

## Executive Director's Report

### Budget and Accounting

#### Fiscal Year 2020/21

On June 15, 2020, Governor Gavin Newsom announced the State of California budget for Fiscal Year (FY) 2020/21. The Newsom Administration anticipates economic impacts from the COVID-19 pandemic and has implemented numerous statewide fiscal measures to address these, including reducing salaries and program funding.

The California Tahoe Conservancy (Conservancy) FY 2020/21 appropriations include the following:

- \$1,892,000 for capital outlay and local assistance grants to fund programmatic priorities and support the Lake Tahoe Environmental Improvement Program (EIP) for the Lake Tahoe Basin (Basin), including:
  - \$622,000 for conceptual feasibility and planning of projects.
  - \$850,000 for minor capital outlay projects under the Land Management and Forestry Programs.
  - \$420,000 for local assistance grants. Please note that approximately \$5,000,000 was appropriated in FY 2019/20 for this same purpose.
- \$11,391,000 baseline budget for salaries and benefits for 41 staff positions, as well as costs associated with rent, facilities, programs, and land management, including:
  - \$7,449,000 from state sources: \$1,504,000 in bond funds from propositions and \$5,945,000 from special revenue funds.
  - Up to \$3,942,000 from federal and other grant reimbursements.

#### COVID-19 Recovery and Economic Stimulus Projects

The economic recession created by the COVID-19 pandemic has prompted state officials and legislators to consider economic stimulus funding that creates jobs, promotes equity, rebuilds the economy, and builds resilience to climate change. To help align state programs and investments, Conservancy staff has worked with 19 partners to prepare a list of potential stimulus projects on the California side of the Basin. The list includes over 160 shovel-ready projects (i.e., able to be implemented within three years) totaling \$611 million in funding opportunity across seven categories (Attachment 1).

## **Proposition 1 Grant Program**

In November 2014, California voters passed Proposition 1, the Water Quality, Supply, and Infrastructure Improvement Act of 2014. Proposition 1 required the Conservancy to develop a competitive grants program to support multi-benefit ecosystem and watershed protection and restoration projects consistent with statewide priorities. In 2016, 2017, and 2018, the Conservancy Board authorized grant awards for the Proposition 1 grant program as part of two solicitation rounds. Conservancy staff released a third grant solicitation in August 2020 under the previously-approved Proposition 1 Grant Guidelines to award the remaining approximately \$1 million of grant funds. Due to the relatively small amount of funding available, this third grant solicitation is limited to the ecosystem and watershed management and the stormwater quality focus areas. The deadline for applications was September 11. Conservancy staff and a small external review team are evaluating applications. Staff anticipates recommending grant awards to the Board in December 2020.

## **Program Areas**

### **1. Land Management**

- Reopened the Upper Truckee Marsh to dogs on August 1.
- Completed restoring the Old Highway 50 in Meyers.

#### **COVID-19 Response Actions**

- Implemented fieldwork safety protocols for land management and forestry crews.
- Continued to analyze how people use Conservancy lands and adjust management.
- Continued to coordinate with the California Department of Parks and Recreation (DPR) on north shore beach parking restrictions and management.
- Adjusted seasonal staffing and operational plan.
- Participate in Basinwide management and communications teams.

## Strategic Initiatives

### Tahoe Public Art Master Plan

#### Project Status



The Conservancy is collaborating with Tahoe Public Art (TPA) and the University of California, Davis (UC Davis) – Tahoe Environmental Research Center (TERC) to develop a Tahoe Public Art Master Plan. When the plan is complete, TPA will lead the effort to develop recommendations for art installations on Conservancy lands, solicit artist proposals, and seek funding for art projects. Placing environmental art on Conservancy lands will advance the Conservancy’s Strategic Plan by enhancing public access and increasing educational outreach.

## Land Management Projects and Grants

The Land Management Program continues to plan and implement small-scale projects on Conservancy lands. Activities include protecting water quality, maintaining properties and facilities, improving forest health by reducing hazardous fuels, and resolving encroachments.

### Old Highway 50 Asphalt Removal and Restoration Phase II Project

#### Project Status



Staff implemented the Old Highway 50 Asphalt Removal and Restoration Phase II Project in early September. Continuing work completed in 2019, Tahoe Resource Conservation District (Tahoe RCD) crews and a local heavy equipment operator removed approximately 7,000 square feet of asphalt. This restored the stream environment zone and surrounding upland. The combined total restoration area is now nearly 18,000 square feet.

## 2. Community Forestry

- Coordinated forestry treatments with the Tahoe Fire and Fuels Team (TFFT).
- Added a Tahoe RCD crew dedicated to forest health and fuels treatments.

## Strategic Initiatives

### Good Neighbor Authority (GNA)

#### Project Status

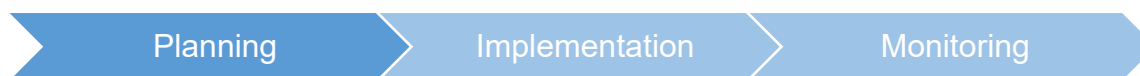


The Conservancy and the USDA Forest Service, Lake Tahoe Basin Management Unit (LTBMU) continue to align community forestry treatments across land ownerships. The agencies modified their GNA Supplemental Project Agreement to add \$497,000 of federal funding to reduce hazardous wildland fuels on state and federal lands in communities.



## Community Forestry Projects and Grants

The following forestry projects continue (see map following the tables):



Map ID	Project	Conservancy role(s)	Details
A	Dollar Forest Health and Biomass Project Phase 2 (102 acres)	Implementer, land manager	Located on the southwest side of the Conservancy's Dollar property.  Funded by a California Climate Investments (CCI) grant and Southern Nevada Public Land Management Act (SNPLMA) grant.



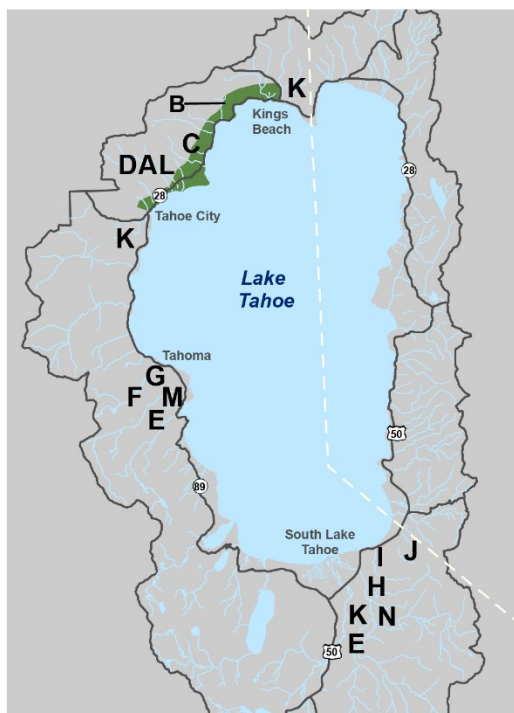
Map ID	Project	Conservancy role(s)	Details
B	North Tahoe Fire Hazardous Fuel Reduction and Defensible Space Project (220 acres of Conservancy land)	Land manager	North Tahoe Fire Protection District project.  Funded by a grant from the Federal Emergency Management Agency with Conservancy in-kind matching funding.
C	Dollar Creek Forest Restoration Project (260 acres)	Contract manager and land manager	Located on the east side of the Conservancy's Dollar property.  Funded by a CCI grant
D	Burton Creek State Park Forest Restoration Project (132 acres)	Grant manager	DPR project.  Conservancy grant with CCI funds.
E	Biomass Transport and Utilization Project (17,500 tons of woody biomass)	Grant manager	Conservancy grants to multiple grantees using CCI funds.
F	Phase 2 of the California State Parks Fuel Hazard Reduction and Understory Burning Project (150 acres)	Grant manager	DPR project.  Conservancy grant with SNPLMA funding.
G	Tahoma Unit Fuel Hazard Reduction Project (9 acres)	Contract manager and land manager	Conservancy project using North Lake Tahoe Fire Protection District crews.  Funded by a SNPLMA grant.
H	South Tahoe Public Utility District (STPUD) Treatment Plant Fuel Hazard Reduction	Grant manager	STPUD project.  Conservancy grant with SNPLMA funding.

Map ID	Project	Conservancy role(s)	Details
	Project (95 acres)		
I	Ski Run/Bijou Open Space Fuel Hazard Reduction Project (65 acres)	Contract manager and land manager	Conservancy project using California Conservation Corps crews. Funded by a SNPLMA grant.
J	Phase 2 of the Van Sickle Bi-State Park Fuel Hazard Reduction Project (108 acres)	Contract manager and land manager	Conservancy project using Tahoe Douglas Fire Protection District crews. Funded by a SNPLMA grant.
K	Miscellaneous forest health and fuels reduction projects – multiple locations (26 acres)	Implementer and land manager	Conservancy project using Tahoe RCD crews. Deferred maintenance funding.



Map ID	Project	Conservancy role(s)	Details
L	Dollar Creek Forest Health and Biomass Project Phase 1 (151 acres)	Contract manager and land manager	Funded by CCI and SNPLMA grants. 569 metric tons of greenhouse gas emissions reduced.
M	Phase 1 of the California State Parks Fuel Hazard Reduction and Understory Burning Project (150 acres)	Grant manager	DPR Project. Conservancy grant with SNPLMA funding.
N	Montgomery Estates Urban Fuel Hazard Reduction Project (32 acres)	Contract manager and land manager	Conservancy project using California Conservation Corps crews. Funded by a SNPLMA grant.





Community Forestry Projects

### 3. Landscape Forestry

- Completed public scoping for Lake Tahoe West Restoration Project with partner lead agencies.

#### Strategic Initiatives

##### Lake Tahoe West Restoration Project (LTW)

##### Project Status





LTW aims to increase the resilience of Lake Tahoe’s west shore landscape to wildfire, flooding, and other disturbances. The LTW Scoping Notice/Notice of Preparation, released for public comment by the partner agencies last spring, included a description of the restoration treatments that may be used within the project area. LTW partners will spend the next several months refining the restoration treatments based on stakeholder and public input, and conducting environmental analysis to prepare a joint environmental document.

## **Tahoe-Central Sierra Initiative (TCSI)**

### **Project Status**



The Conservancy continues to collaboratively lead planning, investment, science, and management across the 2.4-million-acre TCSI landscape, which encompasses the Basin.

The Conservancy and Sierra Nevada Conservancy released a Roadmap to Resilience (Roadmap) in March 2020 that explains the TCSI’s science-based approach to restoration. This fall, TCSI partners will finish characterizing landscape resilience, assessing current resource conditions, and predicting future conditions under climate change.



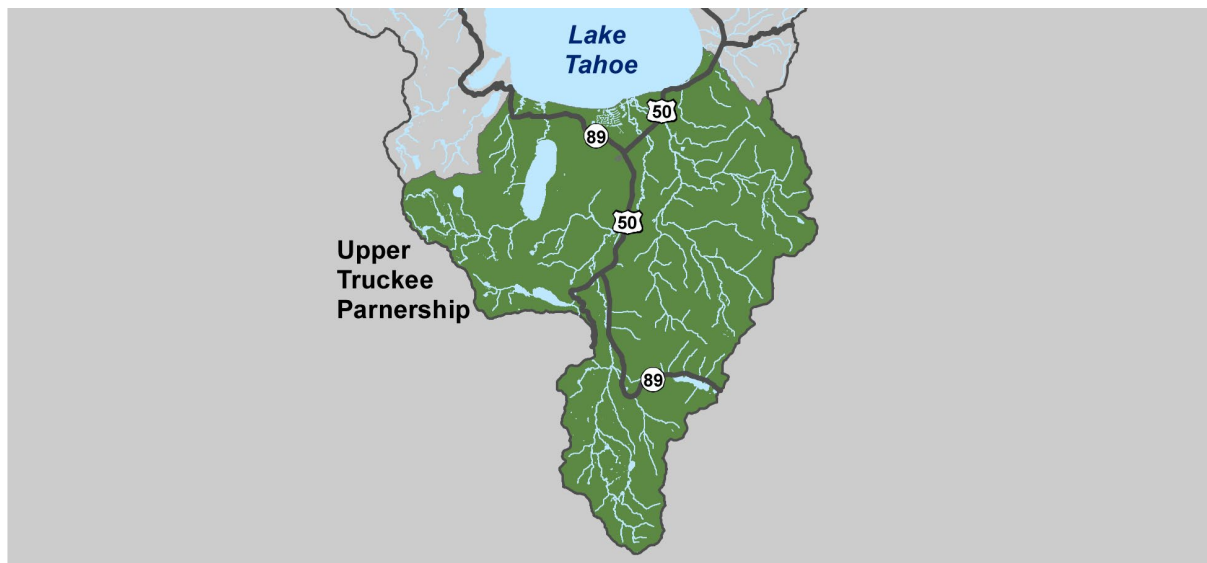
## 4. Watershed Health

- Constructing the Upper Truckee River and Marsh Restoration Project.
- Completing the Tahoe Pines Campground Restoration and Public Access Project.

### Strategic Initiatives

#### Greater Upper Truckee River Watershed Partnership (UTP)

##### Project Status



The Conservancy is working with a coordinating committee, EIP working groups, various stakeholders, and the public to develop the UTP Synthesis. The Synthesis identifies current programs and projects, future opportunities, and information needs for integrating forest restoration, watershed restoration, and recreational values. It will also include a vision for a resilient landscape. Staff is incorporating initial feedback and input from EIP working groups, and will hold meetings with the public and partner agencies to review a draft Synthesis, likely this fall or winter. The project has been delayed because of COVID-19.

## Watershed Health Projects and Grants

### Upper Truckee River and Marsh Restoration Project

#### Project Status



The Conservancy continues to restore the river and marsh to improve wildlife habitat and water quality in the largest wetland in the Basin. Specifically, the Conservancy is conducting restoration activities near the Tahoe Keys Marina and Cove East Beach, and in the southern project area near Colorado Avenue. The Conservancy is removing fill, creating wetlands, and establishing a new network of channels to distribute river flows into the center of the marsh.

## Tahoe Pines Campground Restoration and Public Access Project

### Project Status



This project is located on Conservancy land along the Upper Truckee River in Meyers. The Conservancy has removed fill material, stabilized riverbanks, replaced a bridge, and installed a fully accessible parking lot and trail. The site will open to the public this fall. Staff will monitor the site for years after construction to ensure that the improvements persist and result in intended outcomes.

## Polaris Creek Wetland Restoration Project

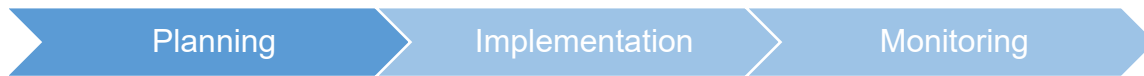
### Project Status



Using Conservancy Proposition 1 funding, Tahoe RCD recently completed a feasibility report examining options for restoring the Polaris Creek wetland complex, and relocating the ball fields and campground at Pomin Park. The report includes initial feasibility studies, restoration and relocation alternatives, and public feedback. Staff is working with partners to discuss whether and how a successor project could advance the report's findings.

## Caltrans Tahoe City Maintenance Yard Relocation

### Project Status



The Tahoe Transportation District (TTD), funded by a Conservancy Proposition 1 grant and in coordination with the California Department of Transportation (Caltrans), analyzed options to relocate the Tahoe City Caltrans Maintenance Yard out of the Truckee River floodplain, build a dormitory for seasonal Caltrans staff, and restore the site. The TTD identified two potential relocation options on the north shore and recommends that Caltrans and other partners select a relocation site, develop plans, and conduct environmental review.

## 5. Water Quality and Storm Water

- Began implementing the Aquatic Invasive Species (AIS) Action Agenda for the 2020 field season.

### Water Quality Projects and Grants

#### Making the Control of AIS More Efficient



Funded by a Conservancy Proposition 1 grant, Tahoe RCD and its consultants have drafted environmental review documents for the control of aquatic invasive plants and warm water fish. The California Environmental Quality Act (CEQA), National Environmental Policy Act (NEPA), and TRPA environmental standards require these

documents. These documents will streamline future permitting and project implementation, thereby improving Tahoe RCD's ability to reduce invasive fish and plant infestations at Lake Tahoe. The consultants also evaluated new techniques for controlling aquatic invasive plants, such as ultraviolet light technology and site-specific dredging. Tahoe RCD released these draft documents for public review.

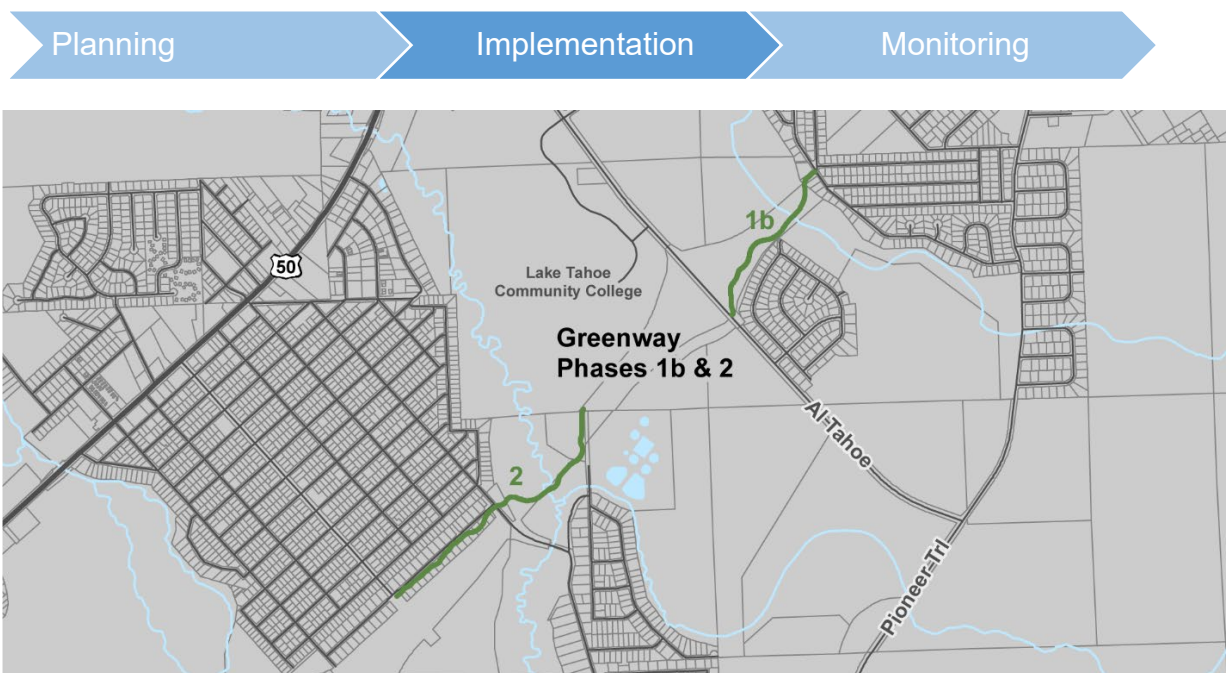
## 6. Recreation and Public Access

- El Dorado County continued constructing the South Tahoe Greenway Shared Use Trail Phases 1b and 2 (Greenway).

### Recreation and Public Access Projects and Grants

#### South Tahoe Greenway Shared Use Trail (Greenway) Phases 1b and 2

##### Project Status



El Dorado County continued to construct the Greenway Phases 1b and 2. Funding for the project comes from the Conservancy, federal sources, TRPA, and the Lake Tahoe Community College (LTCC). The Greenway provides the backbone for non-motorized travel in the south shore area. El Dorado County is still hoping to complete Phases 1b and 2 in fall 2020, but delayed delivery of construction material related to COVID-19 may extend construction into 2021. Phases 1b and 2 will connect several neighborhoods and the LTCC to the rest of the south shore shared-use trail network.



## 7. Climate Change Adaptation

- Continued working on the Lake Tahoe Climate Adaptation Action Portfolio (CAAP).

### Strategic Initiatives

Staff continues to develop a project portfolio and executive summary based on partner agency feedback, and aim to share a review draft with stakeholders by the end of the year.

### Climate Change Adaptation Projects and Grants

#### **Climate Action Acceleration Grant**

The University of California, Berkeley (UC Berkeley) is researching how to use new climate science and technology to improve natural resource and recreation management in the Basin. The goal is to protect water resources, reduce wildfire risk, improve forest health, maintain biodiversity, sequester carbon, enhance community resilience, and sustain the Basin's recreation economy. UC Berkeley aims to present a final report to the Board by the end of the year.

#### **Greenhouse Gas (GHG) Inventory Grant**

The TRPA is updating an inventory of GHG emissions in the Basin and estimating how much carbon Basin forests can store. The TRPA is engaging stakeholders throughout the process. The TRPA will complete work by early 2021. Basin partners will then use the inventory and carbon storage estimate to identify strategies to reduce emissions, including addressing the largest sources of GHG emissions.

#### **Sugar Pine Adaptive Traits Grant**

UC Davis is identifying and evaluating the genetic traits of sugar pine trees that are best suited for adapting to climate change. The goal is to benefit future reforestation projects by using seeds that are more likely to withstand climate change. Currently UC Davis researchers are testing how trees respond to simulated drought conditions in their greenhouse. In early 2021, UC Davis will continue greenhouse experiments, process samples for analysis, and develop strategies for land managers to select seeds.

#### **Water Infrastructure Grant**

The STPUD is hiring a consultant to develop a Basinwide climate change vulnerability assessment for water infrastructure. On the California side of the Basin, the consultant will prepare a prioritized set of vegetation-management projects that protect water and sewer infrastructure systems from wildfire. The STPUD is advertising an RFP for the vulnerability assessment with a closing date of September 25.



## 8. Tahoe Livable Communities (TLC)

- Made progress on potential mixed-use, affordable housing projects on four Conservancy parcels in the City and one in Placer County.
- Worked with the Tahoe City Public Utility District (TCPUD) on a land exchange to achieve multiple purposes.
- Continued work on pending land bank requests that advance proposed affordable housing, town center, and other infill projects.

For additional information, please refer to the TLC Update, Agenda Item 7.

### TLC Projects and Grants

#### **Tahoe Cross-Country Lodge Replacement and Expansion Project (Project)**

##### Project Status



The public comment period for the Project's draft Environmental Impact Report (EIR) ended on July 24, 2020. The TCPUD received 82 public comments. The TCPUD intends to respond to comments and circulate the final EIR this fall or winter. The preferred alternative for the Project involves the TCPUD working with the Tahoe Cross-Country Ski Education Association to relocate, expand, and reconstruct the historic Schilling residence. The new Schilling Lodge would serve as the relocated base for the ski area. The TCPUD and the Conservancy are also contemplating a potential land exchange that would facilitate the Project, consolidate ownership, and increase management efficiencies. The exchange could involve Conservancy properties in the Highland and Tahoe Cedars neighborhoods and property owned by the TCPUD near Quail Lake.