

**MEMORANDUM
DEPARTMENT OF FACILITY SERVICES
COUNTY OF PLACER**

To: **BOARD OF SUPERVISORS**

Date: **APRIL 3, 2007**

From:  **JAMES DURFEE / MARY DIETRICH** 

Subject: **UPDATE - SITE SELECTION FOR TAHOE GOVERNMENT CENTER**

ACTION REQUESTED / RECOMMENDATION: Staff requests that your Board receive an update on the current status of the Tahoe Government Center Site Solicitation including a description of the properties under consideration; that your Board provide direction to eliminate the Kingswood property from further consideration; and that your Board direct staff to continue its due diligence as described herein with the intent that staff return with a recommendation at the July 24, 2007 Board Meeting in Tahoe.

BACKGROUND: On April 4, 2006, your Board authorized Facility Services to proceed with a Site Solicitation for property in the Tahoe area. The purpose of this solicitation was to identify potential sites for consolidation of the general government functions currently located in a number of facilities in the Tahoe area. A preliminary assessment identified building occupants as the departments comprising the Community Development Resource Agency, the Division of Environmental Health, the County Executive Office (including its Redevelopment, Public Information and Emergency Services Divisions), and the Tahoe Regional Planning Agency (TRPA). Depending on the size of the site acquired, the Center could include additional agencies and departments such as Public Works and the Assessor.

PUBLIC OUTREACH: Throughout this process staff has made a concerted effort to keep the Lake Tahoe community informed. In addition to the public meetings listed below, staff has prepared numerous press releases, provided direct mail communication, as well as individual and group internet communications. Staff anticipates additional community meetings prior to returning to your Board in July.

- Board of Supervisors – April 4, 2006
- NTRAC – April 13, 2006
- Tahoe Manager's Meeting – September 1, 2006
- NTRAC – September 14, 2006
- Kingswood Property Owner's Meeting – February 15, 2007
- Squaw Valley Property Owner's Meeting – March 26, 2007
- Squaw Valley MAC – March 29, 2007
- Board of Supervisors – April 3, 2007
- NTRAC – April or May 2007 (Planned)

CANDIDATE PROPERTIES: In response to the release of the Site Solicitation, the County received 11 property proposals from various land owners. As a result of the initial due diligence performed by the Property Management Division on the properties submitted, the 6 sites listed below were identified as providing the best opportunities for future development of a Government Center at Lake Tahoe (see Exhibit A, Location Map).

The un-prioritized list below provides information and due diligence performed on each of these 6 properties.

1. West River Road Property (8.3 acres), Owner: James Mark Williamson
 - Location: 490 West River Road (Hwy 89), Tahoe City
 - Preliminary Environmental Site Assessment, soil stability evaluation, land capability and coverage verification, evaluation of lease terms of current occupants
2. Trading Post Center (4.56 acres), Owner: Paul Dyer et al and Sierra Crest Company
 - Location: 877 North Lake Blvd (Hwy 28), Tahoe City
 - Communications with owner regarding coverage and developability assertions, review of building floor plans and systems, Phase I Environmental Site Assessment (ESA)
3. Truckee North Tahoe (TNT) Materials (2.18 acres, 3.18 acres with County Right-of-Way), Owner: Marsh Ventures, Inc.
 - Location: 500 National Avenue, Tahoe Vista
 - Phase I ESA; coverage, developability and Brownfield funding research; conceptual architectural drawings to determine if site could accommodate the Center
4. Kings Beach Properties (3.09 acres), Owner: B.B., LLC
 - Location: (Various) 8666 North Lake Blvd., Kings Beach
 - Conceptual architectural drawings to determine if site could accommodate the Center; and the review of Phase I and II ESAs, leases, and title reports as provided by the Chapter 11 Trustee of the previous owner.
5. Kingswood Property (10.26 acres), Owner: Tahoe Truckee Unified School District
 - Location: North National Avenue (off Hwy 267), Kings Beach
 - Land coverage research, chain-control data collection, and meeting with neighboring property owners. Over 1,000 property owners were invited to a public input meeting on February 15, 2007, which resulted in attendance and written comments from over 120 constituents.
6. Squaw Valley East Subdivision, Lot 4 (8.2 acres total, 2.2 acres offered to County), Owner: Poulsen Commercial Properties Limited Partnership
 - Location: Squaw Valley Road, Squaw Valley
 - Market Value Analysis, soil composition and water supply research, and meeting with neighboring property owners. Over 350 property owners, agencies and community groups were invited to a public input meeting on March 26, 2007, which resulted in attendance and written comments from approximately 40 constituents.

DUE DILIGENCE: With each of these properties, Property Management has performed due diligence to further the County's understanding of the opportunities and constraints associated with each proposed site. This work has included investigations by staff as well as contracts for professional services (e.g., market value analysis, environmental assessments, geotechnical review, etc.). Staff has also requested that property owners provide documentation to clarify claims made in their proposals.

Due to the close proximity of the Kingswood property to residentially developed land, the County held a community meeting in February to receive testimony and comments specifically related to this site. At this meeting, staff heard valid and resounding opposition from more than 110 residents to the proposed project location. Their concerns focused

26

primarily on the project's proximity to residences and affiliated impacts (e.g., traffic-safety and congestion, change in neighborhood character and compatibility, elimination of open space abutting residences, environmental impacts, etc.). Community members indicated that the Center should be located in a commercial area (Tahoe City, Tahoe Vista, or Kings Beach), or in Martis Valley. Based on this input, it is recommended that your Board provide direction to staff to eliminate this site from further consideration.

A community meeting was also held in Squaw Valley to review Site 6. Approximately 33 community members attended this meeting. Issues of concern expressed at this meeting included the site's proximity to existing residential development, traffic impacts associated with the ski resort, consistency with the intent of the Squaw Valley General Plan and a lack of compatibility of the Government Center to the area's destination resort economy. However, there was also support for this location.

Through community outreach, staff has consistently heard a number of comments relating to the ultimate selection of a site. In particular, community members have identified properties or have asked staff to pursue sites in different communities that were not submitted via the Site Solicitation process. In response, staff is investigating sites in Martis Valley, including a County owned parcel, and other sites within the Basin property including property owned by the North Lake Tahoe Public Utility District. Staff believes that consideration should be given to the suggestions made by the community as part of the Site Solicitation process. These include:

- Strongly consider sites for the Government Center that are inside the Tahoe Basin. This would permit a co-location with TRPA to facilitate land-use process improvements
- Pursue a site(s) that could be TRPA Demonstration projects
- Examine other properties including sites in the Martis Valley, Dollar Hill and Tahoe Vista before making a site determination
- Consider sites that facilitate the redevelopment of blighted areas and which would serve as a catalyst to economic revitalization

NEXT STEPS: Through this process, staff has experienced difficulties in identifying a preferred site that clearly meets the County's desired attributes. Not only does each site provide its own opportunities and challenges, development in the Tahoe Basin is highly complex given the regulatory climate. Consequently, additional work is necessary in order to make a recommendation on this project. Based on staff's work to date, due diligence and public comment, the following next steps are recommended in preparation for Board's July meeting in Tahoe:

- Eliminate the Kingswood site from further review
- Continue due diligence on the four remaining properties listed above
- Research new sites in Martis Valley, Tahoe City and Tahoe Vista (as well as other opportunities presented by the community or others)
- Continue to provide community outreach
- Return to the Board of Supervisors July 24, 2007

JD/MD:MR/LM

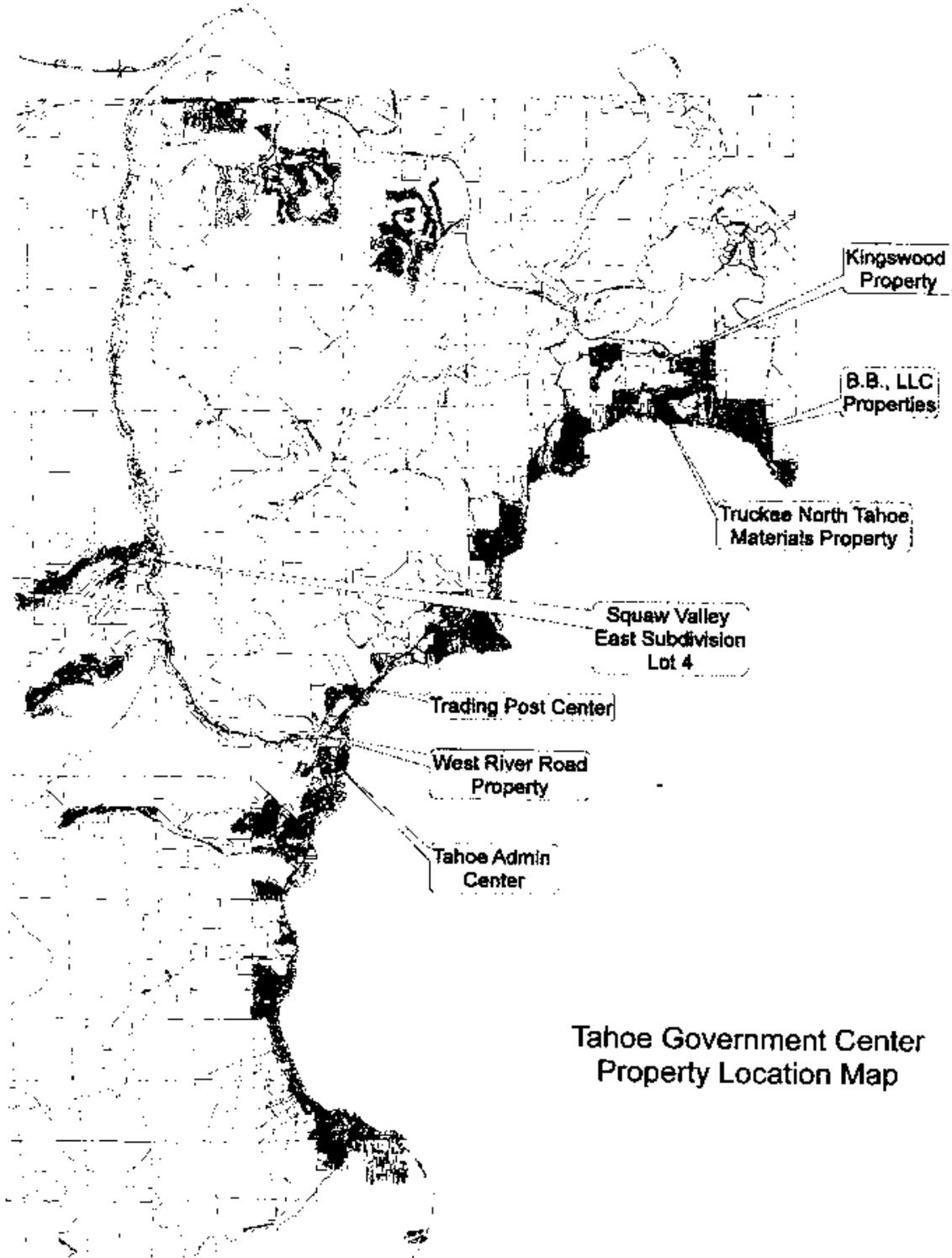
ATTACHMENT: EXHIBIT A: PROPERTY LOCATION MAP
cc: COUNTY EXECUTIVE OFFICE

T:\FBSMEMO2007\4628 TAHOE GOVT SOLICITATION UPDATE.DOC

27

EXHIBIT A

**TAHOE GOVERNMENT CENTER
PROPERTY LOCATION MAP**



**Tahoe Government Center
Property Location Map**

March 25, 2007

RECEIVED

MAR 28 2007

CLERK OF THE BOARD OF SUPERVISORS

AGENDA ITEM
DATE: 4-03-07
REMARKS: Dept. Item

Mr. James Durfee, Director
 Facility Services Department
 County of Placer
 11476 C Avenue
 Auburn, CA 95603

DATE 3-28-07

Board of Supervisors - 6

County Executive Office

County Council

Administrative Assistant

Mike Boyle

Dear Mr. Durfee:

Subject: Tahoe Government Center & Kingswood Site

Being an owner of property in Kingswood since 1973, we recently spent time at our home (1095 Whitehall) at Kingswood, North Lake Tahoe. It was a nice QUIET stay ... especially on Friday, a normal business day.

Upon our arrival, our concerned real estate agent advised us to read the article that appeared on Tuesday, February 27th in the Sierra Sun. Yes, we received your notice dated January 30, 2007, regarding the meeting discussed in this news article. We did not attend that meeting because we thought it would NOT be necessary. It is apparent that Kingswood is a residential area and, therefore, NOT suitable for consideration as a proposed site for the Tahoe Government Center.

It will be totally impossible for us to attend the next meeting on Tuesday, April 3rd where according to the Sierra Sun article the Placer County Supervisors will be presented with "short list of the properties" for the Tahoe Government Center. Therefore, we submit for your consideration that the Kingswood site be DELETED from the short list for the following reasons:

- Locate the Center in Kings Beach, Carnelian Bay, Tahoe City, etc. ... these areas are in NEED of redevelopment. Also, these areas have a higher population density than Kingswood. Why not decrease the number of UNOCCUPIED buildings in these established commercial areas? Why mix a new commercial from the current residential area? Why develop another "new" commercial area?
- Kingswood does NOT have public access/transportation nor traffic controls. Serving only those with transportation is economic discrimination. Should the public's access and safety be ignored?
- Access to the proposed Center for the citizens from Kings Beach or from other lake shore areas will be via the entrances to the subdivision, especially when Hwy 267 has chain controls. Why encourage increased traffic through a quiet, residential area?
- Kingswood's property values would be negatively affected due the increased traffic, lighting and noise created by the Center. Kingswood would then become a less desirable residential area for families and potential/prospective buyers. Why degrade the current owner's property values?

29

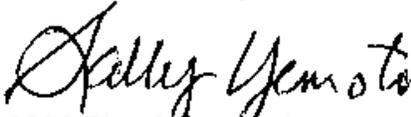
James Durfee – 03/25/07 (Page 2 of 2)

- Decreased Kingswood property values will decrease the County of Placer's tax base. Instead, the County should be protecting and enhancing the current tax base. Why degrade the future tax base?
- If most of the County's new development is in areas such as NorthStar, place the new Center in the newer development. NorthStar, as an example, already has public access year around and traffic controls. Currently, it has commercial and other government services/offices such as fire and the Placer County Sheriff on site within the development.
- Locating within an area still developing would provide the least affect on current property owners. Its future development would/could incorporate a Government Center.

It is rather disappointing that County of Placer is **NOT** protecting the current Kingswood property owners with this proposal. Therefore, we respectfully request that the Kingswood site be deleted from list of proposed sites for the Tahoe Government Center.

Sincerely,

Russell M. & Sally T. Yemoto



2016 West Minarets Ave.
Fresno, CA 93711
559.431.0445 Home/Message
559.281.2006 Cell

cc: ~~Supervisor~~ (District 5) Bruce Krantz, Board Chair
Laurie Morse, Facility Services Dept.