

Executive Director's Report

Five years ago, the Caldor Fire raced over the Sierra crest, burning over 221,000 acres and causing south shore communities to evacuate. While the fire destroyed over a thousand structures on the west slope, firefighters saved Tahoe's south and west shore communities. Aiding the firefighters' efforts: years of preparation by Tahoe Fire and Fuels Team (TFFT) partners—including advanced planning and thinning forests around neighborhoods to reduce hazardous forest fuels—and efforts by residents to create defensible space and make their homes more fire resistant.

Since the Caldor Fire, the California Tahoe Conservancy and our TFFT partners have kept up work to prepare our communities and the Lake Tahoe Basin (Basin) landscape for wildfire. For the Conservancy, this has included both our own projects to reduce wildfire risk on Conservancy and neighboring public lands, as well as our funding to support our partners. This summer alone, the Conservancy awarded over \$2.7 million in Proposition 4 (Climate Bond) grants to partners for wildfire safety projects (see below).

This summer also marked the 30th annual Lake Tahoe Summit, hosted by Nevada Senator Jacky Rosen. The Conservancy joined with our 80 federal, Tribal, state, local, and private partners in celebrating years of progress under the Lake Tahoe Environmental Improvement Program. As multiple Summit speakers noted, it is not by accident that Lake Tahoe remains a national treasure. Only by the work of many partners across jurisdictional lines have we managed to protect and restore this remarkable place. We remain committed to continuing to collaborate with our partners to ensure that future generations can experience the extraordinary outdoor wonder of Lake Tahoe.

Jason Vasques, Executive Director
California Tahoe Conservancy

Program Updates

1. Land Management

Land Management Projects

The Land Management Program is implementing small-scale projects on Conservancy land with seasonal Tahoe Resource Conservation District (Tahoe RCD) crews. Projects

include restoring sensitive lands, protecting water quality, maintaining properties and facilities, reducing fuel hazards, and resolving encroachments.

Facilities Management

The Conservancy will close the entrance gates to Van Sickle Bi-State Park and Tahoe Pines on November 1 or later, depending on weather conditions.

2. Tahoe Livable Communities

Property Acquisitions and Exchanges

The staff continues identifying and completing property acquisitions. This includes exploring acquisition opportunities, ordering appraisals, completing internal program reviews, lining up funding, teeing up Board approvals, and working with the Department of General Services to meet state acquisition requirements.

The staff is working on separate land exchanges with El Dorado County and North Tahoe Public Utility District (NTPUD). The Conservancy's Land Transfer Guidelines establish the general criteria for staff and Board consideration of all land transfers. For additional information about the potential NTPUD land exchange, please see Agenda Item 6.

3. Recreation and Public Access

Accessibility Improvements at Patton Landing and North Tahoe Beaches

Conservancy staff is planning projects at Patton Landing Beach (Carnelian Bay) and North Tahoe Beach (Kings Beach) to improve facility and lake access for people with disabilities. The staff expects the Conservancy will construct the two projects in 2027.

Nevada Improvements at Van Sickle Bi-State Park

The Nevada Division of State Parks (NDSP) has started constructing several improvements on the Nevada side of Van Sickle Bi-State Park (Park) resulting in a temporary closure of the Nevada Day Use area, state line monument, and a limited number of hiking trails. The Conservancy closed a section of the Park entrance road on July 27 to facilitate construction and manage vehicle traffic. The Nevada improvements include a new state line monument and shared-use trail, a maintenance facility, staff housing, and parking improvements. The NDSP anticipates completing construction by fall 2027. Conservancy staff is planning several improvements to complement the Nevada efforts, including a shared-use trail on the California side of the Park connecting to the Nevada shared-use trail and state line monument, an entrance plaza, picnic areas, and stormwater infrastructure. Construction on the California improvements could begin as soon as fall 2027.

Land Management Strategies Planning

The Conservancy has been managing public land for over 40 years and has developed many tools to address land management needs and achieve strategic goals. However,

Conservancy staff has identified the need for a comprehensive and coordinated approach to managing Conservancy lands. To address this need, the staff is working with Ascent Environmental to facilitate an internal visioning process to define the goals, objectives, and guiding principles of the Conservancy's first comprehensive Land Management Strategy (Strategy).

The current internal planning phase is the first of a multi-phase process to develop the Strategy. This phase will define the scope and structure of the Strategy, establish a sequenced process for completing the Strategy, and conduct technical studies to support future rulemaking and land use planning. Together, this work will establish the foundation for a comprehensive Strategy that provides clear guidance to the staff and greater transparency to the public regarding the Conservancy's land management priorities and decision making.

The Conservancy is developing Strategy goals and objectives in response to key land management issues identified by the staff. These include:

- **Aligning Conservancy land management with state and regional priorities.** Identifying how Conservancy lands can help advance regional goals and state initiatives, including opportunities to promote more consistent land management practices across public land ownerships.
- **Improving the land classification system.** Developing a more robust classification system that incorporates management objectives to support informed land use decisions and provide greater transparency to the public and partners about how management decisions are made.
- **Developing a dirt road and trail management strategy.** Establishing a coordinated approach to managing and maintaining dirt roads and trails to support recreational use and protect natural and cultural resources.
- **Establishing formal land management rules and regulations.** Developing the rules and regulations needed to manage Conservancy lands consistently with established management objectives.

Launching this effort is an important step toward achieving several goals in the Conservancy's Strategic Plan, including modernizing land management policies and developing effective trail management strategies. The staff will then present a comprehensive update on the Strategy's purpose, goals, and framework at the December Board meeting. The staff expects the current planning phase to conclude in spring 2027.

4. Community Forestry

Ongoing Community Protection Projects

The Conservancy is nearing completion on several multi-year forestry projects. These include the 536-parcel North Upper Truckee project on the south shore, the 400-parcel

Placer County South project on the west shore, and the 33-acre Lyons Ranch hand thinning project near Lake Tahoe Airport.

Tahoma Urban Project Update

In July, the Conservancy completed the Tahoma Urban project, which included a chipping and removal contract for nearly 150 public properties in El Dorado County. This multiple-ownership project included Conservancy, National Forest, and El Dorado County properties. Work on the project began in April.

Proposition 4, Climate Bond Grant Awards to Reduce Wildfire Risk

This summer the Conservancy awarded three grants under past forestry program Board authorizations, using Proposition 4 (Climate Bond) funds:

- \$2.2 million to the City of South Lake Tahoe to facilitate fuel hazard reduction treatments on 213 acres of local public land, including City-owned properties, Lake Tahoe Unified School District land around seven south shore schools, and El Dorado County-owned properties.
- \$461,120 to the Safford Lab at the University of California, Davis to study the long-term effects of fuel reduction and wildfire on forest health and resilience in the Basin.
- \$77,600 to Tahoe RCD for FireAside, a technology that enables fire protection districts to assess the fire resilience of private properties in the Basin. Fire protection districts use FireAside to evaluate defensible space, home hardening, and private-parcel wildfire risk within their districts.

6. Watershed Restoration and Water Quality

Conservancy staff continues to lead the partnership to restore the Upper Truckee River watershed. This includes pursuing a shared financing strategy with various state, federal, and private funders to complete all remaining work along the Upper Truckee River. The staff also continues to lead the Upper Truckee River Watershed Advisory Group to coordinate future projects, monitoring, and science.

The staff is advancing concepts for the Upper Truckee Marsh South Project in preparation for future public and Board engagement. In August, Conservancy leadership met with leaders of the Washoe Tribe of Nevada and California at the project site to discuss design concepts for this project and others in the vicinity. Both leadership teams also conferred about ideas and opportunities for Tribal co-management, stewardship, and involvement in restoration projects.

7. Budget, Accounting, and Administration

In June, the Governor signed the budget for Fiscal Year (FY) 2026/27 that included \$13.5 million for Conservancy state operations, local assistance, and capital outlay project

funding. In August, the Legislature proposed an amended budget bill to the Governor, which included an additional \$5 million from state General Fund for the Upper Truckee Marsh South project, and \$3.4 million in Proposition 4 (Climate Bond) funding for capital outlay projects. State operations funding is for costs such as Conservancy administration, personnel, vehicles, building rent, utilities, and work on Conservancy land. Local assistance is funding for outgoing grants to partners. Capital outlay projects include land acquisitions, and multi-year large-scale capital improvement projects and smaller-scale restoration projects on Conservancy land.

State Operations

Conservancy operations costs for FY 2026/27 are estimated at approximately \$18.5 million. That amount includes approximately \$9 million in salaries, \$5 million in forestry contracting, and \$4.5 million in all other operational costs.

Operations funding comes from a variety of sources including bonds, statewide and Tahoe-specific special funds, and grants. The Conservancy annually receives a base amount of funding from the Environmental License Plate Fund (ELPF), a statewide special fund that the California Natural Resources Agency manages, to cover a portion of the Conservancy's operating costs. The Governor's June budget included \$4.6 million of ELPF funds for the Conservancy. The budget also included \$5 million in reimbursement authority (authority to expend incoming state and federal grants) for Conservancy projects. The Conservancy also receives annual amounts from other special funds and bond appropriations to cover remaining operations costs.

Local Assistance

The Conservancy receives annual appropriations from special funds and bonds to fund outgoing grants to partners. The Governor's June budget included \$450,000 from special funds, including Senate Bill 630 of 2013 and Lake Tahoe License Plate, to support outgoing grants. The Conservancy also uses carryover funding from previous budget years for grants to partners.

Capital Outlay Projects

The Conservancy receives appropriations for specific capital outlay projects and acquisitions, mostly from bond funds but also from special funds. Specific line items in both the June and August budgets include:

- \$500,000 for small restoration projects on Conservancy land;
- \$300,000 for feasibility and conceptual planning for new watershed and recreation projects on Conservancy land;
- \$600,000 for preliminary plans for the Dennis T. Machida Memorial Greenway – Van Sickle Connector shared-use trail;
- \$1 million for working drawings for the Van Sickle Bi-State Park Safety and Equitable Access Improvement Project;

- \$6 million for acquisitions of environmentally sensitive or significant resource areas;
- \$500,000 for sidewalk accessibility improvements along Lake Tahoe Boulevard; and
- \$5 million for the Upper Truckee Marsh South project.

In FY 2025/26 (the prior FY), the Conservancy received \$5 million of the \$29 million of Proposition 4 (Climate Bond) funding allocated to the Conservancy to reduce climate change impacts and increase public access. The Conservancy also received approximately \$23.5 million of “Early Action” funds of the total \$25.5 million in Proposition 4 funding for watershed and forest health improvement, biomass utilization, and workforce development. The Conservancy can use these funds for Conservancy operations, projects, and partner grants. The Conservancy continues to use these funds in the current year as well as future fiscal years.