

STAFF REPORT

Date: August 19, 2020

To: TRPA Governing Board

From: TRPA Staff

Subject: Nevada Division of State Land's (NDSL) Excess Coverage Mitigation Fund Disbursement (\$1,403,020.97)

Summary and Staff Recommendation:

NDSL is requesting a full disbursement of accumulated Excess Coverage Mitigation (ECM) funds through fiscal year 2017 to carry out the Nevada Land Bank program. NDSL is requesting this disbursement to cover personnel and administrative costs of the program, as well as to enable the program to be responsive to land acquisition opportunities.

NDSL is also requesting the TRPA Governing Board to delegate to the TRPA Executive Director the authority to transfer ECM funds for a specific project in consultation with the Governing Board Chair and the Operations Committee Chair if time constraints do not allow approval by the Governing Board. In the Memorandum of Understanding (MOU) between NDSL and TRPA for administration of the land bank, disbursements are to occur not more than quarterly. There may be circumstances where NDSL is not holding sufficient funds and may require an extraordinary transfer of ECM funds from TRPA. If practical, that request will go the TRPA's Board of Governors. NDSL and TRPA request a delegation of authority to the Executive Director for approval of mitigation fund releases in the event a timely disbursement is needed to be responsive to real estate market opportunities.

Required Motion:

To approve the requested release, the Board must make the following motion:

- 1) A motion to approve the release of ECM funds subject to the conditions contained in the MOU.
- 2) A motion to adopt Resolution 2020-__ to delegate authority to the Executive Director to approve Excess Mitigation Fund releases to land banks under certain circumstances.

For the motion to pass, any eight affirmative votes are required.

Background:

NDSL and the Nevada Land Bank Program support implementation of the Regional Plan through the acquisition and restoration of sensitive land and participation in the banking, selling, and retirement of land coverage. As TRPA's agent, NDSL administers the Nevada Land Bank program pursuant to the MOU and funded by ECM fees TRPA receives from project applicants. This cooperative relationship has been in place since 1993. The purpose of the fees is to offset the impact of development.

As NDSL has not received a substantial disbursement since 2015, this agenda item will include a presentation from NDSL on the Land Bank Program, history of accomplishments, and the FY20 Annual Report. NDSL will provide illustrative examples of the program activities they will conduct with ECM funds over the next fiscal year during the presentation. ECM funds will be used by the Nevada Land Bank to achieve its priority duties, consistent with section V.B.3 of the MOU, including:

1. Completing the Clancy-Pohl restoration - \$20,000
2. Reimbursing NDSL for project costs associated with restoration of the Burgundy Hill Conservation Easement - \$462,000
3. Acquiring sensitive parcels and coverage, with new opportunities identified in Stateline, NV. This is a potential acquisition of a large parcel over six acres with an estimated value of over \$1.25 million dollars. This property is a good fit for the program - having over 34,000 square feet of verified TRPA coverage, steep slopes, and a strong hydrologic connection to the Lake. This property is also adjacent to both NDSL and US Forest Service parcels making it important habitat for wildlife)
4. Purchasing and retiring restored hard and soft coverage, prioritizing sensitive land classes. (Range of \$50,000 to \$100,000);
5. Providing funding support for Environmental Improvement Projects with water quality and soil benefits on sensitive and disturbed parcels (EIP project needs range from \$100,000 to \$200,000); and
6. Administering the Nevada Land Bank (~\$65,000 in FY21).

Finally, the MOU requires NDSL submit an annual report for each fiscal year that includes:

- I. Mitigation Transactions Closed.
- II. Mitigation Transactions in Process.
- III. Lake Tahoe Mitigation Program (Exhibit "A").
- IV. Nevada Land Bank Activities (Exhibit "B").

The FY20 Report is attached for the Committee's review.

Contact Information:

For questions regarding this agenda item, please contact Kimberly Caringer, Environmental Improvement Program Division Manager at (775) 589-5263 or kcaringer@trpa.org.

Attachments:

- A. NDSL Lake Tahoe Mitigation and Land Bank Activities Annual Report July 1, 2019 through June 30, 2020
- B. Resolution 2020-__ Delegating Authority to Executive Director

Attachment A

NDSL Lake Tahoe Mitigation and Land Bank Activities Annual Report July 1, 2019 through
June 30, 2020



July 10, 2020

Kimberly Caringer
Tahoe Regional Planning Agency
PO Box 5310
Stateline, Nevada 89449

**Re: Lake Tahoe Mitigation and Land Bank Activities Annual Report
July 1, 2019 through June 30, 2020**

Dear Ms. Caringer,

Per the "Memorandum of Understanding between the Tahoe Regional Planning Agency and the Nevada Division of State Lands", the following is a summary of Nevada Division of State Lands ("NDSL") activities for the fiscal year ending June 30, 2020:

- I. Mitigation Transactions Closed.
- II. Mitigation Transactions in Process.
- III. Lake Tahoe Mitigation Program (Exhibit "A").
- IV. Nevada Land Bank Activities (Exhibit "B").

I. Mitigation Transactions Closed:

There were no mitigation transactions closed fiscal year 2020.

II. Mitigation Transactions in Process:

On November 30, 2017, NDSL finalized the purchase of 7.67 acres of land in the amount of \$1,250,000.00 from a private party. This parcel is in the Lower Kingsbury area of South Stateline Nevada and has a total of 22,483 square feet of coverage in classes 1a, 2, 4, 6 and 179 square feet of SEZ Restoration Credit. NDSL is actively working to restore this parcel. Once restored, NDSL will deed restrict and retire most of the coverage. State funding contributed by NDSL toward this acquisition will be used to retain a small amount of restored coverage for sale in the Land Bank.

III. Lake Tahoe Mitigation Program:

A copy of the Land Bank's Mitigation Program, showing completed transactions since the program's inception in 1993 through June 30, 2020 has been attached as Exhibit "A."

IV. Nevada Land Bank Activities:

The Land Bank finalized seven (7) coverage transactions during the 2020 fiscal year, which are attached as Exhibit "B":

Five (5) transactions were in the Incline Village HRA (1) and involved the transfer of 2,773 total square feet of coverage and include:

1. IVGID split transaction of 36 square feet of Class 1a Potential.
2. IVGID split transaction of 662 total square feet of Class 6 Potential.
3. IVGID transaction of 1,342 total square feet of Class 6 Potential.
4. 73 square feet of Class 1b Restored Soft.
5. 660 square feet of Class 1b Potential.

Two (2) transactions in the Cave Rock HRA (3) involved the transfer of 160 total square feet of coverage and include:

1. 94 square feet of Class 1a Restored Soft.
2. 66 square feet of Class 1a Restored Soft.

There are currently three (3) pending transactions for a total of 245 square feet of SEZ Restoration Credit coverage that will be transferred into California from South Stateline HRA (4). These transactions will be reported on next year's fiscal report.

In the event you have any questions regarding this report, please do not hesitate to contact me at (775) 684-2735.

Respectfully,



Sherri Barker
State Land Agent II
Nevada Tahoe Resource Team

Attachments

CC: Charles Donohue, Administrator and Nevada State Land Registrar
Ellery Stahler, Deputy Administrator
Meredith Gosejohan, Tahoe Program Manager

Exhibit A History of the Nevada Land Bank

APN / Address	COUNTY	SELLER	DATE PURCHASED	PURCHASE PRICE	IPES SCORE	LAND CAPABILITY	HZ	HD COV	SOFT COV	POT COV	TOTAL COV	COVERAGE VALUE	DEV RIGHT	D-R VALUE	LAND AREA	APPRAISAL COST	TITLE COST	ESCROW COST
125-561-07	Washoe	LaBier Tahoe 193	4/30/1998	\$175,000.00	539	N/A	1	0	0	488	488	\$5,000.00 \$10.25 psf	1	\$5,000.00	24,400 sf .56 ac	\$560.00	Slr Pd	\$126.00
1318-23-411-002	Douglas	Ince Tahoe 383	1/6/1999	\$55,000.00	751	N/A	4	0	0	2,340	2,340	\$11,750.00 \$5.02 psf	1	\$10,000.00	11,700 sf .269 ac	\$783.44	\$133.25	\$82.25
1418-15-802-002	Douglas	Martin Tahoe 472	3/23/2000	\$245,000.00	742	N/A	3	0	0	7,511	7,511	\$115,000.00 \$15.31 psf	1	\$3,500.00	209,161 sf 4.8 ac	\$1,118.13	\$379.00	\$218.00
126-245-01	Washoe	Wiley Tahoe 244	8/17/2000	\$125,000.00	695	N/A	1	0	0	5,321	5,321	\$100,000.00 \$18.79 psf	1	\$5,000.00	41,060 sf .94 ac	\$1,251.25	\$275.30	\$170.00
0000-07-362-070- 1318-24-702-002	Douglas	** McCall	4/5/2001	\$355,960.00	763	N/A	4	0	0	33,743	33,743	\$355,960.00 \$10.55 psf	0	\$0.00	233,000 sf 5.32 ac	\$0.00	\$50.00	\$222.40
1318-24-311-012	Douglas	Ricci Tahoe 409	4/30/2001	\$135,000.00	N/A	4=996 2=1,361 1a=1,992	4	4,349	0	N/A	4,349	\$75,000.00 \$17.25 psf	1	\$10,000.00	18,872 sf .43 ac	\$800.00	\$180.88	\$174.00
123-055-01 & 123-071-24 123-071-34 123-071-35 123-071-36 123-071-37	Washoe	** Tahoe Mariner	10/2/2001	\$375,207.00	N/A	Class 1a	9	22,071	0	0	22,071	\$375,207.00 \$17.00 psf	0	\$0.00	0.00	\$1,750.00	\$79.00	\$230.40
131-240-02 & 131-100-01 & 131-012-07	Washoe	** Incline Village GID	3/19/2002	\$1,005,000.00	N/A	Class 6 potential	1	0	0	100,000	100,000	\$1,005,000.00 \$10.05 psf	0	\$0.00	Approx 129 ac	0.00	\$182.00	\$452.00
05-150-14	Douglas	** Falcon Capital LLC	5/24/2002	\$204,000.00	N/A	Class 4	3	0	0	17,000	17,000	\$204,000.00 \$12.00 psf	0	\$0.00	8.2ac	0.00	\$25.00	\$75.00
131-240-02 & 131-100-01 & 131-012-07	Washoe	** Incline Village GID	9/9/2003	\$472,600.00	N/A	Class 6	1	0	0	39,200	39,200	\$472,360.00 \$12.05 psf	0	\$0.00	App. 129 ac	\$0.00	\$15.00	\$75.00
048-041-15	Washoe	** Incline Lake Corp	12/30/2005	\$700,000.00	N/A	1a=10,200 6=28,231	1	0	28,231	10,200	38,431	\$700,000.00 1a pot=\$27.00 6 rest=\$15.04	0	\$0.00	0.00	\$0.00	\$0.00	\$0.00
1319-18-202-001	Douglas	** Yocona LLC Kaleta	1/26/2006	\$450,000.00	788	Class 4 Potential	4	0	0	45,000	45,000	\$450,000.00 \$10.00 psf	0	\$0.00	0.00	\$0.00	\$0.00	\$75.00

Exhibit A History of the Nevada Land Bank

APN / Address	COUNTY	SELLER	DATE PURCHASED	PURCHASE PRICE	IPES SCORE	LAND CAPABILITY	HZ	HD COV	SOFT COV	POT COV	TOTAL COV	COVERAGE VALUE	DEV RIGHT	D-R VALUE	LAND AREA	APPRAISAL COST	TITLE COST	ESCROW COST
129-280-20 129-290-01	Washoe	** Incline Village GID	11/29/2010	\$230,000.00	N/A	Class 6 restored	1	0	29,010	0	29,010	\$230,000.00 \$7.92 psf	0	\$0.00	0.00	\$0.00	\$0.00	\$654.00
048-140-03	Washoe	**Incline Lake Corp	6/14/2011	\$800,000.00	N/A	3,994 1b restored 43,151 4 restored 53,402 6 restored 2,396 4 potential 61,670 6 potential	1	0	100,547	64,066	164,613	\$800,000.00	0	\$0.00	5 acres	\$0.00	\$200.00	\$250.00
1318-23-710-002	Douglas	**Warren T. Withers	5/21/2013	\$17,604.00	NA	Class 2 restored (\$12.00 psf)	4	1,467				\$17,604.00	0	\$0.00		\$0.00	\$0.00	\$75.00
1319-07-002-014	Douglas - Cave Rock	**Kent Grusendorf	10/30/2013	\$737,721.75	NA	Class 1a restored soft	3		37,353		37,353	\$737,721.75 or \$19.75 psf	0	\$0.00		\$0.00	\$0.00	\$149.50
1318-26-501-004	Douglas	Pohl/Clancy Tahoe 515	11/30/2017	1,250,000.00	N/A	179 (SEZ), 2184 (1a), 835 (2), 8,679 (4) & 10,606 (6)	4						1			\$ 2,900.00	\$ 1,750.00	\$ 747.50
TOTAL				\$7,333,092.75				27,887	195,141	324,869	546,430	\$4,918,339.75	6	\$33,500.00		\$9,162.82	\$3,269.43	\$3,776.05

** Coverage Only Transactions

EXHIBIT B Nevada Land Bank Activities

Details for the 7 sales transactions in the 2020 fiscal year:

Incline Village – HRA 1 transactions:

1. **SPLIT TRANSACTION** between IVGID and NDSL Land Bank:
NDSL Sending parcel APN: 048-041-15 parcel has since split into 048-140-04 (USFS) and 048-140-03 (IVGID)
IVGID Sending Parcels APNs 125-030-09 and 125-030-06
Total amount transferred: 36 square feet
Receiving parcel APN: 125-030-06 (NV Energy easement on IVGID parcel)
What's being transferred: Class 1a Potential
Close of escrow date: 11/7/2019 Stewart Title, Reno, NV
Transfer price: \$40.00 per square foot
2. **SPLIT TRANSACTION** between IVGID and NDSL Land Bank:
NDSL Sending parcel APN: 048-041-15 parcel has since split into 048-140-04 (USFS) and 048-140-03 (IVGID)
IVGID Sending Parcel APNs 131-240-02, 131-012-07, and 131-100-01
Total amount transferred: 662 square feet
Receiving parcel APN: 130-312-14
What's being transferred: Class 6 Potential
Close of escrow date: 9/27/2019 Stewart Title, Reno, NV
Transfer price: \$25.00 per square foot
3. IVGID **Purchase of their own coverage:**
IVGID Sending Parcel APNs 131-240-02, 131-012-07, and 131-100-01
Total amount transferred: 1,342 square feet
Receiving parcel APN: 127-040-07
What's being transferred: Class 6 Potential
Close of escrow date: 5/28/2020 Stewart Title, Reno, NV
Transfer price: \$0.00 per square foot
4. NDSL Land Bank sale:
NDSL Sending parcel APN: 048-041-15 parcel has since split into 048-140-04 (USFS) and 048-140-03 (IVGID)
Receiving parcel APN: 131-080-16
What's being transferred: Class 1b Restored Soft
Amount transferred: 73 square feet
Close of escrow date: 2/13/2020 Stewart Title, Reno, NV
Transfer price: \$40.00 per square foot

EXHIBIT B Nevada Land Bank Activities

5. NDSL Land Bank sale:
NDSL Sending parcel APN: 048-041-15 parcel has since split into 048-140-04 (USFS) and 048-140-03 (IVGID)
Receiving parcel APN: 130-083-14
What's being transferred: Class 1b Potential
Amount transferred: 660 square feet
Close of escrow date: 1/09/2020 Stewart Title, Reno, NV
Transfer price: \$37.50 per square foot

Cave Rock – HRA 3 NDSL Land Bank transactions:

6. Sending parcel APN: 1319-07-002-014
Receiving parcel APN: 1318-032-120-18
What's being transferred: Class 1a Restored Soft
Amount transferred: 94 square feet
Close of escrow date: 5/4/2020 Stewart Title, Reno, NV
Transfer price: \$50.00 per square foot
7. Sending parcel APN: 1319-07-002-014
Receiving parcel APN: 1418-34-201-008
What's being transferred: Class 1a Restored Soft
Amount transferred: 66 square feet
Close of escrow date: 7/31/2019 Old Republic Title, Las Vegas, NV
Transfer price: \$50.00 per square foot

Attachment B

Resolution 2020-__ Delegating Authority to Executive Director

TAHOE REGIONAL PLANNING AGENCY
TRPA RESOLUTION NO. 2020 –

RESOLUTION DELEGATING TO THE EXECUTIVE DIRECTOR THE AUTHORITY TO
DISTRIBUTE EXCESS GOVERAGE MITIGATION FEE FUNDS UNDER CERTAIN CIRCUMSTANCES

WHEREAS, TRPA has an active program to offset the environmental impact of development through the collection of Excess Coverage Mitigation (ECM) funds, to be used to retire coverage and support the Environmental Improvement Program; and

WHEREAS, The Tahoe Regional Compact prohibits the Agency from owning real estate, except for its own headquarters; and

WHEREAS, TRPA and the Nevada Division of State Lands (NDSL) entered into an MOU (updated 4/22/20) to transfer said funds to NDSL for the purpose of establishing and operating the Nevada Land Bank; and

WHEREAS, Real estate transactions may require a faster response time than permitted by the TRPA Governing Board Calendar;

NOW, THEREFORE, BE IT RESOLVED that the Governing Board of the Tahoe Regional Planning Agency delegates to the Executive Director the authority to distribute Excess Coverage Mitigation funds, in consultation with the Governing Board Chair and Operations Committee Chair when required to complete a specific transaction.

PASSED and ADOPTED by the Governing Board of the Tahoe Regional Planning Agency this 26th day of August, 2020, by the following vote:

Ayes:
Nays:
Absent:

William Yeates, Chair
Tahoe Regional Planning Agency
Governing Board