MEMORANDUM

OFFICE OF THE
COUNTY EXECUTIVE
COUNTY OF PLACER

TO: Honorable Board of Supervisors
FROM: Thomas M. Miller, County Executive Officer
Submitted by: Jennifer Merchant, Principal Management Analyst
DATE: October 24, 2011
SUBJECT: Due Diligence Toward Possible Purchase of the Tahoe City Golf Course

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Action Requested:
Approve allocation of up to $20,000 from the Contributions to Other Agencies budget to conduct due diligence toward the possible purchase of the Tahoe City Golf Course.

Background:
The Tahoe City Public Utility District reached agreement late last month to purchase the Tahoe City Golf Course for $5 million. The Tahoe City Golf Course, the largest land holding in Tahoe City, has been part of the community since 1917. Five parcels comprising approximately 45 acres are an integral centerpiece of the community and any future economic development efforts.

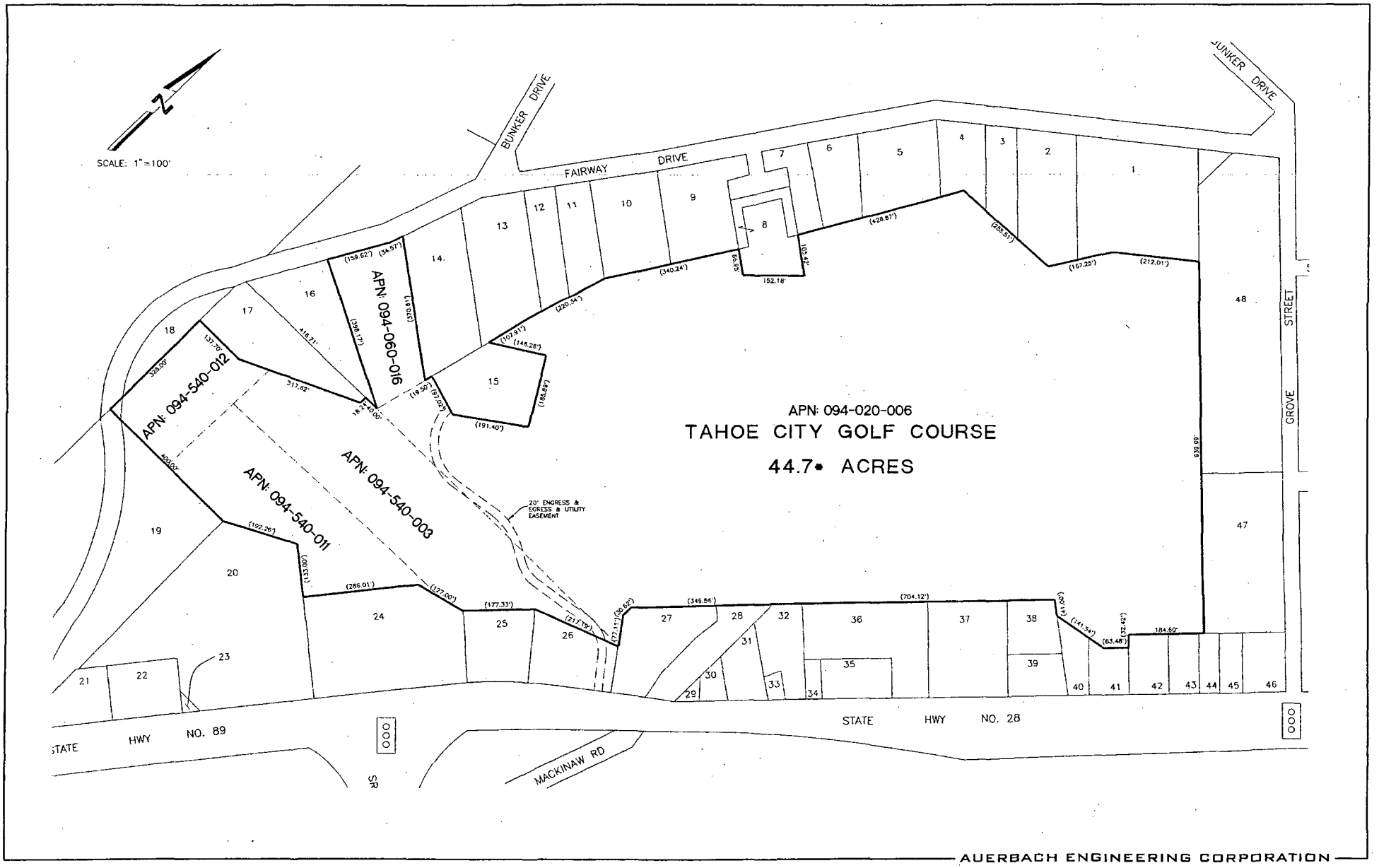
While the TCPUD took the lead on the purchase, they did so with the intention to create a funding partnership or other ownership structure with other local agencies, possibly including Placer County, the Redevelopment Agency, California Tahoe Conservancy and the North Lake Tahoe Resort Association. Some of those local agencies and organizations have requested that Placer County participate in advance studies that could determine development and use potential of the property. Any ownership structure or future use of the property will be determined following initial due diligence studies as well as longer term planning process outcomes.

The property is currently in a 180-day escrow period so that appropriate due diligence could be conducted. Items to be analyzed include initial site mapping, Phase I environmental site assessment, an ALTA survey, property inspections and appraisal, wetlands analysis, water rights analysis, business operations and equipment evaluation and others. To date, the TCPUD, CTC and Resort Association have agreed to fund up to $60,000 for certain due diligence components, but another $20,000 is needed to complete all aspects.

Environmental Analysis: The Board of Supervisors' approval of this funding contribution is categorically exempt from CEQA per Section 15061, which provides a general rule that if an activity does not have the potential to cause a significant environmental effect, it is exempt from CEQA. Any future project resulting from a purchase of the Tahoe City Golf Course property will be evaluated under CEQA by the corresponding lead agency(ies).

Fiscal Impact: There are sufficient funds available within the Contributions to Other Agencies budget to cover the amount of the requested expenditure approval. Pending the outcome of state litigation, which has enjoined the Placer County Redevelopment Agency from incurring new obligations, the County will seek reimbursement from the Redevelopment Agency.

Attachments:
Tahoe City Golf Course Aerial
Tahoe City Golf Course Parcel Map



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