California Tahoe Conservancy Agenda Item 2f September 17, 2020

ENVIRONMENTALLY SENSITIVE LAND ACQUISITION

Recommended Action: Adopt Resolution 20-09-06 (Attachment 1) authorizing the acquisition of one parcel (El Dorado County Assessment Number (AN) 023-241-022) for up to \$475,000, and subsequent demolition of the existing structure on the parcel and related site stabilization.

Executive Summary: The California Tahoe Conservancy (Conservancy) recommends the acquisition of a 0.48-acre parcel at 2130 Lake Tahoe Boulevard in the City of South Lake Tahoe (City). The parcel contains an existing building and is located on land that floods. The acquisition will allow Conservancy staff to remove the existing building and restore the land. The acquisition supports the Conservancy's Strategic Plan Goal 4, which includes acquiring and restoring aging developed properties on environmentally sensitive lands, and either retiring or transferring the associated development rights to town centers. Upon Conservancy Board (Board) authorization, Conservancy staff will perform the necessary due diligence activities to acquire the parcel and subsequently demolish the existing structure.

Location: The parcel is located at 2130 Lake Tahoe Boulevard in the City, in El Dorado County (AN 023-241-022) (Attachment 2).

Fiscal Summary: The purchase price for acquiring the parcel is up to \$475,000, and will be funded by Proposition 68. Staff intends to cover the cost of demolishing the existing structure and stabilizing the site—estimated at approximately \$125,000—with land management program expenditures authorized by the Board through the Fiscal Year 2020/21 Program Authorization.

Overview

History

The acquisition and subsequent restoration of aging developed properties on environmentally sensitive lands is a priority of the Conservancy's Tahoe Livable Communities Program. Over the past decade, the Conservancy has acquired and restored several such properties in the City, and banked the development rights for future transfer to town center projects. In 2015 the Conservancy acquired the adjacent sensitive parcel at 2122 Lake Tahoe Boulevard, demolished the existing structure, and banked the development rights. Both the adjacent parcel and the current proposed acquisition parcel experience seasonal flooding.

Detailed Description of Recommended Action

- 1. Major Elements and/or Steps of the Recommended Action
 The Conservancy proposes to acquire and stabilize El Dorado County AN 023-241-022
 (Attachment 2). The 0.48-acre parcel is located in a town center in the City. Staff has assessed and estimated the qualities of the parcel, which include that the parcel:
 - · Contains environmentally sensitive land that floods,
 - Presents no unusual natural resource or land management challenges,
 - Has no identified cultural sites, and
 - Contains potential land coverage, hard coverage, and commercial floor area (amounts subject to future verification by the Tahoe Regional Planning Agency (TRPA)).

If the Board approves the acquisition, Conservancy staff will take steps to complete the transaction and subsequent removal of the existing structure and site stabilization. The property owner has reviewed the appraised fair market value of \$475,000 and is a willing seller. If applicable, the seller must pay any encumbrances such as taxes, judgements, liens, or deeds of trust prior to escrow closure. The Conservancy pays for escrow fees, title insurance, and other related closing costs. Conservancy staff has obtained and reviewed a title report and will update the report prior to closure.

After site demolition and TRPA verification of the final coverage amount, staff can add the development rights to the Conservancy's land bank for future town center projects.

2. Overall Context and Benefits

The recommended action supports the Conservancy's Strategic Plan Goal 4, which includes acquiring and restoring aging developed properties on environmentally sensitive lands, and either retiring or transferring the associated development rights to town centers. The landowner indicated a willingness to sell. This parcel is in the City and currently has aging development that floods. Acquisition would provide environmental benefits by removing existing ground coverage on environmentally sensitive land, and will also support the Conservancy's land bank by providing development rights for future use in town center projects.

3. Schedule for the Recommended Action

Conservancy staff will complete due diligence and close escrow during fall 2020 and will proceed with demolition and site stabilization when weather allows, likely in 2021.

Financing

The purchase price for acquiring the parcel is up to \$475,000 in Proposition 68 funds. Subsequent demolition of the existing structure and site stabilization is estimated to cost approximately \$125,000, and will be covered with land management program expenditures the Board authorized through the Fiscal Year 2020/21 Program Authorization.

Authority

Consistency with the Conservancy's Enabling Legislation

This acquisition is consistent with the Conservancy's enabling legislation. Specifically, Government Code section 66907 authorizes the Conservancy to select and acquire real property 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.

Consistency with the Conservancy's Strategic Plan

This acquisition is consistent with the Conservancy's Strategic Plan Goal 4 (Foster Basinwide Climate Change Adaptation and Sustainable Communities), and specifically to acquire and restore aging developed properties on environmentally sensitive lands, and either retire or transfer the associated development rights to town centers.

Consistency with the Conservancy's Program Guidelines

The recommended action is consistent with the Conservancy's Land Acquisition Program Guidelines. The landowner indicated a willingness to sell. This parcel is located in the City and currently has aging development that floods. Acquisition would allow demolition of the existing structure and banking of the associated development rights for use in town centers.

Consistency with External Authorities

The recommended action is consistent with the Lake Tahoe Environmental Improvement Program (EIP) because it completes the implementation of EIP project #01.02.04.0001 – Acquiring Environmentally Sensitive Land.

Compliance with the California Environmental Quality Act

Pursuant to the 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 of the California Natural Resources Agency to have no significant effect on the environment.

Pursuant to Public Resources Code sections 21001(f) and 21082, the Conservancy has also adopted regulations to implement, interpret, and make specific the provisions of CEQA. (Cal. Code Regs., tit. 14, § 12100 et seq.) Staff has evaluated this action and has found it to be categorically exempt under CEQA Guidelines, section 15301, Existing Facilities, and the Conservancy's CEQA regulations, section 12102.1. The action qualifies for this exemption because it involves demolishing an existing structure, which involves no expansion of use. Staff prepared a notice of exemption (NOE) for this acquisition (Attachment 3). If the Board approves the acquisition, staff will file the NOE with the State Clearinghouse pursuant to CEQA Guidelines, section 15062.

List of Attachments

Attachment 1 - Resolution 20-09-06

Attachment 2 – Land Acquisition Location Map

Attachment 3 – Notice of Exemption

Conservancy Staff Contact

Aimee Rutledge, Acquisitions Specialist

aimee.rutledge@tahoe.ca.gov