

California Tahoe Conservancy
Agenda Item 7b
December 16, 2011

**ENVIRONMENTALLY SENSITIVE LANDS AND
LANDS NECESSARY TO PROTECT THE NATURAL ENVIRONMENT**

Summary: Staff recommends authorization of \$3,001, plus related closing costs, for the purchase of three parcels under the Conservancy's Environmentally Sensitive Lands and Land Coverage Programs.

Location: In the Brockway Vista Subdivision in Placer County and the River Park Estates and Westlake Village Subdivisions in El Dorado County (Placer County Assessor Parcel Number (APN) 090-202-010 and El Dorado County APNs 036-571-07 and 014-303-02) (Attachments 1(a) – 1(d)).

Fiscal Summary: \$3,001 in direct acquisition, plus related closing costs, from the Lake Tahoe Conservancy Account fund.

Recommended Action: Adopt Resolution 11-12-02 (Attachment 2).

Background

This staff recommendation constitutes the 136th Environmentally Sensitive Lands recommendation submitted to the Board and includes two proposed acquisitions under the Conservancy's Environmentally Sensitive Lands Program and one under the Land Coverage Program. The proposed acquisitions are combined in a single staff recommendation because they involve standardized acquisition criteria, the same acquisition procedures, and serve the same water quality purposes.

Environmentally Sensitive Lands: The Tahoe Regional Planning Agency (TRPA) restricts development on parcels with an Individual Parcel Evaluation System (IPES) score of less than 726 (in Placer County), on low-capability land, and on properties not served by existing roads and utilities. Accordingly, the Conservancy includes such parcels within its definition of environmentally sensitive lands.

For the past few decades, private landowners have purchased and deed-restricted environmentally sensitive lots through the TRPA Allocation Assignment Program. This allowed landowners to obtain residential building allocations for development of other parcels and enabled them to avoid delays in obtaining building allocations when demands for allocations exceeded supplies. Once deed-restricted, the value of these sensitive parcels is generally \$5,000, which reflects the market value of the land to a neighboring homeowner.

The Conservancy acquires these deed-restricted parcels for a nominal price. In accordance with revised donation and deduction guidelines adopted in September 2005, the Conservancy will pay up to \$1,000 for a deed-restricted parcel depending upon the presence or absence of the development right and land coverage. The Conservancy will pay up to an additional \$500 per parcel to help resolve significant management problems to facilitate the transaction. Since September 2005, the Conservancy has authorized the purchase of 45 deed-restricted parcels at a nominal price.

Land Coverage Program: The Conservancy seeks properties in six hydrologically-related areas on the California side of the Lake Tahoe Basin to meet excess coverage mitigation, land coverage, and restoration needs for its Land Bank. Typically, only vacant parcels or parcels with substandard and derelict improvements are evaluated for possible purchase.

Staff has completed a series of activities to evaluate parcel eligibility under these Programs. Such evaluation ensures conformity with acquisition criteria previously adopted by the Board. These activities include:

- Contacting a landowner to determine interest in allowing the Conservancy to conduct pre-acquisition activities for a specific parcel;
- Verifying the environmental sensitivity of the property, including use of IPES data or land capability data;
- Preparing an appraisal, typically by the California Department of General Services, Real Estate Services Division (DGS), or by a private appraiser;
- Conducting a site management inspection;
- Completing title review;
- Sending an inquiry letter to determine landowner interest in selling the property; and
- Preparing the transaction for Board authorization.

The basic standard of valuation is current fair market value, which is the customary standard applied by public agencies. Under this standard, an appraiser considers all factors that reasonable, prudent, knowledgeable, and willing buyers and sellers would consider. These include such factors as the supply and demand for a specific type of property; the existence of other similar and competitive properties; the highest and best use of the land in terms of its zoning and regulatory treatment, and the availability of utilities and other infrastructure at the time of appraisal or within the reasonably foreseeable future.

Project Description

Staff is proposing that the Conservancy expend up to \$3,001 in the Lake Tahoe Conservancy Account fund for three acquisitions in El Dorado and Placer Counties (El Dorado County APNs 014-303-02 and 036-571-07, and Placer County APN 090-202-010) under the Land Coverage and Environmentally Sensitive Lands Programs (Attachment 3).

Environmentally Sensitive Lands: Placer County APN 090-202-010 (Attachment 1(b)) is eligible for purchase under the Environmentally Sensitive Lands Program. It has no deed restriction, but the owner wishes to sell the parcel to the Conservancy for \$1,000 as a bargain-sale. This parcel, located in the Brockway Vista Subdivision in Kings Beach, has a good filtered view of Lake Tahoe. It has an IPES score of 694 and is 0.14 acre. There is one RDR and 1,080 square feet of potential land coverage associated with the property. The parcel is burdened by a North Tahoe Public Utility District water line easement located parallel to the north property line. Permanent structures are not permitted within this easement area and restrict the area within which any residential development could take place. This parcel's IPES score makes it eligible for the Tahoe Regional Planning Agency's Limited Incentive Program for Off-Site Water Quality Mitigation, in which points may be purchased to bring the IPES score to 726, the minimum score needed to apply for a building allocation in Placer County. Lastly, there are utility lines located in areas which appear to have no easement of record. These lines will be relocated prior to close of escrow.

El Dorado County APN 036-571-07 (Attachment 1(c)) is eligible for purchase under the Conservancy's Environmentally Sensitive Lands Program. This parcel has a 0 IPES score, is 0.25 acre, and is located in the River Park Estates Subdivision in Meyers. It has a recorded TRPA deed restriction that allowed for the assignment of a building allocation to a different, developable property. This parcel also has a TRPA deed restriction allowing for the permanent transfer of 109 square feet of potential coverage

rights to another parcel. The parcel still contains one residential development right (RDR).

The Preliminary Title Report reveals that this property is located in a homeowner's association. The Conservancy has historically been unable to purchase full fee interests in areas burdened with assessment fees. Alternatively, the Conservancy has acquired conservation easements in these situations, which could be modified to allow temporary right of access for restoration. In this case, the landowner is interested in selling his deed-restricted parcel as a bargain-sale conservation easement for \$1,000. The owner will retain the fee title, and be responsible for taxes, assessments, any future homeowner association fees, and ongoing maintenance.

This River Park Estates property could provide an environmental restoration opportunity and result in Stream Environment Zone (SEZ) Restoration Credit for the Land Bank. The adjacent parcel owned by the U. S. Forest Service Lake Tahoe Basin Management Unit is native meadow. Historic air photos show the proposed parcel was also native meadow. Between 20 to 30 years ago, this parcel was filled with soil and rock to an average depth of three feet. Cost to remove this fill is estimated to be in excess of \$24,000. Conservancy crews would provide assistance in tree removal and meadow restoration. The purchase and restoration of this property could also benefit another Conservancy-owned parcel by providing rock and soil needed to complete its restoration.

Lastly, the purchase and subsequent restoration of this parcel could provide over 10,000 square feet of SEZ Restoration Credit to the Land Bank at a marginal cost. The Land Bank's current price for SEZ Restoration credit is \$20.00 per square foot. The SEZ Restoration Credit and RDR would be made available for sale or mitigation purposes through the Conservancy's Land Bank Program, pursuant to criteria adopted by the Board.

Land Coverage Program: El Dorado County APN 014-303-02 (Attachment 1(d)) also has no deed restriction, and the owners wish to sell the land to the Conservancy as a bargain sale. This property is vested in a family trust containing 13 owners. The trustees have elected to sell the property as a bargain sale for \$1,001 (this amount allows the proceeds to be split equally among all 13 owners). The parcel is located in the Westlake Village Subdivision in Tahoma, has an IPES score of 733, and is 0.25 acre. There is one RDR and 990 square feet of potential coverage rights. There is one utility line located in an area that appears to have no easement of record. This line will be relocated prior to close of escrow.

Placer County APN 090-202-010 and El Dorado County APN 014-303-02 have the potential to become asset lands. The rights from these unrestricted parcels would be made available for sale or mitigation purposes through the Conservancy's Land Bank Program, pursuant to criteria adopted by the Board. Any future land sale would be subject to staff's review and recommendation to the Board for consideration at a future meeting.

Project Budget

The proposed acquisitions will cost \$3,001 plus typical title and escrow costs.

Project Implementation

If the Board approves the acquisitions, staff will provide the landowners with property acquisition agreements and related escrow documents. Once each acquisition agreement has the necessary State signatures, escrow will be opened and a warrant ordered for the purchase price. Upon satisfaction of all conditions, escrow will close, and the proceeds of each sale will be sent to the respective sellers.

Project Evaluation

The landowners have indicated willingness to sell to the State, and staff is recommending purchase of these parcels. The proposed acquisitions substantially comply with adopted pre-acquisition criteria for environmentally sensitive lands and land coverage parcels (Attachments 4 and 5). In staff's opinion, title to the proposed acquisitions can be conveyed in an acceptable condition to the State. The Board previously authorized general expenditures for the indirect acquisition costs (i.e., appraisal, appraisal review, escrow services, title insurance, and closing costs) of these and other potential acquisitions.

Consistency with the Conservancy's Enabling Legislation

Implementation of this project is consistent with the Conservancy's enabling legislation. Specifically, Government Code section 66907 authorizes the Conservancy to "select and acquire real property or interests therein in the name of and on behalf of the State, for the purposes of protecting the natural environment, providing public access or public recreational facilities, preserving wildlife habitat areas, or providing access to or management of acquired lands".

Compliance with the California Environmental Quality Act (CEQA)

Pursuant to CEQA Guidelines (California Code of Regulations, Title 14, § 15000 et seq.), certain classes of activities are statutorily exempt from CEQA or are exempt because they have been determined by the Secretary for Natural Resources to have no significant effect on the environment. Pursuant to Public Resources Code section 21082, the Conservancy has also adopted regulations to implement, interpret, and make specific the provisions of CEQA (California Code of Regulations, Title 14, § 12100 et seq.). Staff has evaluated this project and has found it to be exempt under CEQA. This project qualifies for a categorical exemption under CEQA Guidelines, section 15325 (transfer of ownership in land in order to preserve open space, habitat, or historical resources); and section 15333 (small habitat restoration project). A Notice of Exemption (NOE) has been drafted for the project (Attachment 6). If the Board considers and concurs with the project, staff will file the NOE with the State Clearinghouse pursuant to CEQA Guidelines, section 15062.

List of Attachments:

Attachment 1(a) – Location Map
Attachment 1(b) – Location Map - ESL Property, Placer County APN 090-202-010
Attachment 1(c) – Location Map - ESL Property, El Dorado County APN 036-571-07
Attachment 1(d) – Location Map - Land Coverage Property, El Dorado County
APN 014-303-02
Attachment 2 – Resolution 11-12-02
Attachment 3 – Proposed Acquisitions
Attachment 4 – Environmentally Sensitive Lands Acquisition Criteria
Attachment 5 – Land Coverage Program Acquisition Criteria
Attachment 6 – Notice of Exemption

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