TAHOE REGIONAL PLANNING AGENCY
ADVISORY PLANNING COMMISSION
NOTICE OF MEETING

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 January 12, 2005, at the Tahoe Regional Planning Agency located at 128 Market St., Stateline, NV. The agenda for the meeting is attached hereto and made a part of this notice.

January 5, 2005

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 (No Action)

Any member of the public wishing to address the Advisory Planning Commission on any agenda item not listed as a Public Hearing or a Planning Matter item, or on any other issue, may do so at this time. However, public comment on Public Hearing and Planning Matter 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. PUBLIC HEARINGS

A. Amendment of Map Showing Need for Water Quality Improvements Pursuant to Requirements of Chapter 37, Individual Parcel Evaluation System (IPES), Section 37.10.A., Installation of Water Quality Improvements in Vicinity of Parcels (15 minutes)

B. Chapter 20.5 Excess Land Coverage Mitigation Fee Update and Possible Amendment (30 minutes)

VI. PLANNING MATTERS

A. Presentation of the Tahoe Basin Marketable Rights Transfer Program Assessment Report

B. Integrated Land Information Management System Presentation

VII. REPORTS

A. Executive Director
B. Legal Counsel

C. APC Members

VIII. ADJOURNMENT
ADVISORY PLANNING COMMISSION

North Tahoe Conference Center
8318 North Lake Blvd.
King Beach, CA

December 8, 2004

REGULAR MEETING MINUTES

I. CALL TO ORDER AND DETERMINATION OF QUORUM

Called to order at 9:50 am

Members Present: Mr. Combs, Mr. Lohman, Ms. Jamin, Ms. Bovat (for Ms. Moss), Mr. McIntyre, Mr. Poppoff, Mr. Riley

Members Absent: Ms. Baldrica, Mr. Cole, Mr. Harris, Ms. Kemper, Ms. Krause, Mr. Jepsen, Mr. Oden, Mr. Plemel, Mr. Porta, Mr. Tolhurst, Ms. Schmidt

A Quorum was not reached, however, the APC members present elected to hold the meeting, hear the agenized items, and make an informal recommendation on each item to the Governing Board.

II. PUBLIC INTEREST COMMENTS

None

III. APPROVAL OF AGENDA

No action taken.

IV. APPROVAL OF MINUTES

No action taken. Minutes will be brought back in January, 2005.

V. PUBLIC HEARINGS

A. Distribution of 2005 Residential Allocations

Staff member Paul Nielsen presented the 2005 Residential Allocations

No Public Comment

Of the members present, the vote was unanimous to informally recommend approval.

B. Amendment of the Round Hill Community Plan to Designate Special Area #2, Douglas County APN 1318-22-001-003, as a Preferred
Affordable Housing Area and Designate the Round Hill Community Plan as a Multi-Residential Incentive Area, Providing for Other Matters Properly Relating Thereto

Staff Member John Hitchcock presented the amendment.

Public Comment:

Gary Midkiff, representing the property owner Our Lady of Tahoe Church stated that they were glad that the mapping inconsistency could be resolved administratively and that it was appropriate to pursue the other designation so they could pursue an affordable housing unit for the priest on this site.

Rita Biens, resident Round Hill stated that the community plans says PAS 072 is residential and this is all forest service land and should not be developed.

Of the members present, the vote was unanimous to informally recommend approval.

C. Amendment of Plan Area Statement 051, Tahoe Tyrol, to create a Special Area #1 Encompassing Washoe County APN 126-420-02, and to add Time Sharing – Residential Design and Bed and Breakfast Facilities as a Permissible Use within Special Area #1, and Providing for Other Matters Properly Relating Thereto

Staff member John Hitchcock presented the amendment.

Public Comment:

Bob Hoff, Board member of Tyrolian Village and resident stated that there is one way in and one way out of the area only. The residents have major concerns on introduction of timeshares in that area, as it is mostly a single-family area.

Phil Gilanfar, representing the applicant, stated that because of TOD findings they are unable to build what they would have liked to which was single-family dwellings. They want to make these buildings look the same as the current Tyrolian Village.

Paul Zaler, the developer and owner of the parcel, stated that everything that he has developed in the community has been well received. His intension is to take the exact four building site plan and cut those units in half and basically make each one a duplex so it would appear that each one was just one unit.

Dick Trassen, former Board member and resident of Tyrolian Village stated that he has concerns regarding fire safety as there is only one road in and out of the area.

Bill Baker, representing the Board of Directors of Tyrolian Village Association, stated that they are not able to determine if there is any deeded access up the private road to that particular property.
Of the members present, the vote was unanimous to informally recommend approval on the condition that there be no more than four structures and with a maximum of eight total units and the elimination of the bed and breakfast use.

VI. PLANNING MATTERS

B. Presentation on Tahoe Decision Support System

David Halsing, USGS presented the Tahoe Decision Support System and their preliminary findings.

A. Presentation on Tahoe City Marina Master Plan Final EIS/EIR

This item was continued.

VII. REPORTS

A. Executive Directors Report

Jerry Wells, acting on behalf of John Singlaub, Executive Director, gave the Executive Directors Report.

B. Legal Counsel Report

Mr. Kahn updated the commission on the following:

1) CCRLT scenic lawsuit is still being pursued.
2) TRPA currently has four active enforcement cases.

C. APC Members

Mr. Combs stated that their Placer County Board of Supervisors took action on the Vacation Rental agreement and it will be signed and send to TRPA. There will be changes to the Governing Board next month as Larry Sevison will be stepping down and Bruce Kranz who is the new Supervisor elect for District 5 will be taking his seat on the Board.

Ms. Bovat stated that when Paul Crawford was here she had asked for a copy of the presentation that he gave and has not received it as yet. Douglas County is still working on their Vacation Rental program.

VIII. ADJOURNMENT
Mr. Lohman adjourned the meeting at 12:30 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) 588-4547. In addition, written documents submitted at the meeting are available for review at the TRPA Office, 128 Market Street, Stateline, Nevada.
REGULAR MEETING MINUTES

I. CALL TO ORDER AND DETERMINATION OF QUORUM

Called to order at 9:30 am

Members Present: Mr. Combs, Ms. Kemper, Ms. Krause, Mr. Lohman, Ms. Jamin, Mr. Jepsen, Mr. Plemel, Ms. Bovat (for Ms. Moss), Mr. Oden, Mr. Tolhurst, Mr. Harris, Mr. Poppoff, Ms. Schmidt

Members Absent: Ms. Baldrica, Mr. Cole, Mr. McIntyre, Mr. Porta, Mr. Riley,

II. PUBLIC INTEREST COMMENTS

None

III. APPROVAL OF AGENDA

Ms. Kemper moved to approve.  
Motion Carried Unanimously

IV. APPROVAL OF MINUTES

Mr. Jepsen moved to approve.  
Mr. Poppoff abstained.  
Motion Carried.

V. PUBLIC HEARINGS

A. Amendment to Chapter 95 of the TRPA Code of Ordinances; Rental Car Mitigation Program, and other matters properly relating thereto

Staff Member Alfred Knotts presented the amendment to Chapter 95 and handed out an updated staff summary.

No Public Comment

Ms. Poppoff moved to approve.  
Motion Carried.
VI. PLANNING MATTERS

C. Recommendation for Adoption of the 2004 Federal Transportation Improvement Program for the Lake Tahoe Region

Staff member Marc Reynolds presented the Federal Transportation Improvement Program adoption recommendation.

No Public Comment

Mr. Poppoff moved to approve with comments of adding California to the SHOPP Program and the Regional Improvement Program to distinguish them from Nevada.

Motion Carried.

A. Presentation and Discussion on TRPA’s Regulatory Framework Update Process and Formed Based Plans and Codes

Staff member Paul Nielsen presented the regulatory framework process update.

No Public Comment

Paul Crawford, representing Crawford, Multari & Clark Associates presented Form Based Zoning Codes and how they can relate to issues associated with managing development at the Regional scale.

Public Comment:

Elise Vet, architectural engineer in the Basin, appreciated Mr. Crawford encouragement of public involvement in the process.

This is a no action item.


Staff member Coleen Shade presented the interim strategy for Regional Plan Amendments based on the Strategica report.

Public Comment:

Jon Paul Harries, representing the League to Save Lake Tahoe, encouraged the Board to go with Staff’s proposal as plan Amendments are resource intensive.

Staff member Coleen Shade provided a synopsis of what was stated by the APC; 1) staff should come up with criteria for issues that can go
forward in this next year that won’t impact the Pathway process; 2) that staff would coordinate with the jurisdiction that the plan area statement is in and make sure we are in sync with their schedules; 3) TRPA project copies to be mailed to the jurisdiction when submitted; 4) TRPA to send a response back to the person(s) within 3-6 months during 2006 if their project would fit in the process.

Mr. Harris suggested that a deferment on applications for a period of time for the 2006 calendar year might be an alternative.

This is a no action item.

D. Discussion of proposed Lake Tahoe Transportation Governance Including APC’s Proposed Role as the Tahoe Transportation Commission

Staff member Carl Hasty presented the proposed role for APC in the Tahoe Transportation Commission.

This is a no action item.

VII. REPORTS

A. Executive Directors Report

Mr. Singlaub congratulated Teri Jamin for being elected to the School Board in Douglas County.

Mr. Singlaub updated the APC on Governing Board actions taken at the last monthly meeting.

B. Legal Committee Report

Mr. Kahn updated the committee on the following:

1) CCRLT scenic lawsuit is still being pursued.
2) TRPA currently has four active enforcement cases.

C. APC Members

Ms. Krause stated that last month the Nevada State APA was held at Lake Tahoe and she thanked staff for putting together different tours for the group. She also congratulated Matt Graham and the BMP team for winning the Excellence in Planning for Public Outreach for the BMP projects from the Nevada APA.

Mr. Poppoff stated that he concluded that the Thresholds that we have are not really based on environmental carrying capacity of the Basin. No one did a study to decide what that was. We adopted standards that we
thought might help but there wasn’t a study to give us confidence that if we achieved these Thresholds that the Basin would recover. What we really need to do with Threshold evaluation this time is to take a different kind of look. We should try to decide what the environmental carrying capacity of the Basin really is. The TMDL program that’s is going on will be a great help because that will determine what the environmental carrying capacity is of the Lake and we can base the Thresholds on how we control the effects.

Ms. Krause stated that related to Pathway 2007 that the P7 Forum applications are on the website that they are due November 18 and the P7 Executives will be deciding who those members are on November 23. Gabby was successful in hiring Jeremy Sokulsky to be the P7 update coordinator. Next week her Board is meeting on Nov. 15 at 1:00 p.m. and everyone is invited to attend if interested. On Dec. 9 & 10 they are hosting a TMDL Symposium at the Embassy Suites Hotel and they will be describing the projects that we have undertaken the last few years. There will be an agenda on the TIIMS website.

Mr. Combs stated that they are almost finished with their vacation rental ordinance and ready to go to their Board of Supervisors, which should happen in December.

Ms. Bovat stated that Douglas County is still working on their vacation rental ordinance.

XIV. ADJOURNMENT

Mr. Lohman adjourned the meeting at 2:30 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) 588-4547. In addition, written documents submitted at the meeting are available for review at the TRPA Office, 128 Market Street, Stateline, Nevada.
MEMORANDUM

December 23, 2004

To: TRPA Advisory Planning Commission

From: TRPA Staff


Proposed Action: To amend the existing map delineating water quality improvements in the vicinity of parcels as set forth below (See exhibits: 1 through 7).

Recommendation: Staff recommends that the Advisory Planning Commission conduct a public hearing and, if appropriate, recommend approval of the map amendments and their respective scores.

Background: 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 improvement’s 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 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.

G. Need For Water Quality Improvements in Vicinity of Parcel

TABLE G-1

NEEDED WATER QUALITY IMPROVEMENTS

<table>
<thead>
<tr>
<th>Needed Improvement</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revegetation</td>
<td>+ 6</td>
</tr>
<tr>
<td>Rocklined or vegetated ditches</td>
<td>+ 8</td>
</tr>
<tr>
<td>Curb gutter or paved swales</td>
<td>+ 8</td>
</tr>
<tr>
<td>Storm drain pipes</td>
<td>+ 8</td>
</tr>
<tr>
<td>Retaining walls</td>
<td>+ 4</td>
</tr>
<tr>
<td>Rock slope protection</td>
<td>+ 4</td>
</tr>
<tr>
<td>Paved roads</td>
<td>+ 8</td>
</tr>
<tr>
<td>Sediment basins</td>
<td>+ 4</td>
</tr>
</tbody>
</table>

Total Possible Points 50

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: "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 improvements."
Memorandum to the Advisory Planning Commission
Amendment of Map Showing Need for Water Quality Improvements Pursuant to Requirements of Chapter 37
Page 3

point value."

Amendments proposed by staff are intended to:

1. Account for water quality improvement projects implemented since 2003; and
2. Increase the point scores for those parcels affected by these projects pursuant to 37.10.A. of the Code of Ordinances.

Discussion: The proposed amendments are based upon field data collected during the fall of 2004. 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. Please note that evaluations were only completed for El Dorado County and Placer County. The IPES lines in Douglas County and Washoe County have previously lowered to the point that all remaining IPES parcels in these counties are buildable (with the exception of zero IPES scores) and therefore further evaluation of water quality improvements in these counties for IPES analysis is not necessary.

The proposed amendment delineated several areas that are smaller than those identified on the original map. This reflects the fact that improvements often addressed portions of the originally mapped areas.

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.

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 adjustments in scores were planned for when such 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.

If you have any questions or comments regarding this agenda item, please contact Elizabeth Harrison at (775) 588-4547 ext.313.

Attachment A:
Exhibits: 1 through 6

<table>
<thead>
<tr>
<th>Number</th>
<th>Jurisdiction</th>
<th>Water Quality Improvements</th>
<th>Proposed Additions to Present Score</th>
<th>Exhibit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Placer</td>
<td>SR 267/Brockway Summit</td>
<td>No vacant residential parcels affected</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>Placer</td>
<td>Silvertip ECP Meeks Bay</td>
<td>+38</td>
<td>2</td>
</tr>
<tr>
<td>3</td>
<td>Placer</td>
<td>Upper Cutthroat ECP</td>
<td>+46</td>
<td>3</td>
</tr>
<tr>
<td>No.</td>
<td>Location</td>
<td>Description</td>
<td>Value</td>
<td>No.</td>
</tr>
<tr>
<td>-----</td>
<td>--------------</td>
<td>-----------------------------------------------------------------------------</td>
<td>-------</td>
<td>-----</td>
</tr>
<tr>
<td>4</td>
<td>El Dorado</td>
<td>US Hwy 50 (adjacent to the Lake Tahoe Airport)</td>
<td>+30</td>
<td>4</td>
</tr>
<tr>
<td>5</td>
<td>El Dorado</td>
<td>Glrene &amp; 8&lt;sup&gt;th&lt;/sup&gt; St. ECP</td>
<td>+42</td>
<td>5</td>
</tr>
<tr>
<td>6</td>
<td>El Dorado</td>
<td>Rocky Point ECP (Phase 1 and 2)</td>
<td>+42</td>
<td>6</td>
</tr>
<tr>
<td>7</td>
<td>Placer</td>
<td>Lonely Gulch/ Tamarack/ Woodland ECP</td>
<td></td>
<td>7</td>
</tr>
</tbody>
</table>
MEMORANDUM

January 4, 2005

To: TRPA Advisory Planning Commission

From: TRPA Staff

Subject: Proposed Amendment of Chapter 20.5, Excess Land Coverage Mitigation Program, Subsection 20.5A(3)(b) Excess Coverage Mitigation Fee

Proposed Action: Chapter 20.5A(3) of the TRPA Code of Ordinances requires TRPA to adjust the Excess Coverage Mitigation Fee cost factor by January 1st of each year based on a certified real estate appraiser’s estimate of the land bank’s cost to acquire and restore land coverage under this program. The analysis of the market value of land coverage in the Lake Tahoe Basin for 2004 was still in progress at the time of preparation of this staff summary. Copies of the Executive Summary of the 2004 land coverage appraisal report will be available on Tuesday, January 11, 2005. Staff requests that the APC review this staff summary and the Executive Summary of the Appraisal prepared by Johnson-Perkins and Associates, Inc. and make a recommendation on any adjustment necessary.

Staff Recommendation: Staff recommends that TRPA keep the Excess Coverage Mitigation Fee cost factor in California at the present rate of $6.50 per square foot. Staff recommends that TRPA keep the Excess Coverage Mitigation Fee cost factor in Nevada at the present rate of $12.00 per square foot.

Background: The Excess Land Coverage Mitigation Program 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 base land coverage for that area. 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 are summarized as follows:

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 in land coverage for projects within Community Plans.

Chapter 20.5A(2) of the TRPA Code describes the options of the program in more detail.
In April 2001, the Governing Board approved a revision of Code Chapter 20.5 that raised the Excess Land Coverage Mitigation Fee from $5.00/sq. ft. for the entire Tahoe Basin to $6.50/sq. ft. in California and $12.00/sq. ft. in Nevada.

TRPA commissioned an updated analysis of the market value of land coverage in the Lake Tahoe Basin in the fall of 2002. The Johnson-Perkins & Associates report dated December 23, 2002 concluded that, in California, the cost of land coverage ranged from a low of $5.00 per square foot to a high of $11.00 per square foot. It was the opinion of the appraisers that the market value of land coverage in the California portion of the Lake Tahoe Basin is best reflected by the prices established by the California Tahoe Conservancy (CTC), ranging from $5.00 to $11.00 per square foot. Based on information provided from the CTC the average cost to acquire land coverage at that time was $6.50 per square foot.

The 12/23/02 Johnson-Perkins & Associates report found that, in Nevada, land coverage ranged from a low of $10.00 per square foot to a high of $50.00 per square foot with most data falling in the range of $15.00 to $20.00 per square foot. It was the opinion of the appraisers that the market value of land coverage in the Nevada portion of the Lake Tahoe Basin was, at that time, above the $12.00 per square foot price established by TRPA.

Code Chapter 20.5(3)(b), (amended 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. Because of this limitation staff recommended leaving the Excess Land Coverage Mitigation fees at the rates of $6.50 per square foot in California and $12.00 per square foot in Nevada during 2003.

TRPA commissioned an updated analysis of the market value of land coverage in the Lake Tahoe Basin in the fall of 2003. Johnson-Perkins & Associates, Inc. submitted a draft report for staff review entitled “An Updated Analysis of the Market Value of Land Coverage in the Lake Tahoe Basin” dated November 18, 2003. The Johnson-Perkins appraisal concluded that the Market Value of land coverage in the California portion of the Lake Tahoe Basin, as of October 1, 2003, was best reflected by the prices established by the California Tahoe Conservancy for the sale of land coverage. CTC’s rates for the purchase of land coverage ranged from $5.00 to $11.00 per square foot. CTC did not have certain types of land coverage available in certain hydrologic areas.

CTC staff member Gerry Willmett (11/25/03) indicated that the average cost (i.e., average throughout the six hydrologic areas) of acquiring and retiring land coverage in California was approximately $5.00 per square foot for potential coverage and $6.50 per square foot for existing (hard) coverage. This figure includes the cost of removing the cover and restoring the site, as well as associated administrative expenses. Staff indicated that the CTC could accomplish coverage reduction and retirement within the TRPA recommendation of $6.50 per square foot.

The 11/18/03 Johnson-Perkins & Associates report found that the sale of land coverage in Nevada ranged from a low of $12.00 per square foot to a high of $50.00 per square foot depending on the type of land coverage and the hydrologic area. The appraised Market Value of land coverage in the Nevada portion of the Lake Tahoe Basin, as of November 1, 2003, ranged from $12.00 per square foot for potential coverage to $25.00 per square foot for existing (hard) coverage.
The price for Potential and Existing (Hard) Land Coverage is less when a large quantity of land coverage is purchased. Although the valuation analysis assumed that approximately 5,000 square feet would be transferred, the Nevada Division of State Lands (NDSL) was able to purchase land coverage in larger quantities at a square foot price less than the appraiser’s estimate of market value. Considering this history of larger quantity purchases of land coverage at a lesser price per square foot, and taking into account anticipated future inventories of land coverage (e.g., IVGID), it seemed reasonable to expect that NDSL would continue to be able to purchase land coverage within the South Stateline, Cave Rock, and Incline Hydrologic Areas for approximately $12.00 per square foot. NDSL staff member Jim Lawrence indicated that they believed they could accomplish their mission within the TRPA recommendation of $12.00 per square foot.

Based on the findings of the 11/18/03 report from Johnson-Perkins & Associates, Inc. and discussions with CTC and NDSL staff, TRPA staff recommended that TRPA keep the Excess Coverage Mitigation Fee cost factor in California at the rate of $6.50 per square foot, and keep the rate of $12.00 per square foot in Nevada in 2004. The TRPA Governing Board upheld the staff recommendation at the December 2003 GB Meeting.

Discussion: TRPA has commissioned an updated analysis of the market value of land coverage in the Lake Tahoe Basin. Johnson-Perkins & Associates, Inc. will submit an updated analysis of the market value of land coverage in the Lake Tahoe Basin on January 10, 2005. An Executive Summary of the Johnson-Perkins & Associates, Inc. analysis of the market value of land coverage will be made available to APC members at the APC Meeting.

There are several factors that affect the appraised market value of land coverage including, but not limited to:

- The cost of land coverage depends upon the amount of square footage purchased. Typically, the appraiser’s valuation analysis assumes that approximately 5,000 square feet would be transferred;
- The values of Potential Land Coverage and Existing (Hard) Land Coverage are slightly different with Potential Coverage costing slightly less per square foot than Existing (Hard) Coverage;
- The valuation of Potential Land Coverage and Existing (Hard) Land Coverage is different in different Hydrologic Areas;
- The market value of land coverage differs somewhat depending on the Land Capability Class of the land coverage purchased.

Market Value of Land Coverage in California. Typically, the Market Value of land coverage in the California portion of the Lake Tahoe Basin is reflected by the prices established by the California Tahoe Conservancy for the sale of land coverage. CTC’s current rates for the purchase of land coverage range from $5.00 to $13.00 per square foot as shown on the accompanying table. CTC does not have certain types of land coverage available in certain hydrologic areas as reflected in the following table.
### Hydrologic Area

<table>
<thead>
<tr>
<th>Hydrologic Area</th>
<th>Type of Coverage</th>
<th>Supply Status</th>
<th>Current Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Stateline</td>
<td>Hard</td>
<td>Limited</td>
<td>$6.50</td>
</tr>
<tr>
<td></td>
<td>Potential (parcels &gt;725 or Bailey 4-7)</td>
<td>OK</td>
<td>$5.00</td>
</tr>
<tr>
<td>Upper Truckee</td>
<td>Hard</td>
<td>Limited</td>
<td>$6.50</td>
</tr>
<tr>
<td></td>
<td>Soft (certain projects in South Y Industrial Tract)</td>
<td>Limited</td>
<td>$5.75</td>
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<tr>
<td></td>
<td>Potential (receiving parcels &gt;725 or Bailey 4-7)</td>
<td>OK</td>
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<tr>
<td></td>
<td>Potential—in Tahoe Keys (receiving parcels &gt;725 or Bailey 4-7)</td>
<td>OK</td>
<td>$6.00</td>
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<tr>
<td></td>
<td>Potential (receiving parcels &lt;726)</td>
<td>Not Currently Available</td>
<td>$10.00</td>
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<tr>
<td>Emerald Bay</td>
<td>Potential (receiving parcels &gt;725 or Bailey 4-7)</td>
<td>Not Currently Available</td>
<td>$8.00</td>
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<tr>
<td></td>
<td>Potential (receiving parcels &lt;726)</td>
<td>Not Currently Available</td>
<td>$13.00</td>
</tr>
<tr>
<td>McKinney Bay</td>
<td>Potential (receiving parcels &gt;725 or Bailey 4-7)</td>
<td>Limited</td>
<td>$7.25</td>
</tr>
<tr>
<td>Tahoe City</td>
<td>Potential (receiving parcels &gt;725 or Bailey 4-7)</td>
<td>OK</td>
<td>$8.00</td>
</tr>
<tr>
<td>Agate Bay</td>
<td>Potential (receiving parcels &gt;725 or Bailey 4-7)</td>
<td>OK</td>
<td>$7.50</td>
</tr>
</tbody>
</table>

CTC staff member Gerry Willmett (12/22/04) indicated that the average cost (i.e., average throughout the six hydrologic areas) of acquiring and retiring land coverage in California is approximately $5.00 per square foot for potential coverage and $6.50 per square foot for existing (hard) coverage. This figure includes the cost of removing the cover and restoring the site as well as associated administrative expenses. Staff has communicated to TRPA staff that the CTC can accomplish coverage reduction and retirement with the existing TRPA Excess Coverage Mitigation Fee of $6.50 per square foot.

**Market Value of Land Coverage in Nevada.** In 2003, the appraised Market Value of land coverage in the Nevada portion of the Lake Tahoe Basin, as of October 1, 2003, ranged from $12.00 per square foot for potential coverage to $25.00 per square foot for existing (hard) coverage. Johnson-Perkins & Associates, Inc. (11/18/03) appraised the market value of approximately 5,000 square feet of coverage in each of the hydrologic areas in the Nevada portion of the Tahoe Basin as of October 1, 2003, as shown on the table on the following page:
<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 Area 4 (Nevada Portion)</td>
<td>Potential</td>
<td>$12.00</td>
</tr>
<tr>
<td></td>
<td>Existing (Hard)</td>
<td>$15.00</td>
</tr>
<tr>
<td>Cave Rock Area 3</td>
<td>Potential</td>
<td>$20.00</td>
</tr>
<tr>
<td></td>
<td>Existing (Hard)</td>
<td>$25.00</td>
</tr>
<tr>
<td>Marlette Area 2</td>
<td>Land Coverage</td>
<td>$12.00</td>
</tr>
<tr>
<td>Incline Area 1</td>
<td>Potential</td>
<td>$20.00</td>
</tr>
<tr>
<td></td>
<td>Existing (Hard)</td>
<td>$25.00</td>
</tr>
<tr>
<td>Agate Bay Area 9 (Nevada Portion)</td>
<td>Potential</td>
<td>$18.00</td>
</tr>
<tr>
<td></td>
<td>Existing (Hard)</td>
<td>$22.00</td>
</tr>
</tbody>
</table>

The appraised market value per square foot presented in the above table may change in the updated analysis of the market value of land coverage currently being prepared by Johnson-Perkins & Associates, Inc.

The price for Potential and Existing (Hard) Land Coverage is less when a large quantity of land coverage is purchased. In the past, the Nevada Division of State Lands has been able to purchase land coverage in larger quantities at a square foot price that is less than market value. Considering this history of larger quantity purchases of land coverage at a lesser price per square foot, and taking into account anticipated future inventories of land coverage (e.g., IVGID), it seems reasonable to expect that NDSL will continue to be able to purchase land coverage within the South Stateline, Cave Rock, and Incline Hydrologic Areas for approximately $12.00 per square foot. NDSL staff member Robert Nellis (12/22/04) has indicated that they can accomplish their mission within the TRPA recommendation of $12.00 per square foot.

Effect on TRPA Staff Work Program: No additional TRPA staff involvement is anticipated beyond the present responsibilities for record keeping and accounting.

Staff will begin this item with a brief presentation. Please contact John Stanley at (775) 588-4547 x304, or via e-mail at jstanley@trpa.org, if you have any questions regarding this agenda item.
MEMORANDUM

January 4, 2005

To: TRPA Advisory Planning Commission

From: TRPA Staff

Subject: Presentation of the Tahoe Basin Marketable Rights Transfer Program Assessment Report

Proposed Action: Staff proposes to present the assessment of the marketable rights transfer program in the Tahoe Basin and discuss it with the Advisory Planning Commission (APC). This is an informational item and will not result in a specific recommendation.

Discussion: Solimar Research Group, based out of Ventura, California, was commissioned by the League to Save Lake Tahoe (LSLT) to prepare an assessment of the marketable rights transfer program in the Tahoe Basin; their findings were published in "Tahoe Basin Marketable Rights Transfer Program Assessment, March 2003". (See Attachment A, for the Executive Summary of the report.)

A key question of the assessment was of the effectiveness of the existing transfer programs to achieve the stated goal of maintaining and improving environmental quality in the Tahoe Basin through consolidated development and protection and restoration of environmentally sensitive lands.

The assessment includes findings on the effectiveness of the current existing system and recommendations for improving the system considering that land use in the basin is moving from preservation to mitigation due to the buyout of sensitive lands and diminishing vacant parcels. These considerations will need to be taken into account as TRPA, the land banks, and local jurisdictions work on the updated Regional Plan.

There will be a presentation by Bill Fulton, President of Solimar Research Group.

Staff will begin this item with a brief presentation. Please contact John Hitchcock (jhitchcock@trpa.org) at (775) 588-4547, if you have any questions regarding this matter.

Attachment: A. Executive Summary, Tahoe Basin Marketable Rights Transfer Program Assessment, March 2003