

Executive Director's Report

As 2022 ends, I am thankful for the Conservancy's accomplishments and appreciate the support of the Board, our partners, and the public in our work. We finished construction at the Upper Truckee Marsh, restoring and enhancing habitat across hundreds of acres at Tahoe's largest remaining wetland. Following a year of upheaval from wildfire, we made progress on forest health and wildfire protection, reducing hazardous fuels on our land and providing funds and support to our federal and local partners. Our team and partners completed the Tahoe Climate Resilience Action Strategy. And we amended our five-year strategic plan to incorporate elements to advance racial equity and better serve all Californians, regardless of race. (We look forward sharing a full report on 2022 accomplishments in the new year.)

I applaud the dedication of the Conservancy staff: despite the labels of our Administrative, Lands, Legal, and Natural Resources divisions, the truth is that our team pursues the Conservancy's goals together, with a strong commitment to our mission. We have hard work yet ahead in 2023, but I'm optimistic that we can continue to make progress on that mission: to lead California's efforts to restore and enhance the extraordinary natural and recreational resources of the Lake Tahoe Basin (Basin).

Program Updates

1. Land Management

Land Management Projects and Contracting: The Conservancy wrapped up the 2022 field season with the Tahoe Resource Conservation District (Tahoe RCD) land management and forestry crews. The 2022 Tahoe RCD crews completed a large number of fuel reduction, urban lot restoration, and land management projects to restore water quality, maintain properties and facilities, improve forest health, reduce wildfire risk, and resolve encroachments on Conservancy lands.

Seasonal Recreational Facilities: The Conservancy closed Tahoe Pines (Meyers) and Van Sickle Bi-State Park to vehicles for the season on November 1.

Land Management Strategies Request for Proposals and Rulemaking: In November, Conservancy staff issued a request for proposals to explore the full complement of alternatives to achieve more efficient management of its lands, seeking a framework, process, and sequencing of steps to accomplish this goal. Staff anticipates awarding a

contract in January. In addition, Conservancy staff is beginning the rulemaking process to propose and establish new regulations that would become incorporated into the California Code of Regulations. Potential regulations may include fee setting, temporary closures on Conservancy lands, and additional tools to address unauthorized vegetation removal. The Conservancy is initiating this process and will seek Board and public input.

2. Tahoe Livable Communities

Property Acquisitions: The Conservancy has budgeted \$14 million to acquire high-priority lands when they become available over the next five years. Staff is taking steps for final acquisition approval by the California Public Works Board for the Motel 6 and Knox Johnson parcels in the City of South Lake Tahoe (City), as well as exploring other acquisitions. See Agenda Item 7 for additional information on this item.

Conservancy Asset Lands at 1860 Lake Tahoe Boulevard and 1029 Tata Lane: The developers for the Sugar Pine Village Project, Related California (Related) and St. Joseph Community Land Trust, began site preparation on Phase 1A in September. The project is located on former Conservancy asset lands. In October, multiple state officials, including Lourdes Castro Ramírez, Secretary of the California Business, Consumer Services and Housing Agency, Gustavo Velasquez, California Director of Housing and Community Development, and Ana Lasso, Director of the Department of General Services, participated in a site walk to celebrate the start of the first phase of the project. With 248 units, Sugar Pine Village is the largest affordable housing project in the history of the Basin. Phase 1A includes 68 units. Related continues to apply for the financing needed to complete the remaining phases of the project.

3. Community Forestry

Forest Treatments: The Conservancy completed thinning treatments on approximately 280 acres adjacent to communities in the Carnelian Canyon area on north shore and on approximately 50 acres of small open-space parcels in the Chiapa Drive and Ski Run areas on the south shore. Staff completed project layout on over 500 open-space parcels from Tahoma to Tahoe City in preparation for a future project. Staff continues to prepare additional future forest management projects, including in the North Upper Truckee, Tahoe Island, and Gardner Mountain areas on the south shore. Crews have begun fall/winter pile burn operations.

4. Landscape Resilience

Capacity Building: The Conservancy is working with the Washoe Tribe of Nevada and California on a subgrant agreement to restore traditions and stewardship on ancestral lands throughout the Basin and increase the Tribe's participation in forestry, watershed, and fire resilience projects being planned and implemented. The Conservancy expects

the agreement to be signed in December. The subgrant to the Tribe is funded by the Department of Conservation's Regional Forest and Fire Capacity Grant Program.

5. Watershed Restoration and Water Quality

Upper Truckee Marsh Restoration: The Conservancy recently completed the Upper Truckee Marsh Restoration Project. The Conservancy completed revegetating the 12 acres of new wetlands and constructed a new shared-use trail to Lake Tahoe at Cove East. This new trail is made of native materials and ensures that everyone can access the Marsh and Lake Tahoe. Monitoring, management, and revegetation activities will continue into the future to ensure the project provides multiple benefits.

Future Restoration Projects: Staff implemented feasibility planning for multiple potential future restoration projects, including at Ward, Carnelian, Trout, and Cold Creeks; the Upper Truckee River near Sunset Stables; and future phases at the Upper Truckee Marsh. Staff anticipates that this planning will lead to future proposals for individual projects.

6. Recreation and Public Access

Destination Stewardship: Staff continued to engage in the Lake Tahoe Destination Stewardship Planning process. Public and private sector organizations from the greater Tahoe region are developing a shared vision and stewardship plan to better manage outdoor recreation and visitation. See Agenda Item 9 for additional information on this item.

7. Climate Adaptation and Biodiversity

Biodiversity: Staff participated in the 30x30 Partnership kickoff event in Sacramento on September 28. The 30x30 Partnership supports implementing Executive Order N-82-20, which committed California to the goal of conserving 30 percent of our lands by 2030 (30x30). The 30x30 Partnership engages and empowers partners working toward its objectives. The expo included a plenary session on the goals of the 30x30 initiative, current work involving tribal partnerships, and efforts to increase justice, equity, diversity, and inclusion. Staff connected with key partners on opportunities to collaborate on advancing 30x30. Staff also later engaged additional partners statewide during the 30x30 virtual expo series on November 1.

Budget and Accounting

This State of California's \$308 billion budget for Fiscal Year 2022-2023 included \$5 million to the Conservancy for Wildfire and Forest Health projects, and \$6.125 million

for Nature-Based Solutions to help implement the Pathways to 30x30 and Working Lands Climate Smart strategies and execute the Governor's nature-based-solution agenda.

The budget includes baseline funding that covers a portion of the Conservancy's staffing and operations as well as use of general fund and existing bond funding for:

- Minor capital improvements (\$980,000), which includes small restoration projects on Conservancy land;
- Conceptual feasibility and planning (\$600,000) for initial watershed project planning;
- Americans with Disabilities Act (ADA) upgrades (\$1,025,000) for planning and implementing updates to existing recreational sites to meet the Conservancy's ADA Transition Plan; and
- Opportunity Acquisitions (\$14,000,000) for acquiring lands in environmentally sensitive or significant resource areas.