NOTICE IS HEREBY GIVEN that the Advisory Planning Commission of the Tahoe Regional Planning Agency will conduct its regular meeting at 9:30 a.m. on Wednesday, February 11, 2009 at the TRPA Offices, located at 128 Market Street, Stateline, NV. The agenda for the meeting is attached hereto and made a part of this notice.

February 4, 2009

[Signature]

John Singlaub
Executive Director
All items on this agenda are action items unless otherwise noted.

AGENDA

I. CALL TO ORDER AND DETERMINATION OF QUORUM

II. APPROVAL OF AGENDA

III. PUBLIC INTEREST COMMENTS

Any member of the public wishing to address the Advisory Planning Commission on any item not listed on the agenda may do so at this time. Public comment on Public Hearing items will be taken at the time those agenda items are heard.

NOTE: THE ADVISORY PLANNING COMMISSION IS PROHIBITED BY LAW FROM TAKING IMMEDIATE ACTION ON, OR DISCUSSING ISSUES RAISED BY THE PUBLIC THAT ARE NOT LISTED ON THIS AGENDA.

IV. DISPOSITION OF MINUTES

V. PLANNING MATTER

A. Recommendation to Staff on a “Go Slow Buoy Permitting” Proposal Page 1

B. Discussion of the Draft Blue Boating Program Page 11

C. Briefing on the Regional Plan Update Page 31

VI. PUBLIC HEARINGS

A. Recommendation on the Distribution of Residential Allocations for 2009 and Discussions on Proposed Amendments to Extend the Allocation Return Deadline Page 33

B. Recommendation on Amendments of IPES Map Showing Need for Water Quality Improvements Pursuant to Requirements of Chapter 37, Individual Parcel Evaluation System (IPES) Page 45

C. Recommendation on Lowering the Individual Parcel Evaluation System (IPES) Line in Placer County Page 59

D. Recommendation on Amendment of Chapter 20 to Adjust the Excess Coverage Fees Page 65

VII. REPORTS
A. Executive Director

B. Legal Counsel

C. APC Members

VIII. ADJOURNMENT
REGULAR MEETING MINUTES

I. CALL TO ORDER AND DETERMINATION OF QUORUM

Meeting called to order at 9:45.

Members Present: Mr. Breuch, Mr. Donohue, Mr. Goldberg, Ms. Jamin, Mr. Jepsen, Ms. Krause, Mr. Lefevre, Mr. Maurer, Mr. McIntyre, Ms. Merchant, Mr. Riley, Ms. Schmidt, Mr. Kuchnicki, Mr. Tolhurst, Mr. Walker

Members Absent: Mr. Harris, Ms. Kemper, Mr. Plemel, Mr. Zuckerman, Mr. Upton

II. APPROVAL OF AGENDA

Mr. Tolhurst moved approval with amendments.
Motion carried unanimously.

III. PUBLIC INTEREST COMMENTS

Steven Hallbock stated that they have a deed for a private pathway and beach access that is part of the Sandy Beach project. He wants to make sure that this access remains.

Ellie Waller stated she has the same deed information and wants to make sure that this access remains. She also thanked Placer County for installing a speed limit monitoring light in Kings Beach, as it does slow traffic down.

IV. DISPOSITION OF MINUTES

Mr. Maurer moved approval with amendments.
Motion carried.
Mr. McIntyre and Mr. Walker abstained.

V. PLANNING MATTER

A. Status Report on the Truckee River Operating Agreement

Tom Scott, U. S. Bureau of Reclamation, John Sarna, California Department of Water Resources and Roland Westergard, former TRPA Governing Board member presented the status of the Truckee River Operating Agreement and what it means to TRPA.

No action was taken.

VI. PUBLIC HEARINGS
A. Amendment of Plan Area Statement 111 (Tahoe Island), City of South Lake Tahoe, El Dorado County, CA, to increase the maximum permissible density for multiple family dwellings in the portion of Special Area #2 located on TRPA Plan Area Map G18, from 8 units per acre to 15 units per acre

This item was continued at the request of the applicant.

B. Recommendation to the Governing Board on Certification of the Final Lake Tahoe Shorezone Ordinance Amendments EIS and on the Proposed Amendments to the Shorezone Code of Ordinances, Plan Area Statements, Community Plans and other Amendments Related Thereto

Mr. Jepsen recused himself from the Shorezone discussion.

Executive Director Singlaub, General Agency Counsel Marchetta, Staff member Gabby Barrett, John Marshall, Consultant and Debra Lilly, EDAW Consulting presented the proposed Shorezone Ordinance Amendments, EIS and Amendments to the Shorezone Code of Ordinances, Plan Area Statements and Community Plans.

After considerable Commission Discussion, the following recommendations, and concerns were made by the Commission Members and Members of the Public:

**Notification and consultation with other agencies.** (Donohue, Kemper)
By letter dated October 8, 2008 to the APC, the California State Lands Commission (CSLC) requested inclusion of a TRPA Shorezone Code provision requiring an applicant filing a Qualified Exempt Declaration to certify notification and consultation with other applicable agencies with jurisdiction as a condition of a valid QE. APC members expressed support for this recommendation.

**Clarify reference to vertical walls in section 53.5.A(5) QE condition to mean revetments that extend into lake substrate:** (Krause)
An APC member asked that the reference to vertical walls in Code section 53.5.A(5) be made clearer to indicate that the term refers only to freestanding vertical structures that extend into lake substrate rather than vertical walls of structures, such as a boathouse or landside structure.

**Provide for technical review of shorezone QEs that could have an effect on Tahoe Yellow Cress or fish habitat.** (Kuchnicki, Kemper)
At the September 25, 2008 APC/ GB Shorezone Workshop, members commented that mitigation should be required for pile driving performed under a QE. The APC representative from the Lahontan Regional Water Quality Control Board acknowledged the recent addition by staff of a fish habitat mitigation requirement in the event that a QE involves a change from double pilings to single piles (see Code section 53.5.A(7)). Nonetheless, she questioned whether there would be review of the effectiveness of the mitigation plan in these circumstances.

**Current 350 foot buoy placement limit should be replaced with functional buoy placement limit line.** (Lein, Merchant, Donohue, McIntyre)
In response to comments regarding the 350’ lakeward placement limit for private parcel buoys and the fact that many such buoys have been placed...
illegally lakeward of that limit, TRPA staff proposed at the September 25, 2008 APC/ GB Shorezone Workshop, and again at the APC Hearing, adoption of a functional buoy placement rule to take into account safe mooring locations rather than the current uniform 350’ lakeward distance limit for buoys. Lakefront owner representatives comment that the lakeward placement of buoys should be controlled by ensuring safe harbor at the greatest range of lake elevations. A public commenter suggested the 350’ limit is arbitrary and should therefore be deleted entirely.

**Improve compliance with upland BMPs by conditioning QEs on BMP completion and certification.** (Kuchnicki) APC members noted that the percentage of parcels that still have not met the upland BMP requirement is large, and the Shorezone Ordinance Amendments are an opportunity to bring landowners who may now be able to enjoy additional shorezone development into greater compliance with the upland BMP requirements. They proposed making upland BMP compliance a precondition to the acceptance of a shorezone QE as well as a condition of issuance of a buoy permit.

**Give new buoy priority to those without a mooring buoy who want one.** APC members commented that the proposed process for issuing new buoy permits should give priority to those littoral property owners who have waited until the ban in fish spawning habitat is lifted and the amended TRPA Shorezone ordinances are in place. There was testimony from the property owners’ representatives and environmental group representatives supporting this concept.

**Implement a “go-slow” buoy permitting procedure.** APC recommended a “go-slow” buoy permitting procedure based on a California State Lands Commission request and public comment. APC members proposed several different approaches and variations.

**Allocations for buoy permits and piers should be proportional by jurisdiction.** (Breuch, Merchant, McIntyre) A few APC representatives asked that new piers be allocated proportionally by local jurisdiction.

**The administrative burden on local jurisdictions of buoy permitting.** (Breuch) An APC member expressed concerns that local jurisdictions would be administratively burdened as a result of TRPA’s proposed buoy permitting and recognition process. He was concerned that local planning offices would be burdened by requests to obtain evidence of past issuance of a local jurisdiction’s buoy permit.

**Proposed code amendment to section 54.7.A (Non-exempt repairs and reconstructions of existing piers).** A representative of the Tahoe Lakefront Owners Association (TLOA) claims that staff’s proposed Code changes do not, in fact, encompass the intended scope of activity or guarantee the limited level of review expected.

**All implementation details of the Blue Boating Program should be specified at the time of Program adoption and not deferred to March 2009.** (Washoe Tribe, Goldberg, Breuch)
Both APC members and public commenters questioned why the implementation details of the Blue Boating Program were not being forwarded or adoption at the same time as the adoption of its programmatic elements; critics claim this is an improper deferral of required mitigation.

**The effectiveness of the Blue Boating Program is questioned and debated.** (League, Jamin)
The League stated that there is no evidence the Blue Boating Program would work, and therefore it should be redesigned. In addition, at the September 2008 GB/ APC Shorezone Workshop, the representative of the City of South Lake Tahoe questioned whether adequate funding would be available to carry out the Blue Boating Program.

**The implementation details of a buoy enforcement program should be specified before Shorezone Program adoption.** The same members concerned with the apparent absence of implementation details for the Blue Boating Program expressed concerns about understanding the details of a buoy enforcement program.

**Monitoring is an important element of the Shorezone Program to identify needed reductions in Lake pollutant loading and should not be deferred.** (Donohue, Kuchnicki, Kemper, Washoe Tribe)
Several APC members commented that, if adopted, monitoring of the potential effects of the Program in the shorezone is critical. A few asked that the details of the monitoring program be provided.

**The intended technical “cleanup” amendments are becoming too broad and are deferring too much of the Shorezone Program decision-making until after program adoption.** APC members and commenters expressed concern that too much was being deferred to the so-called technical “cleanup” amendments.

**Request for parcel-level eligibility maps.** APC members representing Placer County requested parcel-level eligibility maps showing specifically which parcels would be eligible for new piers under the proposed Shorezone Program.

**Request for verification of littoral and non-littoral status by parcel.** The Placer County representatives on APC also requested TRPA to provide verified information delineating the littoral status of all parcels fronting Lake Tahoe, and asked that this information be determined prior to adoption of the proposed Shorezone Program.

**Objection to the Program because of potential adverse fiscal effects on local jurisdictions.** (Merchant, McIntyre)
APC members voiced concern that the reduction in additional piers from Alternative 6A (230) to the Preferred Alternative (138) represents lost property tax revenues to the local counties. They questioned why approving a small number of piers was sensible when a larger number would generate more mitigation funds. They noted that uncertainty about pier distribution prevents each jurisdiction from evaluating the potential negative fiscal impact on the jurisdiction’s tax-base over time.
Objection to the economic impact finding and adequacy of the economic analysis in the EIS. (Merchant)
Placer County APC members cast doubt on the adequacy of the economic analysis in the Final EIS because it did not evaluate the fiscal impact of the Program to the local jurisdictions.

Amend shorezone BMPs to encourage new dredging for invasive species removal and to clarify definition of maintenance dredging. (Kemper).
The APC representative from the Lahontan Regional Water Quality Control Board requested that consideration be given to changing and or clarifying the dredging definitions to allow the ready removal of aquatic invasive species in the event that dredging strategies prove to be an effective eradication tactic.

Request that mitigation fees be used to fund a fire boat for quick response to haz mat spills and boat sinkings with potential to pollute the lake. (Goldberg)
A Fire District representative to APC suggested that the Blue Boating Program would provide an opportunity to fund a new fire response boat for the Lake.

Environmental conditions in the nearshore appear to be worsening (e.g., presence of algae, invasive clams and milfoil, and increased turbidity). (TASC)
The Tahoe Area Sierra Club commented that environmental conditions in the nearshore are deteriorating and should be corrected before any new shorezone development is approved. TASC questioned whether these conditions allowed TRPA to make the Compact findings that the proposed additional development in the shorezone is consistent with TRPA’s thresholds.

Too much of the Shorezone Program is being put off to the March 2009 consideration by APC/GB.
APC members and public commenters asserted that too much of the Shorezone Program is being impermissibly deferred to adoption in March 2009, and the overall program should be deferred and considered for adoption at that time.

No legitimate TRPA basis in the Compact to include a provision in the proposed Code addressing public access to the shorezone.
Tahoe Lakefront Owners Association asserts that there is no legitimate basis for TRPA to address public access to the shorezone within its proposed Ordinances. TLOA believes Code section 54.4.B(2) is included as a ruse for TRPA to enforce law unique to the state of California, which recognizes a public trust easement between high and low water. Furthermore, TLOA questions the legitimacy and need for the $100,000 new pier mitigation fee if TRPA has now disclaimed in the proposed Code any legal right to enforce the public trust doctrine.

Mr. Donohue moved to recommend that the Governing board make the Compact Article VII(d) findings for the final EIS.

Motion carried.
Mr. Breuch, Ms. Merchant, Mr. McIntyre, Ms. Garcia (Washoe Tribe) voted no.

Mr. Maurer moved to recommend that the Governing Board certify that the final EIS is technically adequate.

Motion carried.

Mr. Breuch, Ms. Merchant, Mr. McIntyre, Ms. Garcia (Washoe Tribe) voted no.

Mr. Tolhurst moved to recommend that the Governing Board make the Chapter 6 and Chapter 13 findings and a finding of no significant effect for all potential impacts.

Motion carried.
Mr. Breuch, Ms. Merchant, Mr. McIntyre, Ms. Garcia (Washoe Tribe) voted no.

Mr. Maurer moved to recommend that the Governing Board adopt the attached ordinance adopting the Code of Ordinance amendments in Exhibit 1, deleting existing Shorezone Code chapters 50-56, adopting new Shorezone code Chapters 50-54, amending the Plan Area Statements, amending the Community Plans and adopting GIS shorezone maps.

Motion carried.
Mr. Breuch, Ms. Merchant, Mr. McIntyre, Ms. Garcia (Washoe Tribe) voted no.

VII. REPORTS

A. Executive Director – had no report

B. Legal Counsel – had no report.

C. APC Members

Mr. Kuchnicki stated that the Nevada 319 Grant closes November 7th. For the TMDL they are in the process of developing a crediting program and a guidance manual. They would be happy to make a presentation to the Commission and the Governing Board.

Ms. Merchant stated that the Department of Public Works has worked on a Neighborhood Traffic Management Plan for the Kings Beach Commercial Core Project. They held the first public meeting last night on the draft. They will be making some revisions based on public input. They are holding one more workshop tomorrow night with the Spanish speaking community. They expect to present this to the Governing Board possibly in November.

Ms. Schmidt stated that this is her last Commission meeting as she has accepted another position.

VIII. ADJOURNMENT
Chairman Tolhurst adjourned the meeting at 4:30 p.m.

Respectfully submitted,

Judy Nikkel  
Clerk to the Board

The above meeting was taped in its entirety. Anyone wishing to listen to the tapes of the above mentioned meeting may call for an appointment at (775) 589-5277. In addition, written documents submitted at the meeting are available for review at the TRPA Office, 128 Market Street, Stateline, Nevada.
MEMORANDUM

Date: January 27, 2009
To: TRPA Advisory Planning Commission (APC)
From: TRPA Staff
Subject: Recommendation to Staff on a “Go Slow” Buoy Permitting Proposal

Requested Action: Staff requests APC provide guidance on or a preferred option for implementing the “Go Slow” buoy permitting process.

Staff Recommendation: Staff is weighing 3 options and seeks a final implementation approach that meets the major concerns of the APC and public.

Required Motion: The APC could make a motion recommending an option for staff to pursue or a list of concerns that must be addressed in a staff proposed action.

Project Description/Background: In October 2008, the TRPA approved the Shorezone Code Amendment Package. A Resolution directed staff to prepare certain implementation details for further Governing Board action in March 2009. One action item was “A proposal for implementation of a “go-slow” buoy permitting procedure that would be implemented following the effective date of the lake-wide buoy cap increase from 4,454 to 6,316”.

Since this item was recommended by the APC to the Governing Board, staff request that the APC consider possible options, provide guidance, and recommend a preferred option.

As background, TRPA is currently processing only permits for the estimated 4,454 buoys now in the Lake until the Blue Boating Program is implemented. At this time, we estimate completed implementation of the program by May 2010. Only afterward would TRPA process permits for new buoys up to 6,316. Of these additional 1,862 buoys, 200 are to be reserved for public use (buoy fields).

At this time we do not have an estimate of the future demand, if any, for buoys beyond the existing 4,454 some of which are expected to be removed because they are illegal. Total buoy cap, 6,316 was developed from TRPA public workshops and consensus meetings. As a reference, there are approximately 1,400 parcels that could theoretically apply for one or two buoys.

Please refer to Chapter 52, Allocation of Shorezone Development, for details on current buoy limits and allocation requirements (Attachment A).
Staff is providing the following options for APC discussion. Additional options, suggestions or guidance by the APC or the public may be considered at the meeting.

**Option 1 – Action As Adopted**
This is the current proposal in Chapter 52. Starting in the summer of 2010, TRPA would issue permits on a “first-come/first-served basis until all permits are issued. It should be noted that the adopted Shorezone Adaptive Management Program has provisions for stopping or slowing additional buoy permitting if environmental findings can not be made.

**Option 2 – Annual Allocation Cap**
Under this option, TRPA would limit issuing new buoy permits to a maximum number of buoys per year. A suggestion would be 100 new buoys per year on a “first-come/first-served basis, except that permitting of up to the 200 public buoys would be allowed at any time. This could be adjusted as necessary at each annual review in March.

**Option 3 – Five Year Allocation Cap**
Under this option, TRPA would limit issuing new buoy permits to a maximum specified number during each five year threshold review period. A suggestion would be to limit additional buoy permits to 400 buoys per five year period. The five year limit would be set with each five-year threshold review, similar to how setting limits on residential allocations are currently handled.

**Option 4 – One Buoy Per Parcel First**
Under this option, TRPA would limit permitting of single use buoys to one per parcel for the first five years to minimize the possibility that later-applying property owners would be foreclosed from getting a buoy if the total buoy cap has been reached by those parcels permitted for 2 or more single use buoys and to give all property owners time to apply. The 200 public buoys would still be reserved. In this scenario, permitting of additional multiple-use (buoy fields) would need to be limited to a specified number for the first five years.

**Issues/Concerns:** The record of discussions at APC, recommending adoption of the “Go Slow” approach reflected the following concerns:

- The amount of permitted development should be more closely coordinated with the adopted mitigation programs identified in the Shorezone EIS; and
- There should be sufficient time and opportunity for all eligible littoral owners to have access to the program.

**Contact Information:** If you have any questions, please contact Gordon Barrett at gbarrett@trpa.org or 775-589-5219.

**Attachments:**

A. Chapter 52, Allocation of Shorezone Development (adopted 12/22/08)
Chapter 52
ALLOCATION OF SHOREZONE DEVELOPMENT

Chapter Contents

52.0 Purpose
52.1 Applicability
52.2 Allocation of Additional Piers
52.3 Application Process for Additional Private Use Piers
52.4 Allocation of Mooring Buoys and Boat Lifts
52.5 Allocation of Boat Ramps, Boat Slips and Floating Platforms

52.0 Purpose: This chapter sets forth requirements regulating the rate, timing, and extent of increase allowed for certain structures within the shorezone of Lake Tahoe. In conjunction with other provisions of this Code and the Goals and Policies, the provisions of this chapter distribute and pace growth and development to attain and maintain environmental thresholds.

52.1 Applicability: No person shall construct a project or commence a use or activity in the shorezone, lakezone or lagoons of Lake Tahoe that is regulated pursuant to this chapter without meeting the requirements set forth below.

52.2 Allocation of Additional Piers: TRPA shall allocate additional piers on Lake Tahoe as follows:

52.2.A Definition of "Additional Pier": A pier is considered "additional" if it is to be created pursuant to a TRPA approval issued on or after the effective date of the ordinance adopting this Chapter. The following are not "additional" piers:

(1) The repair, reconstruction or replacement, on the same parcel, of an existing pier;

(2) The modification or expansion, on the same parcel, of an existing pier; and,

(3) The relocation or transfer of an existing pier or the conversion of a boat ramp to a pier. [source: new]

52.2.B Maximum Number and Rate of Additional Piers: TRPA shall only approve the following maximum number of additional piers at the maximum specified annual rates:

§ Adopted 12/22/2008
(1) A maximum of 128 piers for private use at a maximum rate of five additional piers per year. The use of a pier that does not meet the definition of “public use facility” in Chapter 2 shall be considered a private use pier.

(2) A maximum of ten piers for public use with no maximum rate. A public use shall meet in full the definition of a “public use facility” in Chapter 2.

(3) Under no circumstances shall additional public use piers be converted to private use. Conversion of a public use pier existing at the time of the adoption of this ordinance to a private use may only occur upon payment of the fee described in Section 54.13.A.

(4) If a permit for an additional pier is voluntarily relinquished as a result of a conservation-oriented acquisition pursuant to the Lake Tahoe Public Access Fund or other public or private fund, the additional pier issued by the permit shall count against the total maximum number of additional piers set forth in Section 52.2.B(1). The littoral parcel associated with the acquisition shall be deed restricted from future pier development.

52.2.C Eligibility for Additional Piers: Littoral parcels meeting the following criteria shall be eligible for an additional pier.

(1) For the purposes of this chapter, “littoral parcels” refers only to those parcels that met the Chapter 2 definition of littoral parcel as of July 1, 1987, regardless of another jurisdiction’s regulatory or judicial action concerning those parcels boundaries (e.g., boundary line adjustments, quit claim deeds or quiet title/partition actions). Those parcels that did not meet the Chapter 2 definition as of that date but subsequently become littoral as a result of a TRPA-approved boundary line change may be eligible as a location for the transfer of shorezone development as long as no increase in development potential results.

(2) Private littoral parcels shall be eligible for an additional pier that if they:

(a) meet the minimum parcel size for a private residence;

(b) could provide necessary upland facilities (e.g., parking, sanitation);

(c) do not have an existing pier;

(d) are not otherwise restricted from additional shorezone development (e.g., via a limiting Plan Area Statement policy, restrictive covenant, or a deed restriction);
(e) have received a Certificate of Completion indicating adequate implementation of all required water quality best management practices outlined in Chapter 25 for the project area; and,

(f) do not have access to a private multiple use facility as a result of a legally recorded instrument whose benefit (1) runs with ownership of that parcel and (2) is equal to all others possessing such right of access.

(3) Littoral parcels owned by a homeowners’ association meeting the criteria set forth in Subparagraph 52.2.C(2)(b) through (f) inclusive.

(4) Littoral parcels owned by a governmental entity meeting the criteria set forth in Subparagraph 52.2.C(2)(b) through (f) inclusive.

(5) For an additional public pier, littoral parcels owned by public entities meeting the criteria set forth in Subparagraph 52.2.C(2)(b) and (d) through (f).

52.3 Application Process for Additional Private Use Piers: TRPA shall process applications for additional private use piers under the following procedures.

52.3.A Preliminary Applications: TRPA shall accept preliminary applications for additional private use piers up to and including January 15 (or the following Monday if January 15 falls on a weekend day) of each year for consideration and action, if possible, in the following year.

52.3.B Application Requirements: TRPA shall only accept preliminary applications for additional private piers if they include:

(1) at least two eligible parcels for parcels within a scenic shoreline travel route units not in attainment with the applicable indicator for the Scenic Environmental Threshold Carrying Capacity.

(2) a project site plan, including but not necessarily limited to, all applicants and parcels included in the project area, the proposed pier location, the linear lake frontage of each parcel, all existing piers within 200 feet of project boundaries, any water intake facilities, and other information as TRPA may deem appropriate;

(3) a preliminary assessment of the project’s potential to meet all applicable regulatory criteria, including other governmental and associational requirements if any. The preliminary assessment shall address with specificity criteria regarding access, setbacks, scenic requirements, mitigation opportunities and shall provide financial assurances from the applicant of a readily available source of funds to pay all applicable fees, including the Lake Tahoe Public Access Fund fee; and,
an application for a scenic assessment pursuant to Chapter 30.15.B.

52.3.C Selection: Within 45 days of January 15, TRPA shall:

(1) Rank all applications that meet the criteria set forth in Section 52.3.B based upon the total number of eligible parcels included within the application. TRPA shall also calculate the amount of linear lake frontage included within each application. The total linear lake frontage shall include those parcels that are:

(a) adjacent to or within the same scenic travel route unit of the parcel upon which the pier is to be located; and,

(b) eligible for shorezone development under Section 52.2.C or to receive the transfer of shorezone development, except that TRPA shall include the total linear lake frontage of any length within Stream-mouth Protection Zones or setbacks for water intake lines.

(2) Select for further consideration the five applications with the greatest reduction in shorezone development potential through deed restricting eligible parcels from additional or transferred piers. If two or more applications result in the same reduction in shorezone development potential, those applications shall be further ranked based on the following criteria in the following order until the applications are distinguished for ranking purposes: the greater amount of linear lake frontage in the project area, those piers proposed to be located in less sensitive shoreline character types, the greatest extent of the most visually sensitive shoreline character type retired. For each of those five applications, TRPA shall inform the applicant(s) in writing of additional information necessary to complete the application. And,

(3) Inform all applicants of its determination to proceed on the top rank applications. Applicants whose application TRPA did not rank within the top five may submit their application in subsequent years without prejudice. Notwithstanding any other provision of the Code of Ordinances or Rules of Procedure, the selection for processing by TRPA of the top five ranked applications may not be appealed to the Governing Board.

(4) Once TRPA selects the top five ranked applications for processing, it shall not accept any further applications for additional piers even if one or more of the top rank withdraws or is denied.
52.3.D The applicant(s) whose application is selected for further consideration shall submit all information necessary to complete the application within 60 days of the date of the transmittal from TRPA under Section 52.3.C(2). Upon written request, TRPA may grant an applicant(s) one 30-day extension to the deadline. If the applicant(s) fails to meet the deadlines imposed by this section, TRPA shall withdraw that application and shall select for further consideration the next application in the Section 52.3.C(1) ranking.

52.3.E Upon receipt of the information necessary to complete the application, TRPA shall process the application according to the rules of Article V of the Rules of Procedure.

52.4 Allocation of Mooring Buoys and Boat Lifts: TRPA shall regulate the number of moorings on Lake Tahoe under the following criteria. As used in this Chapter, a buoy shall refer to a mooring buoy that is either in use or capable of use to moor watercraft:

52.4.A Permit requirement: No mooring may be placed or maintained in the waters of the Lake Tahoe Region unless it is authorized by a permit from TRPA. All mooring buoys shall display a TRPA Buoy Identification Tag at all times.

52.4.B Maximum number of buoys on Lake Tahoe: The number of mooring buoys, berths in boat houses and boat lifts on Lake Tahoe from all sources shall not exceed 6,316. Of the maximum number of mooring buoys, TRPA shall reserve 200 buoys for allocation to public use facilities.

52.4.C Restriction to littoral parcels: Except as provided in Section 52.4.E(3), only littoral parcels shall be eligible to place a mooring buoy and to receive a permit for buoys from TRPA. The term "littoral parcel" shall have the same meaning as described in Section 52.2.C(1).

52.4.D Maximum number of additional buoys per littoral parcel: Littoral parcels shall be eligible for the following number of buoys.

(1) Private littoral parcels with less than 50 linear feet of lake frontage shall be eligible for one buoy.

(2) Private littoral parcels with 50 linear feet or more of lake frontage shall be eligible for two buoys.

(3) Public parcels or parcels associated with homeowner associations or functionally similar entities shall be eligible for a field of buoys defined by the lake frontage of the littoral parcel(s) as measured from a 50 foot lakeward setback from the high water line, 25 foot side setbacks (as projected according to Section 54.5.B), a
maximum 350 foot extension lakeward, and set on a 50 foot grid spacing pattern. For homeowners associations, the number of buoys allocated shall not exceed the number of residential units served with the sole exception for an additional buoy(s) serving littoral parcels under subsection (6).

(4) Private littoral parcels with commercial or tourist accommodation uses (excluding marinas) for which buoys are an appropriate accessory structure shall be eligible for the minimum number of buoys necessary to reasonably service the use of the upland facilities if:

(a) the facilities are deed restricted to be open to the public;

(b) the maximum number of buoys shall not exceed the number that could be allocated under subsection (3); and,

(c) the buoys shall remain available for use by the patrons of the upland facility rather than rented or leased.

(5) TRPA shall authorize buoys to marinas pursuant to Chapter 16 except where a marina requests approval for:

(a) less than 10 buoys consistent with Section 54.10.A; or,

(b) existing buoys either placed pursuant to a verified approval a federal or state agency with appropriate jurisdiction or placed in Lake Tahoe prior to 1972 without appropriate authorization.

(6) Littoral parcels landward of homeowner association buoy fields may be eligible for buoys under subsections (1) and (2) if

(a) the buoys are located within the homeowners association field and,

(b) in no case shall the total number of buoys in the field exceed the amount possible under the grid calculated in subsection (3)

52.4.E Authorization of certain existing buoys:

(1) For owners of littoral parcels, TRPA may authorize a maximum of two existing buoys for littoral parcels with less than 50 linear feet of lake frontage or three existing buoys for littoral parcels with 50 linear feet or more of lake frontage notwithstanding the actual number of buoys existing offshore of littoral parcels, if:

(a) a littoral parcel owner provides a verified approval for placement of buoys from a federal or state agency with appropriate jurisdiction; or,
(b) a littoral owner establishes by clear evidence that the
owner or predecessor in interest placed the buoy(s) in
Lake Tahoe without appropriate authorization prior to

(2) For persons who are not littoral parcels owners, TRPA may
authorize a maximum of one buoy, if:

(a) that person or predecessor in interest received an approval
prior to February 10, 1972 for placement of buoys from
either a state or federal agency with appropriate
jurisdiction. In the event the pre-1972 buoy approval is
from a federal agency, the person must obtain approval for
the buoy from the appropriate state agency prior to
consideration by TRPA for approval under this section; or,

(b) clear evidence establishes that that person or a
predecessor in interest placed the buoy in Lake Tahoe
without authorization prior to February 10, 1972 and has
subsequently obtained approval from the appropriate state
agency.

(3) Any buoy authorized by TRPA pursuant to 52.4.E(2) shall count
towards the maximum number of buoys that may be located
lakeward of the littoral parcel under Sections 52.4.D or 52.4.E.

(4) Buoys authorized pursuant to this subsection shall be located at
least 50 feet from any other shorezone structure and shall meet all
other applicable location and design standards unless anchor
relocation would create significant environmental impacts and
does not otherwise interfere with legal placement of buoys by
adjacent property owners.

(5) A littoral parcel shall not be eligible for additional buoys under
Section 52.4.D if TRPA has approved buoys lakeward of that
parcel under Section 52.4.E that meet or exceed the number of
buoys set forth in Section 52.4.D(1) and (2).

52.4.F Phasing of buoy permits:

(1) TRPA shall not issue permits for buoys that result in the total
number of buoys on Lake Tahoe exceeding 4,454 until TRPA has
adopted and implemented a Blue Boating Program in
conformance with Sections 54.15.A and 54.15.B.

(2) Prior to the adoption and implementation of a Blue Boating
Program and subject to the overall limitation of Section 52.4.F,
TRPA may issue permits to:

(a) applicants with an existing buoy(s) that placed the buoy
pursuant to a valid written authorization from either a state
or federal agency with appropriate jurisdiction;
(b) applicants with existing buoys who meet the criteria of Section 52.4.E; or,

(c) applicants without an existing buoy that meet all eligibility criteria.

52.5 Authorization Of Boat Ramps, Boat Slips and Floating Platforms: TRPA shall authorize additional boat ramps, boat slips and floating platforms on the following basis:

52.5.A Boat Ramps:

(1) TRPA shall authorize no additional private use boat ramps.

(2) TRPA may authorize no more than 6 additional public use boat ramps.

52.5.B Floating Platforms:

(1) Subject to 52.5.B(2), TRPA shall authorize no additional floating platforms

(2) A littoral parcel owner may substitute eligibility for one buoy for a floating platform. The littoral parcel owner shall pay the annual buoy fee set forth in Section 54.13.B. No watercraft shall be moored to a floating platform or its anchor.

52.5.C Boat Slips:

(1) TRPA shall authorize no additional private use slips.

(2) TRPA shall authorize no more than 235 additional public slips.
MEMORANDUM

To: TRPA Advisory Planning Commission

From: TRPA Staff

Date: February 4, 2009

Subject: Draft Plan for the Blue Boating Program

Requested Action: There is no action required at this time. This is an informational presentation regarding the status of the Blue Boating Program Plan, in preparation for March APC Recommendation.

Staff Recommendation: This item is intended as informational only.

Project Description/Background: The adopted shorezone program is referred to as the “Preferred Alternative” in the environmental document. As part of the “Preferred Alternative”, a “Blue Boating” mitigation program was identified as a requirement to address the environmental impacts associated with increased boating in Lake Tahoe. As required by the adopted resolution, TRPA is developing the implementation plan for the Blue Boating Program for March approval. The program encourages the use of cleaner boat engines and boating practices and mitigates adverse environmental impacts associated with increased boating, including those that would occur regardless of implementation of the recently adopted shorezone program. The program also looks at opportunities to increase boater services, such as free sewage pump out options to promote more environmentally-conscious boating behavior. For the detailed description of the Draft Blue Boating Program Implementation Plan, please see Attachment A- Draft-Lake Tahoe Outstanding National Resource Waters (ONRW) Boat Pollution Reduction Program (Blue Boating Program) Implementation Plan.

The recently adopted Shorezone Ordinances included the creation of the Blue Boating Program. As such, the Code required staff to present the Implementation Plan to the Governing Board in March of 2009 for approval. This purpose of this preliminary draft presentation is to identify the key concepts of the plan and garner feedback that can be incorporated into the final draft for approval in March 2009. The key elements of the plan include: 1) Proper tuning of boat engine, 2) Correct prop pitch, 3) Proper sewage management, 4) Clean bilge water, and 5) Boat noise.

The Blue Boating Program consists of two phases: Phase 1 starts this boating season and includes inspections at launch ramps, on the water and at marinas. Boaters will be issued a Blue Boating sticker free of charge. Phase 2 begins May 1, 2010 which includes fees for the sticker based on horsepower of the engine and a requirement that...
the boater self certify to meeting the program elements. The program will utilize the Aquatic Invasive Species inspectors and the TRPA Watercraft Team to conduct inspections.

If you have any questions please contact Dennis Zabaglo at (775) 589-5255 or via email at dzabaglo@trpa.org.

Attachments:

Draft-Lake Tahoe Outstanding National Resource Waters (ONRW) Boat Pollution Reduction Program (Blue Boating Program) Implementation Plan (Attachment A
Draft-Lake Tahoe ONRW Boat Pollution Reduction Program
(Blue Boating Program) Implementation Plan

January 28, 2009
Introduction:

The Tahoe Regional Planning Agency (TRPA) is a bi-state regulatory agency charged with protecting the Lake Tahoe Region for the benefit of current and future generations. Our vision is to have a lake and environment that is clean, healthy and sustainable for the community and future generations. The United States Congress gave TRPA authority to adopt environmental quality standards, called thresholds, and to enforce ordinances designed to achieve the thresholds.

Boating in Lake Tahoe is an activity that has been cherished in Lake Tahoe since recreational boating has existed. However, boat engines are notoriously inefficient, considering the engine needs to push a large object through highly resistant water, as opposed to a car that rolls on a smooth surface that has much less resistance. As a result, a boat engine produces much more pollutants than a car. Similar to a car, a boat’s emissions include oxides of nitrogen (NOX), hydrocarbons, carbon monoxide and particulate matter. The Blue Boating Program is designed to help prevent increases in these pollutants by creating an inspection and registration process for motorized watercraft that address those pollutants as well as other aspects of boating that have potential impacts such as sewage and contaminated bilge water.

Background:

The Tahoe Regional Planning Agency has been working for nearly 20 years to find solutions to community-wide disagreements over the regulations affecting the construction of piers, buoys, and other shorezone-related issues. The shorezone is the place where the lake meets the land at Lake Tahoe. After analyzing eight different alternatives about how much development could be allowed in the shorezone, the TRPA has adopted a program that finds middle ground on the issue while protecting Lake Tahoe.

The adopted shorezone program is referred to as the “Preferred Alternative” in the environmental document. As part of the “Preferred Alternative”, a mitigation program was adopted as a requirement to address the environmental impacts associated with increased boating in Lake Tahoe, referred to as the Boat Pollution Reduction Program, or the Blue Boating Program. TRPA is developing the implementation plan for the Blue Boating Program as required by the recently adopted shorezone ordinances. The program encourages the use of cleaner boat engines and boating practices, and to mitigate adverse environmental impacts associated with increased boating, including those that would occur regardless of implementation of the shorezone program. The program will also identify opportunities for increased boater services, such as free sewage pump out options to promote more environmentally-conscious boating behavior.

Data from the California Department of Motor Vehicles shows that there has been a 1.5% increase per year in the number of registered boats in California. If that trend continues over the next 20 years, there is potential for a 30 percent increase in boating on Lake Tahoe over the next 20 years. However, the opposite is true for Nevada. Their data shows that there has been an overall 4% decrease in boating in Nevada in the last 10 years. The goal of the Blue Boating Program is to take a proactive approach, relying on creative actions and public education, to protect Lake Tahoe from pollution. The program will include extensive outreach and public education informing lake users of the
new program and its benefits to Lake Tahoe. Boaters must be informed of the regulations existing on the lake and why such guidelines are important in preserving Tahoe for future generations.

Lake Tahoe has a special status called “Outstanding National Resource Waters” under the federal Clean Water Act which requires TRPA to be held to a non-degradation standard for the lake. While striving to achieve a lake clarity level of about 100 feet, TRPA is addressing what’s causing the reduction in the lake’s transparency—one contaminant is particulate matter. Particulate matter is one of several byproducts of combustion from boat engines. As engines become cleaner-burning over time, pollutants associated with boating such as hydrocarbons and nitrous oxide are projected to decrease. However, research shows that particulate matter produced by boats is expected to increase if the Region experiences an increase in boating. If Lake Tahoe does experience an increase in particulate matter from boating, the Blue Boating Program will address the need for cleaner boat engines. In previous documents, the Blue Boating Program suggested using sticker fees to mitigate other sources of particulate matter such as purchasing street sweepers and wood chippers. Because there is no nexus to boating, these ideas have been removed from consideration at this time. As a result, this could create the possibility that the Blue Boating Program may need to further restrict the type or number of boats that use Lake Tahoe to eliminate the increase in particulate matter from boat engines.

Previous boating studies have shown that there are a surprising number of boaters who are unaware of basic responsible boating practices, such as proper sewage management or maintaining a clean bilge. The Blue Boating inspections will help educate boaters that these practices will not be tolerated in Lake Tahoe. The inspections will identify dirty bilges and boats that have the ability to discharge sewage into the Lake from onboard heads.

**Blue Boating Program Elements:**

The Blue Boating Program will consist of a registration and inspection process; along with the issuance of an annual sticker that shows that the boater has self certified that they meet the program elements. The program will focus on properly tuned engines, correct prop pitch, noise, sewage and bilge water, as well as complementing the Aquatic Invasive Species Program.

The first year of the program will consist of public education and outreach and simple inspections at boat ramps, marinas and on the water. The inspections will concentrate on bilges, sewage, invasive species and creating an inventory of the type and number of boats that use Lake Tahoe. The boater will also be informed about the program and what will be required starting in 2010. A Blue Boating sticker (see section titled Blue Boating Sticker below) will be issued in the 2009 boating season. These stickers will be free until the full program is implemented in 2010. The fee will be based on the horsepower of the boat’s engine, since more powerful engines create more emissions. In 2010 and beyond, all boats will be required to obtain this annual sticker prior to boating in Lake Tahoe. In order to obtain the sticker, boaters will be required to submit to an inspection and to self-certify that they meet and will follow the requirements of the program. Law Enforcement, Fire Department and other public agency vessels will be exempt from the sticker fee.
One aspect of the program will include the need to have a properly tuned engine and having the correct prop pitch based on Lake Tahoe’s elevation. Because Lake Tahoe’s elevation is at 6,219 feet, a boat engine would run extremely rich if it was tuned to a lower elevation, which creates increases in pollutant levels in the boat’s emissions. In addition, the high elevation causes a decrease in the performance of the engine creating strain on the engine, which also creates higher emission levels. With a smaller pitch on the prop, the engine does not need to work as hard to turn the prop.

Proper sewage disposal will be addressed in the Blue Boating Program. Some boats with onboard heads have the ability to discharge directly overboard. The program will not allow boats that have this ability to launch unless that ability is permanently disabled. In addition, the program will use a portion of the sticker fee to pay for free sewage disposal at marinas. For the 2009 season, the inspector will instruct the boater to install a seal that temporarily disables the overboard discharge valve.

The bilge of a boat often collects water that is directly discharged to the water. In some cases, the bilge can also collect gas, oil and antifreeze, which would also be discharged into the Lake when the bilge is pumped out. The Blue Boating Program would require that boaters implement responsible methods of ensuring that their bilge is free of contaminants prior to pumping it out. The use of absorbent pads to clean the bilge water will be required and offered at launch sites and marinas free of charge.

The Blue Boating Program will also address boat noise. Most boats dispel their exhaust into the water, which muffles the noise, while other boats dispel their exhaust into the air, which creates a much louder noise, and often violates TRPA’s existing noise regulations. The Blue Boating Program would not allow for boats to exhaust into the air, unless it is a dry stack exhaust (e.g. MS Dixie).

Aquatic Invasive species (AIS) such as milfoil and quagga mussels were also addressed in the environmental document as being controlled under the Blue Boating Program. Due to the emergency nature of AIS, a separate program has been developed and is already in operation. Although these programs are being developed separately, they will be complementary programs that will share resources and programmatic elements when practical.

The Blue Boating Program will also include a monitoring component. Regular water quality monitoring will be paid for from the sticker fees. The monitoring will focus on boat related pollutants and will alert TRPA when these pollutants increase, in which case, TRPA will need to initiate further restrictions to eliminate these increases in pollutant levels.

The sticker fees will also pay for the education and outreach materials as well as an enforcement program to ensure the aspects of the Blue Boating Program are being complied with.

**Blue Boating Sticker:**

Once a Blue Boating inspection is complete, the boater will be issued a sticker that will be placed next to the registration number of the vessel, or in cases where a boat is registered by name, on the port side of the transom.
For the 2009 boating season, one sticker will be used and will be free. They will be issued by the AIS inspectors and the TRPA Watercraft Team. Starting in the 2010 boating season, the fee will be based on the horsepower of the engine, and the HP rating will be noted on each sticker. A new sticker will be required each year, similar to a boat registration.

The fees mentioned in previous documents also assumed that a portion of the fee would go towards funding prevention measures for AIS. Since that program will have its own budget, and separate fee structure, the fees for Blue Boating will be less than originally proposed. For 2010, the fee structure could be as follows:

<table>
<thead>
<tr>
<th>Horsepower Range</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>25 HP and Under</td>
<td>$10</td>
</tr>
<tr>
<td>26 -100 HP</td>
<td>$20</td>
</tr>
<tr>
<td>101 - 200 HP</td>
<td>$40</td>
</tr>
<tr>
<td>201 – 400 HP</td>
<td>$60</td>
</tr>
<tr>
<td>401 – 600 HP</td>
<td>$80</td>
</tr>
<tr>
<td>601 HP and above</td>
<td>$100</td>
</tr>
<tr>
<td>Temporary (7 days)</td>
<td>$20</td>
</tr>
</tbody>
</table>

Since inspectors will be present at all launch ramps while they are open, the inspectors will be able to intercept any boat attempting to launch. For boats that are moored on the water, boat owners can be notified on the water, at the marina or through the mail. TRPA will also work with marina operators so they may conduct the inspection, collect the fee and issue the sticker.

Mitigation:

The initial mitigation for the Blue Boating Program will be conducting inspections ensuring that boats are operating efficiently and that boaters are observing clean boating habits. If Lake Tahoe experiences increased numbers in boating, and the monitoring shows that there is an impact, TRPA will need to install greater mitigation efforts. These could include further restrictions on engines, restricting the number of boats on Lake Tahoe, or apply sticker fees to the water quality mitigation funds to improve water quality with large scale projects. Previously proposed mitigation efforts, such as purchasing street sweepers, was met with much criticism due to the lack of a nexus to boating. However, it is important to point out that mitigating pollution from boat emissions is extremely difficult, unless you limit the types or numbers that are allowed. Further, it is not unheard of for fees or taxes for a product or service to be applied to a completely unrelated goal. For example, several state’s tax the sale of cigarettes with those monies helping fund education programs.

Education and Outreach:

Education and outreach will be a critical component of the Blue Boating Program, it is paramount if the program is to succeed. Outreach will be conducted at the boat ramps and on the water through staff and printed material. TRPA will also look into direct mailers, printed material at boating supply stores and marinas, and advertising on TV and radio.
Monitoring:

TRPA will continue to monitor water quality for constituents of boat emissions. Should the monitoring indicate a greater impact from boating, further mitigation measures will be required to be implemented. Details of the monitoring component will be presented in other program plans.

Enforcement:

In order for any program of this nature to succeed, an enforcement element must be included. TRPA has been extremely successful in the past with the 2-stoke ban. Even though considerable resistance was encountered, the TRPA Watercraft Program has proven that such a high profile restriction can be successful.

For the 2009 boating season, the main focus of the program will be education and outreach. The AIS inspectors and the TRPA Watercraft Team will provide outreach materials and educate boaters of the program requirements.

Starting with the 2010 boating season, education and outreach will still be a main element of the program, however, all boats will be required to comply with the program and obtain a Blue Boating sticker for each boating season. Should a boater refuse the inspection or fail to meet the requirements of the program, they will be informed that they will not be able to launch, or leave the water, for those attempts to inspect the boats on the water. Should further resistance be met, the boater will be informed of the monetary penalty provision in the Compact and that they may be subject to a $5,000 penalty for each Code violation.

Regulations:

Prior to the shorezone ordinances that were recently adopted, TRPA had regulations that addressed boating: the 2-stroke engine ban, a 600 foot no wake zone, noise restrictions and a prohibition on boating in Lake Tahoe’s tributaries. Under the new ordinances, the creation of The Blue Boating Program is required to address impacts increased boating would have on Lake Tahoe.

Current Code and Articles:

TRPA Code of Ordinances, Chapter 54 contains the regulations as they relate to boating:

54.13.C Boat Certification Program Fee: An annual fee shall be assessed for each boat sticker issued under the boat certification program established pursuant to Section 54.15.A(1). TRPA shall establish a graduated fee schedule correlated to the certification program’s engine rating system. The fees shall be used to implement the Blue Boating Program developed pursuant to Section 54.15, including but not limited to the mitigation program required by Section 54.15.A(7). The fee schedule may be adjusted from time to time to reflect changes in program costs and the number of motorized watercraft in the program.
54.14 Motorized Watercraft: The operation of motorized watercraft shall be subject to the following standards, except that operation of watercraft for the protection of public health and safety shall be exempt from the standards.

54.14.A No Wake Zone: The creation of a wake or speeds in excess of 5 MPH by motorized watercraft within 600 feet of the waterline of Lake Tahoe shall be prohibited.

54.14.B Prohibition of Motorized Watercraft on the Tributaries of the Region: The operation of motorized watercraft on the tributaries of the Region, exclusive of other lakes in the Region, shall be prohibited. The prohibition shall commence at a line across the mouth of the tributary representing an extension of the existing water line across the mouth.

54.14.C Emerald Bay: Motorized watercraft in Emerald Bay shall not exceed 7 MPH.

54.14.D Beaching of Boats: In order to protect fish spawning habitat, motorized watercraft may only be beached on silt and sand substrate.

54.15 Blue Boating Program: A Blue Boating Program is hereby established for the purpose of collecting data on and reducing the environmental impacts of motorized watercraft use in the Region.

54.15.A Program Components: TRPA shall develop and implement the Blue Boating Program so as to include, at a minimum, the following components:

1. A boat certification program requiring operators of motorized watercraft in Lake Tahoe to certify compliance with Blue Boating Program requirements through a registration and sticker program. The program shall incorporate an engine rating system designed to promote use of cleaner engines, and shall include a graduated schedule of annual sticker fees that is correlated the engine rating system in accordance with Section 54.13.C. Data from the program shall be collected and utilized in the adaptive management program required by Section 54.16.
2. Engine tuning requirements designed to minimize engine emissions.
3. A noise reduction program to implement noise guidelines for the protection of wildlife and community well-being.
4. A clean bilge water program to establish bilge water requirements and to educate and assist motorized watercraft operators in appropriate bilge water pumping and disposal practices.
5. A sewage management program to establish and enforce sewage disposal requirements and to educate and assist motorized watercraft operators in the proper disposal of sewage.
6. Regular water quality monitoring to determine the levels of watercraft-related pollutants in Lake Tahoe over time. Monitoring data will be utilized by TRPA in the adaptive management program required by Section 54.16.
7. A mitigation fee program which will utilize boat sticker funds to implement additional pollution control measures. The program may include measures to reduce pollutants from sources other than motorized watercraft, and shall be designed to reduce or offset any increase in air and water emissions from motorized watercraft beyond the baseline levels identified in the Environmental Impact Statement for the Shorezone Ordinance Amendments.
(8) A boater education program that promotes environmentally sound boating practices. The program shall disseminate information on federal, state and local laws and regulations applicable to motorized watercraft (including Blue Boating requirements), penalties for noncompliance, best management practices for boating, the location of boat washing facilities, the availability of Blue Boating services and resources, and any other information that will help ensure boater compliance with applicable requirements and practices.

(9) An enforcement program.

54.15.B Program Implementation:

(1) No later than March, 2009, the Executive Director shall submit to the Governing Board for its review and approval a plan for implementing the Blue Boating Program consistent with the requirements of this section. The implementation plan shall provide that the Executive Director may modify the plan from time to time where the Executive Director determines that, based on data gathered as part of the Program and any other pertinent information, modifications are necessary to ensure that the environmental impacts of motorized watercraft are fully mitigated.

(2) Beginning May 1, 2010, no motorized watercraft shall be permitted to operate on Lake Tahoe unless it has been registered and obtained a sticker pursuant to the Blue Boating certification program. If the Governing Board determines that additional time is required to implement the certification program, the Governing Board may extend the deadline by posting written notice of the extension.

(3) The Governing Board shall approve an implementation plan no later than March 1, 2010. After March 31, 2010, TRPA shall not accept for processing any new application for an additional pier, boat lift, buoy, boat slip, or boat ramp, or for the expansion of an existing pier, unless and until the Governing Board has approved an implementation plan for the Blue Boating Program.

Article VI (1) of the Tahoe Regional Planning Compact provides that:
Any person who violates any ordinance or regulation of the Agency is subject to a civil penalty not to exceed $5,000 and an additional civil penalty not to exceed $5,000 per day, for each day in which such a violation persists. In imposing the penalties authorized by this subdivision, the court shall consider the nature of the violation and shall impose a greater penalty if it was willful or resulted from gross negligence than if it resulted from inadvertence or simple negligence.

Currently, all boats attempting to launch are subject to an inspection for invasive species. New rules will be proposed that will require all boats submit to an inspection for the purposes identified in the Blue Boating Program.

**Inspection Protocol:**

Inspections for the Blue Boating Program will be performed by the AIS inspectors currently employed at launch ramps, and the TRPA Watercraft Team. In future years, marina staff may be designated as certified inspectors and they will be able to issue the sticker to the boater. A portion of the sticker fee would be given to the marina to cover their cost of the inspection process.
For the 2009 boating season, inspectors will educate boaters about AIS as well as the elements of the Blue Boating Program. They will inspect the bilge, if they have a sewage system and if it has the ability to discharge overboard, and how the boat dispels their exhaust, as well as collecting information regarding the type of boat, type of engine, size of engine and fuel type. This information will help create a boat inventory for Tahoe and help validate and update the data currently available. This information will also be collected in future years to observe boating trends and whether there are any changes to the number of boats that use Lake Tahoe. Once the inspection is complete the inspector will issue a Blue Boating Sticker to the boater.

For the 2010 boating season and beyond, the inspectors will continue to educate boaters and inspect the areas mentioned above, but they will also collect a fee for the sticker in addition to collecting a form that the boater will need to fill out and sign, certifying that they meet and will follow the aspects of the Blue Boating Program.

Training and Designation of Inspectors:

All TRPA designated inspectors will be trained to meet TRPA standards prior to conducting any inspections. Inspectors will be trained by the TRPA Watercraft Team about basic boat subjects such as location of bilges and sewage areas, how to identify the type of engine on the boat and whether the exhaust is dispelled above or below the water. In many cases, the inspector will have to rely on the boat owner to provide certain information about their boat.

Location at Launch Facility:

Watercraft inspectors will position themselves in such a manner as to insure that watercraft are inspected efficiently, this may require that inspectors move along any queue that forms at the facility to inspect rather than waiting for the watercraft to come to the inspection station. The exact position of the inspector will be site and season specific. Arrangements with the facility superintendents have been made in order to facilitate this effort. Inspection stations should provide inspectors with protection from the elements both winter and summer.

Equipment:

Boat inspectors will wear uniforms provided by TRPA or its designee and shall include a shirt with an identifiable insignia of the entity they represent and the title of “Boat Inspector.” If the uniform shirt does not include the title, inspectors are required to have identification stating such. It is recommended that the inspectors be supplied with the following equipment:

- Cellular phone
- Flashlight
- Clipboard
- Survey forms
- Pen
- Digital camera
- Education material
**Procedures:**

**Inspection:**

The following section gives details about various aspects of the inspection of watercraft. AIS inspectors will perform the Blue Boating Inspections at the boat ramps, while the TRPA Watercraft Team will perform the inspections at marinas and on the water.

The main purpose of the inspection, especially for the 2009 boating season, is to educate the boater about the environmental impacts boating has on Lake Tahoe, and what they can do to help preserve its pristine qualities. To accomplish this outreach, inspectors will begin the inspection by educating the boater about environmental issues then follow with a brief survey designed to assess the impacts the boat may have on Lake Tahoe.

Inspectors will survey every boater entering the launch ramp facility at which they are stationed, while they are on duty, unless the watercraft already has a Blue Boating Sticker and is sealed on the trailer with an AIS seal (see inspection sealing section below). The Blue Boating Surveys will be shared with the AIS surveys currently being used. The AIS surveys will be updated to include the following information:

- Type of boat (ski, pleasure, fishing, pwc, sail)
- Type of engine (inboard/outboard, inboard, outboard, DFI 2-stroke, 4-stroke, jet)
- Type of fuel (gas, diesel)
- Horsepower of engine
- Waste tanks (y-valve)
- Exhaust system (above or below water)
- How often they boat in Tahoe
- Duration of boating trip
- Type of activity while boating (cruising, skiing, fishing, anchoring)

This information will give TRPA an accurate inventory of boat use in Lake Tahoe, and better predict the amount and type of pollutants that are being contributed by boating. The information will be used to make adjustments and improvements to the Blue Boating Program. The inspectors will each be responsible for entering this information into a database that is currently under development.

The Boat Inspectors should follow the recommended approach to conducting the surveys and inspections (This portion is also the approach used for conducting AIS inspections):

- Approach watercraft operator from the front and on the driver side of their vehicle whenever possible.
- Identify themselves as a boat inspector.
- The inspector shall present the boater their Boat Inspector Identification if requested (the inspector’s id badge should be worn and visible).
- Ask the boater if they are aware of AIS/environmental issues.
  - If not, provide outreach material and explain the threats AIS pose and the importance of the inspection
If they are aware, ask them what they know and from where their information came.

- Conduct survey and fill out the Watercraft Inspection Form.
  - Collecting boaters address is not necessary, the city they are from is sufficient. We are only collecting this information in order to determine what area they are from and if they live near an AIS infested waterway. However, collection of the boat registration is essential to allow for follow up investigation if needed.

- Perform thorough inspection if warranted.
  - Collecting boaters address is not necessary, the city they are from is sufficient. We are only collecting this information in order to determine what area they are from and if they live near an AIS infested waterway. However, collection of the boat registration is essential to allow for follow up investigation if needed.
  - Ask the owner to accompany you while you are inspecting the vessel.
  - Always ask permission to board the watercraft to inspect the bilge, live/bait wells, anchor locker, etc.
  - If to inspect the vessel any component needs to be removed or opened (hatches, panels, cushions, bilge plug, etc.) the inspector is to request that the owner perform the removal or opening. Under no circumstances is the inspector to perform these operations for an owner due to the liability that may be incurred if the boat is damaged.
  - Inform boater of the recommended decontamination, if necessary.
  - Provide boater with sewage valve seal if necessary.
  - Provide boater with absorbent pads for their bilge.
  - Give boater the tear off portion of form if they are approved to launch.
  - Always thank them for their cooperation.

The process for inspection for boats at a marina or on the water will be similar. The TRPA Watercraft Team will visit these sites on a regular basis to conduct the Blue Boating portion of the inspection.

Starting with the 2010 boating season, if anyone on the water, in a slip or on a buoy, is observed without the Blue Boating sticker, they will be notified immediately, if possible, or by certified mail.

The majority of boaters will be cooperative. However, should the boater refuse any part of the inspection, the inspector is to inform the boater that inspections are mandatory and that they will not be permitted to launch unless they complete the inspection. Should the boater continue to refuse the inspection and proceed to launch, the inspector shall inform the boater that if they launch they are subject to significant monetary penalties and the inspector shall contact their supervisor who will contact Game Wardens and/or the TRPA for follow up and enforcement.

**** The inspector shall never use foul or obscene language or gestures under any circumstances. The utmost professionalism is required at all times. Always be courteous and professional.****

The sections below (in italics) are copied from the Draft Lake Tahoe Boat Inspection Implementation Plan for the Prevention of Aquatic Invasive species Introduction 2008 – 2009. AIS inspectors will be used for the Blue Boating inspections at launch ramps. Costs associated with the AIS inspectors have already been accounted for with grants and any associated fees. As funds from buoy fees become available, the may supplement the costs of the AIS inspectors.
**Inspection sealing of watercraft:**

Upon haul out from any launch facility, or after an off ramp inspection has been performed, a designated inspector will provide at the operators request an inspection seal that designates the watercraft as having been inspected at Lake Tahoe. The purpose of this seal is to indicate that the boat received an inspection prior to launching into Lake Tahoe. This will allow boats that last launched into Lake Tahoe to pass quickly through inspection thus reducing the work load for inspectors and improving the experience of boaters at launch. The rational for this seal is that boats that have been inspected and launched in Lake Tahoe pose no threat to Lake Tahoe and do not require further inspection. This is also true for the Blue Boating Program, as long as the sticker is displayed.

The seal will consist of a tagged long “zip-tie” unique to Lake Tahoe or other seal that is placed between the boat and trailer at haul out, or off ramp inspection station, such that it will be broken on launching, but not so tight as to break during transport. The seal should be attached by the operator and its proper placement confirmed by the inspector. If a boat appears at a launch facility with an intact seal from Lake Tahoe and the Blue Boating Sticker, the designated inspectors or other facility staff may allow that boat to launch after confirming that the seal is unbroken and the sticker is valid. This complies with TRPA Code of Ordinances 73.B(2), which requires that a launch facility can only be operated when boats can be inspected by a designated inspector. As agreements can be reached with other operators of other non-contaminated water bodies, sealed boats from those water bodies may also be included.

**Inspection Locations and Schedule:**

This part of the implementation plan was developed following meetings with both the Private and Public owned launches on Lake Tahoe. It is designed to meet the needs of the boating public while preventing the introduction of aquatic invasive species.

**Infrastructure:**

The majority of launch facilities on Lake Tahoe require no additional infrastructure to limit operating hours to when inspections can be performed. There are several ramps that require gates or other methods to close ramps during non-operating hours. These gates and other infrastructure will need to be in place to meet TRPA code. In addition to the infrastructure required to limit operating hours, updated signage will be needed at all launch facilities to explain that it is illegal to launch without having received an inspection and/or knowingly launching without an inspection after having left the basin.

**Cost:**

To limit launches to times when inspectors are present at ramps that are currently open for the winter season will require funds in the amount of: est. $20,000

An additional est. $15,000 will be required for infrastructure at launching facilities currently closed due to low lake levels, before lake level rises next year.
Reservation system:

To address the access by early morning users in the most efficient way possible, a reservation system will be created. This system will consist of a hot line that boaters can call one day in advance to schedule an early (after 6am in winter, 5 am in summer) launch time at specific locations around Lake Tahoe for the following morning. Once a reservation is made for any given day and ramp, subsequent callers requesting an early launch that day either be directed to the previously reserved ramp, or if staffing allows additional ramps may be opened early that day. If launch facilities wish to have their personnel participate in the reservation system to increase the availability of their ramp to early morning users, they may provide a trained inspector to be on call. The reservations for a ramp with its own on call inspector could be made either through the overall reservation system or by calling the facility directly, at the operator’s discretion.

Note: While the reservation system is currently an option, there are no plans to implement it in winter ’08-’09

Late haul-out option:

The reservation system outlined above should address the needs of early morning boaters, however launch operators may choose to also have a late haul out option. Should the launch operator chose to participate in this program, a gate code that would be good only for that day would be given out to boaters when they launch. The code would be entered into the gate lock when the inspector leaves for the day and changed the following day. This gives boaters that cannot get back to the ramp on time the ability to haul-out, however as no inspector will be there when the boat is hauled out, these boats will not be sealed with an inspection seal (see above) and will need to be re-inspected at the next launch.

Note: As of the date of this draft this late haul-out option will not be used at Cave Rock or Lake Forest boat ramps.

Changes in Schedule at public launches:

All scheduled hours for operation and inspection at public launches are subject to change due to inclement weather and water level. The determination to open public ramps will come from the ramp operator (i.e. Nevada State Parks for Cave Rock). The ramp operator will call the TRCD on call inspector or other designated staff who will then inform the scheduled inspector of the closure, post the announcement on the AIS hotline and inform TRPA staff who will update the website to reflect the decision to change operating hours. This last step is critical as it will inform the boating public of any changes.

Winter 2008 – 2009 location and schedule:

The following Boat Launch Facilities are closed to the launching of watercraft from Nov 1 2008 to at least May 28 2009 and will not require that inspectors be present during that time:
- El Dorado Beach
- Lakeside Marina
- Camp Richardson Marina
- Timber Cove
- Sand Harbor
- Tahoe Vista
- Coon Street
- North Tahoe Marina
- Sierra Boat Company
- Sunnyside Marina
- Homewood High and Dry
- Meeks Bay Marina
- Fallen Leaf Marina
- Echo Lakes Chalet (closed by snow)

The following Boat Launch Facilities are open (7 days a week) during normal hours of operation to the launching of watercraft from Nov 1, 2008 to at least May 1, 2009. Inspections will be provided by facility staff during normal hours of operation:

- Tahoe City Marina (no ramp)
  - Hours of operation: 8am to 5pm, weekend launches by appointment only, hours subject to change.

- Obexer’s Marina
  - Hours of operation: 8am to 6pm, subject to change.
  - Reservations available 6 am – 8am?

- Tahoe Keys Marina
  - Hours of operation: 8am to 6pm, subject to change.
  - Reservations available 6 am – 8am?

- Sierra Boat Company (no ramp)
  - Hours of operation: 7:30am to 4:30pm, subject to change.

The following Boat Launch Facilities are open 7 days a week during hours to the launching of watercraft from Nov 1, 2008 to at least May 1, 2009. Inspections will be conducted by dedicated inspectors during that time (one inspector per day):

- Cave Rock
  - Hours of operation: 6 am to 4pm, weather permitting

- Ski Beach
  - Hours of operation: 8 am to 4pm, weather permitting
  - Ski Beach is anticipated to close prior to December due to low water.

- Lake Forest
  - Hours of operation: 6 am to 4pm, water level and weather permitting
Cost:

Staffing dedicated inspectors at these levels for the winter 2008-2009 season: est. $243,000 (includes 7 dedicated ramp staff, logistics and administration).

Summer 2009 location and schedule:

The following Boat Launch Facilities are open 7 days a week to the launching of watercraft from May 1, 2009 to at Least Oct 1, 2009 and inspections will be provided by facility staff during normal hours of operation:

- Timber Cove
  - Hours of operation: 8am to 6pm, 9-5 after Sept 1, subject to change.

- North Tahoe Marina
  - Hours of operation: 8am to 6pm, 8-5 after Sept 1, subject to change.

- Sierra Boat Company
  - Hours of operation: 7:30am to 5pm, subject to change.

- Sunnyside Marina
  - Hours of operation: 9am to 5pm, subject to change.

- Homewood High and Dry
  - Hours of operation: 7am to 6pm, after Sept 8am to 5 pm, subject to change.

- Fallen Leaf Marina
  - Hours of operation: 8am to 6pm?, subject to change.
  - Reservations available?

- Echo Lake Chalet
  - Summer hours of operation available on website, fall hours 10am – 4pm, subject to change.

The following Boat Launch Facilities are open 7 days a week to the launching of watercraft from May 1, 2009 to at Least Oct 1, 2009 and inspections will be provided by both dedicated inspectors and facility staff during normal hours of operation:

- Lakeside Marina
  - Hours of operation: 8am to 6pm, subject to change.
    - 1 dedicated inspector 7 days

- Camp Richardson Marina
  - Hours of operation: 8am to 8pm, subject to change.
    - On call inspections provided to augment marina staff

- Obexer’s Marina
  - Hours of operation: 7am to 8pm, subject to change.
Inspections only: 6am to 7am; 8pm to 10pm (1 inspector per day Monday-Friday; 1 inspector per shift, two shifts on weekends)

- Tahoe Keys Marina
  - Hours of operation: 8am to 6pm, subject to change.
  - Inspection only hours? (1 inspector per shift, two shifts 7 days)
  - Reservations available 5am – 8am

- Meeks Bay Marina
  - Hours of operation: 8am to 6pm, subject to change (1 inspector per shift, two shifts 7 days).
  - Inspection only hours?

The following Boat Launch Facilities are open 7 days a week to the launching of watercraft from May 1, 2009 to at Least Oct 1, 2009 and inspections will be conducted by dedicated inspectors during that time:

- El Dorado Beach (open subject to lake level)
  - Core hours of operation: 6am -10pm
  - Reservations: 5am -6am

- Cave Rock
  - Core hours of operation: 6am -10pm
  - Reservations: 5am -6am

- Sand Harbor (open subject to lake level)
  - Core hours of operation: 6am -10pm
  - Reservations: 5am -6am

- Ski Beach
  - Core hours of operation: 7am to 10 pm
  - Reservations: 5am – 7am

- Tahoe Vista (open subject to lake level)
  - Core hours of operation: 6am -10pm
  - Reservations: 5am -6am

- Coon Street (open subject to lake level)
  - Core hours of operation: 6am -10pm
  - Reservations: 5am -6am

- Lake Forest
  - Core hours of operation: 6am -10pm
  - Reservations: 5am -6am

Cost:

Staffing dedicated inspectors at these levels for the summer 2009 season: est. $425,000 (includes 32 dedicated ramp staff, logistics and administration).
Budget:

Funding for the Blue Boating Program will come from buoy application fees, annual mooring fees and from the Blue Boating stickers. Funds from the sticker fees will not be received until the fees structure is imposed for the 2010 boating season. At this time, it is unknown how many buoy applications will come in by the end of the boating season. If we assume that 2,000 buoys have submitted their annual fee in 2009, the buoy and watercraft enforcement programs will receive $350,000. This number does not include any buoy application fee dollars that would also be allocated for buoy and watercraft enforcement. TRPA has existing funding for the Watercraft Program at $124,000/per year.

TRPA Watercraft Team Costs

The TRPA Watercraft Team will conduct the Blue Boating inspections on the water and at marinas. Funding for their employment is in place.

<table>
<thead>
<tr>
<th>Position</th>
<th>Pay Rate</th>
<th>Hours</th>
<th>Cost per Season</th>
</tr>
</thead>
<tbody>
<tr>
<td>Watercraft Crew Lead</td>
<td>$19.97/Hr</td>
<td>640</td>
<td>$12,781</td>
</tr>
<tr>
<td>Watercraft Crew</td>
<td>$17.78/Hr</td>
<td>1280</td>
<td>$22,758</td>
</tr>
<tr>
<td><strong>Total Cost for Watercraft Crew</strong></td>
<td></td>
<td></td>
<td><strong>$35,539</strong></td>
</tr>
</tbody>
</table>

After the data is collected in the 2009 boating season for the boat inventory, TRPA will be able to determine the increase in staff required to effectively conduct inspections and have an effective enforcement program. Once these results are in, TRPA will also be able to verify if the proposed fee structure for the stickers is appropriate.

Program Startup Costs:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inspectors at launch ramps</td>
<td>$0 (Currently being assumed by AIS, may change)</td>
</tr>
<tr>
<td>Watercraft Program Manager</td>
<td>$89,000 (Assumed by existing funding)</td>
</tr>
<tr>
<td>Watercraft Crew (Salary &amp; benefits)</td>
<td>$40,173 (Assumed by existing funding)</td>
</tr>
<tr>
<td>Education &amp; Outreach</td>
<td>$150,000</td>
</tr>
<tr>
<td>IT &amp; Data Collection</td>
<td>$0 (Currently being assumed by AIS, may change)</td>
</tr>
<tr>
<td>Stickers</td>
<td>$5,000</td>
</tr>
<tr>
<td>Boat Slip</td>
<td>$8,000</td>
</tr>
<tr>
<td>Fuel</td>
<td>$6,000</td>
</tr>
<tr>
<td>Equipment</td>
<td>$10,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$179,000</strong></td>
</tr>
</tbody>
</table>
Timeline:

The schedule for the proposed implementation is as follows:

- **Final Draft for approval**  March 2009
- **Outreach Campaign**       April 2009
- **Phase 1 Blue Boating Inspections Begin** May 2009
- **Survey/Inventory analysis** October 2009
- **Phase 2 Inspections**       May 2010

If there are any questions regarding the Blue Boating Program, please contact Dennis Zabaglo, TRPA Watercraft Program Manager, at 775-589-5255 or dzabaglo@trpa.org.
MEMORANDUM

Date: January 29, 2009

To: TRPA Advisory Planning Commission

From: TRPA Staff

Subject: Regional Plan Update Briefing

Requested Action: Staff is not requesting a formal action from the Advisory Planning Commission (APC) on this item. Staff is proposing to brief the commission on the status of the Regional Plan Update and the Environmental Impact Statement and continue discussions on emerging policy issues relating to the plan update.

Staff Recommendation: Staff recommends that the APC provide comments to the Executive Director on the proposed policy direction proposed in the Regional Plan Update.

If you have any questions regarding this matter please contact John Hitchcock at jhitchcock@trpa.org or (775) 589-5220.
MEMORANDUM

Date: February 4, 2009

To: TRPA Advisory Planning Commission

From: TRPA Staff

Subject: Recommendation on the Distribution of Residential Allocations for 2009 and Discussions on Proposed Amendments to Extend the Allocation Return Deadline

Requested Action: Motion to forward a recommendation to the TRPA Governing Board for the approval and distribution of residential allocations for 2009 as set forth below.

City of South Lake Tahoe .......... 32 allocations
Douglas County .................... 14 allocations
El Dorado County ................. 69 allocations
Placer County ....................... 50 allocations
Washoe County .................... 40 allocations
Total .............................. 205 allocations

Staff Recommendation: TRPA staff recommends the APC forward to the Governing Board the attached Resolution recommending the approval and distribution of the residential allocations for 2009, as amended.

Performance Review Committee Recommendation: At the January 23, 2009 meeting, the Performance Review Committee unanimously recommended the approval and distribution of the residential allocations for 2009 as contained in the staff summary, as amended below.

Distribute a total of 205 residential allocations, based upon the current allocation system, with the additional caveat that the Code of Ordinances be amended to extend the expiration date until a new regional plan is in place, and

Distribute the remaining allocations next year (2010) based on a proportional reduction of the usual allocation distribution system (base + environmental performance incentives), subject to further refinement by staff.

Staff will bring with the necessary Code and Goals and Policy Amendments including amendments necessary to address the 2010 allocations to the APC and Governing Board in March.
Required Motion: To recommend approval of the proposed distribution of the 2009 Residential Allocations to the Governing Board, the APC must make the following motions, based on this staff summary and the evidence in the record:

1) A motion that the proposed distribution of the residential allocations for 2009 meets the requirements of Chapter 33, Subsection 2, Allocation of Additional Residential Units of the TRPA Code of Ordinances (see Attachment A), and

2) A motion to approve the attached Resolution (see Attachment B).

Project Description/Background: In July 2002, the TRPA Governing Board took action to change the base number of residential allocations for the local jurisdictions within the Tahoe Basin from 300 to 150 with the ability to range from a minimum of 78 to a maximum of 294 based on performance criteria in four areas: permit issuance and compliance, EIP implementation, BMP retrofit and increased Transit Level of Service (TLOS). The action followed adoption of the 2001 Threshold Evaluation, which is performed every five years to evaluate TRPA’s progress towards achieving the environmental standards, or thresholds, for the Lake Tahoe Region. The 2001 evaluation concluded that sufficient progress was not being made towards meeting the thresholds and that the rate of implementing environmental improvement programs and projects needed to be increased. Development of a linkage system was the recommended approach in part because the TRPA Goals and Policies states that “The timing and phasing of both new development and remedial measures must be carefully linked to ensure steady progress toward the environmental thresholds” (Chapter VII, Implementation Element, Development and Implementation Priorities). The Residential Allocation Linkage System binds additional residential development to:

- Increased efforts in the areas of Best Management Practice (BMP) retrofits
- Accelerated Water Quality/Air Quality/SEZ Restoration (EIP implementation)
- Increased Transit Level of Service (TLOS)
- Memorandum of Understanding (MOU) permit issuance and compliance

Chapter 33 of the TRPA Code of Ordinances (subsection 33.2) includes performance targets that have been evaluated in determining the annual number of residential allocations distributed to the local jurisdictions. Allocation enhancement or deduction increments represent the jurisdictions’ proportional share of the historic annual allocations. Each jurisdiction has a baseline number of allocations that represents the starting point from which additional allocations will be awarded or deducted. The Allocation Performance Table with the proposed rationale is attached (see Attachment A).

2007-2009 Interim Allocation Program

On October 25, 2006, the TRPA Governing Board, with endorsement from the Advisory Planning Commission, approved amendments to the TRPA Goals and Policies (Land Use and Implementation Elements), the Code of Ordinances (Chapters 33 and 35) and Community Plans to extend the expiration dates for residential allocations, enabling “additional development” to continue until the updated TRPA Regional Plan is adopted. Only residential development which was analyzed and contemplated for development...
during the life of the current Regional Plan (20 year development horizon, 1987-2007) is being proposed.

Issues/Concerns: The issues discussed by the Performance Review Committee were:

- The availability of Residential Allocations for the market rate components of Community Enhancement Program (CEP) projects, and
- Availability and distribution of 2010 residential allocations.

Regional Plan Compliance: The proposed project complies with all requirements of the TRPA Goals and Policies and meets the specific requirements of Chapter 33, Subsection 2, Allocation of Additional Residential Units of the Code of Ordinances.

If you have any questions, please contact Mike Cavanaugh at mcavanaugh@trpa.org or 775-589-5209.

Attachments:
A. Allocation Performance Table
B. Draft Resolution
C. Summary of Analysis: Due to the volume of material in these attachments staff will provide them upon request. Please contact Rebecca Cady (775)589-5277, rcady@trpa.org.
Chapter 33 of the TRPA Code of Ordinances (subsection 33.2) includes performance targets that have been evaluated in determining the annual number of residential allocations distributed to the local jurisdictions. Allocation enhancement or deduction increments represent the jurisdictions’ proportional share of the historic annual allocations. Each jurisdiction has a baseline number of allocations that represents the starting point from which additional allocations will be awarded or deducted. The Allocation Performance Table is as follows:

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Minimum Allocation with Deductions</th>
<th>Deduction Increments</th>
<th>Base Allocation</th>
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<th>Maximum Allocation with Enhancements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Douglas</td>
<td>9</td>
<td>-1</td>
<td>13</td>
<td>1</td>
<td>21</td>
</tr>
<tr>
<td>Washoe</td>
<td>13</td>
<td>-3</td>
<td>25</td>
<td>3</td>
<td>49</td>
</tr>
<tr>
<td>El Dorado</td>
<td>27</td>
<td>-7</td>
<td>55</td>
<td>7</td>
<td>111</td>
</tr>
<tr>
<td>CSLT</td>
<td>11</td>
<td>-3</td>
<td>23</td>
<td>3</td>
<td>47</td>
</tr>
<tr>
<td>Placer</td>
<td>18</td>
<td>-4</td>
<td>34</td>
<td>4</td>
<td>66</td>
</tr>
<tr>
<td>Total</td>
<td>78</td>
<td></td>
<td>150</td>
<td></td>
<td>294</td>
</tr>
</tbody>
</table>

On October 25, 2006, the TRPA Governing Board, with endorsement from the Advisory Planning Commission, approved amendments to the TRPA Goals and Policies (Land Use and Implementation Elements), the Code of Ordinances (Chapters 33 and 35) and Community Plans to extend the expiration dates for residential allocations, enabling “additional development” to continue until the updated TRPA Regional Plan is adopted. Only residential development which was analyzed and contemplated for development during the life of the current Regional Plan (20 year development horizon, 1987-2007) is being proposed.
TAHOE REGIONAL PLANNING AGENCY
RESOLUTION 2009-__

RESOLUTION TO SET THE NUMBER OF 2009 RESIDENTIAL ALLOCATIONS

WHEREAS, Chapter 33 of the TRPA Code of Ordinances was amended on December 18, 2002, to modify the performance-based allocation system; and

WHEREAS, the amendments to Chapter 33 included the previously established Performance Review Committee, which includes one member from each local jurisdiction receiving residential allocations; and

WHEREAS, the amendments to Chapter 33 charged the Performance Review Committee with recommending the number of residential allocations based on the general criteria provided by the TRPA; and

WHEREAS, the Performance Review Committee used the adopted criteria to evaluate the performance of each local jurisdiction receiving allocations, and recommended the assignment of 2009 residential allocations based on these criteria; and

WHEREAS, the Performance Review Committee also recommended that TRPA consider amendments in March to not require the unused allocations to be returned to TRPA at the end of each allocation year but to expire upon adoption of the Regional Plan Update; and

WHEREAS, the Performance Review Committee presented its recommendations for assignment of 2009 residential allocations to the APC and Governing Board; and

WHEREAS, the Advisory Planning Commission (APC) at its February 11, 2009 meeting unanimously recommended approval of the 2009 residential allocations as set forth below.

NOW, THEREFORE, BE IT RESOLVED that the Governing Board, based on the recommendation of the Performance Review Committee and the APC and substantial evidence in the record, hereby sets the number of 2009 residential allocations for each local jurisdiction as follows:

<table>
<thead>
<tr>
<th>Local Jurisdiction</th>
<th>Allocations</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of South Lake Tahoe</td>
<td>32</td>
</tr>
<tr>
<td>Douglas County</td>
<td>14</td>
</tr>
<tr>
<td>El Dorado County</td>
<td>69</td>
</tr>
<tr>
<td>Placer County</td>
<td>50</td>
</tr>
<tr>
<td>Washoe County</td>
<td>40</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>205</strong></td>
</tr>
</tbody>
</table>

Passed and adopted this 25 day of February, 2009 by the Governing Board of the Tahoe Regional Planning Agency, by the following vote:

Ayes: ________________________________
Nays: ________________________________
Abstain: ________________________________
Absent: ________________________________

Allan Biaggi, Chairperson
Tahoe Regional Planning Agency
Summary of Analysis

Chapter 33 of the TRPA Code of Ordinances (subsection 33.2) includes performance targets that have been evaluated in determining the annual number of residential allocations distributed to the local jurisdictions. Allocation enhancement or deduction increments represent the jurisdictions’ proportional share of the historic annual allocations. Each jurisdiction has a baseline number of allocations that represents the starting point from which additional allocations will be awarded or deducted. The Allocation Performance Table is as follows:

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<td>Total</td>
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<td></td>
<td>150</td>
<td></td>
<td>294</td>
</tr>
</tbody>
</table>

Note: One deduction or enhancement increment equals the number of allocations shown for individual jurisdictions.

The four linkages are briefly described as follows:

1. **Increase Transit Services**: In an effort to increase level of service for transit operations, jurisdictions will be awarded or deducted allocations for surpassing or failing to approve Transit Level of Service (TLOS) targets and for increasing or decreasing funding levels to meet those targets. Because each jurisdiction transit needs are different, the TLOS targets are jurisdiction specific although the criteria are common to all.

Local jurisdictions receive one unit of enhancement for improving three of nine of the previous year’s TLOS criteria by greater than five percent and two units of enhancement will be awarded for improving five of nine of the previous year’s TLOS criteria by greater than five percent. A one increment deduction will be assessed for a five percent or greater decrease in four of the nine previous years TLOS criteria. The base number of allocations will be awarded in this category for maintaining the TLOS criteria as documented in the prior year. The Tahoe Transportation District reviewed staff’s recommendation for the TLOS performance on December 12, 2008.

2. **EIP Implementation**: In an effort to increase the rate of implementation of air and water quality EIP projects, jurisdictions will be awarded or deducted allocations for surpassing or failing to meet linkage targets such as through the submittal of EIP project lists or achieving project goals. While there is a focus on air and water quality projects, all projects listed on the EIP and submitted by the
local jurisdictions in their 2004-2008 EIP Project List are eligible for consideration in this linkage category.

Local jurisdictions are awarded one unit of enhancement for 71% to 100% completion of project components based on 2004-2008 EIP Project List Submittals. Two units of enhancement will be awarded for greater than 100% completion of project components based on 2004-2008 EIP Project List Submittals. One unit of enhancement will be deducted for less than 50% completion or for not having an approved EIP Component list and a Maintenance Efficiency Plan (MEP). No enhancements or deductions will be assessed for completion in the 51% to 70% range.

3. **BMP Retrofit Implementation:** In effort to increase the rate of BMP implementation, jurisdictions were awarded additional allocations in 2003 based on the establishment of programs designed to meet the annual BMP targets. The program generally includes the following four elements: 1) public outreach and education 2) BMP site evaluations 3) technical resource assistance and 4) final inspections. Allocation enhancements and deductions are based on the local jurisdictions ability to meet those program goals and for dedicating resources to the program.

Jurisdictions receive one unit of enhancement for achieving between 50% and 100% of the annual BMP targets and two units of enhancement will be awarded for exceeding the annual BMP targets. The baseline allocation will be earned by maintaining the resources needed to run the BMP program and a one unit deduction will be assessed for not maintaining the program resources.

4. **Permit Issuance and Compliance:** This linkage rewards jurisdictions that issue permits and perform compliance inspections in conformance with adopted TRPA Memorandums of Understanding. Deductions occur where audits show permits and inspections have not been performed in conformance with the MOU. This component is part of the existing MOU performance review system and remains essentially unchanged. An average audit score of 70% is expected, with many jurisdictions previously scoring near 90%. Jurisdictions receiving scores below 65% in both categories shall be incrementally decreased. Jurisdictions scoring above 75% and 90% in both categories shall be awarded one or two additional increments, respectively.

In Douglas County where there is no delegation MOU, TRPA’s performance in issuing permits and performing inspections for projects in Douglas County is used to determine the level of allocation enhancements or deduction.
2007-2009 Interim Allocation Program
On October 25, 2006, the TRPA Governing Board, with endorsement from the Advisory Planning Commission, approved amendments to the TRPA Goals and Policies (Land Use and Implementation Elements), the Code of Ordinances (Chapters 33 and 35) and Community Plans to extend the expiration dates for residential allocations, enabling “additional development” to continue until the updated TRPA Regional Plan is adopted. No more development potential is being proposed which was not analyzed and contemplated for development during the life of the current Regional Plan (20 year development horizon, 1987-2007).

Performance Evaluation Results For 2009 Allocations:
Allocation Enhancements by Jurisdiction: Unit/Allocations.

City of South Lake Tahoe One Unit= Three Allocations
El Dorado County- One Unit= Seven Allocations
Placer County- One Unit= Four Allocations
Washoe County One Unit= Three Allocations
Douglas County One Unit= One Allocation

City of South Lake Tahoe – Base number of residential allocations is 23.

Transit Level of Service: The City of South Lake Tahoe will receive the baseline number of allocations in this category for maintaining the TLOS criteria as documented in the prior year.

Permit Monitoring: The City of South Lake Tahoe scored 99.5% on the project review portion of the performance audit and scored 94% on the compliance portion. Average of both Permitting and Compliance is 96.75% therefore, two units of enhancement (six allocations) will be awarded in this category since the audit scores in both categories exceed 90%.

EIP Project Implementation: The City of South Lake Tahoe completed 72% of EIP project components based on 2004-2008 EIP Project List Submittals. Therefore, one increment of enhancement (three allocations) are recommended in this linkage category.

BMP Retrofit Implementation: The City of South Lake Tahoe maintained adequate resources to implement their BMP Retrofit Implementation Program; however, the target percentages for implementation were not met. Therefore, no additional units of enhancement will be awarded in this category.

Recommendation: Staff recommends that the City of South Lake Tahoe receive 32 residential allocations in 2009.

El Dorado County – Base number of residential allocations is 55.

Transit Level of Service: El Dorado County will receive the baseline number of allocations in this category for maintaining the TLOS criteria as documented in the prior year.

Permit Monitoring: El Dorado County scored 80.5% on the project review portion of the performance audit and scored 95% on the compliance portion. Average of
both Permitting and Compliance is 87.75%; therefore, one units of enhancement (7 allocations) will be awarded in this category since the audit scores in both categories exceed 75%.

**EIP Implementation:** El Dorado County completed 79% of EIP project components based on 2004-2008 EIP Project List Submittals. Therefore, one additional unit of enhancement (7 allocations) will be awarded in this category.

**BMP Retrofit Implementation:** El Dorado County maintained adequate resources to implement their BMP Retrofit Implementation Program; however, the target percentages for implementation were not met. Therefore, no additional units of enhancement will be awarded in this category.

**Recommendation:** Staff recommends that El Dorado County receive 69 residential allocations in 2009.

**Placer County** – Base number of residential allocations is 34.

**Transit Level of Service:** Placer County increased seven of nine TLOS criteria by over 5%. Based on Chapter 33 of the TRPA Code of Ordinances, this will result in Placer County receiving 2 increments of enhancement (8 allocations) to the baseline allocation.

**Permit Monitoring** Placer: County scored 73% on the project review portion of the performance audit and scored 91.5% on the compliance portion. Average of both Permitting and Compliance is 83%; therefore, one unit of enhancement (4 allocations) will be awarded in this category since the audit scores in both categories exceed 75%.

**EIP Implementation:** Placer County completed 78% of EIP project components based on 2004-2008 EIP Project List Submittals. Therefore, one additional unit of enhancement (4 allocations) will be awarded in this category.

**BMP Retrofit Implementation:** Placer County maintained adequate resources to implement their BMP Retrofit Implementation Program; however, the target percentages for implementation were not met. Therefore, no additional units of enhancement will be awarded in this category.

**Recommendation:** Staff recommends that Placer County receive 50 residential allocations in 2009.

**Washoe County** – Base number of residential allocations is 25.

**Transit Level of Service:** Washoe County increased one in nine TLOS criteria over 5%, and showed a measurable commitment to transit which was approved by the TTD. Washoe County’s measurable commitment was a new contribution of $25,000.00 to the North Tahoe Express, and $10,000.00 for the continued operations of the NLTE in 2008. This will result in Washoe County receiving 1 increment of enhancement (3 allocations) in regards to the TLOS linkage.

**Permit Monitoring** Washoe County scored 88.5% on the project review portion of the performance audit and scored 95.5% on the compliance portion. Average
of both Permitting and Compliance is 92%; therefore, two units of enhancement (6 allocations) will be awarded in this category since the audit scores in both categories exceed 90%.

**EIP Implementation:** Washoe County completed 75% of EIP project components based on 2004-2008 EIP Project List Submittals. Therefore, one additional unit of enhancement (3 allocations) will be awarded in this category.

**BMP Retrofit Implementation:** Washoe County maintained adequate resources to implement their BMP Retrofit Implementation Program and achieved 50 to 100% of their 2008 target. Therefore, one unit (three allocations) of enhancement will be awarded in this category.

**Recommendation:** Staff recommends that Washoe County receive 40 residential allocations in 2009.

**Douglas County** – Base number of residential allocations is 13.

**Transit Level of Service:** Douglas County increased one in nine TLOS criteria over 5%, and showed a measurable commitment to transit which was approved by the TTD. Douglas County’s measurable commitment was in-kind support for the BlueGo Kingsbury Express. This will result in Douglas County receiving 1 increment of enhancement (1 allocation) in regards to the TLOS linkage.

**Permit Monitoring:** Douglas County scored 99% on the project review portion of the performance audit and scored 94% on the compliance portion. Average of both Permitting and Compliance is 96.5%; therefore, two units of enhancement (2 allocations) will be awarded in this category since the audit scores in both categories exceed 90%.

**EIP Project List and Water Quality Project Maintenance:** Douglas County submitted their EIP progress information and has worked with the Nevada Tahoe Conservation District (NTCD) and submitted the required MEP (Maintenance Efficiency Plan). Douglas County is continuing to work with NTCD to further develop and implement their 5-year EIP list. Douglas County received a performance score of 25% which results in a one increment deduction.

**BMP Retrofit Implementation:** Douglas County did not maintain adequate resources to implement their BMP Retrofit Program. Therefore, one increment of deduction (1 allocation) is assessed in this category.

**Recommendation:** Staff recommends that Douglas County receive 14 residential allocations in 2009.

Recommended residential allocations for 2009 are summarized in the following table.
<table>
<thead>
<tr>
<th></th>
<th>Douglas</th>
<th>Washoe</th>
<th>El Dorado</th>
<th>City SLT</th>
<th>Placer</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Base</strong> (150)</td>
<td>13</td>
<td>25</td>
<td>55</td>
<td>23</td>
<td>34</td>
<td>150</td>
</tr>
<tr>
<td>Permit Compliance</td>
<td>2</td>
<td>6</td>
<td>7</td>
<td>6</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>EIP Implementation</td>
<td>-1</td>
<td>3</td>
<td>7</td>
<td>3</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>BMP Retrofit</td>
<td>-1</td>
<td>3</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td></td>
</tr>
<tr>
<td>Increase TLOS</td>
<td>1</td>
<td>3</td>
<td>--</td>
<td>--</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>14</td>
<td>40</td>
<td>69</td>
<td>32</td>
<td>50</td>
<td>205</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Maximum Possible</th>
<th></th>
<th>Minimum Possible</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>21</td>
<td>49</td>
<td>111</td>
<td>47</td>
<td>66</td>
</tr>
<tr>
<td>9</td>
<td>13</td>
<td>27</td>
<td>11</td>
<td>18</td>
</tr>
</tbody>
</table>

TRPA staff appreciates the efforts of the local jurisdictions in regard to helping to achieve the targets of the residential allocation program and for responding to requests for information in a timely manner.
MEMORANDUM

Date: February 4, 2008
To: TRPA Advisory Planning Commission (APC)
From: TRPA Staff
Subject: Amendment of Map Showing Need for Water Quality Improvements Pursuant to Requirements of Chapter 37, Individual Parcel Evaluation System (IPES)

Requested Action: APC recommendation to the Governing Board on the proposed Code amendment of the attached ordinance (Attachment B) amending the Map Showing Need for Water Quality Improvements Pursuant to Requirements of Chapter 37, Individual Parcel Evaluation System (IPES).

Staff Recommendation: Staff recommends that the APC recommend to the Governing Board approval of the proposed amendments to the Water Quality Map and Water Quality Improvement scores by adopting the attached ordinance (Attachment B).

Required Motion: To recommend approval of the proposed action, the APC should make the following motions, based on this staff summary and the evidence in the record:

1) A motion to recommend approval by the Governing Board of the required findings (see Attachment A), including a finding of no significant effect; and

2) A motion to recommend approval by the Governing Board of the proposed Ordinance. (see Attachment B).

Project Description/Background: One of the eight elements of a vacant residential parcel’s IPES score is predicated on whether off-site water quality improvements are present in the adjacent serving roadway system. When these types of improvements are installed, the positively affected parcel’s IPES scores can be increased up to the maximum award for this category (50 points). These projects are a large component of the Environmental Improvement Program (EIP). At the October 1987 meeting, the Governing Board adopted the map delineating water quality improvements in the vicinity of affected parcels. Preparation of this map was based upon field data collected during the summer of 1987 pursuant to Subsection 37.2.G of the Code of Ordinances. Each year TRPA staff reviews additional completed projects, assigns water quality points, and presents amendments to the map for Governing Board approval. Attachment C explains the scoring system.

During 2008 four (4) EIP projects were inspected and deemed complete. Each project was evaluated and Water Quality Improvement points assigned accordingly. Below is a table presenting the projects, jurisdiction, and points assigned to the water quality improvement projects completed in 2008.

<table>
<thead>
<tr>
<th>Project Description/Background</th>
<th>Staff Recommendation</th>
<th>Required Motion</th>
<th>Project Description/Background</th>
<th>Staff Recommendation</th>
<th>Required Motion</th>
</tr>
</thead>
<tbody>
<tr>
<td>One of the eight elements of a vacant residential parcel’s IPES score is predicated on whether off-site water quality improvements are present in the adjacent serving roadway system. When these types of improvements are installed, the positively affected parcel’s IPES scores can be increased up to the maximum award for this category (50 points). These projects are a large component of the Environmental Improvement Program (EIP). At the October 1987 meeting, the Governing Board adopted the map delineating water quality improvements in the vicinity of affected parcels. Preparation of this map was based upon field data collected during the summer of 1987 pursuant to Subsection 37.2.G of the Code of Ordinances. Each year TRPA staff reviews additional completed projects, assigns water quality points, and presents amendments to the map for Governing Board approval. Attachment C explains the scoring system.</td>
<td>Staff recommends that the APC recommend to the Governing Board approval of the proposed amendments to the Water Quality Map and Water Quality Improvement scores by adopting the attached ordinance (Attachment B).</td>
<td>To recommend approval of the proposed action, the APC should make the following motions, based on this staff summary and the evidence in the record:</td>
<td></td>
<td></td>
<td></td>
</tr>
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<td>During 2008 four (4) EIP projects were inspected and deemed complete. Each project was evaluated and Water Quality Improvement points assigned accordingly. Below is a table presenting the projects, jurisdiction, and points assigned to the water quality improvement projects completed in 2008.</td>
<td></td>
<td>1) A motion to recommend approval by the Governing Board of the required findings (see Attachment A), including a finding of no significant effect; and</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>2) A motion to recommend approval by the Governing Board of the proposed Ordinance. (see Attachment B).</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Many areas within the Tahoe Basin already have water quality points assigned to them, as was the case with the areas where the four (4) projects were completed in 2008. Based on previously existing points and the additional points awarded in 2008, all four project areas achieved the maximum number of water quality points possible; fifty (50) points.

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Water Quality Improvement Project Name</th>
<th>Proposed Water Quality Improvement Points from 2008 EIP projects</th>
<th>Existing Score (Prior to 2008 points)</th>
<th>Final Water Quality Score (50 pts Maximum)</th>
<th>Exhibit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Placer</td>
<td>Lake Forest A</td>
<td>30</td>
<td>42</td>
<td>50</td>
<td>2</td>
</tr>
<tr>
<td>Placer</td>
<td>Lake Tahoe Park</td>
<td>46</td>
<td>20</td>
<td>50</td>
<td>3</td>
</tr>
<tr>
<td>El Dorado</td>
<td>Appalachee 3B</td>
<td>34</td>
<td>16</td>
<td>50</td>
<td>4</td>
</tr>
<tr>
<td>Washoe</td>
<td>Crystal Bay Phase 1A</td>
<td>34</td>
<td>42</td>
<td>50</td>
<td>5</td>
</tr>
</tbody>
</table>

The increase of an IPES score based on water quality points impacts some transferable rights associated with a parcel, specifically coverage transfers. In addition to transferable rights, for Placer County, the score increase also impacts whether or not the parcel meets the minimum criteria to be considered buildable, or an IPES score of 726 or above.

Issues/Concerns: None.

Regional Plan Compliance: The proposed project complies with all requirements of the TRPA Goals and Policies, Plan Area Statements, and Code of Ordinances, including all required findings in Chapter 37 Individual Parcel Evaluation System (IPES), Section 37.10.A Installation of Water Quality Improvements in Vicinity of Parcels of the TRPA Code of Ordinances.

Contact Information: If you have any questions, please contact Heather Gustafson, Senior Planner/Interim Land Capability Program Manager at hgustafson@trpa.org or 775-589-5313.

Attachments:
A. Required Findings/Rationale
B. Draft Ordinance and Exhibits 1-4
C. Need for Water Quality Improvement Analysis
Required Findings/Rationale

Required Findings: The following findings must be made prior to adopting the proposed amendments:

A. Chapter 6 Findings:

1. Finding: The project is consistent with, and will not adversely affect implementation of the Regional Plan, including all applicable Goals and Policies, Plan Area Statements and maps, the Code, and other TRPA plans and programs.

Rationale: The amendments are consistent with Chapter 37 of the Code of Ordinances. Subsection 37.10.A anticipated the need for amendments and established the criteria for the related IPES parcel score increases. The project is consistent with the Regional Plan, Goals and Policies, and Code of Ordinances. Staff has completed an Initial Environmental Checklist for the proposed amendments. Staff recommends that a Finding of No Significant Effect (FONSE) be made for the amendments based on the IEC and Chapter 6 findings and information contained in this staff summary and the agency record.

2. Finding: That the project will not cause the environmental thresholds to be exceeded.

Rationale: The amendments are consistent with the Regional Plan and will not cause the environmental thresholds to be exceeded. The Code of Ordinances anticipated that the scores would be adjusted when the water quality improvements were realized.

3. Finding: Wherever federal, state and local air and water quality standards applicable for the Region, whichever are strictest, must be attained and maintained pursuant to Article V(d) of the Compact, the project meets or exceeds such standards.

Rationale: See findings 1 and 2 above.

4. Finding: The Regional Plan and all of its elements, as implemented through the Code, Rules and other TRPA plans and programs, as amended, achieves and maintains the thresholds.

Rationale: For the reason set forth in the rationale for finding 1 above, these amendments better implement the Code and Regional Plan as intended and will assist in the achievement and maintenance of the environmental thresholds.
ATTACHMENT B
02/04/2009

TAHOE REGIONAL PLANNING AGENCY
DRAFT ORDINANCE NO. 2009-___

AN ORDINANCE AMENDING ORDINANCE NO. 87-9 AS AMENDED, BY AMENDING THE REFERENCE MAP FOR THE INDIVIDUAL PARCEL EVALUATION SYSTEM RELATING TO THE NEED FOR WATER QUALITY IMPROVEMENTS; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATED THERETO.

The Governing Board of the Tahoe Regional Planning Agency does ordain as follows:

Section 1.00: Findings

1.10 It is necessary and desirable to amend TRPA Ordinance No. 87-9, as amended, by amending the Individual Parcel Evaluation System (IPES) reference map related to the need for water quality improvements in order to further implement the Regional Plan of the Agency, as amended, pursuant to Article VI(a) and other applicable provisions of the Tahoe Regional Planning Compact, as amended (“Compact”).

1.20 The Advisory Planning Commission (“APC”) conducted a public hearing on January 9th, 2008, and recommended adoption of the new maps and scores. The Governing Board has conducted a noticed public hearing on the amendments. Oral testimony and documentary evidence were received and considered.

1.30 The Governing Board has determined that the amendments have no significant environmental effect, and thus are exempt from the requirement of an environmental impact statement pursuant to Article VII of the Compact.

1.40 The Governing Board finds that, prior to the adoption of this ordinance, the Board made the findings required by Section 6.5 of the TRPA Code of Ordinances and Article V(g) of the Compact.

1.50 The amendments adopted by this ordinance continue to implement the Regional Plan, as amended, in a manner that achieves and maintains the adopted environmental threshold carrying capacities as required by Article V of the Compact.

1.60 Each of the foregoing findings is supported by substantial evidence in the record.

Section 2.00: Amendment to the IPES Reference Maps

Subparagraph (1)(a) of Subsection 6.40 of Ordinance No. 87-9, as amended, is hereby further amended by the addition of the underlined language to read as follows:

6.40 Reference Maps
(1) IPES MAPS: The IPES working maps include:
(a) Need for Water Quality Improvements at the scale of 2”= 1 mile (October 1987), as amended by:
   i) Exhibits 1 through 28, inclusive, attached hereto and dated October 1991.
   iii) Exhibits 1 through 12, inclusive, attached hereto and dated December 9, 1997.
   iv) Exhibits 1 through 9, inclusive, attached hereto and dated January 1999.
   vii) Exhibits 1 through 6, inclusive, attached hereto and dated January 2002.
   ix) Exhibits 1 through 5, inclusive, attached hereto and dated January 2004.
   x) Exhibits 1 and 2, inclusive, attached hereto and dated February 2005.
   xi) Exhibit 1, inclusive, attached hereto and dated February 2006.
   xii) Exhibit 1, inclusive, attached hereto and dated February 2007.
   xiv) Exhibits 1 through 4, inclusive attached hereto and dated January 2009.

Section 3.00: Interpretation and Severability

The provisions of this ordinance and the amendments to the maps adopted hereby shall be liberally construed to affect their purposes. If any section, clause, provision, or portion thereof is declared unconstitutional or invalid by a court of competent jurisdiction, the remainder of this ordinance, or the amendments to the maps, shall not be affected thereby. For this purpose, the provisions of this ordinance and the amendments are hereby declared respectively severable.

Section 4.00: Effective Date

Pursuant to Section 12.3, this ordinance shall become effective 60 days after the date of this adoption.

PASSED AND ADOPTED by the Governing Board of the Tahoe Regional Planning Agency at a regular meeting held February 11\textsuperscript{th}, 2009 by the following vote:

Ayes:

Nays:
Abstentions:

Absent:

____________________________________________
Allen Biaggi, Chair
Tahoe Regional Planning Agency
<table>
<thead>
<tr>
<th>Jurisdiction</th>
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<td>Appalachee 3B</td>
<td>34</td>
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<td>50</td>
<td>4</td>
</tr>
<tr>
<td>Washoe</td>
<td>Crystal Bay Phase 1A (Somers Loop)</td>
<td>34</td>
<td>42</td>
<td>50</td>
<td>5</td>
</tr>
</tbody>
</table>
Need for Water Quality Improvement Analysis

One of the eight elements of a vacant residential parcel’s IPES score is predicated on whether off-site water quality treatment improvements are present in the adjacent serving roadway system. When these types of improvements are installed by local jurisdictions, the positively affected parcel’s scores can be increased to the maximum award for this category. These projects are a large component of the Environmental Improvement Program (EIP). Consequently, at the October 1987 meeting, the Governing Board adopted the map delineating water quality improvements in the vicinity of affected parcels. Preparation of this map was based upon field data collected during the summer of 1987 pursuant to Subsection 37.2.G of the Code of Ordinances:

37.2.G Need For Water Quality Improvements In Vicinity Of Parcel: The maximum score for this IPES element is 50 points.

(1) Preparation Of Map: TRPA shall prepare a map identifying areas within which the need for the water quality improvements listed in Table G-1 of the Technical Appendices is the same. The Lake Tahoe Basin Water Quality Management Plan (208 Plan) maps shall be used as a guideline for determining the level of improvements needed. Areas shall be assigned point values in accordance with Table G-1 of the Technical Appendices. The points assigned shall be equal to the mathematical difference between 50 points and the total of the negative points received due to the combination of water quality improvements needed.

(2) Assigning Scores To Parcels: Each parcel shall receive the score assigned to the area, established under Subparagraph (1), above, in which the parcel is located.

Since adoption of this map, numerous water quality improvement projects have been implemented within the Basin. As provided for in the IPES system, a parcel’s IPES score may be increased if (37.10.A) "water quality improvements of the type considered in subsection 37.2.G are installed in an area subsequent to TRPA preparing the maps in accordance with subparagraph 37.2.G(1)."

Upon implementation of these projects, Code of Ordinances’ chapter 37.10.A states: "TRPA shall amend the map by increasing the point values identified in Table G-1 for the improvements installed. The scores received by parcels located in areas where point values are increased in this subsection shall be increased to reflect the new point value."

Amendments proposed by staff are intended to:

1. Account for water quality improvement projects implemented since 2006,
2. Increase the point scores for those parcels affected by these projects pursuant to 37.10.A. of the Code of Ordinances.

The proposed amendments are based upon field data collected during December of 2008. Point values were assigned according to the scoring criteria in Table G-1. Properties affected by the score increases were restricted to only those parcels immediately within the vicinity of the water quality improvement project.

### NEEDED WATER QUALITY IMPROVEMENTS

<table>
<thead>
<tr>
<th>Needed Improvement</th>
<th>Points Possible</th>
<th>Lake Forest A, Dollar Hill</th>
<th>Lake Tahoe Park</th>
<th>Appalachee 3B Phase 1A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revegetation</td>
<td>+6</td>
<td>6</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Rocklined / vegetated ditches</td>
<td>+8</td>
<td>8</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Curb gutter / paved swales</td>
<td>+8</td>
<td>8</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Storm drain pipes</td>
<td>+8</td>
<td>8</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Retaining walls</td>
<td>+4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rock slope protection</td>
<td>+4</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paved roads</td>
<td>+8</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sediment basins</td>
<td>+4</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Total Points (2008 Projects)</td>
<td>50</td>
<td>30</td>
<td>46</td>
<td>34</td>
</tr>
<tr>
<td>Existing Water Quality Points in Project Area</td>
<td>42</td>
<td>20</td>
<td>16</td>
<td>42</td>
</tr>
</tbody>
</table>

| Total Points Assigned to Project Area (50 pts Maximum) | 50 | 50 | 50 | 50 |
MEMORANDUM

Date: February 4, 2008
To: TRPA Advisory Planning Commission (APC)
From: TRPA Staff

Requested Action: Under Subsection 37.8.C, TRPA considers adjusting the IPES numerical level defining the top ranked parcels in each jurisdiction annually. No action is required as the findings could not be made to lower the IPES Line in Placer County. Washoe, Douglas and El Dorado Counties have already reached the bottom of the numerical level for those jurisdiction’s and no further IPES line analysis is necessary.

Staff Recommendation: Staff is not requesting a formal action from the Advisory Planning Commission (APC) on this item. Staff will present a current status and progress report on the IPES Line in Placer County which will remain at 726 as the “Vacant Lot Equation” Attachment A, finding 2, cannot be made in that jurisdiction. As the IPES Line analysis failed on the aforementioned finding, the remaining four findings were not evaluated.

Required Motion: None required.

Project Description/Background: The IPES Land Capability System was developed and implemented to respond to the apparent limitations of the Bailey System. This system was created through a consensus process in 1987 to evaluate the suitability of vacant lots proposed for single-family housing development. Parcels were initially scored and ranked; those parcels with scores of 726 and higher were deemed suitable for development. This system also provided a method by which parcels with scores below the cutoff score of 726 could become eligible by conducting an annual analysis. This staff summary is the result of this annual analysis. Chapter 37 of the TRPA Code of Ordinances sets forth five findings which must be made for the IPES line to be lowered for a jurisdiction (further defined in Volume I of the 1988 TRPA 208 Plan; see Attachment A).

Specifically, Placer County did not meet the minimum criteria for the “Vacant Lot Equation”; the second element of the Required 208 Plan Findings (Attachment A). This finding requires the analysis of the “active” IPES parcel inventory and generates a numerator reflecting the number of active parcels within a given jurisdiction that have an IPES score of 725 or less. This numerator is then divided by the number of vacant parcels deemed sensitive (Bailey Class 1, 2, or 3) on January 1, 1986; for Placer County this number is 1,667 parcels. Once this ratio does not exceed 20 percent, the finding can be made.
The current calculations are based on the 2008 IPES inventory and resulted in 438 parcels that are vacant and have a score of 725 or less.

Placer County (2008): 438/1667 = 26 percent

Placer County (2007): 454/1667 = 27 percent

This analysis was last performed in 2005 and resulted in 504 parcels that met the above-referenced criteria. The result is shown below as a point of comparison.

Placer County (2005): 504/1667 = 30 percent

Issues/Concerns:
- Placer County is the only county within the Tahoe Basin in which the developable IPES score has not lowered to 1.
- Placer County IPES Line analysis continues to fail to meet the requirements of finding 2, or the Vacant Lot Equation.

Regional Plan Compliance: The proposed action complies with all requirements of the TRPA Goals and Policies, Plan Area Statements, and Code of Ordinances, including all required findings in Chapters 6 and 37 of the TRPA Code of Ordinances.

Contact Information: If you have any questions, please contact Heather Gustafson, Senior Planner/Interim Land Capability Program Manager at hgustafson@trpa.org or 775-589-5313

Attachments:
A. Required Findings/Rationale
B. Issues/Concerns Discussion
Required Findings/Rationale

Required 208 Plan Findings

1. Finding: All parcels included in the top rank are otherwise eligible for development under the applicable state water quality management plan for the Lake Tahoe Basin (the “208 Plan”) and other legal limitations;

Rationale: The TRPA 208 Plan was certified by both California and Nevada, and approved by the US EPA in 1989. The 1990 TRPA amendment to the 208 Plan redefining “in place” monitoring was certified by Nevada in 1990, by California in 1992, and approved by the US EPA in August 1993. Therefore this finding was met in 1993.

2. Finding: For any jurisdiction, the number of parcels having scores below the level defining the top ranked parcels, divided by the number of parcels in that jurisdiction that were identified as sensitive by TRPA on January 1, 1986, does not exceed the following percentages:

   (i) El Dorado County - 20 percent
   (ii) Placer County - 20 percent
   (iii) Douglas County - 33 percent
   (iv) Washoe County - 33 percent

Rationale: Numerator = Number of vacant parcels with IPES scores of 725 or less
Denominator = Number of vacant parcels deemed sensitive (Bailey Class 1, 2 or 3) on January 1, 1986.
Placer County 2008: 438/1667 = 26%
The finding fails.

3. Finding: The monitoring program for that jurisdiction is in place pursuant to Chapter 32 and the TRPA monitoring plan. "In place" is defined in the 208 Plan, Volume I, and p.119, as amended, as:

   ... This monitoring program shall be in place in a local jurisdiction, and shall characterize water quality conditions, before the numerical level defining the top rank for the jurisdiction is lowered (Goals and Policies, p.VII-25). The term "in place" means that a TRPA-approved monitoring system, with established procedures and responsibilities, is physically located on the selected tributaries, and samples have been collected and analyzed for the previous water year. The monitoring program, to be effective, should remain in place on a continuing and long-term basis. It is the intent of TRPA to collect, on a long term basis pursuant to stringent QA/QC procedures, improved tributary water quality data which will be used to better assess average and existing conditions and to understand water quality trends and compliance with state and federal water quality standards.

Rationale: This finding was not analyzed as finding number 2 failed.
4. Finding: **Demonstrable progress is being made on capital improvement programs for water quality within that jurisdiction.**

Rationale:

a. Funding is committed and there is a strong likelihood that construction will commence on one or more high priority watershed improvement projects in the current or upcoming year and construction of one or more high priority projects has taken place in the previous or current year. (High priority projects are projects with substantial water quality benefit.); OR

b. The performance of the local jurisdiction on implementation of SEZ restoration and capital improvement projects is consistent with progress necessary to meet the benchmarks established in the 1996 Evaluation under the Environmental Compliance Form for Water Quality (WQ-2-A). Under WQ-2-A, an indicator for total expenditures on CIP projects is set for each local unit of government. However, since the 2001 Threshold review these quantitative targets were abandoned in favor of the Environmental Improvement program project list.

Rationale: This finding was not analyzed as finding number 2 failed.

5. Finding: **The level of compliance with conditions of project approvals within any jurisdiction is satisfactory.** The four criteria listed in the 208 Plan are used as indicators of the level of compliance within a jurisdiction. The Governing Board has set numerical performance standards for the four criteria in Resolution 93-19 (see Attachment B).

Rationale: This finding was not analyzed as finding number 2 failed.
Issues/Concerns Discussion

Of the five 208 Plan findings required to lower the IPES line, finding 2, or the Vacant Lot Equation, is the critical finding that continually cannot be met in Placer County. This finding requires that the ratio of sensitive parcels identified today, as compared to the 1,667 sensitive parcels identified on January 1, 1986, not exceed 20 percent. It is important to note that the 1,667 parcels identified in 1986 were based upon assessor’s parcel numbers (APN) and not legal lots of record. As has been discovered over the years, it was a common practice for property owners to have multiple legal lots of record embedded within a single APN. These legal lots of record are eligible to be assigned their own individual APN at any point in time. As a result, the numerator of the Vacant Lot Equation (i.e. the number of present day sensitive lots) has actually been increasing over time. Even though sensitive parcels are being retired each year, the number of retirements has not kept pace with the number of sensitive parcels simultaneously being added.

In 2006 TRPA staff worked with Placer County officials and the California Attorney General to try to develop a means by which the equation might be adjusted to compensate for this problem. It was decided by the Attorney General that the criteria in finding 2 of the 208 Plan must be adhered to.

In order to enable more IPES parcels to become eligible for development TRPA has actively worked with the local agencies and jurisdiction to do the following.

1. TRPA works with Placer County to implement water quality improvement projects so as to increase the IPES scores within and adjacent to the project. Water quality improvement points constitute 50 of the 1150 points possible for an IPES score.

2. TRPA works with local agencies such as the United States Forest Service and the California Tahoe Conservancy in the retirement of the sensitive parcels within Placer County.
MEMORANDUM

Date: February 4, 2009

To: TRPA Advisory Planning Commission

From: TRPA Staff

Subject: Recommendation on Amendment of Chapter 20 to Adjust the Excess Coverage Fees

Requested Action: Staff is requesting that the Advisory Planning Commission (APC) review the executive summary of the 2009 updated appraisal of the market value of land coverage in the Lake Tahoe Basin (Attachment A) and recommend appropriate adjustments in the fees. The appraisal is used to determine if changes in market conditions warrant revisions to TRPA’s excess coverage Mitigation Fee Cost Factors for the nine Hydrologic Transfer Areas (HTAs) in the Lake Tahoe Basin. The Mitigation Fee Cost Factor is one of four factors used in calculating in lieu mitigation fees for the TRPA excess coverage mitigation program. In lieu mitigation fees collected under this program are used to acquire and restore existing and potential land coverage as mitigation for excess coverage not mitigated by project applicants.

Staff Recommendation: Based on the updated land coverage appraisal report, staff recommends that the APC recommend that no changes be made to the current Excess Land Coverage Mitigation Fee Cost Factors for the excess coverage in lieu mitigation fee program. No Code amendment is necessary for continuation of existing cost factors.

Required Motion(s): To recommend maintaining the Mitigation Fee Cost Factors for the excess coverage in lieu mitigation fee program at current levels, the APC must make the following motion:

1) A motion to recommend based on the evidence in the record, that the Governing Board retain the current Mitigation Fee Cost Factor, without any revisions.

In order for the motion to pass, a simple majority vote of the APC is required.

Project Description/Background: Chapter 20.5A(3)(b) of the TRPA Code of Ordinances requires TRPA to establish the excess land coverage Mitigation Fee Cost Factors by January 1 of each year based on a certified appraiser’s estimate of the land bank’s cost to acquire and restore land coverage under this program. The Mitigation Fee Cost Factor is one of four factors used in calculating in lieu mitigation fees for the TRPA excess coverage mitigation program. In lieu mitigation fees collected under this program are transferred to land banks in California and Nevada and used to acquire and restore existing and potential land coverage as mitigation for excess coverage not mitigated directly by project applicants.
Excess Land Coverage Mitigation Fee Cost Factors are typically low on the California side of the Basin due to lower land costs. A more detailed background description of the Excess Land Coverage Mitigation Program is included in Attachment B.

Issues/Concerns: According to the certified real estate appraiser’s report, the depressed economy resulted in limited demand for land coverage in 2008. In most hydrologic transfer areas (South Stateline, Cave Rock, Marlette, Agate Bay, Emerald Bay, McKinney Bay, Tahoe City), there was not sufficient sales data in 2008 to warrant adjustment to market value conclusions for land coverage established in 2007. In the two transfer areas where appreciable land coverage transactions took place in 2008 (Incline, and Upper Truckee), sale prices were more or less the same as they were in 2007, and also did not warrant adjustment to 2007 market value conclusions. Accordingly, market value conclusions for land coverage in 2008 are the same as those for 2007, and do not warrant revision of the TRPA excess coverage Mitigation Fee Cost Factors for 2009 (Table 1). TRPA consulted with representatives from the Nevada Division of State Lands land bank, and they concur with this conclusion for the Nevada portion of the Lake Tahoe Basin. Representative from the California Tahoe Conservancy land bank declined to comment on the accuracy of the updated appraisal or the adequacy of current Mitigation Fee Cost Factors, instead electing to provide comment in person at the APC meeting scheduled for February 11, 2009.

Table 1. Existing and Proposed Excess Land Coverage Mitigation Fee Cost Factors for the Nine Hydrologic Transfer Areas in the Lake Tahoe Basin

<table>
<thead>
<tr>
<th>Hydrologic Transfer Area</th>
<th>Existing and Proposed Mitigation Fee Cost Factors (Price Per Square Foot)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incline -- Area 1</td>
<td>$20.00</td>
</tr>
<tr>
<td>Marlette -- Area 2</td>
<td>$12.00</td>
</tr>
<tr>
<td>Cave Rock -- Area 3</td>
<td>$25.00</td>
</tr>
<tr>
<td>South Stateline -- Area 4 (Nevada Portion)</td>
<td>$15.00</td>
</tr>
<tr>
<td>South Stateline – Area 4 (California Portion); Upper Truckee – Area 5; Emerald Bay – Area 6, McKinney Bay – Area 7, and Tahoe City – Area 8, Agate Bay – Area 9 (Calif portion only)</td>
<td>$8.50</td>
</tr>
<tr>
<td>Agate Bay -- Area 9 (Nevada Portion)</td>
<td>$18.00</td>
</tr>
</tbody>
</table>
Attachments:
Appraiser's Land Coverage Market Value Exec. Summary (Attachment A)
ELCMP Description and Fee History (Attachment B)
AN EXECUTIVE SUMMARY OF THE UPDATED APPRAISAL OF THE MARKET VALUE OF

LAND COVERAGE

LOCATED IN THE

LAKE TAHOE BASIN

PREPARED FOR

THE TAHOE REGIONAL PLANNING AGENCY

PREPARED BY

LYNN C. BARNETT
January 14, 2009

Mr. Scott Frazier
Soil Conservation/SEZ Program Manager
Tahoe Regional Planning Agency
P.O. Box 5310
128 Market Street
Stateline, Nevada  89449

RE:  An Executive Summary of the Updated Appraisal of the Market Value of Land Coverage in the Lake Tahoe Basin

Dear Mr. Frazier:

This is an Executive Summary of the Updated Appraisal addressing the Market Value of Land Coverage in the Lake Tahoe Basin which was transmitted to you on January 14, 2009. The purpose of the Appraisal is to assist the Tahoe Regional Planning Agency (TRPA) in determining the excess land coverage mitigation cost factor for use during the calendar year 2009, as outlined in the Tahoe Regional Planning Agency’s Code of Ordinances, Chapter 20, Section 20.5.

Between 2001 and 2005, a Complete Summary Appraisal and Updated Appraisals addressing the Market Value of Land Coverage in the Lake Tahoe Basin were prepared for representatives of TRPA by Johnson-Perkins & Associates. This appraiser co-authored the Johnson-Perkins & Associates appraisals. In 2006, this appraiser prepared an Updated Appraisal addressing the Market Value of Land Coverage in the Lake Tahoe Basin which was transmitted to Mr. Phil Scoles by a letter of transmittal dated December 20, 2006. On December 10, 2007, this appraiser prepared an Updated Appraisal which was transmitted to Mr. Phil Scoles. On January 14, 2009, this appraiser prepared an Updated Appraisal which was transmitted to you. This is an Executive Summary of the 2008 Updated Appraisal.

The intended users of this Executive Summary are representatives of the Tahoe Regional Planning Agency. The date of valuation is December 31, 2008.
The scope of this Executive Summary of the 2008 Updated Appraisal included conducting extensive interviews with land planners, Realtors, developers, representatives of various government agencies, and private parties who are familiar with TRPA Ordinances pertaining to land coverage. These interviews focused on sales of land coverage, land coverage offered for sale, the perceived demand for land coverage and the supply of land coverage available in the various hydrologic areas in the Lake Tahoe Basin. In addition, the class of land coverage sold or offered for sale was investigated. Finally, Market Value conclusions were established for land coverage in each Hydrologic Area in the Lake Tahoe Basin.

Since 1987, TRPA has required that a mitigation fee be paid for installing land coverage in excess of that allowed on a property. The fee was $5.00 per square foot in 1987 and was raised to $6.50 per square foot in California and $12.00 per square foot in Nevada in 2001. The fees remained constant in 2002, 2003, 2004 and 2005. For 2006 and 2007, TRPA raised the mitigation fees. The fees remained constant in 2008. The 2008 mitigation fees are summarized below:

- Hydrologic Area 1 – Incline: $20.00 per sq. ft.
- Hydrologic Area 2 – Marlette: $12.00 per sq. ft.
- Hydrologic Area 3 – Cave Rock: $25.00 per sq. ft.
- Hydrologic Area 4 – South Stateline, Nevada: $15.00 per sq. ft.
- Hydrologic Area 4 – South Stateline, California: $8.50 per sq. ft.
- Hydrologic Area 5 – Upper Truckee: $8.50 per sq. ft.
- Hydrologic Area 6 – Emerald Bay: $8.50 per sq. ft.
- Hydrologic Area 7 – McKinney Bay: $8.50 per sq. ft.
- Hydrologic Area 8 – Tahoe City: $8.50 per sq. ft.
- Hydrologic Area 9 – Agate Bay, California: $8.50 per sq. ft.
- Hydrologic Area 9 – Agate Bay, Nevada: $18.00 per sq. ft.

This Executive Summary sets forth the Market Value of land coverage in each hydrologic area of the Lake Tahoe Basin, as of December 31, 2008, to allow TRPA to reconsider the mitigation fee coverage cost factors for 2009. Market Value is defined as the most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold, unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.
The Market Value conclusions contained in this Updated Appraisal assume that 5,000 square feet of land coverage would be sold in a single transaction.

The Tahoe Regional Planning Agency has divided the Lake Tahoe Basin into nine hydrologic areas. Hydrologic Areas 4 and 9, identified as South Stateline and Agate Bay, are located in both the California and Nevada portions of the Lake Tahoe Basin. A map depicting the location of the various hydrologic areas is set forth below.

**TAHOE REGIONAL PLANNING AGENCY HYDROLOGIC AREAS**
There are land coverage banks operated by the California Tahoe Conservancy, the State of Nevada, the Incline Village General Improvement District, and Douglas County. The Incline Village General Improvement District land bank is administered by the State of Nevada, Division of State Lands. The Douglas County land bank facilitates land coverage transfers, but does not buy or sell land coverage.

There are three classifications of land coverage. “Hard” or Existing land coverage involves land coverage which is physically on the ground. “Potential” land coverage is land coverage which is available to be installed, based upon the IPES system or the Bailey system, but which has not been placed on the ground. “Soft” land coverage involves coverage which is physically on the ground, but which is not a completely impervious surface. An example of soft land coverage is a dirt walkway or driveway which is compacted, but not covered with pavement. There are also different classes of land coverage. Land coverage located in soil capability levels 1, 2 and 3 is classified as “low capability” land coverage. Land coverage located in soil capability levels 4, 5, 6, and 7 is classified as “high capability” land coverage.

**Nevada Portion of the Lake Tahoe Basin**

There are five Hydrologic Areas in the Nevada portion of the Lake Tahoe Basin. In the following paragraphs, the data compiled by this appraiser through the extensive interviews conducted will be analyzed. The supply and demand for land coverage in each Hydrologic Area will be analyzed. Based upon these analyses, the Market Value of 5,000 square feet of land coverage transferred in a single sale will be established for each Hydrologic Area in Nevada. The reader should note that, all else being equal, smaller amounts of land coverage typically sell for a higher price per square foot.

Information pertaining to the land coverage market in the Nevada portion of the Lake Tahoe Basin was provided to this appraiser by numerous land planners, governmental agencies, developers and Realtors. Based upon these interviews, it appears that the demand for land coverage has declined as compared with 2007. Those interviewed indicated that the land coverage market has been affected by the decline in the residential market in the Lake Tahoe Basin, along with the continued uncertain economic climate in the United States. Developers are reportedly not constructing residences for resale at the same pace as in previous years. As the majority of the demand for land coverage emanates from residential projects, the slowed construction of residential properties has had an impact on the sales of land coverage. The demand has diminished significantly when compared to 2004 and 2005.

Land coverage was purchased for the Incline Elementary School expansion project in 2008. There is one large redevelopment project which is moving forward slowly in Crystal Bay. There may be a tourist oriented project near the state line in Douglas County. The Tahoe Shores project is moving ahead. This project is also located in Douglas County. On the other hand, there were very few new residential projects in Douglas County in 2008.
The overall supply of land coverage in the Nevada portion of the Lake Tahoe Basin appears to be adequate. The Incline Village General Improvement District land bank appears to be supplying the majority of the land coverage demands in the Incline Hydrologic Area. The Nevada Division of State Lands also has land coverage for sale in the Incline Hydrologic Area which was acquired from Incline Lakes in 2005. Also, the Nevada Department of Transportation purchased land coverage from Incline Lakes which they reportedly plan to use for their erosion control projects. As reported in previous reports, the Ponderosa Ranch property, located in the Incline Hydrologic Area, has a significant amount of land coverage which could come on the market in the future. The Nevada Division of State Lands also has land coverage for sale in the Douglas County portion of the South Stateline Hydrologic Area. The supply of available land coverage in the Cave Rock Hydrologic Area continues to be extremely limited, although there are private sources of land coverage being developed in this Hydrologic Area.

The limited demand for land coverage in the Nevada portion of the South Stateline Hydrologic Area is being supplied by private sources, along with the Nevada Division of State Lands land bank. The Douglas County Land Bank does not sell land coverage, but facilitates transfers of land coverage between private buyers and sellers. This land bank facilitated four transfers in 2007, but none in 2008. There is limited demand for land coverage in the Cave Rock Hydrologic Area which is being met by private sources. There have been no land coverage transfers the Marlette Hydrologic Area. The demand for land coverage in the Incline Hydrologic Area is being supplied primarily through the Nevada Division of State Lands land bank. The demand for land coverage in the Agate Bay Hydrologic Area is minimal.

The Nevada Division of State Lands land bank sold a total of 25,040 square feet of land coverage in 2008. This compares with 20,945 square feet in 2007, 2,281± square feet in 2006, 87± square feet in 2005, 30,707± square feet in 2004, and 20,423 in 2003. The State of Nevada land bank began selling land coverage in 2003. The State of Nevada land bank’s cost to purchase and restore land coverage varies widely depending on the Hydrologic Area and class of land coverage involved. The purchase of land coverage from Incline Lakes in December of 2005 reflected sale prices per square foot ranging from $12.60 to $27.00 depending on the class of land coverage purchased. The overall cost was $18.48 per square foot for a total of 184,021 square feet. The most recent purchase of land coverage by the State of Nevada occurred in January of 2006 and involved potential high capability land coverage located in the South Stateline Hydrologic Area. The cost for 45,000± square feet was $10.00 per square foot. The State of Nevada has not purchased any land coverage since January of 2006. The overall average sale price for all sales to private parties by the State of Nevada land bank between 2003 and 2008 is $20.15 per square foot.

Each Hydrologic Area in the Nevada portion of the Lake Tahoe Basin will be analyzed separately in the following paragraphs.
South Stateline, Nevada, Hydrologic Area 4

The Nevada portion of the South Stateline Hydrologic Area extends from the California-Nevada state line to the Round Hill area of Douglas County. Information was obtained through interviews conducted with knowledgeable parties including government agencies and private parties.

The data obtained through these interviews indicates that the demand for land coverage in the South Stateline, Nevada Hydrologic Area in 2008 was very limited. Three developers who have land coverage did not market it in 2008. The Douglas County Land Bank did not facilitate any sales in 2008. The State of Nevada land bank sold 1,565± square feet of Class 4 Restored soft land coverage in 2008. The sale price was $18.50 per square foot. In addition, the State of Nevada sold 31± square feet of Class 1b Restored hard land coverage in 2008. The sale price was $25.50 per square foot. The State of Nevada has 8,575± square feet of Class 4 Restored soft land coverage and 311± square feet of Class 1b Restored land coverage available for sale in the South Stateline, Nevada, Hydrologic Area.

In analyzing the Market Value of land coverage in the Nevada portion of Hydrologic Area 4, consideration is given to the lack of sales data and the lack of demand for land coverage in the South Stateline Hydrologic Area. The two sales by the State of Nevada are higher than the value conclusion in 2007, at $15.00 per square foot. On the other hand, the amounts of land coverage transferred were significantly smaller than the 5,000 square feet assumed for this analysis.

Overall, it is my opinion that there is insufficient data to warrant any change in the Market Value Conclusions presented in the previous Updated Appraisal. The Market Values, based upon a sale of 5,000 square feet, as of December 31, 2008, are summarized below.

**MARKET VALUE CONCLUSION – POTENTIAL LAND COVERAGE**  
$15.00 Per S.F.  
(South Stateline, Nevada - Hydrologic Area 4)

**MARKET VALUE CONCLUSION – EXISTING LAND COVERAGE**  
$15.00 Per S.F.  
(South Stateline, Nevada - Hydrologic Area 4)

Cave Rock, Hydrologic Area 3

This Hydrologic Area extends from the Round Hill area north to Glenbrook. Information was obtained through interviews with government agency representatives and knowledgeable private parties. Two land planners indicated there are interested buyers for land coverage in the Glenbrook subdivision. One land planner indicated that 800± square feet of land coverage in the Uppaway subdivision is in escrow for $45.00 per square foot. One land planner indicated there is a relatively large source of land coverage in the Cave Rock Hydrologic Area. This land coverage is not being marketed. One land planner indicated that there are two sources of land coverage being developed in the Glenbrook subdivision. These sources have not come on the market due to legal issues. Both the Glenbrook subdivision and the Uppaway subdivision are “closed”. This means no additional
land coverage can be transferred into these subdivisions although land coverage can be transferred out of these subdivisions. The “closed” nature of the subdivisions results in higher sale prices due to the limited supply. The State of Nevada land bank has no land coverage available in this Hydrologic Area.

Overall, there continues to be a limited supply of land coverage in the Cave Rock Hydrologic Area. However, due to the lack of current sales data, it is my opinion that the Market Value conclusions contained in the previous Updated Appraisal are valid for this Updated Appraisal. The land coverage values for 5,000 square feet of land coverage, as of December 31, 2008, are summarized below.

**MARKET VALUE CONCLUSION – POTENTIAL LAND COVERAGE $25.00 Per S.F.**
(Cave Rock - Hydrologic Area 3)

**MARKET VALUE CONCLUSION – EXISTING LAND COVERAGE $30.00 Per S.F.**
(Cave Rock - Hydrologic Area 3)

**Marlette, Hydrologic Area 2**

The Marlette Hydrologic Area extends from the north boundary of Glenbrook to Incline Village. There were no transfers of land coverage in the Marlette Hydrologic Area in 2008. As this appraiser obtained no information pertaining to sales of land coverage in the Marlette Hydrologic Area, the Market Value conclusion set out in the previous Updated Appraisal is considered to be valid as of December 31, 2008. The Market Value conclusion is summarized below.

**MARKET VALUE CONCLUSION – LAND COVERAGE $12.00 Per S.F.**
(Marlette - Hydrologic Area 2)

**Incline, Hydrologic Area 1**

The Incline Hydrologic Area includes all of Incline Village. Information was obtained through interviews with knowledgeable buyers and sellers and representatives of government agencies.

Based upon the interviews conducted by this appraiser, it appears that the land bank administered by the State of Nevada which includes land coverage sold on behalf of the Incline Village General Improvement District, is meeting the majority of the demand for land coverage in this Hydrologic Area. In addition, there appears to be an adequate supply of land coverage in the Incline Hydrologic Area. The State of Nevada land bank has 13,766 of Class 6 potential land coverage, 7,427± square feet of Class 4 potential land coverage, 44,501± square feet of Class 1a potential land coverage, 10,000± square feet of Class 1b potential land coverage, 6,000± square feet of existing Class 6 land coverage, and 17,860± square feet of existing Class 1b land coverage available from its acquisition of land coverage from the Incline Lakes property. In addition, there is 14,914± square feet of Class 4 and
Class 6 potential land coverage and 7,006± square feet of Class 1a potential land coverage available from the Incline Village General Improvement District.

There were several sales of land coverage through the State of Nevada, including sales administered for the Incline Village General Improvement District. There were four sales of Class 1a potential land coverage. On February 20, 2008, 868± square feet were sold for $37.50 per square foot. On April 18, 2008, 65± square feet were sold for $40.00 per square foot. On April 29, 2008, 42± square feet were sold for $40.00 per square foot. On August 6, 2008, 1,808± square feet were sold for $33.50 per square foot. In addition, there were three sales of Class 4 and 6 potential land coverage in 2008. On April 29, 2008, 20,302± square feet were sold to Washoe County School District for $17.90 per square foot. On August 11, 2008, 205± square feet were sold for $25.00 per square foot. On December 8, 2008, 24± square feet were sold for $27.00 per square foot.

In addition, there were two private party sales of land coverage in the Incline Hydrologic Area in 2008. The first sale involved 1,900± square feet of Class 4 potential land coverage. The sale price was $23.00 per square foot. The second sale included 3,100± square feet of Class 1a potential land coverage. The sale price was $31.00 per square foot. In each case, the sellers charged the same price as the State of Nevada land bank.

The prices for land coverage sold from the State of Nevada land bank have not changed since 2005. As all of the sales of potential land coverage reported were at the State of Nevada prices, it is this appraiser's opinion that the Market Value conclusions for potential land coverage in the Incline Hydrologic Area as set forth in the previous Updated Appraisal are valid as of December 31, 2008. On the other hand, there were no sales of existing land coverage in the Incline Hydrologic Area in 2008. Due to the lack of sale data, it is this appraiser's opinion that no change in the Market Value conclusion for existing land coverage is warranted. The Market Value conclusions for 5,000 square feet of land coverage are summarized below.

**MARKET VALUE CONCLUSION – POTENTIAL LAND COVERAGE**

<table>
<thead>
<tr>
<th>Type</th>
<th>Price Per S.F.</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Capability (Incline - Hydrologic Area 1)</td>
<td>$20.00</td>
</tr>
<tr>
<td>Low Capability (Incline - Hydrologic Area 1)</td>
<td>$30.00</td>
</tr>
</tbody>
</table>

**MARKET VALUE CONCLUSION – EXISTING LAND COVERAGE**

<table>
<thead>
<tr>
<th>Type</th>
<th>Price Per S.F.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Incline - Hydrologic Area 1)</td>
<td>$20.00</td>
</tr>
</tbody>
</table>

**Agate Bay, Nevada, Hydrologic Area 9**

The Agate Bay, Nevada, Hydrologic Area includes the Crystal Bay area of Nevada. Based upon interviews conducted with government agency representatives and knowledgeable private parties, there was one sale of land coverage in the Agate Bay, Nevada Hydrologic Area in 2008. On June 9, 2008, 130± square feet of Class 1a Restored existing land coverage was sold to Washoe County from the State of Nevada land bank. The
sale price was $32.00 per square foot. The State of Nevada land bank has 3,370± square feet of Class 1a existing land coverage. The asking price for 5,000 square feet is $22.00 per square foot. There were no sales of potential land coverage in the Agate Bay Hydrologic area in 2008.

Due to the lack of sales in the Agate Bay, Nevada Hydrologic Area in 2008, it is this appraiser’s opinion that no change in the Market Value conclusions set out in the previous Updated Appraisal is warranted. The Market Value conclusions for 5,000 square foot transfers, as of December 31, 2008, are summarized below.

**MARKET VALUE CONCLUSION – POTENTIAL LAND COVERAGE**  
$18.00 Per S.F.  
(Agate Bay, Nevada - Hydrologic Area 9)

**MARKET VALUE CONCLUSION – EXISTING LAND COVERAGE**  
$22.00 Per S.F.  
(Agate Bay, Nevada - Hydrologic Area 9)
California Portion of the Lake Tahoe Basin

There are six Hydrologic Areas in the California Portion of the Lake Tahoe Basin. In the following paragraphs, the data compiled by this appraiser through the extensive interviews conducted with developers, land planners, Realtors, and government agency representatives will be analyzed. The supply and demand for land coverage in each Hydrologic Area will be analyzed. Based upon these analyses, the Market Value of 5,000 square feet of land coverage transferred in a single sale will be established for each Hydrologic Area in California. The reader should note that, all else being equal, smaller amounts of land coverage typically sell for a higher price per square foot.

Historically, the California Tahoe Conservancy land bank has supplied the vast majority of the land coverage in the California portion of the Lake Tahoe Basin. The advantages of the Conservancy land bank include a reduced amount of time required to transfer land coverage to a project and the convenience of purchasing land coverage from the land bank rather than having to locate land coverage on the open market. However, the Conservancy’s inventory of land coverage in some hydrologic areas has been depleted. For this reason, private party sales of land coverage in the California Portion of the Lake Tahoe Basin have become more numerous, although there were few sales reported in 2008.

The Conservancy has no supply of land coverage in the Emerald Bay Hydrologic Area. In addition, the Conservancy land bank has very little low capability land coverage in the South Stateline and the Upper Truckee Hydrologic Areas. The Conservancy’s inventory of high capability potential land coverage in the McKinney Bay Hydrologic Area is also limited. Private sources of land coverage in these Hydrologic Areas have emerged as the Conservancy supplies have been depleted. The exception is in the Emerald Bay Hydrologic Area. The private market demand in the Emerald Bay Hydrologic Area is not being met at this time. On the other hand, the California Tahoe Conservancy has adequate potential high capability land coverage in all Hydrologic Areas except Emerald Bay and McKinney Bay.

Based upon the interviews conducted, it appears that the market for land coverage has cooled in 2006, 2007, and 2008. This is the result of the uncertain economy and the national mortgage crisis. Developers are reportedly not constructing residences for resale at the same pace as in previous years. Public service projects typically acquire needed land coverage from the California Tahoe Conservancy. The Conservancy has a separate pool of allocated land coverage for public service projects.

Information provided by the California Tahoe Conservancy indicates that a total of 42,235 square feet of Existing and Potential land coverage was sold by the Conservancy in 2008. This compares with 77,956 in 2007, 53,000 in 2006, 80,000 square feet in 2005 and 95,000 square feet in 2004.

The overall average sale price for all sales to private parties by the Conservancy between 1990 and 2008 is $7.28 per square foot. The average sale price in 2008 was $5.70 per square foot. The average sale price for 2007 was $7.61 per square foot. In 2006, the average sale price was $7.05 per square foot. In 2005, the average sale price was $12.52 per square foot. This is reflective of the high sale prices for low capability land coverage that...
were attained by the Conservancy in 2005. The cost to obtain and restore land coverage was estimated by the Conservancy at $6.50 per square foot in 2004. In 2005, 2006, and 2007, the cost to obtain and restore land coverage was estimated at $8.50 per square foot by the California Tahoe Conservancy. The Conservancy predicts no change in the cost to obtain and restore land coverage for 2008, although the actual cost has not been calculated by the Agency as of the date of valuation of this appraisal.

The annual staff recommendation report by the California Tahoe Conservancy also outlines the anticipated demand for the upcoming year. The supply and anticipated demand in the various hydrologic areas, as projected by the California Tahoe Conservancy for 2008 based upon the final staff recommendation report dated March 19, 2008, is summarized on the following chart. The Conservancy anticipates no change for 2009, although the draft staff recommendation report has not yet been compiled.

**CALIFORNIA TAHOE CONSERVANCY LAND COVERAGE**

**Supply and Demand Forecast**

**For 2008**

<table>
<thead>
<tr>
<th>Hydrologic Area</th>
<th>Type of Land Coverage</th>
<th>CTC Inventory</th>
<th>CTC Anticipated Demand for 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Stateline Area 4 (California Portion)</td>
<td>Potential Low Capability</td>
<td>1,700 s.f.</td>
<td>Not addressed</td>
</tr>
<tr>
<td></td>
<td>Potential High Capability</td>
<td>10,769 s.f.</td>
<td>10,000± s.f.</td>
</tr>
<tr>
<td></td>
<td>Existing “Hard”</td>
<td>1,879 s.f.</td>
<td>1,500± s.f.</td>
</tr>
<tr>
<td>Upper Truckee Area 5</td>
<td>Potential Low Capability</td>
<td>150 s.f.</td>
<td>Not addressed</td>
</tr>
<tr>
<td></td>
<td>Potential High Capability</td>
<td>25,024 s.f.</td>
<td>25,024± s.f.</td>
</tr>
<tr>
<td></td>
<td>Existing “Hard”</td>
<td>6,850 s.f.</td>
<td>6,850± s.f.</td>
</tr>
<tr>
<td></td>
<td>Soft</td>
<td>6,097 s.f.</td>
<td>6,097± s.f.</td>
</tr>
<tr>
<td>Emerald Bay Area 6</td>
<td>Potential</td>
<td>375 s.f.</td>
<td>375± s.f.</td>
</tr>
<tr>
<td></td>
<td>Existing “Hard”</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>McKinney Bay Area 7</td>
<td>Potential</td>
<td>8,213 s.f.</td>
<td>8,213± s.f.</td>
</tr>
<tr>
<td></td>
<td>Existing “Hard”</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Tahoe City Area 8</td>
<td>Potential</td>
<td>10,000 s.f.</td>
<td>10,000± s.f.</td>
</tr>
<tr>
<td></td>
<td>Existing “Hard”</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Agate Bay Area 9 (California Portion)</td>
<td>Potential</td>
<td>16,850 s.f.</td>
<td>16,850± s.f.</td>
</tr>
<tr>
<td></td>
<td>Existing “Hard”</td>
<td>None</td>
<td>None</td>
</tr>
</tbody>
</table>
On September 1, 2008, the California Tahoe Conservancy published their prices for land coverage in each Hydrologic Area in California. These land coverage prices are summarized on the following chart. It should be noted that the sale prices per square foot of land coverage do not increase or decrease depending upon the quantity sold. However, the overall average amount of land coverage per sale by the California Tahoe Conservancy is only 675± square feet.

**CALIFORNIA TAHOE CONSERVANCY**

**Land Coverage Prices**
**As of September 1, 2008**

<table>
<thead>
<tr>
<th>Hydrologic Area</th>
<th>Type of Land Coverage</th>
<th>Price Per S.F.</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Stateline</td>
<td>Potential Low Capability</td>
<td>$40.00</td>
</tr>
<tr>
<td>Area 4 (California Portion)</td>
<td>Potential High Capability</td>
<td>$6.00</td>
</tr>
<tr>
<td></td>
<td>Existing, “Hard”</td>
<td>$8.50</td>
</tr>
<tr>
<td>Upper Truckee</td>
<td>Potential Low Capability</td>
<td>$35.00</td>
</tr>
<tr>
<td>Area 5</td>
<td>Potential High Capability</td>
<td>$6.00</td>
</tr>
<tr>
<td></td>
<td>Potential (Tahoe Keys)</td>
<td>$7.00</td>
</tr>
<tr>
<td></td>
<td>Soft (South Y Industrial)</td>
<td>$6.25</td>
</tr>
<tr>
<td></td>
<td>Existing, “Hard”</td>
<td>$8.50</td>
</tr>
<tr>
<td>Emerald Bay</td>
<td>Potential Low Capability</td>
<td>None Available</td>
</tr>
<tr>
<td>Area 6</td>
<td>Potential High Capability</td>
<td>None Available</td>
</tr>
<tr>
<td>McKinney Bay</td>
<td>Potential High Capability</td>
<td>$10.00</td>
</tr>
<tr>
<td>Area 7</td>
<td>Potential High Capability</td>
<td>$10.00</td>
</tr>
<tr>
<td>Tahoe City</td>
<td>Potential High Capability</td>
<td>$10.00</td>
</tr>
<tr>
<td>Area 8</td>
<td>Potential High Capability</td>
<td>$10.00</td>
</tr>
<tr>
<td>Agate Bay</td>
<td>Potential High Capability</td>
<td>None Available</td>
</tr>
<tr>
<td>Area 9 (California Portion)</td>
<td>Existing, “Hard”</td>
<td>None Available</td>
</tr>
</tbody>
</table>

The Land Coverage prices established by the California Tahoe Conservancy as of September 1, 2008 have not changed since 2007. In 2007, the Conservancy increased the price for high capability land coverage and decreased the price for low capability land coverage. The price per square foot for low capability land coverage in the South Stateline, California, Hydrologic Area was $35.00 in 2005, and $47.50 in 2006. For 2007, the price was decreased to $40.00 per square foot. The price per square foot for low capability land coverage in the Upper Truckee Hydrologic Area in 2005 was $30.00 and $43.00 in 2006. The price was decreased to $35.00 per square foot in 2007. The prices for high capability potential land coverage increased in 2007. The price for high capability potential land coverage was $5.00 per square foot in the South Stateline and Upper Truckee Hydrologic Areas in 2006 and was increased to $6.00 per square foot in 2007. The price for potential high capability land coverage in the Tahoe City Hydrologic Area was $8.00 in 2006 and was increased to $10.00 in 2007. The price for potential high capability land coverage in the Agate Bay Hydrologic Area was $7.50 in 2006 and was increased to $10.00 in 2007. The prices for land coverage have not changed from 2007 to 2008.
The Market Value of land coverage in the California portion of the Lake Tahoe Basin, as of December 31, 2008, will be analyzed for each Hydrologic Area in the following paragraphs, assuming 5,000 square feet of land coverage are transferred in a single transaction.

South Stateline, California, Hydrologic Area 4

The California portion of the South Stateline Hydrologic Area extends from the California-Nevada state line to the vicinity of Al Tahoe Boulevard in the City of South Lake Tahoe. This appraiser obtained information pertaining to the supply and demand and sale prices for land coverage in this Hydrologic Area through interviews with numerous knowledgeable private parties, Realtors, and government agency representatives. Three local developers indicated they were not involved in any transfers of land coverage in 2008. One developer indicated he did not market land coverage in 2008. One Realtor indicated that she had land coverage for sale, but was unable to sell it. The asking price was $35.00 per square foot.

The California Tahoe Conservancy sold 1,860± square feet of potential land coverage in 2008. This compares with 4,231 square feet in 2007, 9,314 square feet in 2006 and 14,601 square feet in 2005. The Conservancy has less than 2,100 square feet of low capability potential land coverage available. On the other hand, the Conservancy has approximately 10,000 square feet of high capability land coverage available, along with approximately 1,875 square feet of existing “hard” land coverage. There were no sales of existing “hard” land coverage by the Conservancy in 2008. This compares with 121 square feet in 2007, 2,819 square feet in 2006 and 433 square feet in 2005.

No private party transfers of land coverage were found in this Hydrologic Area in 2008.

Overall, it is my opinion that there insufficient sales data to warrant any change in the Market Value conclusions for land coverage in the California portion of the South Stateline Hydrologic Area. The Market Value conclusions, assuming 5,000 square feet are sold in a single transaction, as of December 31, 2008, are summarized below.

<table>
<thead>
<tr>
<th>Market Value Conclusion – Potential Land Coverage</th>
<th>$5.00 Per S.F.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(South Stateline, California - Hydrologic Area 4 – High Capability)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Market Value Conclusion – Potential Land Coverage</th>
<th>$25.00 Per S.F.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(South Stateline, California - Hydrologic Area 4 – Low Capability)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Market Value Conclusion – Existing Land Coverage</th>
<th>$6.50 Per S.F.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(South Stateline, California - Hydrologic Area 4 – High Capability)</td>
<td></td>
</tr>
</tbody>
</table>
Upper Truckee, Hydrologic Area 5

The Upper Truckee Hydrologic Area extends from Al Tahoe Boulevard in the City of South Lake Tahoe to the vicinity of the Camp Richardson Resort and includes all of Meyers. Based upon interviews conducted with local Realtors, private parties and government agency representatives, there were two private party transfers of potential land coverage in this Hydrologic Area in 2008. This compares with 5 private party sales in 2006 and 2007, and 15 private party sales in 2005. The first sale involved high capability potential land coverage. 3,000± square feet were sold for $4.00 per square foot. The second sale involved low capability potential land coverage. 850± square feet sold for $30.00 per square foot. This sale has not closed escrow. Two local Realtors indicated they have not bought or sold land coverage in this Hydrologic Area in 2008. One Realtor indicated that she had low capability coverage listed for sale at $31.00 per square foot in 2007. The land coverage did not sell and was taken off the market in 2008. One private developer indicated there is an interested buyer of low capability land coverage in Tahoe Keys. This buyer is looking for approximately 1,000 square feet and is willing to pay up to $30.00 per square foot.

The California Tahoe Conservancy sold a total of 4,951 square feet of potential land coverage in 2008. This compares with 10,623 square feet in 2007, 16,797 square feet in 2006, and 28,341 square feet in 2005. The Conservancy has a very small amount of low capability potential land coverage available in this Hydrologic Area. The 2008 price is $35.00 per square foot.

The Conservancy sold no existing, “hard”, land coverage in 2008. This compares with 11,699 square feet in 2007 and 4,949 square feet in 2005. There were no sales of existing, “hard”, land coverage by the Conservancy in 2006. The Conservancy sold 26,516 square feet of soft land coverage in 2008. In 2007, 34,882 square feet of soft land coverage was sold by the Conservancy. The sale price was $6.25 per square foot.

Overall, the $30.00 to $35.00 per square foot sale and asking prices for potential low capability land coverage are considered to be reasonably good to high indicators of Market Value as of December 31, 2008. The private party sale of low capability land coverage in 2008 indicates a sale price of $30.00 per square foot. The California Tahoe Conservancy price for potential low capability land coverage in 2008 was $35.00 per square foot. The Conservancy has no plans to change the price in 2009.

The price for potential high capability land coverage is $6.00 per square foot by the Conservancy. The one private party sale was at $4.00 per square foot. These prices are unchanged from 2007.

The published price for soft land coverage by the California Tahoe Conservancy was $6.25 per square foot in 2008. The price for existing, “hard”, land coverage was $8.50 per square foot. The Conservancy has no plans to change the prices in 2009.
Based upon the very limited sales data obtained for 2008, it is this appraiser’s opinion that no change in the Market Value of land coverage in the Upper Truckee Hydrologic Area is warranted. The Market Value conclusions, based upon a transfer of 5,000 square feet of land coverage, as of December 31, 2008, are as summarized below.

**MARKET VALUE CONCLUSION – POTENTIAL LAND COVERAGE**
(Upper Truckee - Hydrologic Area 5 – High Capability) $6.00 Per S.F.

**MARKET VALUE CONCLUSION – POTENTIAL LAND COVERAGE**
(Upper Truckee - Hydrologic Area 5 – High Capability, Tahoe Keys) $7.00 Per S.F.

**MARKET VALUE CONCLUSION – POTENTIAL LAND COVERAGE**
(Upper Truckee - Hydrologic Area 5 – Low Capability) $30.00 Per S.F.

**MARKET VALUE CONCLUSION – EXISTING LAND COVERAGE**
(Upper Truckee - Hydrologic Area 5 – High Capability) $8.50 Per S.F.

**MARKET VALUE CONCLUSION – SOFT LAND COVERAGE**
(Upper Truckee - Hydrologic Area 5) $6.25 Per S.F.

**Emerald Bay, Hydrologic Area 6**

The Emerald Bay Hydrologic Area extends from the Camp Richardson area north to Sugar Pine Point, a short distance south of Tahoma. This appraiser obtained information pertaining to sales of land coverage, as well as the supply and demand for land coverage in the Emerald Bay Hydrologic Area through interviews with local land planners, developers and government agency representatives. All of the parties indicated that there is demand for land coverage in the Emerald Bay Hydrologic Area which is not being met. There was one pending private party sale of 240± square feet of potential low capability land coverage for $40.00 per square foot. This sale did not close. One land planner indicated that there were pending sales of land coverage in the Emerald Bay Hydrologic Area which did not close because the sellers did not have the land coverage rights perfected, or decided not to sell the land coverage. One developer indicated he has land coverage that he might sell. The asking price could be in the range of $80.00 to $100.00 per square foot.

The California Tahoe Conservancy has no land coverage available in the Emerald Bay Hydrologic Area.

Overall, it is my opinion that the very limited data that was obtained for this Updated Appraisal does not warrant any change in the Market Value Conclusions presented in the previous Updated Appraisal. The Market Value conclusions, based upon a sale of 5,000 square feet, as of December 31, 2008, are summarized below.
MARKET VALUE CONCLUSION – POTENTIAL LAND COVERAGE  $  8.00 Per S.F.  
(Emerald Bay - Hydrologic Area 6 – High Capability)  

MARKET VALUE CONCLUSION – POTENTIAL LAND COVERAGE  $30.00 Per S.F.  
(Emerald Bay - Hydrologic Area 6 – Low Capability)  

MARKET VALUE CONCLUSION – EXISTING LAND COVERAGE  $  8.00 Per S.F.  
(Emerald Bay - Hydrologic Area 6 – High Capability)  

McKinney Bay, Hydrologic Area 7  
The McKinney Bay Hydrologic Area extends from the vicinity of Tahoma, north to Blackwood Creek in the Tahoe Pines area of Placer County. A small portion of the McKinney Bay Hydrologic Area is located in El Dorado County where the IPES line has been lowered. The majority of this Hydrologic Area is located in Placer County, where the IPES line stands at 726. Based upon interviews conducted by this appraiser with local land planners and government agency representatives, there is some demand for land coverage in the McKinney Bay Hydrologic Area. However, this appraiser is not aware of any private party sales of land coverage in the McKinney Bay Hydrologic Area in 2008. One land planner indicated that there is a source of land coverage in this Hydrologic Area. However, the land coverage rights have not been perfected. One land planner indicated there were pending sales of land coverage in this Hydrologic Area which did not close because the sellers had not perfected the land coverage rights or decided not to sell the land coverage.

The California Tahoe Conservancy sold 5,548 square feet of potential land coverage in this Hydrologic Area in 2008. This compares with 8,787 square feet in 2007, 7,213 square feet in 2006, and 6,142 square feet in 2005. The Conservancy has no supply of existing land coverage in this Hydrologic Area. The Conservancy’s price for high capability potential land coverage is $10.00 per square foot.

Based upon careful analysis of the very limited data available, it is my opinion that the Market Value Conclusions established in the previous Updated Appraisal are valid as of the December 31, 2008 date of valuation of this Updated Appraisal. The Market Value conclusions, assuming 5,000 square feet of coverage would sell at one time, are summarized below.

MARKET VALUE CONCLUSION – POTENTIAL LAND COVERAGE  $  7.25 Per S.F.  
(McKinney Bay - Hydrologic Area 7 – High Capability)  

MARKET VALUE CONCLUSION – POTENTIAL LAND COVERAGE  $20.00 Per S.F.  
(McKinney Bay - Hydrologic Area 7 – Low Capability)  

MARKET VALUE CONCLUSION – EXISTING LAND COVERAGE  $  7.50 Per S.F.  
(McKinney Bay - Hydrologic Area 7 – High Capability)
**Tahoe City, Hydrologic Area 8**

The Tahoe City Hydrologic Area extends from Blackwood Creek through Tahoe City to Dollar Point. The interviews conducted by this appraiser indicate that the California Tahoe Conservancy continues to supply most or all of the potential land coverage needs in the Tahoe City Hydrologic Area. The Conservancy sold 3,971± square feet of potential land coverage in the Tahoe City Hydrologic Area in 2008. This compares with 3,992 square feet in 2007, 8,762 square feet in 2006, and 5,027 square feet in 2005. The Conservancy’s price is $10.00 per square foot. The Conservancy has no existing high capability land coverage available. This appraiser found no private party sales of existing land coverage in this Hydrologic Area for 2006, 2007 or 2008.

Overall, it is this appraiser’s opinion that the $10.00 per square foot price achieved by the California Tahoe Conservancy is representative of Market Value for the potential land coverage in the Tahoe City Hydrologic Area. In the case of existing, “hard”, coverage, it is my opinion that there is insufficient data to support any change in the Market Value Conclusion as set out in the previous Updated Appraisal. The Market Value Conclusions, based upon a transfer of 5,000 square feet, as of December 31, 2008, are summarized below.

**MARKET VALUE CONCLUSION – POTENTIAL LAND COVERAGE**  $10.00 Per S.F.  
(Tahoe City - Hydrologic Area 8)

**MARKET VALUE CONCLUSION – EXISTING LAND COVERAGE**  $10.00 Per S.F.  
(Tahoe City - Hydrologic Area 8)

**Agate Bay, California, Hydrologic Area 9**

The Agate Bay Hydrologic Area is located in both California and Nevada. The California portion of this Hydrologic Area extends from Dollar Point to the California-Nevada state line and includes Carnelian Bay, Agate Bay, and Kings Beach. This Hydrologic Area is located in Placer County where the IPES line has not been lowered. Accordingly, the demand for low capability potential land coverage has not emerged. Based upon the interviews conducted by this appraiser, the land coverage needs in this Hydrologic Area are being met by the California Tahoe Conservancy. The Conservancy has 16,850± square feet of potential land coverage in the Agate Bay, California, Hydrologic Area.

The Conservancy sold no potential land coverage in the Agate Bay, California, Hydrologic Area in 2008. This compared with 3,621 square feet in 2007, 8,529 square feet in 2006, and 20,491 square feet in 2005. The Conservancy’s price is $10.00 per square foot. There were no private party sales in this Hydrologic Area in 2008. In addition, there were no sales of existing, “hard”, land coverage in 2008.
Overall, it is this appraiser’s opinion that there is insufficient data available to warrant any change in the Market Value Conclusions established in the previous Updated Appraisal. The Market Value Conclusions, based upon a transfer of 5,000 square feet, as of December 31, 2008, are summarized below.

**MARKET VALUE CONCLUSION – POTENTIAL LAND COVERAGE** $10.00 Per S.F.
(Agate Bay, California - Hydrologic Area 9)

**MARKET VALUE CONCLUSION – EXISTING LAND COVERAGE** $10.00 Per S.F.
(Agate Bay, California - Hydrologic Area 9)

**Updated Valuation Summary – Nevada and California**

The Market Value Conclusions established in the previous analyses are summarized on the charts below. The first chart summarizes the Market Value Conclusions for the Hydrologic Areas located in the Nevada portion of the Lake Tahoe Basin. The second chart summarizes the Market Value conclusions for the Hydrologic Areas located in the California portion of the Lake Tahoe Basin.

**Nevada Portion of the Lake Tahoe Basin**
**Market Value Conclusions As of December 31, 2008**

<table>
<thead>
<tr>
<th>Hydrologic Area</th>
<th>Type of Land Coverage</th>
<th>Price Per S.F. (Based Upon a Transfer of 5,000± S.F.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Stateline Area 4 (Nevada Portion)</td>
<td>Potential</td>
<td>$15.00</td>
</tr>
<tr>
<td></td>
<td>Existing</td>
<td>$15.00</td>
</tr>
<tr>
<td>Cave Rock Area 3</td>
<td>Potential</td>
<td>$25.00</td>
</tr>
<tr>
<td></td>
<td>Existing</td>
<td>$30.00</td>
</tr>
<tr>
<td>Marlette Area 2</td>
<td>Potential/Existing</td>
<td>$12.00</td>
</tr>
<tr>
<td>Incline Area 1</td>
<td>Potential High Capability</td>
<td>$20.00</td>
</tr>
<tr>
<td></td>
<td>Potential Low Capability</td>
<td>$30.00</td>
</tr>
<tr>
<td></td>
<td>Existing</td>
<td>$20.00</td>
</tr>
<tr>
<td>Agate Bay Area 9 (Nevada Portion)</td>
<td>Potential</td>
<td>$18.00</td>
</tr>
<tr>
<td></td>
<td>Existing</td>
<td>$22.00</td>
</tr>
</tbody>
</table>
California Portion of the Lake Tahoe Basin  
Market Value Conclusions  
As of December 31, 2008

<table>
<thead>
<tr>
<th>Hydrologic Area</th>
<th>Type of Land Coverage</th>
<th>Price Per S.F. (Based Upon a Transfer of 5,000± S.F.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Stateline</td>
<td>Potential High Capability</td>
<td>$5.00</td>
</tr>
<tr>
<td>Area 4 (California Portion)</td>
<td>Potential Low Capability</td>
<td>$25.00</td>
</tr>
<tr>
<td></td>
<td>Existing, “Hard”</td>
<td>$6.50</td>
</tr>
<tr>
<td>Upper Truckee</td>
<td>Potential High Capability</td>
<td>$6.00</td>
</tr>
<tr>
<td>Area 5</td>
<td>Potential (Tahoe Keys)</td>
<td>$7.00</td>
</tr>
<tr>
<td></td>
<td>Potential Low Capability</td>
<td>$30.00</td>
</tr>
<tr>
<td></td>
<td>Existing, “Hard”</td>
<td>$8.50</td>
</tr>
<tr>
<td></td>
<td>Soft (Y Industrial)</td>
<td>$6.25</td>
</tr>
<tr>
<td>Emerald Bay</td>
<td>Potential High Capability</td>
<td>$8.00</td>
</tr>
<tr>
<td>Area 6</td>
<td>Potential Low Capability</td>
<td>$30.00</td>
</tr>
<tr>
<td></td>
<td>Existing, “Hard”</td>
<td>$8.00</td>
</tr>
<tr>
<td>McKinney Bay</td>
<td>Potential High Capability</td>
<td>$7.25</td>
</tr>
<tr>
<td>Area 7</td>
<td>Potential Low Capability</td>
<td>$20.00</td>
</tr>
<tr>
<td></td>
<td>Existing, “Hard”</td>
<td>$7.50</td>
</tr>
<tr>
<td>Tahoe City</td>
<td>Potential</td>
<td>$10.00</td>
</tr>
<tr>
<td>Area 8</td>
<td>Existing, “Hard”</td>
<td>$10.00</td>
</tr>
<tr>
<td>Agate Bay</td>
<td>Potential</td>
<td>$10.00</td>
</tr>
<tr>
<td>Area 9 (California Portion)</td>
<td>Existing, “Hard”</td>
<td>$10.00</td>
</tr>
</tbody>
</table>

In analyzing the Market Value of land coverage in the Lake Tahoe Basin, as of December 31, 2008, consideration has been given to the reduced demand for land coverage due to the economic conditions and the uncertainty in the economy in 2008. As demand for land coverage emanates primarily from new residential construction, the fact that new residential construction was depressed in 2008 had an adverse impact on the demand. As an example, the California Tahoe Conservancy sold a total of 42,235 square feet of land coverage in 2008. This compares with 77,956 square feet in 2007, 53,062 square feet in 2006, and 80,279 square feet in 2005. On the other hand, the asking and sale prices for land coverage in 2008 have remained virtually unchanged from 2007.

Finally, consideration is given to the overall cost to acquire land coverage by the States of Nevada and California. The most recent acquisition of land coverage by the State of Nevada reflected a sale price of $10.00 per square foot for 45,000 square feet. The overall cost to date is $16.91 per square foot. In the State of California, the cost to acquire and restore land coverage was $6.50 per square foot until 2005. The California Tahoe Conservancy reanalyzed the cost in 2005 and reported an increase to $8.50 per square foot. The State of California estimated the cost at $8.50 per square foot for 2006 and 2007 and predicts no change for 2008.
I hope this Executive Summary of the 2008 Updated Appraisal meets your needs. Kindly contact me with any questions.

Respectfully,

Lynn C. Barnett
Nevada Certified General Appraiser
License #A.0002649-CG
California Certified General Appraiser
License #AG025038
QUALIFICATIONS OF APPRAISER
LYNN C. BARNETT

State Licensing and Certification
Certified General Appraiser – State of California
License Number AG025038
Since August 9, 1995, Certified through October 2, 2009

Certified General Appraiser – State of Nevada
License Number A.0002649-CG
Since July 1, 1997, Certified through June 30, 2009

Appraisal Experience
Senior Commercial Appraiser from 1994 to 2006
Appraisal of Improved Commercial Properties, including
- Shopping Centers
- Retail Buildings
- Professional Office Buildings
- Motels
- Proposed Commercial Projects
- Proposed Residential Subdivisions
- Recreation Land
- Agricultural Land
- Easements
- Development Rights

Lynn Barnett & Associates Since 2006
Commercial Appraisal and Consulting Services

Formal Education
University of Santa Clara 1978
Chemistry Major
San Jose State University 1980
Biochemistry Major

Appraisal Education
Appraisal Institute Courses
Course 1A-1, Real Estate Appraisal Principles 1989
Course 1A-2, Basic Valuation Procedures 1990
Course 1B-A, Capitalization Theory & Techniques, Part A 1992
Course 1B-B, Capitalization Theory & Techniques, Part B 1992
Standards of Professional Practice, Parts A & B 1993
Advanced Applications 1994
Standards of Professional Practice, Part C 1998
Standards of Professional Practice, Part B 2001
QUALIFICATIONS OF APPRAISER
LYNN C. BARNETT

Appraisal Institute Seminars
Hotel-Motel Valuation Seminar 1989
Nevada Law Seminar 1994
Case Studies in Law and Ethics 1998
Litigation Skills for Appraisers: An Overview 1998
Valuation of Detrimental Conditions in Real Estate 1998
Federal and State Laws and Regulations Workshop 1999
Income Valuation of Small Mixed-Use Properties 1999
Appraisal of Non-Conforming Uses 2000
Case Studies in Commercial Highest and Best Use 2000
Yellow Book Seminar 2002
The Road Less Traveled 2005
Subdivision Valuation 2005
Appraisal of Nursing Facilities 2007

Other Seminars
Loss Prevention 2001
Plans & Specifications 2001
National USPAP Update 2003
Factory Built Housing 2003
California Laws and Regulations 2003
How To Analyze and Appraise Small Income Properties 2005
The New FNMAE Forms 2005
Environmental Issues and Considerations 2005
National USPAP Update 2005
National USPAP Update 2007
Technology For Today's Appraiser 2007

Client List
PFF Bank & Trust
Business Bank of Nevada
Z Loan & Investment
Plumas Bank
Nevada State Bank
Placer County
The Nature Conservancy
Feather River Land Trust
The Tahoe Regional Planning Agency
California Tahoe Conservancy
Silverado Bank
Nevada Security Bank
EXCESS LAND COVERAGE MITIGATION PROGRAM AND COST FACTOR
HISTORY

The Excess Land Coverage Mitigation Program (ELCMP) is described in Section 20.5 of the TRPA Code of Ordinances. This program applies to projects where the amount of land coverage existing prior to the project in the project area exceeds the maximum allowable under TRPA code. Land coverage in excess of the base must be mitigated by the transfer of land coverage or through the Excess Land Coverage Mitigation Program (ELCMP). The options offered by the ELCMP, as stated in Chapter 20.5A (2) of the TRPA Code of Ordinances, can include any of the following:

1) Reduce coverage onsite;
2) Reduce coverage offsite;
3) Pay a land coverage mitigation fee to retire coverage through a land bank;
4) Increase the coverage through a parcel consolidation or parcel line adjustment; or
5) Transfer land coverage within Community Plans where projects retire potential coverage or remove existing coverage.

In April 2001, the TRPA Governing Board approved a revision of Chapter 20.5 of the TRPA Code of Ordinances that raised the Excess Land Coverage Mitigation Program Fee from $5.00/square foot for the entire Tahoe Basin to $6.50 per square foot in California and $12.00 per square foot in Nevada. Also, an amendment adopted by the Governing Board in April 2001 limited TRPA from raising the Excess Land Coverage Mitigation Fee in Nevada above $12.00 per square foot prior to May 1, 2003. From 2003 to 2006, TRPA also did not propose any rate changes.

In January 2006, the annually TRPA-commissioned analysis of the market value of land coverage in the Lake Tahoe Basin showed significant increases in the market value of land coverage. The values ranged from $6.50 per square foot for the Upper Truckee hydrologic transfer area to $25.00 per square foot for the Cave Rock hydrologic transfer area (Figure B-1). This broad range of market values precipitated a re-structuring of the Excess Land Coverage Mitigation Fees from a state-only basis, to a hydrologic transfer area basis. In March 2006, the TRPA Governing Board approved the new fee structure and amounts as follows: $6.50 per sq. ft. for South Stateline – Area 4 (California Portion) and Upper Truckee – Area 5; $8.50 per sq. ft. for Emerald Bay – Area 6, McKinney Bay – Area 7, and Tahoe City – Area 8, and Agate Bay – Area 9 (California portion only); $12.00 per sq. ft. for Marlette -- Area 2; $15.00 per sq. ft. for South Stateline -- Area 4 (Nevada Portion); $18.00 per sq. ft. for Agate Bay -- Area 9 (Nevada Portion); $20.00 per sq. ft. for Incline -- Area 1; and $25.00 per sq. ft. for Cave Rock – Area 3.
After the December 2006 appraisal of the market value of land coverage, the rates for the California side of the South Stateline and Upper Truckee River hydrologic transfer areas were increased to $8.50 per square foot. This was also in part at the request of California Tahoe Conservancy that felt the previous fee was no longer adequate for land acquisition. This minor adjustment was approved by the TRPA Governing Board in January 2007.