

**OPEN SPACE ADVISORY COMMITTEE
STAFF REPORT**

MEETING DATE: April 16, 2012

AGENDA ITEM NUMBER: 3B

STAFF: Juan F. Guzman, Open Space Manager



REQUEST: For possible action to recommend to the Board of Supervisors the fee title acquisition of a 20.25 acre parcel owned by the Joost Land and Cattle Company located in the vicinity of Ash Canyon, APN 7-101-55.

GENERAL DISCUSSION:

Staff is pleased to inform you that the Joost Land and Cattle Company has agreed to sell to Carson City, through the Open Space Program, approximately 20.25 acres known as Assessor Parcel Number 7-101-55 and located immediately west of the Wellington Crescent Planned Unit Development and immediately north of the present location of the Ash Canyon Trail. The Ash Canyon Trail is an existing two-track native material road that is used to access the Ash Canyon area through the Wellington Crescent subdivision. The purchase price is the same as the value of the land which is \$405,000 based on an appraisal.

This acquisition was originally considered in October of 2008 when the Open Space Advisory Committee recommended to the Board of Supervisors the purchase of this property. However, at the request of the owner the transaction was not placed on the Board of Supervisors agenda. Since that time, the Joost family has engaged in transactions with the Public Works Department. At the present, time the Public Works Department has obtained a 29.75 acre property (APN 7-101-54) immediately to the south of the site proposed to be purchased through the Open Space Program. The cost of that transaction was based on an appraisal at \$20,000 per acre. The Public Works Department has also initiated construction of an access road that will directly connect the water tank site and the Ash Canyon Trail to the paved Ash Canyon Road.

Carson City and the Joost family have been working on a program to facilitate acquisition of lands and water rights that are important to the City. Through sequential steps, the Public Works Department has purchased lands and water rights and traded lands with the Joost family. The next step in this chain of events that has been choreographed by the Joost family and their advisers such as accountants and attorneys is for the Open Space Program to purchase the subject 20 acres located north of the Public Works acquisition and west of the Wellington Crescent Planned Unit Development.

Recently the Board of Supervisors asked staff and the Committee to be very cognizant of our priorities and criteria to purchase land with the remaining acquisitions. The Board has asked that the acquisitions be minimized and more emphasis be placed on managing lands that we have or are about to obtain. In accordance with that mandate, staff wishes to point out that this parcel has been identified as an important acquisition for the Open Space Program. The site is visible from portions of Carson City. It contains strategic importance regarding access, recreation, flood prevention, and forms the edge of

development along the City distinguishing the areas that are devoted for open space vs. the areas devoted for development. It also provides for some limited wildlife such as habitat for deer, rabbits, birds, and small species. The site was burned as part of the 2004 Waterfall Fire. There are no large coniferous trees within the site; however, the site is covered by the regeneration of sagebrush and grasses.

The importance to recreation and public access through non-motorized use should be emphasized. This parcel is a critical link connecting state lands and lands managed by the college containing trails that link to Ash Canyon Road, particularly along the west corner of the site.

As part of the purchase of the 29 acres to the south, the Public Works Department has engaged in the construction of a new access road for motorized use that directly links Ash Canyon Road with the two track trail past the water tanks and further up all the way to the crest of the Carson Range where the Open Space Program manages the Wilson parcels containing 111 acres. This road is very important for recreation, lands management, and access into the east backcountry area of the Lake Tahoe State Park including Hobart Reservoir. Carson City had a prior court settlement with the Ormsby Sportsmen's Association and the Wellington Crescent Homeowners Association to provide for a separate route not utilizing the internal private roads of the Wellington Crescent Subdivision. The acquisitions of the Public Works Department and work on constructing these roads is to be commended, fulfilling the responsibilities of that agreement. In addition, the 20.25 acre portion to be purchased by the Open Space Program will contain some drainage improvements along the east boundary designed to prevent sheet flow from running into the subdivision and erosion negatively affecting drainage systems within the subdivision. These improvements have been included in your staff report through a series of maps prepared by the Public Works Department, entitled "Ash Canyon Access Road."

Parcel Evaluation

Please see the attached Table A.1, Open Space Evaluation Form, and Table B, Prioritizing Factors. The best way of characterizing the parcel from a wildlife habitat perspective is as a migration corridor for deer. The parcel's natural communities consist of native grasses and areas that were reseeded after the 2004 Waterfall Fire. There are no trees within the parcel. As a land form, the parcel is characterized partially as a ridge and contains a higher elevation portion sloping to the east towards the Wellington Crescent Subdivision. The parcel is visible from most local roads and primary adjacent residences. A portion towards the west which is higher in elevation is seen from areas of Highway 395 in the vicinity and north of Hot Springs Road areas mostly north of town. The best indicator as to visibility is that if you can see the two water tanks on Ash Canyon Road, the land immediately to the east is a portion of the parcel in question.

The 20-acre size places the parcel into the medium of the size criteria. The parcel is important for accessibility for both motorized and non-motorized users. It is designated in the Unified Pathways Master Plan for trails. There are no known historic cultural resources within the site. The parcel is important for drainage and well water protection zone. The site has been characterized in the past by contributing to erosion that floods systems in the Wellington Crescent and Ash Canyon areas of town due to the lack of mature vegetation after the fire. The parcel does not contain well defined drainages. The flood hazard is relatively low. The area does not contain any prime farm land.

Table B - Prioritizing Factors

Table B in specific talks about the prioritizing factors. It is noted that the habitat or the physical setting is not particularly unique. Much of the west side foothills are similar in character to this parcel.

Ease of Acquisition

The land owner is willing to sell; however, at market value. The landowner offered terms to Carson City. Those terms resulted in unanticipated expenditures and mandates by the Nevada Revised Statutes, and it will be staff's recommendation that the parcel be purchased in cash. The cost is not greater than the appraised value. There are no potential grants or potential to share the cost for this 20 acres in specific. However, staff would be remiss not to inform the Committee and the Board of Supervisors that Carson City has been working with the Joost family for many years. As of most recently, the Joost family sold to Carson City 29.75 acres that are important for drainage and contain flooding and sedimentation basin facilities as well as what will become the final location for the motorized access route into Ash Canyon. The family has also sold water rights and has worked with Carson City towards the management of areas on Quill Ranch and Ash Canyon Creek. The purchase of these 20.25 acres is one step out of multiple steps that have been planned for the mutual benefit of Carson City and the Joost family.

Urgency - Citizen Support

The Joost family favors a sale to Carson City provided the transaction is completed in 2012. The parcel is located within an open space priority area designated through our master plan and is adjacent to other public lands and can be linked to other open spaces. Staff will define the citizen support as being local. However, if you take into consideration the arrangement with the Ormsby Sportsmen's Association, the organization that litigated the continuation of access into Ash Canyon, and the contribution of this parcel with the overall concept for providing new motorized access into the area away from the Wellington Crescent Subdivision, it can be argued that there is city-wide citizen support for this acquisition.

Economic Considerations

On February 15, 2011, Johnson & Perkins Associates prepared an appraisal of 49.5 acres which hypothetically included the parcel which is the subject of our transaction. The value was estimated at \$20,000 per acre. More recently, by an update dated March 15, 2012, which has been attached to this staff report, Johnson & Perkins and Associates value the proposed acquisition at \$405,000 or approximately \$20,000 per acre. This value is considerably less than the value of the property obtained in 2008 in an appraisal conducted by the same firm. At that time the purchase of a similar parcel was estimated at a value of \$1,200,000 or approximately \$60,000 per acre.

The Assessor's Office notes that the estimated present tax liability on the property amounts to \$1.77.

The present funding available in the Acquisition Account approximates \$491,000. This acquisition will use a great portion of the available balance in that account. Staff considered an offer by Karen Joost that would allow Carson City to purchase the property in monthly installments. Mrs. Joost offered the property at no interest with the principal to be paid over a period of approximately five years. Such a transaction is regulated by the provisions of the Nevada Revised Statutes. With the assistance of the Director of Finance, staff ascertained that the cost necessary to carry out such an arrangement would approximate \$30,000 and, therefore, staff has decided that a cash acquisition is preferable over a purchase with monthly or yearly terms.

RECOMMENDED ACTION:

I move to recommend to the Board of Supervisors the fee title acquisition of a 20.25 acre parcel owned by the Joost Land and Cattle Company located in the vicinity of Ash Canyon, APN 7-101-55.

2008 - 7-101-55 / 20.5 Ac

APPENDIX

Entrance to Ash Canyon trail.
A.1 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, Nev. Div. Of Wildlife, or documented scientific observation	<input type="checkbox"/> Contains habitat or corridor for threatened or endangered (T&E) species <input type="checkbox"/> Contains high value habitat for non-T&E species <input checked="" type="checkbox"/> Contains migration corridor <input checked="" type="checkbox"/> Observed presence of wildlife or fish	Very High High Medium Medium Moderate
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 type="checkbox"/> Presence of mature canopy trees, shrubs <input checked="" type="checkbox"/> Majority of parcel with healthy native grasses <input type="checkbox"/> Contains jurisdictional (ACOE) wetlands	High Medium Moderate Low
Landform/scenic quality	Committee, staff, consultants	<input type="checkbox"/> Open water (lakes, ponds, river, stream) <input checked="" type="checkbox"/> Contains ridge or promontory w/ long views <input type="checkbox"/> Contains a valley that provides enclosure/privacy	High High Medium
Visibility	Committee, staff, consultants	<input checked="" type="checkbox"/> Visible from major roads <input checked="" type="checkbox"/> Visible only from local roads <input type="checkbox"/> Visible primarily from adjacent residences	High Medium Low
Size	Committee	<input type="checkbox"/> Larger than 40 acres <input checked="" type="checkbox"/> 20 to 40 acres <input type="checkbox"/> 10 to 20 acres	High Medium Low
Accessibility	Committee, staff, consultants	<input checked="" type="checkbox"/> Significant portions can be opened to public <input type="checkbox"/> Limited portions opened to public use	High Medium
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.)	High Medium Moderate
Water protection	CC Public Works	<input type="checkbox"/> Within 5 year well protection zone <input checked="" type="checkbox"/> Within 10 year well protection zone <input checked="" type="checkbox"/> Contains high-infiltration soils within watershed protection area	High High Medium
Flood hazard	Federal Emergency Management Agency	<input type="checkbox"/> Is within FEMA-designated 100 year floodplain <input type="checkbox"/> Is within area of known flooding	Low Medium
Prime farmland	U.S. Department of Agriculture	<input type="checkbox"/> Is land of statewide agricultural importance (irrigated farmland)	High

Deer

Waterfall
- Fire in 2004

long ridge

Upper portion was visible

- Important for recreation

none known

-> 2 med"

- no

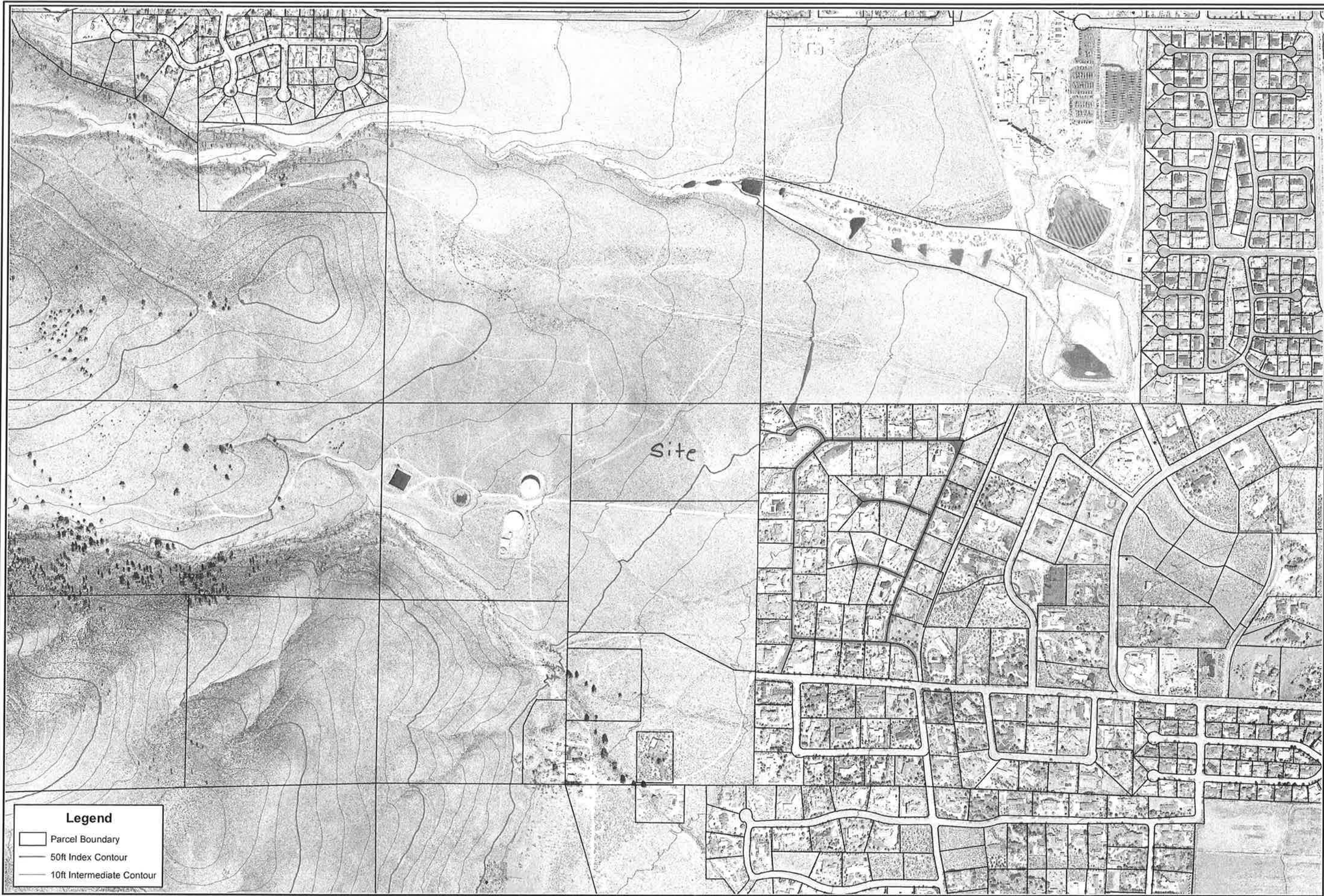
Table B. Prioritizing Factors

This part of the evaluation assumes that some form of acquisition is necessary to protect the parcel(s) that will not be protected by existing City, State or Federal regulation (wetlands, flood plain, 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 type="checkbox"/> One of few remaining examples of at least one characteristic in Table A	High
	<input type="checkbox"/> Habitat or physical setting is relatively rare in Carson City	Low
Ease of acquisition	<input checked="" type="checkbox"/> Landowner motivated to sell at less cost than market value	High
	<input type="checkbox"/> Can be acquired with terms (options, payment structure, trade, etc.) favorable to the City	Medium
	<input checked="" type="checkbox"/> Cost are not greater than appraised value, terms are not unfavorable	Low
Potential to share cost	<input type="checkbox"/> Likely, significant participation of non-City funding partners	High
	<input type="checkbox"/> Likely participation from other funding sources	Medium
	<input type="checkbox"/> Likely significant participation from other City departments	Low
Urgency	<input type="checkbox"/> Development is imminent	High
	<input type="checkbox"/> For sale (acquisition/development likely)	Medium
	<input checked="" type="checkbox"/> Private negotiation, not on open market	Low
Is a significant part of Open Space plan?	<input checked="" type="checkbox"/> Located within an Open Space priority area	High
	<input type="checkbox"/> Parcel is designated on current Open Space master plan	Medium
	<input checked="" type="checkbox"/> Adjacent to, or can be linked to other Open Space parcel, trail or park	Medium
Citizen support	<input type="checkbox"/> Has City-wide citizen support/advocacy	High
	<input checked="" type="checkbox"/> Has local citizen support	Medium
	<input type="checkbox"/> No significant opposition	Low




Part of a purchase w P.U for other lands within the 2003



N
 1 Inch = 600 Feet
 Photos Flown:
 2010

Joost Property
APN: 7-101-55

Legend

-  Parcel Boundary
-  50ft Index Contour
-  10ft Intermediate Contour

Carson City
 GIS Division
 3505 Butti Way
 Carson City, NV 89701
 (775) 887-2355



CARSON CITY, NEVADA
 THIS MAP IS PREPARED FOR THE CITY OF
 CARSON CITY FOR ADMINISTRATIVE
 PURPOSES ONLY. IT DOES NOT REPRESENT
 A WARRANTY, NO LIABILITY IS ASSUMED AS
 TO THE ACCURACY OR RELIABILITY OF
 THE DATA DELIVERED HEREON.

PURCHASE AND SALE AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into this _____ day of _____, 2012, by and between Karen Joost, President of the Joost Land and Cattle Company, Inc., ("SELLER"), and Carson City, a consolidated municipality of the State of Nevada by and through its Board of Supervisors, of 201 North Carson Street, Suite 2, Carson City, Nevada 89701 ("BUYER"). SELLER and BUYER are sometimes hereinafter referred to individually as a "Party" and collectively as the "Parties."

R E C I T A L S

A. SELLER is the fee simple owner of all that land and real property lying and situated in Carson City, Nevada, more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference (herein sometimes referred to as "Property") and SELLER desires to sell and BUYER desires to acquire the Property. It is understood that this purchase agreement includes a 20.25-acre one (1) specific parcel of real property specifically designated as Assessor Parcel Number (APN) 7-101-55 and more specifically set forth in the Preliminary Title Report attached hereto as "Exhibit A" and incorporated herein by this reference. Any water rights appurtenant to this property are included in this transaction.

B. BUYER desires to acquire the Property to preserve open space and for other purposes as set forth in Carson City Municipal Code Chapter 13.06.

C. The property is uniquely located at the Carson Range foothills and contains a primitive gravel road that accesses Lake Tahoe State Park, water storage tanks, and facilities and other properties on Ash Canyon Trail, with riparian areas, viewscapes, timber forest, and other qualities which make it very desirable to preserve as open space.

D. The Property possesses estimated development potential of two to three residential units per acre, based on the master plan. The zoning is for one dwelling unit per acre, which, if permitted, would frustrate BUYER's desire to preserve the open space qualities of the Property.

E. The property contains primitive trails used by hikers, clyclists, and equestrian residents and visitors. These trails connect into other public lands and developed recreation facility such as the V&T Multi-purpose trail developed and maintained by Carson City.

F. The Parties desire and intend by this Agreement to memorialize their agreements by this writing.

NOW THEREFORE, in consideration of the mutual covenants, terms and conditions herein contained, the Parties hereby agree as follows:

1. REPRESENTATIONS AND WARRANTIES: NO PERSON IS AUTHORIZED TO MAKE, AND BY EXECUTION HEREOF BUYER ACKNOWLEDGES THAT NO PERSON HAS MADE, ANY REPRESENTATION, WARRANTY, GUARANTY OR PROMISE EXCEPT AS SET FORTH HEREIN; AND NO AGREEMENT, STATEMENT, REPRESENTATION OR PROMISE MADE BY ANY SUCH PERSON WHICH IS NOT CONTAINED HEREIN SHALL BE VALID OR BINDING ON SELLER. THE ONLY REPRESENTATIONS OR WARRANTIES OUTSTANDING WITH RESPECT TO THE SUBJECT MATTER OF THIS TRANSACTION, EITHER EXPRESS OR IMPLIED BY LAW, ARE SET FORTH HEREIN, AND BUYER EXPRESSLY WAIVES THE RIGHT TO ANY WARRANTY IMPLIED BY LAW. THE PARTIES ACKNOWLEDGE THAT BUYER AND SELLER HAVE MADE THE SUBJECT PROPERTY AVAILABLE FOR THE OTHER'S INDEPENDENT INSPECTION.

2. PURCHASE AND SALE OF PROPERTY: SELLER agrees to convey the Property, together with all rights (including any water rights), title, and interest in accordance with the terms of this Agreement the following which shall comprise the sale contemplated in this Agreement:

a. All of the real property lying and situate in Carson City, Nevada, consisting of 20.25 acres, more or less, and described in "Exhibit A,"

b. Any and all licenses, encroachment permits, ways, easements of whatever type or kind, together with all mineral rights, oil rights, gas rights, geothermal rights, sands and gravels which are appurtenant to or associated in anyway with the Property which are owned by SELLER.

The foregoing listed elements of the Property in this Paragraph 2 are hereinafter collectively referred to as the "Property".