

OPEN SPACE ADVISORY COMMITTEE STAFF REPORT

MEETING DATE: June 27, 2016

AGENDA ITEM NUMBER: 3B

STAFF: Ann Bollinger, Open Space Administrator

REQUEST: **For Possible Action:** To recommend to the Board of Supervisors submittal of a grant application to the Forest Legacy Program for a conservation easement on two properties owned by Schulz Investments LLC, APN 007-051-09 consisting of 80 acres and APN 007-051-70 consisting of the western 55 acres.

GENERAL DISCUSSION:

At the April 27, 2015 meeting, the Committee authorized the staff to enter into discussions and determine the feasibility of a land transaction for the Old Woods Ranch LLC, APNs 007-051-79 and 007-051-12, and adjacent parcels owned by Schulz Investments, APNs 007-051-09 and 007-051-70, all located along the north side of U.S. Highway 50. Since that time, discussions have continued with both land owners and the Committee has approved submitted of a grant application to the Forest Legacy Program (FLP) for the Old Woods Ranch LLC consisting of 130 acres. If approved, the Schulz Investments LLC parcels would be added to the same application.

Schulz Investments LLC owns two parcels: 1) APN 007-051-09 consisting of 80 acres and 2) APN 007-051-70 consisting of 275 acres. In November 2014, the land owner called staff to inquire about interest and possible sale to the Open Space Program. Due to the potential cost and current budget, staff has not proceeded towards a fee title purchase. Throughout the past few months, the family decided that a conservation easement would be a viable option. They are interested in dividing the larger parcel into two parcels in which the western 55 acres would be offered for a conservation easement and the remainder would be sold. Currently, 220 acres are listed for sale on the open market.

The Schulz Investments LLC parcels lie between Carson City Open Space and U.S. Forest Service properties to the north and U. S. Highway 50 to the south. The parcels are identified in the Open Space Plan as a high priority area for hillside protection. The attached "Open Space Evaluation Form" identifies and describes other important values to the Open Space Program such as wildlife habitat, plant communities, scenic quality, visibility, etc.

If approved, the conservation easement on Old Woods Ranch and Schulz Investments would include a total of 265 acres. One of the most important facts to remember is that the dollar value

is difficult to determine until the restrictions and uses have been identified. With that said, below are past acquisitions which may be helpful when developing a cost estimate.

Carson City:

1. Horsecreek Ranch - \$1,100,000 for 175 acres or \$6,274 per acre

Douglas County:

Dominique Etchegoyhen from Legacy Land and Water, LLC, “We have primarily relied on the BLM’s previous acquisition and associated Office of Valuations' appraisal work to help us determine a reasonable value range. The established values that have transacted under BLM SNPLMA Conservation Easement Acquisitions in Carson Valley between 2006-2014 are as follows:”

1. Hussman - \$3,040,000 for 307 acres, or \$9,887 per acre
2. Scossa Home Ranch - \$7,125,000 for 375 acres or \$19,000 per acre
3. Scossa Mottsville - \$1,575,000 for 155 acres, or \$10,161 per acre
4. Ranch No. 1 Centerville - \$495,000 for 86 acres or \$5,731 per acre
5. Ranch No. 1 Home Ranch - \$3,065,000 for 271 acres, or \$11,306 per acre
6. River Fork Ranch - \$4,000,000 for 739 acres, or \$5,412 per acre
7. Stodieck Brothers - \$1,725,000 for 155 acres, or \$11,815 per acre
8. White - \$1,740,000 for 140 acres, or \$12,438 per acre

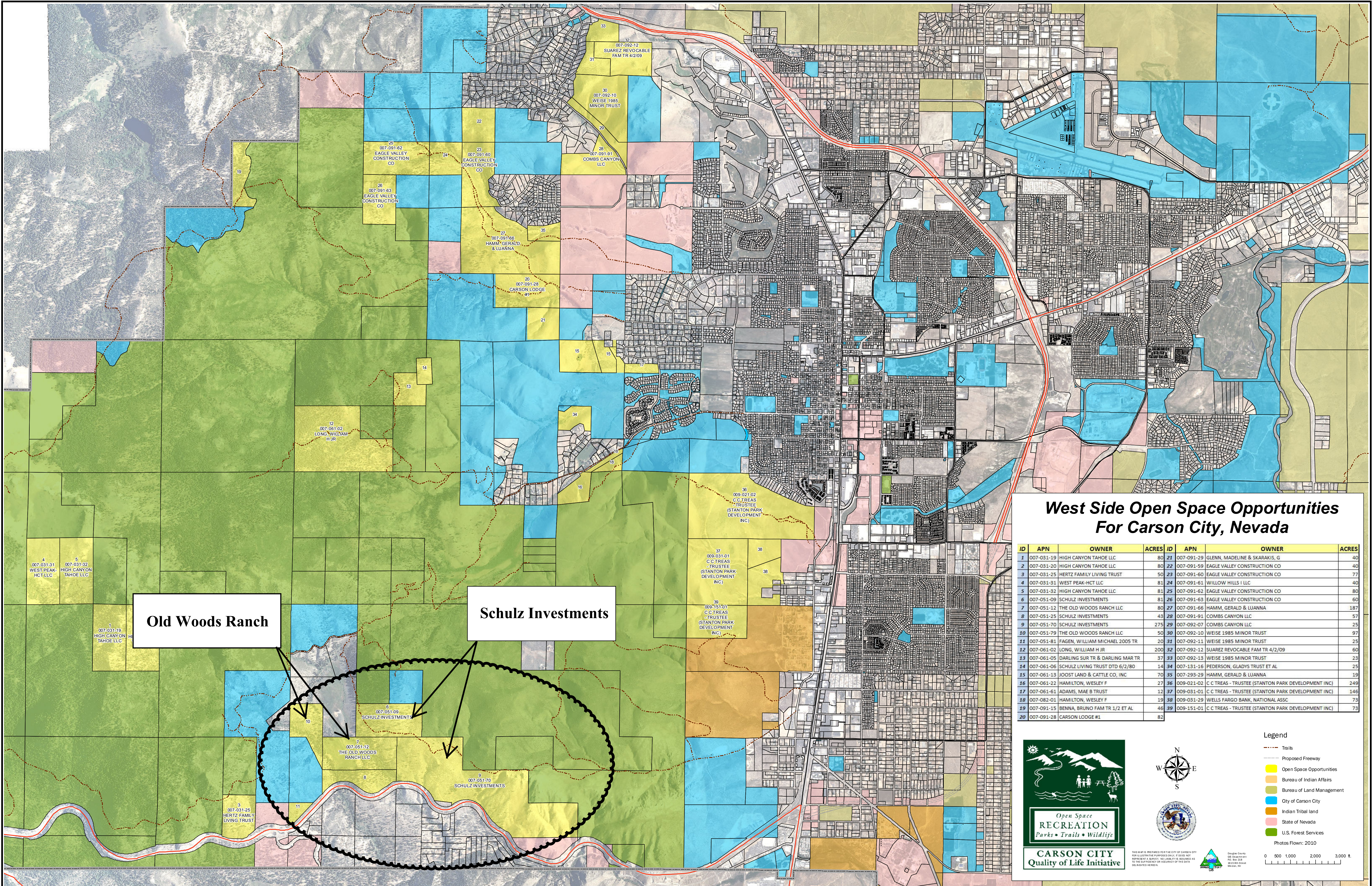
Using the examples above, the following table provides a very general cost estimate.

	Average Cost / Acre	Conservation Easement on the Old Woods Ranch & Schulz Investments	Forest Legacy Program grant (75%)	Carson City Quality of Life – Question 18 contribution (25%)
Carson City	\$6,274	\$1,662,610	\$1,246,957	\$415,652
Douglas County	\$10,719	\$2,840,469	\$2,130,351	\$710,117

The acquisition budget will have \$537,942 remaining from Fiscal Year 2015-2016 and \$104,225 has been budgeted for Fiscal Year 2016-2017, for a total of \$642,167. If the Forest Legacy Program grant is awarded, the 25% matching funds do not need to be provided until 2018 or 2019. In addition to this acquisition, staff is working with Michael Fagen to purchase 20 acres near the Clear Creek interchange.

RECOMMENDED ACTION:

I move to recommend to the Board of Supervisors submittal of a grant application to the Forest Legacy Program for a conservation easement on two properties owned by Schulz Investments LLC, APN 007-051-09 consisting of 80 acres and APN 007-051-70 consisting of the western 55 acres.



Old Woods Ranch

Schulz Investments

West Side Open Space Opportunities For Carson City, Nevada

ID	APN	OWNER	ACRES	ID	APN	OWNER	ACRES
1	007-031-19	HIGH CANYON TAHOE LLC	80	21	007-091-29	GLENN, MADELINE & SKARAKIS, G	40
2	007-031-20	HIGH CANYON TAHOE LLC	80	22	007-091-59	EAGLE VALLEY CONSTRUCTION CO	40
3	007-031-25	HERTZ FAMILY LIVING TRUST	50	23	007-091-60	EAGLE VALLEY CONSTRUCTION CO	77
4	007-031-31	WEST PEAK-HCT LLC	81	24	007-091-61	WILLOW HILLS I LLC	40
5	007-031-32	HIGH CANYON TAHOE LLC	81	25	007-091-62	EAGLE VALLEY CONSTRUCTION CO	80
6	007-051-09	SCHULZ INVESTMENTS	81	26	007-091-63	EAGLE VALLEY CONSTRUCTION CO	60
7	007-051-12	THE OLD WOODS RANCH LLC	80	27	007-091-66	HAMM, GERALD & LUANNA	187
8	007-051-25	SCHULZ INVESTMENTS	43	28	007-091-91	COMBS CANYON LLC	57
9	007-051-70	SCHULZ INVESTMENTS	275	29	007-092-07	COMBS CANYON LLC	25
10	007-051-79	THE OLD WOODS RANCH LLC	50	30	007-092-10	WEISE 1985 MINOR TRUST	97
11	007-051-81	FAGEN, WILLIAM MICHAEL 2005 TR	20	31	007-092-11	WEISE 1985 MINOR TRUST	25
12	007-061-02	LONG, WILLIAM H JR	200	32	007-092-12	SUAREZ REVOCABLE FAM TR 4/2/09	60
13	007-061-05	DARLING SUR TR & DARLING MAR TR	37	33	007-092-13	WEISE 1985 MINOR TRUST	23
14	007-061-06	SCHULZ LIVING TRUST DTD 6/2/80	14	34	007-131-16	PEDERSON, GLADYS TRUST ET AL	25
15	007-061-13	JOOST LAND & CATTLE CO, INC	70	35	007-293-29	HAMM, GERALD & LUANNA	19
16	007-061-22	HAMILTON, WESLEY F	27	36	009-021-02	C C TREAS - TRUSTEE (STANTON PARK DEVELOPMENT INC)	249
17	007-061-61	ADAMS, MAE B TRUST	12	37	009-031-01	C C TREAS - TRUSTEE (STANTON PARK DEVELOPMENT INC)	146
18	007-082-01	HAMILTON, WESLEY F	19	38	009-031-29	WELLS FARGO BANK, NATIONAL ASSC	73
19	007-091-15	BENNA, BRUNO FAM TR 1/2 ET AL	46	39	009-151-01	C C TREAS - TRUSTEE (STANTON PARK DEVELOPMENT INC)	73
20	007-091-28	CARSON LODGE #1	82				

Open Space
RECREATION
Parks • Trails • Wildlife

CARSON CITY
Quality of Life Initiative

Legend

- Trails
- Proposed Freeway
- Open Space Opportunities
- Bureau of Indian Affairs
- Bureau of Land Management
- City of Carson City
- Indian Tribal land
- State of Nevada
- U.S. Forest Services

Photos Flown: 2010

0 500 1000 2000 3000 ft.

Landowner	Schulz Investments LLC
Total Acres	135 acres

Assessor's Parcel Number	007-051-09
Location	SEC 27 15/19 S2 SE4
Acres	80.078
Current Land Use Code	600 - Agricultural Qualified per NRS 361A – Vacant
Zoning	Conservation Reserve
Carson City Master Plan, Land Use Map	Conservation Reserve (Private)
Access	Highway 50 west
FEMA Flood Zones	none

Assessor's Parcel Number	007-051-70
Location	5000 HWY 50 WEST
Acres	55 acres (total parcel is 275 acres)
Current Land Use Code	600 - Agricultural Qualified per NRS 361A – Vacant
Zoning	SF5A
Carson City Master Plan, Land Use Map	Conservation Reserve (Private)
Access	Highway 50 west
FEMA Flood Zones	none

Landowner	Schulz Investments LLC
Total Acres	135 acres

OPEN SPACE EVALUATION FORM

Table A. Physical Characteristics

For each parcel, select the highest value for each physical feature. If none apply, leave blank.

Physical Feature	Defining Authorities	Characteristics (check if present or applicable)	Value
Wildlife Habitats / Corridors	US Fish & Wildlife Service, NV Dept of Wildlife, or documented scientific observation	<input type="checkbox"/> Contains habitat or corridor for threatened or endangered (T&E) species <input checked="" type="checkbox"/> Contains high value habitat for non-T&E species <input type="checkbox"/> Contains migration corridor <input checked="" type="checkbox"/> Observed presence of wildlife or fish	<input type="checkbox"/> Very High <input checked="" type="checkbox"/> High <input type="checkbox"/> Medium <input checked="" type="checkbox"/> Moderate

According to data provided by the Nevada Natural Heritage Program in May 2016, no threatened or endangered species have been identified on the property. However, the parcels have been under private ownership so surveys probably have not been conducted.

Nearly surrounded by public lands (Carson City and U.S. Forest Service) and surrounded by undeveloped properties (one existing conservation easement on Horsecreek Ranch and one proposed conservation easement on the Old Woods Ranch LLC), the subject properties provide unfragmented and high value habitat for non-threatened and endangered species.

Natural Communities	US Army Corps of Eng. or competent specialist, such as the Nevada Natural Heritage Program	<input type="checkbox"/> Has healthy, sustainable riparian area <input checked="" type="checkbox"/> Presence of mature canopy trees, shrubs <input type="checkbox"/> Majority of parcel with healthy native grasses <input type="checkbox"/> Contains jurisdictional (ACOE) wetlands	<input type="checkbox"/> High <input checked="" type="checkbox"/> Medium <input type="checkbox"/> Moderate <input type="checkbox"/> Low
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The plant community is diverse with shrubs (bitterbrush, sagebrush, and manzanita), a mixed-age class of conifers (Jeffery Pine and Ponderosa Pine), and a minor component of grasses (squirreltail and bluegrass) and forbs (arrowleaf balsamroot). Cheatgrass is present but not abundant.

Landform / Scenic Quality	Committee, staff, consultants	<input type="checkbox"/> Open water (lakes, ponds, river, stream) <input checked="" type="checkbox"/> Contains ridge or promontory with long views <input type="checkbox"/> Contains a valley that provides enclosure / privacy	<input type="checkbox"/> High <input checked="" type="checkbox"/> High <input type="checkbox"/> Medium
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The elevations range from 5,700 to 6,330 with views to and from Carson Valley.

Visibility	Committee, staff, consultants	<input checked="" type="checkbox"/> Visible from major roads <input type="checkbox"/> Visible only from local roads <input type="checkbox"/> Visible primarily from adjacent residences	<input checked="" type="checkbox"/> High <input type="checkbox"/> Medium <input type="checkbox"/> Low
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The parcels are adjacent to and visible from Highway 50 west. This area is also the gateway into Carson City from the west.

Landowner	Schulz Investments LLC
Total Acres	135 acres

Size	Staff	<input checked="" type="checkbox"/> Large than 40 acres <input type="checkbox"/> 20 to 40 acres <input type="checkbox"/> 10 to 20 acres	<input checked="" type="checkbox"/> High <input type="checkbox"/> Medium <input type="checkbox"/> Low
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135 acres

Accessibility	Committee, staff, consultants	<input type="checkbox"/> Significant portions can be opened to public <input type="checkbox"/> Limited portions opened to public use	<input type="checkbox"/> High <input type="checkbox"/> Medium
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Unknown at this time. Because the property will remain in private ownership, it is not anticipated that significant portions will be open to the public. Staff will continue discussions with the family to determine whether limited access for trail connectivity will be an option. The Forest Legacy Program gives a higher ranking to projects with public access.

Historic / Cultural	State Historic Preservation Office	<input type="checkbox"/> Known or high potential archaeological resource <input type="checkbox"/> Historic designation (national, state, or local) <input type="checkbox"/> Significant local cultural feature (physical landmark, working farm, unique structure, etc.)	<input type="checkbox"/> High <input type="checkbox"/> Medium <input type="checkbox"/> Moderate
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Unknown at this time.

Water Protection	CC Public Works	<input type="checkbox"/> Within 5 year well protection zone <input type="checkbox"/> Within 10 year well protection zone <input type="checkbox"/> Contains high-infiltration soils within watershed protection area	<input type="checkbox"/> High <input type="checkbox"/> High <input type="checkbox"/> Medium
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The parcels are not located within a well protection zone nor watershed protection area.

Flood Hazard	Federal Emergency Management Agency	<input type="checkbox"/> Within FEMA-designated 100 year floodplain <input type="checkbox"/> Within area of known flooding	<input type="checkbox"/> Low <input type="checkbox"/> Medium
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Not applicable.

Prime Farmland	US Dept of Agriculture	<input type="checkbox"/> Land has statewide agricultural importance (irrigated farmland)	<input type="checkbox"/> High
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Not applicable.

Submitted by: A. Bell

Date: 4/15/14

Landowner	Schulz Investments LLC
Total Acres	135 acres

Table B. Prioritizing Factors

This part of the evaluation assumes that some form of acquisition is necessary to protect the parcel(s) not otherwise protected by existing City, State or Federal regulation (wetlands, floodplain, easements, etc.)

For each parcel check the most appropriate priority factor for each category below.

Category	Definition (check if present)	Priority
Uniqueness of Habitat Type	<input checked="" type="checkbox"/> One of few remaining examples of at least one characteristic in Table A	<input checked="" type="checkbox"/> High
	<input type="checkbox"/> Habitat or physical setting is relatively rare in Carson City	<input type="checkbox"/> Low

With its forested landscape, size, and visibility, this is one of the few remaining privately-owned parcels which exhibit desirable characteristics to the Open Space Program.

Ease of Acquisition	<input type="checkbox"/> Landowner motivated to sell at less cost than market value	<input type="checkbox"/> High
	<input checked="" type="checkbox"/> Can be acquired with terms (options, payment structure, trade, etc.) favorable to the city	<input checked="" type="checkbox"/> Medium
	<input checked="" type="checkbox"/> Cost is not greater than appraised value, terms are not unfavorable	<input checked="" type="checkbox"/> Low

The owners are willing sellers. The proposed purchase of a conservation easement rather than a fee title purchase is a benefit to the City such that the property will remain on the tax role and there is a lower purchase cost. Additionally, the family has exhibited patience with the process for review, approval, grant submittals, etc.

Potential To Share Cost	<input checked="" type="checkbox"/> Likely significant participation of non-city funding partners	<input checked="" type="checkbox"/> High
	<input type="checkbox"/> Likely participation from other funding sources	<input type="checkbox"/> Medium
	<input type="checkbox"/> Likely significant participation from other city departments	<input type="checkbox"/> Low

The current proposal is to submit a grant application to the Forest Legacy Program. If awarded, the grant will pay up to 75% towards the cost of the conservation easement.

Urgency	<input type="checkbox"/> Development is imminent	<input type="checkbox"/> High
	<input type="checkbox"/> For sale (acquisition / development likely)	<input type="checkbox"/> Medium
	<input checked="" type="checkbox"/> Private negotiation, not on open market	<input checked="" type="checkbox"/> Low

Currently, 220 acres of APN 007-051-70 is for sale on the open market. If a conservation easement is not purchased on the western 55 acres, it very likely it will be listed for sale as well.

Is a Significant Part of Open Space Plan	<input checked="" type="checkbox"/> Located within an Open Space priority area	<input checked="" type="checkbox"/> High
	<input checked="" type="checkbox"/> Parcel is designated on current Open Space Master Plan	<input checked="" type="checkbox"/> Medium
	<input checked="" type="checkbox"/> Adjacent to or can be linked to other Open Space parcel(s), trail(s), or park(s)	<input checked="" type="checkbox"/> Medium

All of the above. The parcels are located with the hillside priority area, in the Open Space Master Plan, on the Open Space Opportunities Map, and adjacent to the Hutchinson acquisition and Horsecreek conservation easement.

Landowner

Schulz Investments LLC

Total Acres

135 acres

Citizen Support

Has city-wide citizen support / advocacy

High

Has local citizen support

Medium

No significant opposition

Low

Neither support nor opposition has been received.

Submitted by:

Am Balleyn

Date:

6/15/14