California Tahoe Conservancy Agenda Item 8 November 8, 2021

LAND BANK PIER PROGRAM GUIDELINES

Recommended Action: Adopt Resolution 21-11-04 (Attachment 1) authorizing the adoption of the Land Bank Pier Program (Pier Program) Guidelines (Guidelines) (Attachment 2) and the Negative Declaration (ND) (Attachment 3) for the Pier Program pursuant to the California Environmental Quality Act (CEQA).

Executive Summary: The recommended action will allow the California Tahoe Conservancy's (Conservancy) land bank program (Land Bank) to sell land coverage and restoration credits to construct structures that provide access to new and existing piers, existing watercraft moorings, and other structures within the shorezone of Lake Tahoe in California. These transactions are included in pier-related projects developed under the Tahoe Regional Planning Agency's (TRPA) 2018 Lake Tahoe Shoreline Plan (Shoreline Plan). The Shoreline Plan requires additional coverage and/or restoration credits for the construction of walkways, pilings, pier decking, and other structures related to piers and existing moorings. Under the Pier Program, the Land Bank will process such pier-related transactions as the final permitting agency for Shoreline Plan projects. The Guidelines adopted as part of the Pier Program will ensure that these transactions are consistent with the ND, which evaluates the potential environmental effects of such transactions. For this purpose, the recommended action also seeks adoption of the ND.

Location: The Pier Program will be implemented at various locations along the shoreline of Lake Tahoe in California within Placer and El Dorado counties. While the specific locations of new piers and other structures are not known at this time, the locations will be consistent with the location standards in the Shoreline Plan.

Fiscal Summary: This action will have no additional fiscal implications beyond the sale of coverage and restoration credits at appraised fair market value.

Overview

History

Within the Lake Tahoe Basin (Basin), the TRPA regulates coverage, which is defined as human-built impervious surfaces that prevent precipitation from permeating into the ground, causing erosion and run-off, which impacts water quality in streams around Lake Tahoe. Restoration credits are a type of coverage that includes Stream Environment Zone (Bailey Land Capability Class 1b) and Bailey Land Capability Class

1a, 1c, 2, or 3 restoration credit. Restoration credits are derived from verified soft or hard coverage located in Bailey Land Capability Class 1a, 1b, 1c, 2, or 3 that has been restored pursuant to Chapter 2 of the TRPA Code of Ordinances. The Conservancy has a long history of buying and selling coverage under the TRPA's growth management system, which limits the level of commercial, tourist-serving, and residential development in the Basin.

The Conservancy established its Land Bank through a Memorandum of Understanding (MOU) with the TRPA to mitigate excess coverage on properties with existing development and to facilitate appropriate transfers of coverage and restoration credits in accordance with the MOU and the TRPA Code of Ordinances (TRPA Code). The Conservancy sells coverage and development rights for commercial, residential, and mixed-use development projects. Through its Land Bank, the Conservancy acquires properties from willing sellers, removes impervious coverage and restores the land, banks the coverage, and resells the coverage through a public process. The revenue from these sales is used to further the acquisition program and other Conservancy objectives.

In October 2018, the TRPA adopted the Shoreline Plan that established regulations and management programs for the shorezone of Lake Tahoe. The Shoreline Plan was subject to evaluation in an Environmental Impact Statement (EIS), which the ND incorporates by reference where appropriate. Among other components, the Shoreline Plan regulates shorezone structures, including piers, moorings, marinas, and public boat ramps. Specific to the Pier Program, the Shoreline Plan allows for the phased construction of up to 138 new piers throughout the California and Nevada sides of the Basin, including public and private piers, permits for which will be allocated via lottery every two years. It also establishes standards pertaining to the construction and use of such structures, including moorings. A mooring is a permanent structure to which a watercraft may be secured overnight or for long-term storage. Typical moorings include buoys, boatlifts, and boat slips. The Shoreline Plan allows for up to 2,116 new moorings (which includes buoys, boatlifts and boat slips). Most new moorings would be buoys.

Within the shorezone of Lake Tahoe, the area consisting of the nearshore, foreshore, and backshore (Attachment 4), the TRPA Code requires specific standards for allowable coverage based on a parcel's soil type, slope, and other characteristics. Therefore, under the Shoreline Plan, the construction of structures within the shorezone will require additional coverage and/or restoration credits in the backshore. For consistency with these TRPA requirements, the Pier Program enhances the Land Bank by allowing for the sale of the required coverage and/or restoration credits on the California side of Lake Tahoe.

Detailed Description of Recommended Action

1. Major Elements and/or Steps of the Recommended Action

The recommended action allows staff to review and process applications for the sale of coverage and/or restoration credits under the Pier Program for the construction of structures that provide access to new or existing piers, existing watercraft moorings, and other access structures (e.g. walkways or steps) within the shorezone of Lake Tahoe in California and consistent with the Initial Study (IS)/ND. In addition, the recommended action will ensure that the applications are reviewed and processed under the standards provided in the Guidelines. Under the Guidelines, staff will assess the location of the proposed structure within the shorezone, review the environmental impacts of the transfer of coverage and/or restoration credits, and ensure that no new or more significant impacts will occur beyond those analyzed in the IS/ND. In addition, pursuant to the Guidelines, staff has discretion to reject applications that fall outside the scope of the Guidelines.

2. Overall Context and Benefits

The recommended action allows staff to more easily process the transfer of coverage and/or restoration credits for applications through a process that ensures appropriate environmental review. Any transfer of coverage and/or restoration credits under the Pier Program will comply with the requirements of the Shoreline Plan. The Shoreline Plan, which incorporates the goals and policies of the Lake Tahoe Regional Plan and is consistent with the Tahoe Regional Planning Compact and TRPA Code, was subject to evaluation of environmental impacts in the Shoreline Plan EIS. Therefore, this recommended action will ensure consistency with TRPA Code, the Shoreline Plan, and the Shoreline Plan EIS.

3. Schedule for the Recommended Action

Upon Board authorization, staff plans to begin processing applications, pursuant to the Guidelines, in fall 2021. To date, the Conservancy has received three applications to purchase coverage and/or restoration credits consistent with this recommended action. These applications have been placed on hold pending Board authorization. For any given application, review under the Guidelines by Conservancy staff is the last approval in the permitting process.

Financing

This action will have no fiscal implications beyond the sale of coverage and restoration credits at appraised fair market value.

Authority

Consistency with the Conservancy's Enabling Legislation

The recommended action is consistent with the Conservancy's enabling legislation. Government Code section 66907.8 authorizes the Conservancy to sell interests in real property to fulfill its mission.

Consistency with the Conservancy's Strategic Plan

The recommended action is consistent with Goal 4 of the Conservancy's Strategic Plan to foster Basinwide climate change adaptation and sustainable communities. The recommended action is also generally consistent with Goal 2 of the Conservancy's Strategic Plan, to advance multiple-benefit projects that creatively combine restoring and building the resilience of watersheds with water quality protection.

Consistency with External Authorities

The recommended action is consistent with the 2018 MOU between the TRPA and the Conservancy.

Compliance with the California Environmental Quality Act

The Conservancy, acting as the lead agency, prepared an IS/ND for the Pier Program to comply with CEQA. A copy of the IS/ND is available on the Conservancy's website at https://tahoe.ca.gov/land-bank-pier-program-is-nd-documents (Attachment 3).

The IS/ND and notice of intent (NOI) to adopt a proposed ND were submitted to the California State Clearinghouse (Number 2021070588) on August 2, 2021 to initiate a 30-day public review period through August 31, 2021. The Conservancy received no public comments during this period. Additionally, staff posted the IS/ND and NOI on the Conservancy's website, published the NOI in the *Tahoe Daily Tribune* and *Sierra Sun*, and sent the IS/ND and NOI to potentially affected public agencies on August 2, 2021.

Staff has determined that the Pier Program has been adequately analyzed in the IS/ND and has determined that the Pier Program, as proposed, would not cause a significant effect on the environment. Staff recommends that the Board review the IS/ND and make the findings as set forth in the attached resolution. If the Board adopts the ND and approves the Pier Program, staff will file a notice of determination (NOD) (Attachment 5) with the State Clearinghouse pursuant to CEQA Guidelines, section 15075.

List of Attachments

Attachment 1 - Resolution 21-11-04

Attachment 2 - Land Bank Pier Program Guidelines

• Exhibit A – Land Bank Pier Program Environmental Conformance Checklist

Attachment 3 – Initial Study and Negative Declaration

Attachment 4 - Shoreline Image

Attachment 5 - Notice of Determination

Conservancy Staff Contact

Jessica Wackenhut, Tahoe Strategic Growth Manager, jessica.wackenhut@tahoe.ca.gov