

California Tahoe Conservancy
Agenda Item 8b
September 17, 2015

1771 SAWMILL ROAD ACQUISITION PROJECT

Summary: Staff recommends authorization to expend \$335,000 for the purchase of one improved parcel, totaling approximately 1.05 acres, for open space and water quality purposes in South Lake Tahoe; and to approve and expend up to \$100,000 towards demolition, restoration, transaction review and related closing costs.

Location: 1771 Sawmill Road at the intersection of U.S. Highway 50 and Sawmill Road in El Dorado County (El Dorado County Assessor Parcel Number 033-180-33) (Attachment 1)

Fiscal Summary: \$335,000 in direct land acquisition costs (\$300,000 Proposition 40 and \$35,000 Habitat Conservation Fund) and up to \$100,000 in Demolition, Restoration, Transaction Review, and Closing Costs (Tahoe Conservancy Fund).

Recommended Action: Adopt Resolution 15-09-04 (Attachment 2).

Background

The Conservancy has directly acquired and restored improved properties for water quality protection within and adjoining sensitive areas, including SEZs, under its SEZ and Watershed Restoration Program and its Land Coverage Program. The Conservancy has also assisted local government with the purchase and restoration of lands through the SEZ and Watershed Restoration Program and the Soil Erosion Control Program.

Property Description

The 1.05 acre 1771 Sawmill Road property is located at the intersection of US Highway 50 and Sawmill Road in El Dorado County (APN 033-180-33) adjacent to the bikeway

from Meyers to the Y. This 4-plex property was constructed in 1976 and is vacant at the current time.

CTC has estimated the presence of 6,000 square feet of existing land coverage (% of the property area) comprised of paving and three buildings. The 4-plex is approximately 3,456 square feet and the remainder is paved parking and driveway area and two small buildings—a storage shed and a pump house.

A Phase 1 Environmental Site Assessment (ESA) and an Asbestos and Lead Building Inspection Report (ALBI) are being performed as part of staff’s pre-acquisition due diligence work.

Prior to the development of roads and drainage infrastructure this property was within a SEZ and is still mapped as being SEZ. There is no land capability verification by the Tahoe Regional Planning Agency, but CTC staff has visited the site and considers it capable of restoration to SEZ standards in the TRPA code.

Project Description

Staff recommends:

1. Authorization to expend \$335,000 towards the purchase of the 1.05 acre South Y Lodge property in the “as is” condition for purposes of restoring open space and enhancing water quality within the Upper Truckee watershed, and banking marketable rights for possible future use; and
2. Authorization to expend up to \$100,000 for closing costs, and Department of General Services, Real Estate Services Division (RESD) acquisition and demolition and restoration support.

Project Budget

Staff recommends that the Board authorize a total of \$435,000 to cover the items outlined and explained in more detail below.

Acquisition	\$335,000
Demolition, Restoration and Property Management	90,000
RESD Transaction Review	8,000
Title/Escrow Fees	<u>2,000</u>
TOTAL	\$435,000

Staff estimates that \$75,000 are required for the demolition and restoration to SEZ (depending on results of hazmat testing for asbestos and lead paint), \$10,000 for closure of the sewer lateral and well and \$5,000 for management until we can perform demolition and restoration. The proposed purchase requires review of the transaction documents by RESD. The estimated RESD cost to perform this function is up to \$8,000.

Project Implementation

Upon the close of escrow, the Conservancy will own the property and the improvements. Staff will manage the property until we are able to accomplish the demolition and restoration, likely in the spring/early summer of 2016. Upon restoration the Conservancy Land Bank will have 4 existing residential units of use (ERUU), and will be able to reserve 8 additional ERUU's as bonus units when there is an eligible receiving project according to TRPA rules and approximately 6,000 square feet of restored hard coverage. These commodities will be reserved in the Conservancy's Land Bank for first priority use on our asset lands in the Tahoe Valley Area Plan and consistent with Tahoe Regional Planning Agency and local jurisdiction policies. El Dorado County will need to approve use of the rights in the City of South Lake Tahoe.

Project Evaluation

This acquisition will meet Conservancy SEZ and Watershed Restoration Program objectives by providing the opportunity to improve water quality within the Upper Truckee Watershed and Land Coverage and Sustainable Communities Program objectives through the purchase and restoration of land coverage and other marketable rights. The acquisition also helps meet State, TRPA, and local planning goals to transfer development from sensitive areas outside of town centers to high capability lands within town centers.

Consistency with the Conservancy's Enabling Legislation

The proposed acquisition is consistent with the Conservancy's enabling legislation. Specifically, Government Code section 66907 provides for the Conservancy to acquire interests in real property for the purposes, in part, of protecting the natural environment.

Compliance with the California Environmental Quality Act (CEQA)

Pursuant to California Environmental Quality Act (CEQA) Guidelines (Cal. Code Regs., tit. 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. Staff has evaluated this project and has found it to be exempt under CEQA. This project qualifies for a categorical exemption under CEQA Guidelines sections 15301 (demolition of an existing multifamily structure) and 15325 (transfer of land in order to preserve or restore open space and natural conditions). A Notice of Exemption has been drafted for this project (Attachment 4). If the Board authorizes the project, staff will file the Notice of Exemption with the State Clearinghouse pursuant to CEQA Guidelines, section 15062.

List of Attachments:

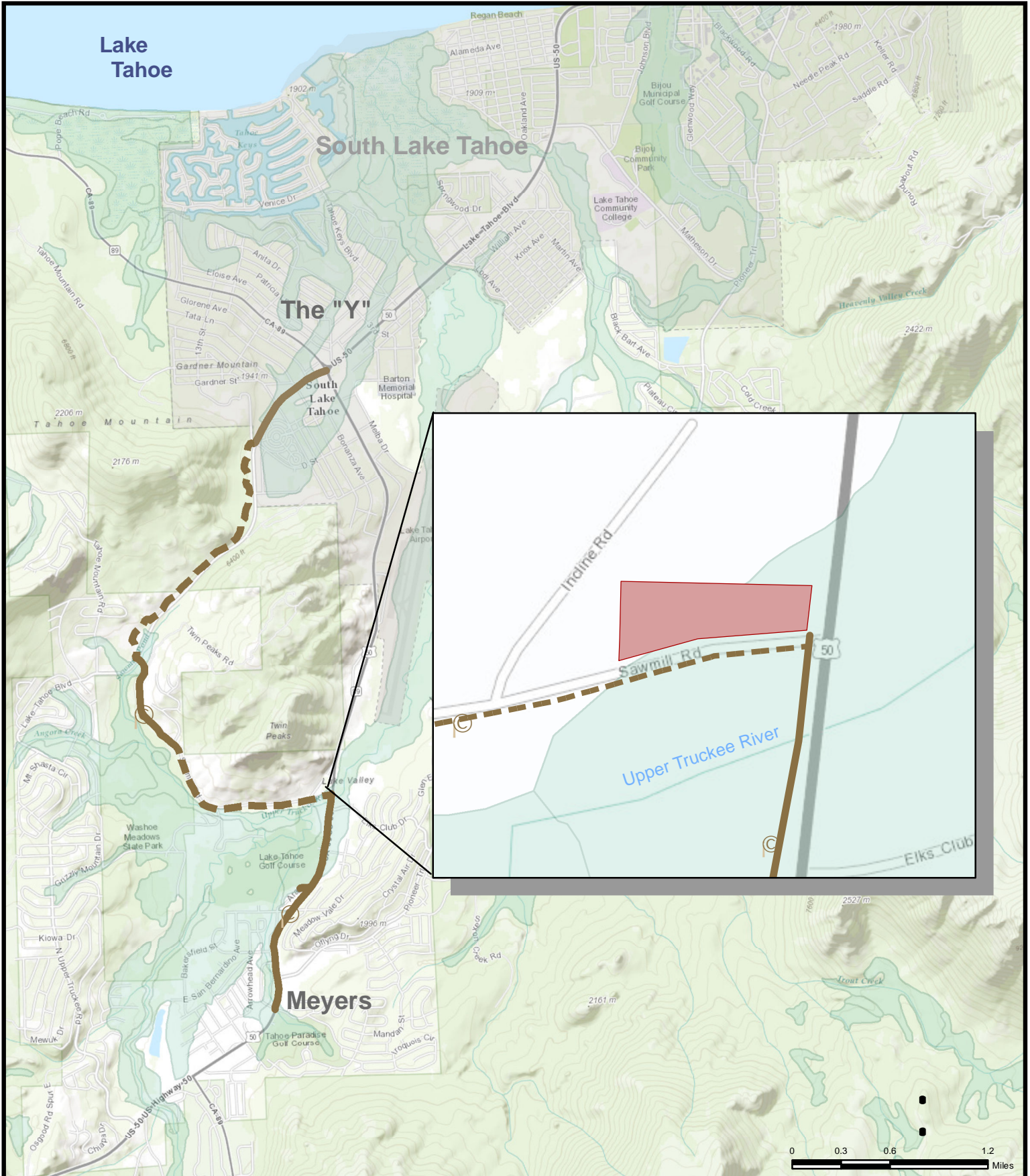
Attachment 1 – Location Map
Attachment 2 – Resolution 15-09-04
Attachment 3 – Property Photos
Attachment 4a – Notice of Exemption
Attachment 4b – Initial Study - Biology

Conservancy Staff Contact:

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ATTACHMENT 1
1771 Sawmill Road - Acquisition



Bike Trails

Existing

In Progress

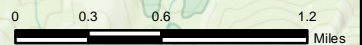
1771 Sawmill Road (APN: 033-180-33)

SEZ

California Tahoe Conservancy
September 2015

Map for reference purposes only.

Sources: ESRI, TRPA, CSLT



ATTACHMENT 2

California Tahoe Conservancy

Resolution

15-09-04

Adopted: September 17, 2015

1771 SAWMILL ACQUISITION PROJECT

Staff recommends that the Conservancy adopt the following resolution pursuant to Government Code section 66907:

"In substantial compliance with the staff recommendation of this same date, the California Tahoe Conservancy hereby:

- 1) Authorizes staff to expend up to \$335,000 and to take all other actions necessary to acquire fee interest in the property located at 1771 Sawmill Road in South Lake Tahoe (El Dorado County Assessor Parcel Number 033-180-033); and
- 2) Authorizes up to \$100,000 for Demolition, Stabilization, Department of General Services transaction review and customary title/escrow closing costs."

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 17th day of September 2015.

In WITNESS THEREOF, I have hereunto set my hand this 17th day of September 2015.

Patrick Wright
Executive Director

ATTACHMENT 3

Location Map – 1771 Sawmill Road



ATTACHMENT 4a

NOTICE OF EXEMPTION

TO: Office of Planning and Research
1400 - 10th Street, Room 121
Sacramento, CA 95814

From: California Tahoe Conservancy
1061 Third Street
South Lake Tahoe, CA 96150

Project Title: South Y Lodge Acquisition

Project Location: - Specific – El Dorado County Assessor Parcel Number 033-180-33.

Project Location - City
South Lake Tahoe

Project Location - County
El Dorado

Description of Nature, Purpose, and Beneficiaries of Project:

Purchase of fee interest in one improved parcel to allow restoration of natural conditions and to protect the natural environment as part of the California Tahoe Conservancy’s SEZ/Watershed Restoration and Land Coverage programs.

Name of Public Agency Approving Project:

California Tahoe Conservancy (Conservancy Meeting of September 17, 2015)

Name of Person or Agency Carrying Out Project: California Tahoe Conservancy

Exempt Status:

- Ministerial (Sec. 15073)
 - Declared Emergency (Sec. 15071 (a))
 - Emergency Project (Sec. 15071 (b) and (c))
 - Categorical Exemption. Class 1, Section 15301; Class 25, Section 15325
(See also Title 14, Division 5.3, Section 12102.25)
-

Reasons Why Project is Exempt:

Action involves the acquisition of land by the Conservancy in order to preserve or allow restoration of open space and natural conditions in the Lake Tahoe Basin and the demolition of an existing facility.

Contact Person

Aimee Rutledge

Area Code

(530)

Telephone

307-3380

Date Received for Filing:

Patrick Wright, Executive Officer

ATTACHMENT 4b

INITIAL STUDY – BIOLOGY

With respect to wildlife, no species of concern inhabit the project or community plan area and no nesting sites or critical habitat for such species exist. The project site is in the urbanized portion of El Dorado County/City of South Lake Tahoe and in an area that is heavily used for residential, public recreation and commercial. Since much of the project site surrounding area has been altered with urbanization and is developed with residential, recreation, public service, and commercial improvements (including structures, driveways, parking lots and sidewalks), typical wildlife within the area is limited to species adapted to human disturbance. Therefore, there will be no impacts to sensitive species or wildlife.

No riparian habitat or federally protected wetlands are located on the project site.

Any construction activities are subject to obtaining a permit from the El Dorado County Building Department/City of South Lake Tahoe which will review it to ensure its compliance with TRPA standards and regulations. The TRPA Code includes several chapters devoted to protecting biological resources including Chapter 71 Tree Removal, Chapter 74 Vegetation Protection and Management, Chapter 75 Sensitive and Uncommon Plant Protection and Fire Hazard Reduction, Chapter 78 Wildlife Resources, and Chapter 79 Fish Resources. These TRPA Code chapters are the applicable regional biological protection policies.

There is no adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional or state habitat conservation plan which includes or would be affected by the proposed project.

