

**DOLLAR CREEK SHARED-USE TRAIL
ACQUISITION GRANT**

Summary: Staff recommends authorization of a grant of up to \$500,000 to Placer County for acquisition of a 19.5-acre parcel in support of the Dollar Creek Shared-Use Trail Project.

Location: At the westerly end of Old County Road and Fulton Crescent Drive, Placer County Assessor Parcel Number 092-010-231 (Attachment 1A).

Fiscal Summary: Up to \$500,000 in Proposition 84 funds.

Recommended Action: Adopt Resolution 13-09-06 (Attachment 2).

Background

The Conservancy has long supported efforts to expand and improve the network of non-motorized trails throughout the California side of the Lake Tahoe Basin. The Conservancy has prioritized planning for the gap between Dollar Hill and Kings Beach since 1987. At that time, the Conservancy and the North Tahoe Public Utility District began planning the North Tahoe Bike Trail to bridge this gap. In the ensuing years the Conservancy invested more than \$3 million toward design, environmental documents and right-of-way acquisitions for the North Tahoe Bike Trail.

In 2010 Placer County (County) became the lead agency for planning an extension of Tahoe City Public Utility District's (TCPUD's) popular, existing, 22-mile bicycle trail network. The network provides an alternative transportation option, linking commercial areas, residential neighborhoods and recreational facilities in the greater North Shore area (Attachment 1B).

The County's Dollar Creek Shared-Use Trail (Trail) will construct the 2.2-mile trail system extension. This 10-foot wide paved trail traverses north from the terminus of TCPUD's bicycle trail network near the crest of Dollar Hill to the end of Fulton Crescent Drive in the Old County Road neighborhood of the County. The Trail includes a bridge

span over Dollar Creek, a marked pedestrian crossing at State Route 28 (SR 28) and Dollar Drive, a neighborhood connector at Country Club Drive, and an optional trailhead parking area north of SR 28.

Project Description

Most of the Trail will traverse public lands commonly known as the Dollar and Firestone properties, currently owned and managed by the Conservancy and the North Tahoe Public Utility District (NTPUD) respectively. In order to provide a direct connection with the Old County Road neighborhood, however, the trail must cross a portion of the 19.5-acre NV Energy (owner of Sierra Pacific Power Company) parcel. The Dollar Creek Shared-Use Trail Acquisition Grant (Project) authorizes funding of up to \$500,000 to Placer County for acquisition of the parcel in support of the Trail.

Placer County has entered into negotiations with NV Energy for its possible sale, and has commissioned a property appraisal. NV Energy is not entertaining the sale of an easement-only interest in the parcel. In 2004, the Conservancy appraised and sought to acquire the property from Sierra Pacific Power Company; however, the transaction was never completed due to reported encroachments on the parcel.

To date, the County has secured or applied for over \$2,000,000 for planning, acquisitions and site improvements for the Dollar Creek Shared-Use Trail, as described below:

Funding Source	Status	Amount
Conservancy (Planning)	Secured	\$ 435,000
North Lake Tahoe Resort Association (Planning/Design)	Secured	\$ 200,000
Federal Lands Access Program (FLAP) (Final Plans/Site Improvement)	Applied, not yet secured	\$ 1,500,000
Total Funding To Date		\$ 2,135,000

This NV Energy parcel is the only piece of private land needed to construct the Dollar Creek Shared-Use Trail as permitted.

Placer County plans to connect the trail to Fulton Crescent Drive in order to provide riders with improved access to the Old County Neighborhood. Without this parcel, Placer County would have to significantly redesign the trail. NV Energy is likely to sell the parcel to another buyer if it is not purchased by the County.

Project Budget

Staff recommends that the Board authorize up to \$500,000 for the acquisition. The final appraised value will determine the actual acquisition amount. The Conservancy will retain all savings should the final value be less than the authorized grant amount.

Item	Amount
Negotiations/Appraisal Review/Administration	\$ 15,000
Acquisition/Escrow	485,000
Total	\$ 500,000

Project Schedule

Activity	Date
Completion of Appraisal	August 31, 2013
Negotiations begin	September 20, 2013
Close of Escrow	January 2014

Project Implementation

The Conservancy's acquisition grant agreement with the County will provide up to \$500,000 in support of the acquisition. The Project budget and schedule is subject to change, but costs will not exceed the total amount awarded.

Project Evaluation

This grant for property acquisition to support bikeway improvements is consistent with the Conservancy's Public Access and Recreation Program Guidelines, first adopted on December 19, 1986 and modified on May 29, 2009. One element of these Guidelines is the requirement that new bike and pedestrian trail projects meet the width standards established by the American Association of State Highway Transportation Officials (AASHTO) for shared-use trails.

The trail segment will enhance recreational and transportation opportunities by providing a linked series of bicycle trails from Tahoe City to neighborhoods located east of Dollar Hill. The Project is consistent with the Environmental Improvement Program (portion of EIP Project 761). The project is a key element of the Tahoe Regional Planning Agency's Lake Tahoe Regional Bicycle and Pedestrian Master Plan(http://www.tahoemp.org/bike_plan.aspx), and furthers the region's transportation goals.

The Placer County Board of Supervisors is scheduled to consider and adopt a resolution on September 10, 2013 that commits to this acquisition and pursuit of the trail project.

Consistency with the Conservancy's Enabling Legislation

This project/program is consistent with the Conservancy's enabling legislation. Specifically, Government code section 66907.7 authorizes the Conservancy to award grants to local public agencies, state agencies, federal agencies, federally recognized Indian tribes, the Tahoe Transportation District, and nonprofit organizations for purposes consistent with its mission to provide public access or recreational facilities.

Compliance with the California Environmental Quality Act (CEQA)

Placer County, acting as the lead agency, prepared an Initial Study and Mitigated Negative Declaration (IS/MND) for this Project in order to comply with CEQA. The County Board of Supervisors adopted the MND on October 23, 2012, and a Notice of Determination (NOD) was filed with the State Clearinghouse (SCH# 2012062010).

A copy of the IS/MND has been provided to the Board on CD (Attachment 3) and is available for public review at the Conservancy office, 1061 3rd Street in South Lake Tahoe, California.

As a Responsible Agency, the Conservancy must consider the MND prepared by the County and reach its own conclusions on whether and how to approve the Project. Staff has reviewed the MND and believes that the project proposed was adequately analyzed. Staff has determined that the project, as proposed, would not cause a significant effect on the environment. The mitigation measures for the Project are located in *Section 3.2.17.2, Environmental Analysis and Mitigation Measures*, of the IS/MND.

Staff recommends the Board review and consider the MND prepared and adopted by Placer County as the lead agency, together with any comments received during the public review process; certify that it has independently considered and reached its own conclusions regarding the environmental effects of the Project; make the findings as set forth in the attached resolution (Attachment 2); and authorize the acquisition grant. If the Board considers and concurs with the MND and authorizes the actions described above, staff will file an NOD with the State Clearinghouse pursuant to CEQA Guidelines (Cal. Code Regs., title 14, § 15000 et seq.), section 15096. Attachment 4 contains the Conservancy's proposed NOD.

List of Attachments:

Attachment 1A – Project Location Map

Attachment 1B – Regional Map

Attachment 2 – Resolution 13-09-06

Attachment 3 – Placer County Mitigated Negative Declaration (on attached CD)

Attachment 4 – Proposed Conservancy Notice of Determination

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