

Executive Director's Report

Since the start of the new year, developments in Washington, D.C. and Sacramento have provided good news for the California Tahoe Conservancy (Conservancy). The priorities of the new Federal Administration create opportunities for closer alignment and for increased federal investment in the Lake Tahoe Basin (Basin). Concurrently, Governor Gavin Newsom's budget proposes increasing investment in restoring forest and watershed resilience on the Conservancy's and other state lands (see below).

For several months, the snow has halted construction at Lake Tahoe, including the Conservancy's restoration and public access projects. Conservancy staff has been focusing on planning for the exciting field season that lies ahead. As spring nears, staff is preparing numerous restoration and climate resilience projects. The Conservancy is hiring new forestry and restoration crews. Major projects such as the restoration of the Upper Truckee Marsh and the next phases of the South Tahoe Greenway will resume in May.

The Conservancy continues to prioritize the health and safety of its staff and crews, and community members. COVID precautions remain in place, including special field protocols. Telework arrangements offer flexibility to staff and have allowed the Conservancy to continue its work. While the past year has generated enormous stress, we also take pride in having found many ways to strengthen our organization and relationships. We are renewed hope as the nation moves out of the grips of the worst of the pandemic. We look forward to connecting in person once again.



Program Area Status Updates

1. Land Management

- Began planning projects and hiring staff for the field season.
- Renewed site host agreement for Van Sickle Bi-State Park for another year.
- Maintained seasonal vehicle closure for Van Sickle Bi-State Park and Tahoe Pines (properties open in May, depending on weather).

Land Management Projects and Grants

Staff is planning small-scale projects on Conservancy lands for the field season. Such projects restore resilience, protect water quality, maintain facilities, improve forest health, reduce hazardous fuels, and resolve encroachments.

2. Community Forestry

- Planned upcoming forestry treatments with the Tahoe Fire and Fuels Team.
- Completed the Tahoma Unit Fuel Hazard Reduction Project.
- Burned 44 acres of brush, branches, and woody debris created by active projects.

Strategic Initiatives

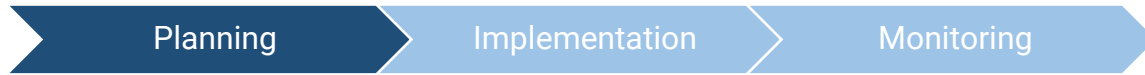
California's Wildfire and Forest Resilience Action Plan (Action Plan)

In January, the Governor's Forest Management Task Force issued the Action Plan to reduce wildfire risk for vulnerable communities, improve the health of forests and wildlands, and accelerate action to combat climate change. The Action Plan recommends that the Conservancy, the California Department of Parks and Recreation (DPR), the California Department of Fish and Wildlife, and other state agencies expand forest management on the lands they own.

The Governor's budget proposes a \$1 billion Wildfire and Forest Resilience package to support the Action Plan. This includes \$12 million in new funding for the Conservancy to expand forest management on its lands. Budget negotiations will likely continue into June.

Community Forestry Projects and Grants

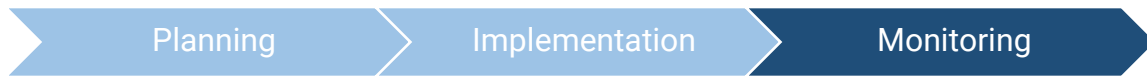
The following forestry projects continue:



Project	Conservancy role(s)	Location
Southern Nevada Public Land Management Act Round 16 Grant Projects	Land manager, funder	High-priority wildland-urban interface projects on the California side of the Basin
Good Neighbor Authority Projects	Land manager, implementer on federal lands	Small neighborhood parcels owned by the Conservancy and USDA Forest Service, Lake Tahoe Basin Management Unit



Project	Conservancy role(s)	Location
North Tahoe Fire Hazardous Fuel Reduction and Defensible Space Project (220 acres)	Land manager	Conservancy-owned small neighborhood parcels in Placer County
Dollar Creek Forest Restoration Project (260 acres)	Land manager	The east side of the Conservancy's Dollar property
Burton Creek State Park Forest Restoration Project (132 acres)	Provided funding to DPR	Burton Creek State Park
Phase 2 of the California State Parks Fuel Hazard Reduction and Understory Burning Project (150 acres)	Provided funding to DPR	Sugar Pine Point State Park
Ski Run/Bijou Open Space Fuel Hazard Reduction Project (65 acres)	Land manager	Conservancy-owned neighborhood parcels in the Ski Run/Bijou area
Phase 2 of the Van Sickle Bi-State Park Fuel Hazard Reduction Project (108 acres)	Land manager	California side of Van Sickle Bi-State Park
Biomass Transport and Utilization Project (17,500 tons of woody biomass)	Provided funding to DPR, Great Basin Institute, and Washoe Tribe of Nevada and California	California side of the Basin
Miscellaneous forest health and fuels reduction projects (26 acres)	Land manager	Conservancy-owned properties on the California side of the Basin



Project	Conservancy role(s)	Location
Tahoma Unit Fuel Hazard Reduction Project (9 acres)	Land manager	Conservancy-owned neighborhood parcels in the north end of Tahoma, Placer Country

Staff also continues to monitor four projects and grants previously identified in the [December 2020 ED Report](#). Jurisdiction maps at the end of this report provide locations of Community Forestry Projects and Grants.

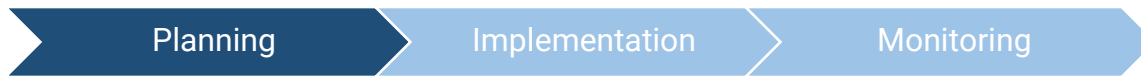


3. Landscape Forestry

- Completed the Framework for Resilience for the Tahoe-Central Sierra Initiative.
- Revised protocol for surveying wildlife to facilitate large-scale projects.
- Continued refining proposed activities for the Lake Tahoe West Restoration Project.

Strategic Initiatives

Lake Tahoe West Restoration Partnership (Lake Tahoe West)



Lake Tahoe West is restoring the resilience of Lake Tahoe’s west shore to wildfire, flooding, and other disturbances. The Conservancy and its partner agencies are currently refining proposed restoration activities.

4. Watershed Health and Resilience

- Partnered with the USDA Forest Service, Lake Tahoe Basin Management Unit to submit funding requests to restore the Upper Truckee River near Sunset Stables (Reach 6 of the Upper Truckee River).

5. Water Quality and Storm Water

- Continued coordinating aquatic invasive species (AIS) control activities that the Conservancy funds.

Water Quality Projects and Grants

Making the Control of AIS More Efficient



The Tahoe Resource Conservation District (Tahoe RCD) approved an environmental review document for controlling aquatic invasive plants in Lake Tahoe on January 12,

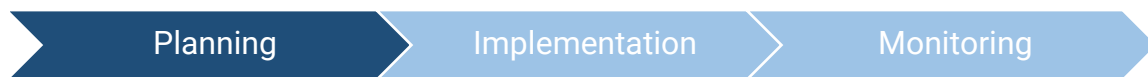
2021. The document streamlines Tahoe RCD's ability to reduce infestations by allowing it to control aquatic invasive plants through a variety of different methods depending on site-specific conditions. The Conservancy funded this work with a Proposition 1 grant.

6. Recreation and Public Access

- The City of South Lake Tahoe continued planning for the 56-Acre site, a civic and recreation hub, with Conservancy funding.

Recreation and Public Access Projects and Grants

56-Acre Master Plan



In 2020, the Conservancy provided the City of South Lake Tahoe (City) Proposition 1 grant funding to complete a new Master Plan and environmental review document for the 56-Acre site. The Master Plan will provide a comprehensive strategy to guide the City's proposed improvements to this lakefront civic and recreation hub. The environmental document will make it easier to advance associated projects. The City has met with stakeholders and held two public meetings to gather input on community needs and concepts. The City plans to complete the Master Plan by the end of 2021, including all outreach, conceptual designs, and environmental review.

7. Climate Change Adaptation

- Released a story map describing climate change impacts and adaptation in the Basin (<https://tahoe.ca.gov/climate-story-map>).
- Continued developing the Lake Tahoe Climate Adaptation Action Primer.

Strategic Initiatives

Staff continues to develop an executive-level primer on Basinwide climate change impacts and adaptation initiatives, and a companion portfolio of ongoing adaptation actions and projects.

Climate Change Adaptation Projects and Grants

Climate Action Acceleration Grant

The Conservancy provided a \$74,000 grant to the University of California, Berkeley (UC Berkeley) in December 2019 to explore ways to accelerate climate change adaptation in the Basin. UC Berkeley has completed the grant and recommends that partners create a new Tahoe Climate Center (Center) to integrate climate science into natural resource management and policy. The proposed Center could accelerate climate adaptation in the Basin by creating new tools and technologies. It could also provide insights and examples for other parts of the State and other mountainous and Mediterranean-climate regions of the world. The full suite of UC Berkeley's recommendations includes the potential scope, location, and organizational structure of the Center.

8. Tahoe Livable Communities (TLC)

- Continued progress on six potential projects that combine the use of Conservancy state lands with mixed-use, affordable housing and economic development.

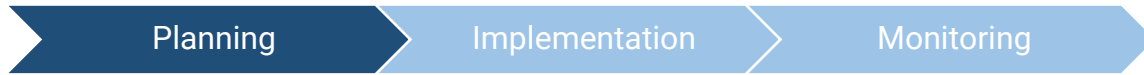
Strategic Initiatives

The Conservancy participates in the Tahoe Housing Partnership to assist in implementing the South Shore Housing Action Plan.

In August 2020, staff joined the Tahoe Regional Planning Agency's (TRPA) Tahoe Living: Housing and Community Revitalization Working Group (Working Group). The TRPA developed the Working Group to support the South Shore Housing Action Plan and the Mountain Housing Council Regional Action Plan, which covers the north shore. The Working Group recommended priority housing actions in November 2020, and discussed potential code changes for Accessory Dwelling Units and density in February.

TLC Projects and Grants

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



On February 25, 2021, the Tahoe City Public Utility District (TCPUD) Board of Directors certified environmental review documents for the Lodge Project. The Lodge Project involves relocating and reconstructing the historic Schilling Lodge, constructing associated improvements, and relocating the Tahoe Cross-Country Center to Conservancy property in the Highland neighborhood. Implementing the Lodge Project would require developing a portion of the Schilling Lodge on Conservancy property. The Conservancy property in the Highland neighborhood is part of a separate and larger potential land exchange being contemplated by the TCPUD and the Conservancy to consolidate ownership and make land management more efficient. The land exchange may involve Conservancy properties in the Highland and Tahoe Cedars neighborhoods and TCPUD property near Quail Lake.

Property Acquisitions

The Conservancy has budgeted \$6.9 million over the next five years to acquire high-priority lands when they become available. Staff continues due diligence activities on a developed parcel on environmentally sensitive land in the City. In addition, the Conservancy closed escrow on a roadless subdivision in the Tahoe City area in March 2021 and expects to close escrow on the Urgent Care parcel in the City by April 2021.

Conservancy Asset Lands

1860 Lake Tahoe Boulevard (AN 032-291-028) and 1029 Tata Lane (AN 032-291-031)



The Conservancy and partners presented the Sugar Pine Village multiple-family affordable housing project to the TRPA Governing Board on January 27. The TRPA Governing Board unanimously approved the project. This project is the largest affordable housing project in the history of the Basin, and will provide 248 of the 1,800 needed affordable housing units as identified in the South Shore Housing Action Plan.

2070 Lake Tahoe Boulevard (ANs 023-381-001 and 023-231-003)



In November 2020, the developer submitted its application to the City for this workforce housing project. In January 2021, the City deemed the application incomplete. Conservancy staff continues to work with partners to complete the application.

Organizational Learning and Excellence

1. Budget and Accounting

Fiscal Year 2021/22 Governor's Proposed Budget

The State experienced financial volatility in 2020. Unanticipated increases in state revenues offset expected shortfalls, ultimately creating a surplus in the General Fund. In January 2021, the Governor proposed \$1 billion of this surplus for one-time emergency funding to expand the State's wildfire protection and forest resilience work. This proposal includes \$12 million for the Conservancy to treat its lands. This includes reducing hazardous fuels on open-space lots, implementing high-priority forest management projects in the wildland-urban interface, and using prescribed fire to restore landscape resilience.

2. Capitol Collaborative on Race and Equity (CCORE)

The Conservancy has joined with 14 other state agencies to participate in CCORE—a comprehensive training and planning program to address racial inequity. Staff participates in monthly trainings and will develop a racial equity action plan for the Board to consider. This work supports the Conservancy's mission and will help ensure it is working better on behalf of all Californians.

3. Proposition 68 Grant Program

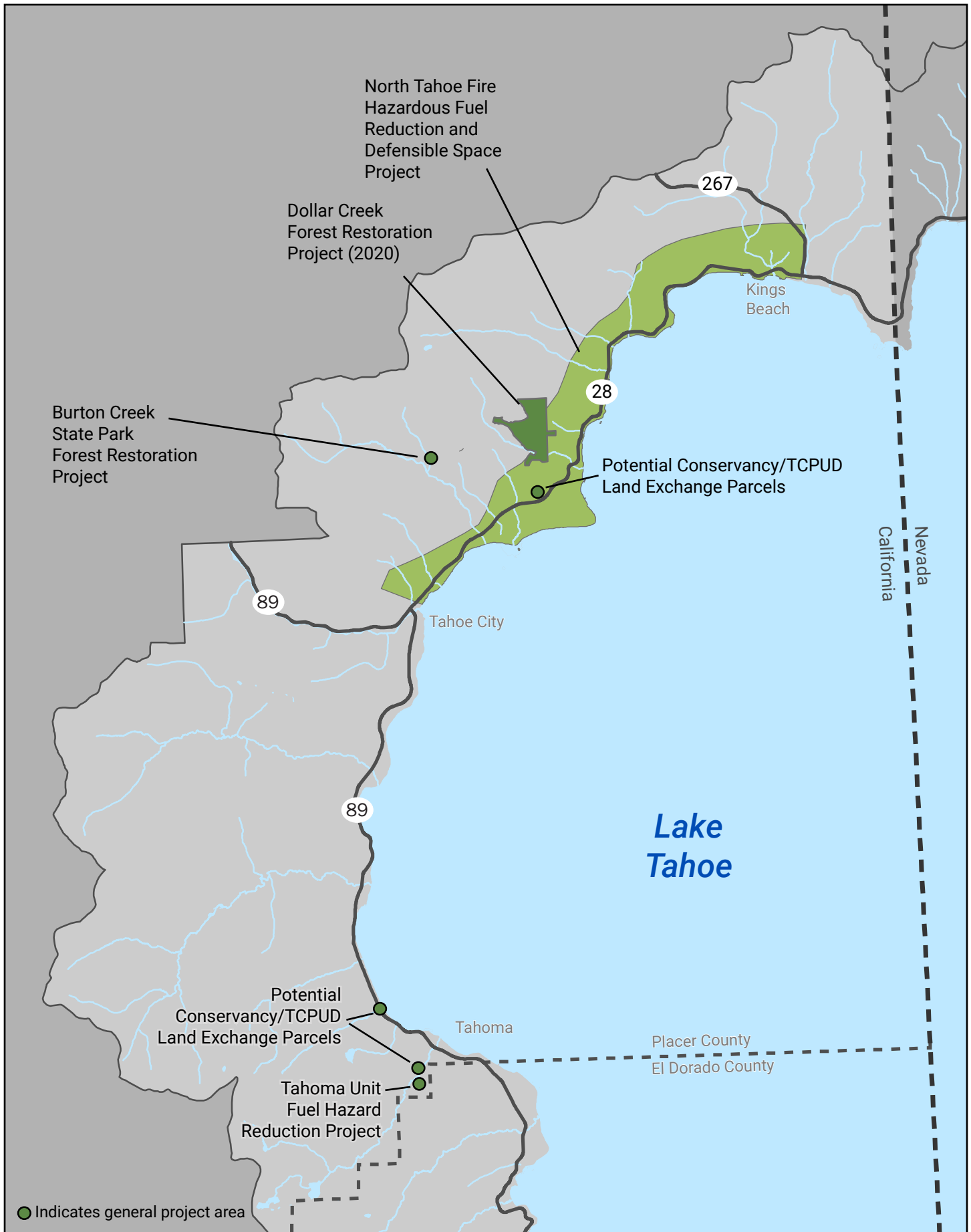
In 2018, California voters approved Proposition 68 (the Parks, Environment, and Water Bond), which authorized \$4 billion in general obligation bonds to finance programs that cover drought, water, parks, climate, coastal protection, and outdoor access for all. This bond allocates \$27 million to the Conservancy for the purposes set forth in its governing statutes. The Conservancy has programmed \$21 million of this funding for projects, acquisitions, planning and monitoring, technical assistance, and administration, including \$5 million for possible grants. To date the Conservancy has authorized 11 Proposition 68 grants totaling nearly \$3 million.

4. Proposition 1 Grant Program

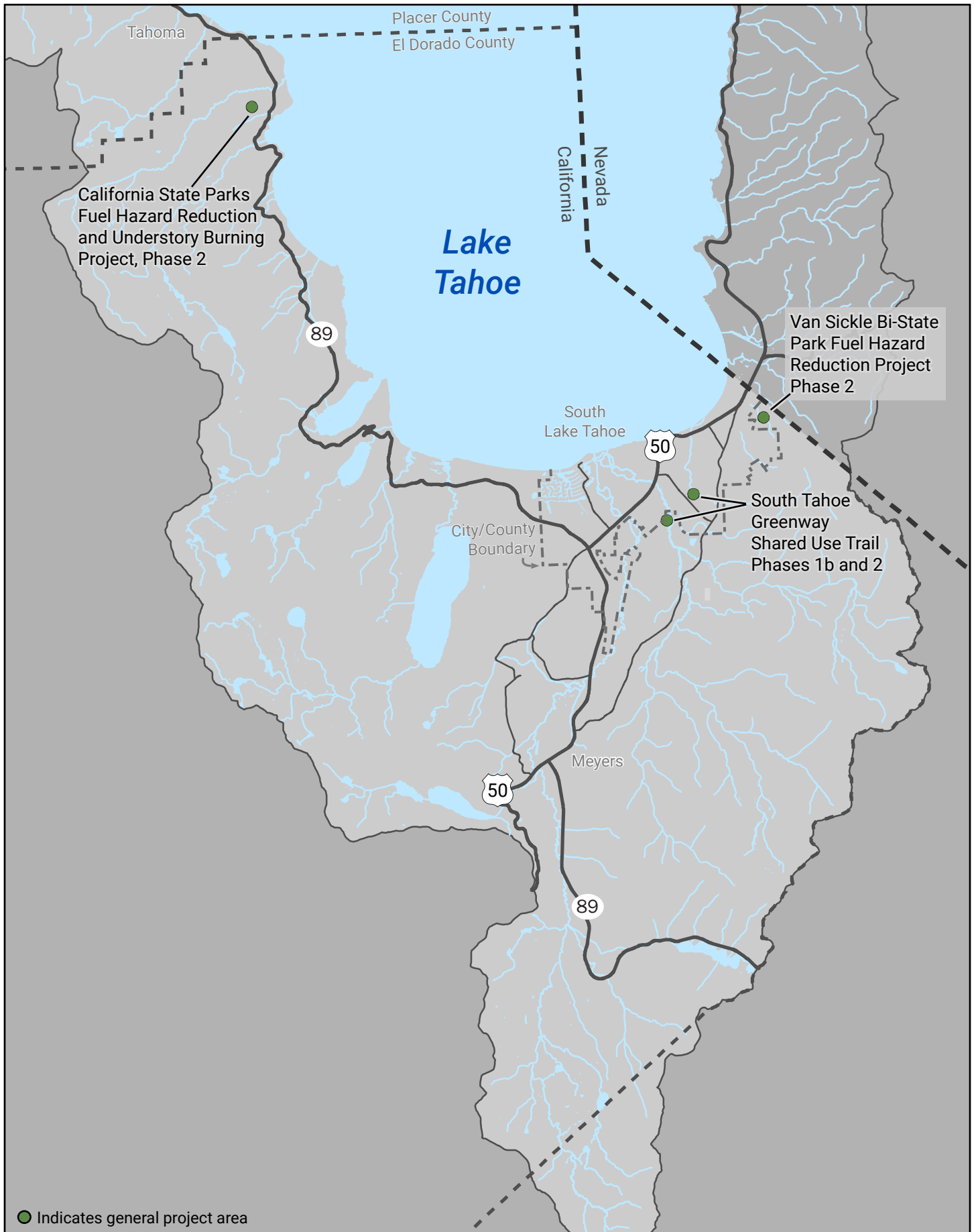
In 2014, California voters approved Proposition 1 (the Water Quality, Supply, and Infrastructure Improvement Act of 2014). The Conservancy administers a competitive grants program for awarding Proposition 1 funding allocated to it. The Conservancy has awarded three rounds of Proposition 1 grants, totaling 18 grants that amount to \$12.8

million. Two grants are currently active; the remainder have been closed out or are in the monitoring phase. Staff anticipates soliciting a fourth round of Proposition 1 grant applications in 2021.

Projects and Grants in Placer County



Projects and Grants in El Dorado County



Projects and Grants in the City of South Lake Tahoe

