California Tahoe Conservancy Agenda Item 8 April 30, 2015

LEGISLATION IMPACTING CONSERVANCY ENABLING STATUTE

Summary: Staff recommends the California Tahoe Conservancy Board authorize sponsorship of Assembly Bill 1004. The proposed legislation would amend Government Code section 66907.8 (transfers for management purposes).

Fiscal Summary: Staff time in support of the legislative process, if approved, will result in minimal budgeted costs to the Conservancy. Future land sale revenue and expenses under guidance of the proposed legislation would be subject to the required Department of Finance, legislative, and California Tahoe Conservancy Board appropriation approvals.

Recommended Action: Adopt Resolution 15-04-04 (Attachment 3) authorizing sponsorship of Assembly Bill 1004 (Dahle) (Attachment 1).

Background

Several meaningful changes to the state's planning and environmental policies have occurred over the last decade. New statewide policies such as the Global Warming Solutions Act of 2006 (AB 32) and the Sustainable Communities and Climate Protection Act of 2008 (SB 375) aim to slow the pace of climate change by requiring greenhouse gas reductions at both the state and local levels. These policies have significantly impacted the state's land use planning goals and emphasize the need for more compact, transit-friendly development.

Tahoe Regional Planning Agency (TRPA) adoption of the Lake Tahoe Regional Plan (Regional Plan) Update and Lake Tahoe Sustainable Communities Strategy (SCS) in 2012 reflect these statewide policies. These plans focus on facilitating the development of the Lake Tahoe Basin's (Basin) newly-designated Town Centers, creating more walkable, bikeable, and transit-oriented communities, and helping the Tahoe Basin to meet its greenhouse gas reduction targets.

Recently approved Proposition 1 also recognizes these planning priorities and contains provisions requiring projects to be consistent with statewide planning goals and the SCS, to the maximum extent feasible.

In October 1987, the Conservancy Board (Board) authorized staff to enter into a memorandum of agreement with TRPA to operate the California Land Bank. The Memorandum of Understanding with TRPA formalized the Conservancy's Land Bank, recognizing the Conservancy's land acquisition and land restoration programs. As such, a TRPA project applicant proposing a transfer of land coverage, land coverage mitigation, or development transfer may pay a fee to the Conservancy, as a designated Land Bank, in lieu of direct land coverage restoration or development retirement.

Over the last 25 years, the Conservancy's Land Bank program:

- Assisted in the acquisition and/or restoration of more than 195 land coverage parcels involving over 235 acres of land;
- Acquired over 2,500,000 square feet of land coverage;
- Facilitated over 6,950 private and public projects;
- Provided 931,000 square feet of land coverage mitigation for over 5,400 projects;
- Sold more than 713,000 square feet of land coverage for over 970 projects; and
- Sold marketable rights to over 105 projects.

In addition to operating a Land Bank, the Conservancy has acquired and manages nearly 4,700 parcels for public access, water quality, and wildlife protection purposes, and funds local agencies for conservation and recreation projects.

Until recently, the Conservancy has focused its land acquisition program on unimproved, environmentally sensitive parcels throughout the California side of the Basin.

In 2013, following the adoption of the Regional Plan and SCS, the Conservancy initiated a new Tahoe Livable Communities (TLC) Program to focus its land acquisition, land management, and marketable rights programs on facilitation of the planning policies contained in the Regional Plan and SCS.

The TLC program furthers regional and statewide planning goals through the following activities:

- 1) Acquiring and restoring aging, developed parcels on environmentally sensitive lands, and retiring or transferring the marketable rights from these parcels to town centers, consistent with the Regional Plan;
- 2) Selling, leasing, or exchanging the Conservancy's high capability parcels (or portions of parcels) located in Town Centers to enable community revitalization; and
- 3) Acquiring the remaining vacant lots in several roadless subdivisions to eliminate their development potential.

The Conservancy works with the Basin's local government jurisdictions to acquire outdated commercial properties and strip motels on or adjacent to Stream Environment Zones in order to achieve the goals of its mission, TLC, and Land Bank Programs.

The TLC Program will reduce vehicle miles traveled, increase ridership on transit and/or bike paths, reduce air and water pollutants, and thereby contribute to the Basin's greenhouse gas reduction targets outlined in the SCS.

Although the Tahoe Conservancy is the principle state agency responsible for acquiring land, awarding grants, and achieving statewide priorities in the Basin, the Conservancy's statutory authority to sell land (section 66907.8) was crafted prior to these new statewide and regional planning policies. Consequently, the Conservancy's authority to sell land lacks clarity on the Conservancy's authority to implement these priorities.

Project Description

Assembly Bill 1004 (AB 1004, Dahle; Attachment 1) clarifies the Conservancy's authority to sell, exchange, or transfer land for various purposes consistent with its mission and section 79707(i) (Attachment 2) of Proposition 1, which directs the Conservancy and other agencies to promote the state's planning priorities and Sustainable Communities Strategies.

As referenced in Attachment 2, Section 79707(i) of Proposition 1 states:

"Projects funded with proceeds from this division will promote state planning priorities consistent with the provisions of Section 65041.1 of the Government Code and sustainable communities strategies consistent with the provisions of

subparagraph (B) of paragraph (2) of subdivision (b) of Section 65080 of the Government Code, to the extent feasible."

The proposed legislation would amend section 66907.8 to specifically incorporate section 79707 as follows:

Notwithstanding any other provisions of law, the conservancy may lease, rent, sell, exchange, or otherwise transfer any real property or interest therein, or option acquired under this title to local public agencies, state agencies, federal agencies, nonprofit organizations, individuals, corporate entities, or partnerships for management purposes pursuant to terms and conditions approved by the conservancy to fulfill the purposes of this title and to promote the state's planning priorities, consistent with subdivision (i) of Section 79707 of the Water Code. The conservancy may request the Director of General Services to undertake these actions on its behalf.

Project Budget

Staff time in support of the legislative process, if approved, will result in minimal budgeted costs to the Conservancy.

Future land sale revenue and expenses under guidance of the Assembly Bill would be subject to the required Department of Finance, legislative, and Conservancy Board appropriation and expenditure approvals. The legislation would influence the expenditure of current and future Conservancy funds over the next several years, allowing land transfers to be consistent with statewide and local planning priorities.

Project Implementation

In order to best support the legislation, Conservancy staff will engage with legislators, legislative staff, and stakeholders as the bill moves through the legislative process this year. Conservancy staff will assist Assembly Member Dahle's office to prepare for hearings and floor votes, educate local stakeholders, provide background information, and testify at committee hearings. If the legislation is signed by the Governor this year, it will take effect on January 1, 2016.

Conservancy staff will provide updates to the Board on the status of the legislation at each Board meeting.

Compliance with the California Environmental Quality Act

The proposed action is not an activity which has the potential of causing either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. Accordingly, the action is not a "project" within the meaning of CEQA, and thus does not fall within the purview of CEQA. Therefore, no CEQA analysis is required.

List of Attachments:

Attachment 1 – Assembly Bill 1004 (Dahle), as introduced.

Attachment 2 – Code Section Citations

Attachment 3 – Resolution 15-04-04

Conservancy Staff Contact:

Chris Mertens Phone: (530) 543-6057

Chris.Mertens@tahoe.ca.gov

ATTACHMENT 1

LEGISLATION IMPACTING CONSERVANCY ENABLING STATUTE ASSEMBLY BILL 1004 (DAHLE), as introduced

ASSEMBLY BILL No. 1004

Introduced by Assembly Member Dahle

February 26, 2015

An act to amend Section 66907.8 of the Government Code, relating to the California Tahoe Conservancy.

LEGISLATIVE COUNSEL'S DIGEST

AB 1004, as introduced, Dahle. California Tahoe Conservancy.

Existing law establishes the California Tahoe Conservancy within the Natural Resources Agency to, among other things, acquire, restore, and manage property, protect the natural environment, and preserve the scenic beauty and recreational opportunities of the Lake Tahoe region, as defined. Existing law prescribes the membership and functions and duties of the conservancy and authorizes the conservancy to lease, rent, sell, exchange, or otherwise transfer any real property or interest therein, or option acquired under those provisions to local public agencies, state agencies, federal agencies, nonprofit organizations, individuals, corporate entities, or partnerships for management purposes pursuant to terms and conditions approved by the conservancy.

This bill would instead authorize the conservancy to take those actions relating to the lease, sale, exchange, and transfer of any real property or interest therein, or option acquired under those provisions to fulfill the purposes of the conservancy and to promote specified state planning priorities.

DIGEST KEY

Vote: MAJORITY Appropriation: NO Fiscal Committee: YES Local Program: NO

BILL TEXT

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1.

Section 66907.8 of the Government Code is amended to read:

66907.8.

Notwithstanding any other provisions of law, the conservancy may lease, rent, sell, exchange, or otherwise transfer any real property or interest therein, or option acquired under this title to local public agencies, state agencies, federal agencies, nonprofit organizations, individuals, corporate entities, or partnerships for management purposes pursuant to terms and conditions approved by the conservancy to fulfill the purposes of this title and to promote the state's planning priorities, consistent with subdivision (i) of Section 79707 of the Water Code. The conservancy may request the Director of General Services to undertake these actions on its behalf.

ATTACHMENT 2 LEGISLATION IMPACTING CONSERVANCY ENABLING STATUTE

CODE SECTION CITATIONS

Section 79707(i) of Proposition 1 (Water Code Section 79707(i)):

Projects funded with proceeds from this division will promote state planning priorities consistent with the provisions of Section 65041.1 of the Government Code and sustainable communities strategies consistent with the provisions of subparagraph (B) of paragraph (2) of subdivision (b) of Section 65080 of the Government Code, to the extent feasible.

Government Code Section 65041.1:

The state planning priorities, which are intended to promote equity, strengthen the economy, protect the environment, and promote public health and safety in the state, including in urban, suburban, and rural communities, shall be as follows:

- (a) To promote infill development and equity by rehabilitating, maintaining, and improving existing infrastructure that supports infill development and appropriate reuse and redevelopment of previously developed, underutilized land that is presently served by transit, streets, water, sewer, and other essential services, particularly in underserved areas, and to preserving cultural and historic resources.
- (b) To protect environmental and agricultural resources by protecting, preserving, and enhancing the state's most valuable natural resources, including working landscapes such as farm, range, and forest lands, natural lands such as wetlands, watersheds, wildlife habitats, and other wildlands, recreation lands such as parks, trails, greenbelts, and other open space, and landscapes with locally unique features and areas identified by the state as deserving special protection.
- (c) To encourage efficient development patterns by ensuring that any infrastructure associated with development, other than infill development, supports new development that does all of the following:
- (1) Uses land efficiently.
- (2) Is built adjacent to existing developed areas to the extent consistent with the priorities specified pursuant to subdivision (b).
- (3) Is located in an area appropriately planned for growth.
- (4) Is served by adequate transportation and other essential utilities and services.
- (5) Minimizes ongoing costs to taxpayers.

Government Code Section 65080(b)(2)(B):

Each metropolitan planning organization shall prepare a sustainable communities strategy, subject to the requirements of Part 450 of Title 23 of, and Part 93 of Title 40 of, the Code of Federal Regulations, including the requirement to utilize the most recent planning assumptions considering local general plans and other factors. The sustainable communities strategy shall (i) identify the general location of uses, residential densities, and building intensities within the region, (ii) identify areas within the region sufficient to house all the population of the region, including all economic segments of the population, over the course of the planning period of the regional transportation plan taking into account net migration into the region, population growth, household formation and employment growth, (iii) identify areas within the region sufficient to house an eight-year projection of the regional housing need for the region pursuant to Section 65584, (iv) identify a transportation network to service the transportation needs of the region, (v) gather and consider the best practically available scientific information regarding resource areas and farmland in the region as defined in subdivisions (a) and (b) of Section 65080.01, (vi) consider the state housing goals specified in Sections 65580 and 65581, (vii) set forth a forecasted development pattern for the region, which, when integrated with the transportation network, and other transportation measures and policies, will reduce the greenhouse gas emissions from automobiles and light trucks to achieve, if there is a feasible way to do so, the greenhouse gas emission reduction targets approved by the state board, and (viii) allow the regional transportation plan to comply with Section 176 of the federal Clean Air Act (42 U.S.C. Sec. 7506).

ATTACHMENT 3

California Tahoe Conservancy Resolution 15-04-04 Adopted: April 30, 2015

LEGISLATION IMPACTING CONSERVANCY ENABLING STATUTE

Staff recommends that the California Tahoe Conservancy adopt the following resolution:

"In substantial compliance with the staff recommendation of this same date, the California Tahoe Conservancy hereby authorizes sponsorship of Assembly Bill 1004 by Assembly Member Brian Dahle.

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 30th day of April 2015.

In WITNESS THEREOF, I have hereunto set my hand this 30th day of April 2015.

Patrick Wright
Executive Director