soil without structures.

Maximum allowable coverage = Base allowable land coverage + transferred coverage = the total coverage allowed based upon TRPA's Maximum Parcel Coverage Table.

Non-Sensitive Land = Parcels with IPES scores  $\geq 726$  or Bailey Scores 4-7.

Receiving parcel = Is the recipient of rights from another parcel, such as coverage, Residential Development Right, etc.

Residential Development Right (RDR) = AKA Development Right, is a right used in conjunction with an allocation to potentially develop a residential parcel.

Residential Unit of Use (ERUU) = AKA Existing Residential Unit of Use, is a residential room(s) designed for household living.

RDR + Allocation = ERUU

Restoration Credit = Parcels containing Bailey Scores of Class 1-3 can receive SEZ or Class 1-3 Restoration Credit from any parcel in the basin. It is not hydrologic-area specific. There are very stringent TRPA regulations regarding placing new impervious surface in a sensitive area. This right must be purchased at 1.5 times the need. It is similar to coverage, but is a different type of right than coverage.

Rule of Relative Sensitivity = Applies to residential parcels. Coverage must be transferred from a more sensitive parcel to a less sensitive parcel. (Parcel IPES score of  $\leq 700$  transferred to a Parcel IPES score of  $\geq 700$ .)

Sending parcel = Transfers rights to another parcel, such as coverage, Residential Development Right, etc.

Sensitive Land = Parcels with IPES scores 0-725 or Bailey Scores 1-3.

Stream Environment Zone (SEZ) = An area that contains water at the ground surface and/or vegetation that lives in or near water.

Tourist Accommodation Unit (TAU) = A living unit designed to be rented on a temporary basis, such as a motel unit.

Vacant parcel = Is undeveloped, but may contain certain rights such as coverage, Residential Development Right, etc.

### **ATTACHMENT 3**

California Tahoe Conservancy

Resolution

13-06-07

Adopted: June 20, 2013

#### **ANNUAL AUTHORIZATION OF LAND BANK ACTIVITIES**

Staff recommends that the California Tahoe Conservancy adopt the following resolution pursuant to Government Code sections 66905 et seq., 66907, 66907.1, 66907.2, 66907.8, 66908, 66908.1, and 66950 et. seq.:

“The California Tahoe Conservancy hereby authorizes staff to take all actions necessary to implement the Land Coverage and Marketable Rights Program, as more fully set forth in the accompanying staff report.”

I hereby certify that the foregoing is a true and correct copy of the resolution duly and regularly adopted by the California Tahoe Conservancy at a meeting thereof held on the 20<sup>th</sup> day of June 2013.

In WITNESS THEREOF, I have hereunto set my hand this 20<sup>th</sup> day of June 2013.

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Patrick Wright  
Executive Director