

CARSON CITY OPEN SPACE ADVISORY COMMITTEE

Minutes of the January 26, 2009 Meeting

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A meeting of the Carson City Open Space Advisory Committee was scheduled for 2:00 p.m. on Monday, January 26, 2009 in the Community Center Sierra Room, 851 East William Street, Carson City, Nevada.

PRESENT: Vice Chairperson Dan Jacquet
Tricia Lincoln
Teri Green-Preston
Howard Riedl
Bruce Scott

STAFF: Juan Guzman, Open Space / Property Manager
Kathleen King, Recording Secretary

NOTE: A recording of these proceedings, the committee's agenda materials, and any written comments or documentation provided to the recording secretary during the meeting are public record. These materials are on file in the Clerk-Recorder's Office, and available for review during regular business hours.

CALL TO ORDER AND DETERMINATION OF QUORUM (2:03:09) - Vice Chairperson Jacquet called the meeting to order at 2:03 p.m. A quorum was present. Chairperson Hartman and Member Fischer were absent. Vice Chairperson Jacquet and the committee members welcomed Member Green-Preston, and welcomed back Member Scott.

CITIZEN COMMENTS ON NON-AGENDIZED ITEMS (2:03:50) - None.

1. ACTION ON APPROVAL OF MINUTES - November 5, 2008, December 15, 2008, and January 12, 2009 (2:04:11) - Member Riedl moved to approve the minutes, as presented. Member Scott seconded the motion. Motion carried 4-0-1, Member Green-Preston abstaining.

2. MODIFICATIONS TO THE AGENDA (2:04:04) - None.

3. AGENDA ITEMS:

3-A. ACTION TO MAKE RECOMMENDATIONS TO THE BOARD OF SUPERVISORS REGARDING A REVISED CONSERVATION EASEMENT WITH MR. MICHAEL FAGEN AT HORSE CREEK RANCH, A PROPERTY CONTAINING 201 ACRES AND LOCATED 2.5 MILES WEST OF THE PAVED TERMINUS OF KINGS CANYON ROAD, APN 007-051-78 (2:05:19) - Mr. Guzman introduced this item, oriented the committee members to the location of the subject property using a displayed topographic map, and reviewed the staff report in conjunction with several other displayed maps. He pointed out, on a displayed land division map, the three parcels comprising the 201 acres. He provided background information on a recent revision to extend the easement to portions of parcels 1 and 2. "In the end, just a small polygon, approximately 25 acres in size, remains outside the easement."

Mr. Guzman reviewed that portion of the staff report pertinent to the provisions of the conservation easement. He advised that the conservation easement is consistent with the open space master plan element, the unified pathways master plan element, and the comprehensive master plan philosophy that the City will grow "inwards ... and not grow outside to allow ... heavier development on the outskirts ..." He reviewed additional benefits of the conservation easement, as outlined in the updated Baseline Condition Report prepared by Steve Walker of Walker & Associates, copies of which were distributed to the committee members and staff prior to the start of the meeting. He noted an additional benefit of the

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conservation easement in that the property will remain on the City's tax rolls. Mr. Guzman reviewed that portion of the staff report pertinent to the values of the land and the conservation easement. He advised of a \$1.5 million grant toward the transaction as well as partial refund for the land purchased around the conservation easement.

Vice Chairperson Jacquet thanked Mr. Fagen. In response to a question, Mr. Guzman explained that the appraisal refers to "highest and best use" as the general term to describe the most value. The appraiser concluded that houses in large acreage, according to the zoning designation, would be the highest and best use for the property. Mr. Fagen acknowledged that the appraiser had evaluated the potential of subdividing parcels 1 and 2 into four parcels. He reiterated an earlier statement regarding a condition of development to pave Kings Canyon Road, and stated, "the likelihood of that is pretty remote." In response to a further question, Mr. Fagen pointed out, on a displayed map, a stake in the middle of the meadow where the three parcels meet. He also pointed out three easement boundaries as the road, the flume and another road. He advised that Mr. Walker has expressed an interest in placing markers at two other points. "Everything else, the boundaries are some kind of natural barrier like the road or the flume." In response to a further question, Mr. Fagen advised that the boundaries are described "both in words and also RCI put all the survey points on there."

In response to a question, Mr. Guzman pointed out the possible building sites on a displayed detail map. He advised that Mr. Fagen has discussed the possibility of constructing a lodge by special use permit. He explained the potential to divide 201 acres into ten 20-acre parcels. "Now the potential has been reduced for those ten lots to no more than 1, 2, and 3 lots." Member Green-Preston inquired as to a reference, in the conservation easement, for density requirements. Mr. Guzman explained that five parcels could result in "ideal circumstances, assuming that Mr. Fagen would be able to bring water, power, electricity, paved roads, ..." The purpose of the easement is to conserve the existing values, "so it's not in the interest of the easement or of Mr. Fagen to do that level of improvements." Because the easement is perpetual, a subsequent owner may have different plans. "That is why we talk of the potential of two but, ... that potential cannot be realized unless you go by extensive mapping and improvement processes. In reality, what you have at the time that we're transacting, ... one, one, and one [pointing]. And that's what we're buying." In response to a further question, Mr. Guzman explained that the City purchased all the land around the conservation easement, which he pointed out on a displayed map, with the purpose of avoiding development. If a developer was to purchase one of the parcels, it would be subject to a deed restriction with a designated building site. If a developer was successful in proposing a parcel map to split each one of the 40-acre parcels into two 20-acre parcels, approval would be conditioned upon a water system; either to connect to the City's utility or develop a well / septic system, "as well as fire protection, as well as a network of roads ..." Mr. Guzman suggested that such a scenario would be difficult, at best. He explained one reason for purchasing the lands was a potential increase in economic pressure due to development of a parcel across the highway previously owned by Mr. Serpa. In response to a further question, Mr. Fagen advised that primary access is from Kings Canyon Road, which he pointed out at the northeast corner, and a secondary access at the southeast corner. He clarified that the access is restricted and not for development. He advised of the requirement to pave "one of those two in order to do any denser than three units."

Member Scott advised he would participate in discussion, but would abstain from voting because of a professional relationship with Mr. Fagen through Resource Concepts, Inc. Mr. Fagen acknowledged a willingness to proceed with the transaction subject to this committee's and the Board of Supervisors' approval. He expressed agreement with the land value at \$12,000 per acre. In reference to the Hutchison property, recently purchased by the City at \$10,000 per acre, he described the Horse Creek Ranch property

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as superior “in almost every way.” He advised that the 50 percent valuation of the conservation easement “is as low as any [Mr. Guzman] has ever seen.” In consideration of the current economy and his reservations about whether “this type of transaction will happen five years from now,” Mr. Fagen stated, “it’s wise to go ahead and do it.” Member Riedl expressed appreciation for Mr. Fagen’s patience, perseverance, and integrity throughout the duration of the transaction, and the opinion “it’s a better easement for the time that we took.” Vice Chairperson Jacquet entertained public comment; however, none was forthcoming. He commended Mr. Fagen’s patience and perseverance, and thanked him and Division of State Lands Administrator Jim Lawrence. He expressed the opinion that the property will be “a jewel for Carson City.”

In response to a question, Mr. Guzman advised that the first right of refusal will be included on the parcel maps and could be included in the language of the conservation easement. Member Green-Preston thanked Mr. Fagen for the opportunity. Vice Chairperson Jacquet entertained a motion. **Member Riedl moved to recommend to the Board of Supervisors the revised conservation easement with Mr. Michael Fagen at Horse Creek Ranch, a property containing 201 acres and located 2.5 miles west of the paved terminus of Kings Canyon Road, APN 007-051-78. Member Lincoln seconded the motion, and expressed support for the property remaining on the City’s tax rolls. Vice Chairperson Jacquet called for a vote on the pending motion; motion carried 4-0-1, Member Scott abstaining.** Vice Chairperson Jacquet thanked Mr. Fagen. In response to a question, Mr. Fagen discussed tax benefits associated with the transaction. Member Scott suggested the possibility, depending upon the review appraisal, of restructuring the transaction “with the same out-of-pocket costs but a bigger benefit to [Mr. Fagen.]”

4. NON-ACTION ITEMS:

STATUS REPORTS AND ANNOUNCEMENTS FROM STAFF (2:34:26) - Mr. Guzman advised that Open Space Coordinator Ann Bollinger had informed him the Mexican Ditch Trail bridges are scheduled to arrive next week. He acknowledged the project is still on schedule.

MEMBERS’ ANNOUNCEMENTS AND REQUESTS FOR INFORMATION (2:35:29) - None.

5. FUTURE AGENDA ITEMS (2:35:32) - Member Lincoln advised of having received e-mails regarding the Land Trust Alliance rally. In response to a question, Mr. Guzman anticipates sufficient funding for committee members to attend. Member Lincoln suggested that Member Green-Preston consider attending.

6. ACTION ON ADJOURNMENT (2:36:19) - Member Scott moved to adjourn the meeting at 2:36 p.m. Member Riedl seconded the motion. Motion carried 5-0.

The Minutes of the January 26, 2009 Carson City Open Space Advisory Committee meeting are so approved this 16th day of March, 2009.

STEPHEN D. HARTMAN, Chair