California Tahoe Conservancy Agenda Item 9 April 16, 2024

ENVIRONMENTALLY SENSITIVE LAND ACQUISITION

Recommended Action: Adopt Resolution 24-04-06 (Attachment 1) authorizing the acquisition and subsequent demolition and site stabilization of two parcels located at 858 and 860 El Dorado Avenue (El Dorado County Assessment Numbers (ANs) 026-154-017 and 026-154-027) for up to \$650,000.

Executive Summary: The California Tahoe Conservancy (Conservancy) recommends the acquisition of two parcels, totaling 0.18 acres of environmentally sensitive land, located at 858 and 860 El Dorado Avenue in the City of South Lake Tahoe (City). The parcels contain a residence and shared driveway as well as mountain meadow and wetland habitat. The parcels are also adjacent on two sides to Conservancy land in the Trout Creek side of the Upper Truckee Marsh (Marsh) and USDA Forest Service land. Through this acquisition, Conservancy staff will return the land to a natural and open space condition and protect wildlife habitat, scenic, and watershed resources. The acquisition supports the Conservancy's Strategic Plan Goals 2 and 4, to advance multiple-benefit water quality protections, acquire environmentally sensitive lands, and either retire or transfer the associated development rights to town centers. Upon Board authorization, Conservancy staff will perform the necessary due diligence activities to acquire the parcels and to demolish the existing residential structure and stabilize the site.

Location: The parcels are located at 858 and 860 El Dorado Avenue in the City (ANs 026-154-017 and -027) (Attachment 2).

Fiscal Summary: Staff seeks to expend up to \$650,000 to acquire the parcels, which includes administrative, due diligence, and closing costs. This amount includes demolition of the existing structures and site stabilization work. The purchase price of the parcels will not exceed fair market value as approved by the Department of General Service (DGS). The acquisition and associated costs will be funded by Conservancy Proposition 68 funds, General Fund, and/or Tahoe Regional Planning Agency (TRPA) Excess Coverage Mitigation (ECM) funds.

Overview

History

Since its inception, the Conservancy has acquired environmentally sensitive parcels in priority watersheds throughout the California side of the Lake Tahoe Basin (Basin) to facilitate floodplain, wetland, and mountain meadow protection. The landowner contacted the Conservancy in spring 2023 and expressed interest in possibly selling the parcels. In January 2024, the Conservancy made an offer at fair market value, and the owner accepted the offer.

Detailed Description of Recommended Action

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

The Conservancy proposes to acquire El Dorado County ANs 026-154-017 and -027 (Attachment 3). An existing residence is on AN 026-154-027, and a driveway is on both ANs 026-154-017 and -027. The parcels contain sensitive land coverage (Class 1B), subject to future verification by the TRPA, and a residential development right that, after demolition and site stabilization, will be available for banking and transfer.

Upon Board approval, Conservancy staff will take the necessary steps to complete the transaction, demolish the structure, and stabilize the site. The current property owner 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 will pay for escrow fees, title insurance, and other related closing costs. Staff has obtained and reviewed a title report and will update the report prior to closure.

The two parcels contain an existing driveway providing access to both the residence on AN 026-154-027 and to a neighboring residence. The terms of the recorded access easement for the driveway include shared maintenance and snow removal obligations. The Conservancy has determined that there are no encroachments on the acquisition parcels. Due to current snow conditions, the Conservancy plans to complete a survey of ANs 026-154-017 and -27 post-acquisition, and will engage with the neighboring property owner on any necessary updates regarding access, maintenance, and snow removal.

2. Overall Context and Benefits

The recommended action supports the Conservancy's Strategic Plan Goals 2 and 4, which aim to advance multiple-benefit water quality protections, to acquire environmentally sensitive lands, and either retire or transfer the associated development rights to town centers. The Upper Truckee River Watershed ranks as the highest priority for stream restoration in the Basin, providing the largest inflow and sediment load to Lake Tahoe. The two parcels totaling 0.18-acres are adjacent, on two sides, to Conservancy land on the Trout Creek side of the Marsh and USDA Forest Service land. Both parcels contain mountain meadow, wildlife habitat, and environmentally sensitive land. This acquisition helps meet the State's Pathways to 30x30 strategy to increase the amount of land conserved in public ownership and to protect biodiversity.

3. Schedule for the Recommended Action

Pending Board authorization, Conservancy staff will complete the necessary due diligence activities and will close escrow during spring 2024 and expects to start the demolition and site stabilization work in fall 2024.

Financing

Staff seeks authorization for up to \$650,000 for the acquisition of the two parcels, including administrative and closing costs; the subsequent demolition of existing structures; and site stabilization work. The purchase price of the parcels or portions acquired will not exceed fair market value, as approved by the DGS. The Conservancy will use its Proposition 68 funds, General Fund, and/or TRPA ECM funds. Conservancy staff will process the acquisition as part of its regular workload.

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 2 (Restore the Resilience of Basin Forests and Watersheds) by advancing multiple-benefit water quality protections. This acquisition is also consistent with Strategic Plan Goal 4 (Foster Basinwide Climate Change Adaptation and Sustainable Communities) by supporting the acquisition of environmentally sensitive lands.

Consistency with the Conservancy's Program Guidelines

The recommended action is consistent with the Conservancy's Land Acquisition Program Guidelines.

Consistency with External Authorities

The recommended action is consistent with the Lake Tahoe Environmental Improvement Program (EIP) because it contributes to the implementation of EIP project #01.02.02.0001 – Environmentally Sensitive Lands Acquisition Program.

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 section 15325, Transfer of Ownership in Land to preserve Existing Natural Conditions and Historical Resources, as well as the Conservancy's CEQA regulations, sections 12102.1 and 12102.25. The action qualifies for these exemptions because it involves the acquisition of land to preserve and restore natural conditions, including plant and animal habitats, and the demolition and removal of an existing single-family residential structure. 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 24-04-06 Attachment 2 – Acquisition Location Map Attachment 3 – Acquisition Project Map Attachment 4 – NOE

• Exhibit A – Location Map

Conservancy Staff Contact

Aimee Rutledge, Acquisition Specialist

aimee.rutledge@tahoe.ca.gov