



# STATE PUBLIC WORKS BOARD

Gavin Newsom ■ Governor

915 L Street ■ Ninth Floor ■ Sacramento CA ■ 95814-3706 ■ (916) 445-9694

## STAFF ANALYSIS

### STATE PUBLIC WORKS BOARD

Friday, January 12, 2024, at 10:00 a.m.

Cedar Room, 915 L Street, Sacramento, California

This meeting can also be accessed by the public through the following zoom link or phone number:

<https://us06web.zoom.us/j/81874990396?pwd=by6ssASkys9D2lfHx2aiP2mLXzBHCL.1>

Meeting ID: 818 7499 0396

Passcode: 0#!b66=U

By Phone:

1 669 219 2599

Meeting ID: 818 7499 0396

Passcode: 84966274

<b>I.</b>	Roll Call		
<b>II.</b>	Bond Items	Page	2
<b>III.</b>	Minutes	Page	2
<b>IV.</b>	Consent Items	Page	2
<b>V.</b>	Action Items	Page	7
<b>VI.</b>	Other Business	Page	9
<b>VII.</b>	General Public Comment	Page	9
<b>VIII.</b>	Reportables	Page	10

Members of the Board will attend the meeting at the physical location identified above. The public may observe the meeting and address the Board in person, through the Zoom link, or via the telephone number identified above. If using the Zoom platform, please install the Zoom application and enter the virtual conference room prior to the meeting start time. Members of the public may also submit comments in advance of the meeting. If members of the public wish to submit comments, the Board asks members of the public to provide written comments to [Sally.Lukenbill@dof.ca.gov](mailto:Sally.Lukenbill@dof.ca.gov) prior to the meeting. To the extent possible, all written comments will be distributed to the members of the Board prior to the meeting.

Pursuant to section 11125 of the Government Code, notice of all Board meetings will be given at least ten days in advance and such notice must include a copy of the agenda. Members of the public may address the Board prior to it taking action on any matter in the agenda. This notice and the Board agenda for the current month are available on the State Public Works Board website. [Please click here to view](#). The full Board member briefing package is available upon request. Please send an email to [Sally.Lukenbill@dof.ca.gov](mailto:Sally.Lukenbill@dof.ca.gov). Individuals who need disability-related accommodation, including auxiliary aids for effective participation at this public meeting are invited to make their requests and preferences known to Sally Lukenbill at (916) 445-9694 or e-mail to [Sally.Lukenbill@dof.ca.gov](mailto:Sally.Lukenbill@dof.ca.gov), five days prior to the meeting.

# **BOND ITEMS**

NONE

## **MINUTES**

Consider approving the minutes from the December 8, 2023, meeting.

Staff have reviewed the minutes from the December 8, 2023, meeting and recommend approval.

**Staff Recommendation:**                      **Approve minutes from the December 8, 2023 meeting.**

## **CONSENT ITEMS**

### **CONSENT ITEM—1**

**DEPARTMENT OF PARKS AND RECREATION (3790)  
STATEWIDE: STATE PARKS SYSTEM ACQUISITION PROGRAM  
WEGER RANCH 80-ACRE PROPERTY  
MENDOCINO COUNTY**

*Authority:*     2021 Budget Act, 3790-301-0001 (1)

**Consider Authorizing:**

- 1) **Acquisition of real property.**
- 2) **The Executive Director and Deputy Directors of the Board to execute documents as may be required to complete the acquisition.**

### **STAFF ANALYSIS ITEM—1**

Department of Parks and Recreation  
Statewide: State Parks System Acquisition Program  
Weger Ranch 80-acre Property at Montgomery Woods State Natural Reserve  
Mendocino County

Action Requested

**If approved, the requested action will authorize the acquisition of real property and the execution of such documents required to complete the acquisition.**

Scope Description

**This project is within scope.** This request will authorize acquisition of real property

consisting of approximately 80 acres located in the unincorporated area of Mendocino County (the Property) from Save the Redwoods League in exchange for no cash consideration. The Property will allow for the expansion to Montgomery Woods State Natural Reserve (MGSNR) which borders the Property to the north and east and BLM land to the south. Save the Redwoods League has been acquiring inholding and adjacent properties to present ownership or stewardship of the lands to the Department of Parks and Recreation (Parks).

The acquisition of inholding lands provides for an opportunity for Parks to expand and eliminate private inholdings of the state park which would help eliminate or reduce the potential workload of managing inholdings, which include, but are not limited to, boundary patrols, trespass and encroachment issues, and resource damage associated with private owner's requested access, connections for utilities, and other private development. It will also improve wildlife corridors, providing unimpeded migration and movement potential in the habitat area for endangered or threatened species, as well as important preservation of redwoods and forest lands. The parcel will provide for improved uses of park trails and other facilities and ease of maintenance of the park with contiguous land.

#### Funding and Cost Verification

**This project is within cost.** The Property can be acquired with the funds available and in accordance with legislative intent.

#### CEQA

A Notice of Exemption was filed with the State Clearinghouse on March 10, 2023, and the 35-day statutes of limitation expired on April 14, 2023, without challenge.

#### Condition of Property

The Property is remote with access by foot or ATV. The site offers forestlands which includes redwood trees, wildlife habitat, and watershed stabilization.

Department of General Services' (DGS) Environmental Services Unit (ESU) staff observed the site is compatible with the current use as a State Natural Reserve and DGS recommends no further investigation.

Parks staff visited the Property by hiking trail from adjacent Montgomery Woods State Natural Reserve and observed no activities.

#### Environmental Site Assessment (ESA) Phase I

An Environmental Site Assessment Phase I study was completed by EBA Engineering on October 25, 2022. The report found there is no evidence of recognized environmental conditions (RECs) in connection with the Property. No additional environmental review or investigation appears to be warranted.

#### Other:

- The site meets the requirements of Parks.
- There are no historic issues and no implied dedication associated with this property.
- Parks is not aware of any lawsuits pending on the Property.
- A Williamson Act restriction exists on the property. The terms of the restriction will not impair Parks' intended use of the property and the restriction will expire January 1, 2025.

- There is no relocation assistance required for this project.

Project Schedule

Close of Escrow

January 2024

**Staff Recommendation:**

**Authorize the acquisition of real property and execution by the Executive Director and Deputy Directors of the State Public Works Board of such documents as may be required to complete the acquisition.**

## **CONSENT ITEM—2**

**CALIFORNIA TAHOE CONSERVANCY (3125)**

**UPPER TRUCKEE RIVER RESTORATION—KNOX JOHNSON-MOTEL 6**

**EL DORADO COUNTY**

*Authority:* 2022 Budget Act, 3125-301-6088 (1)  
2022 Budget Act, 3125-301-0140(2)  
2021 Budget Act, 3125-002-0001 , as amended by Chapter 44, Statutes of  
2021 (AB 180)

**Consider Authorizing:**

- 1) Acquisition of real property through the execution of a property acquisition agreement by the Executive Director or a Deputy Director in substantially the form presented to the Board at this meeting with such amendments as the Executive Director or Deputy Director, with the advice of counsel to the Board, may require or approve.**
- 2) Executive Director and Deputy Directors to execute documents as may be required to complete the acquisition.**

## **STAFF ANALYSIS ITEM—2**

California Tahoe Conservancy

Upper Truckee River Restoration Acquisition — Knox Johnson-Motel 6

El Dorado County

Action Requested

**If approved, the requested action would authorize acquisition of real property and the execution of a Property Acquisition Agreement, and other such documents as may be required to approve the acquisition.**

Scope Description

**This project is within scope.** The Upper Truckee River Restoration—Knox Johnson-Motel 6 project only includes site acquisition. This request is part of the California Tahoe Conservancy's (CTC) opportunity acquisitions program. The real property at issue consists of two adjacent parcels of land totaling approximately 31.23 acres

(the Property). The Property has been made available for purchase through a court administered process under which the CTC has negotiated with a court appointed referee. Ultimate approval of the sale of the Property, in whole or in part, is subject to court approval which would occur after this meeting. The CTC seeks to acquire both parcels for a purchase price of \$15,400,000. The action requested would authorize the acquisition of the Property, in whole or in part. In the event the court approves the sale of only a portion of the Property there would be a corresponding reduction in the purchase price.

Both parcels are in or adjacent to the Upper Truckee River, an area ideal for rehabilitation, conservation, and wildlife protection. CTC is currently rehabilitating the delta of the Upper Truckee River as part of the Upper Truckee Marsh project and acquiring the Property would serve as a well-suited complement to these efforts.

- Parcel 1 is a 27.20-acre parcel located at 940 Sunset Drive being a portion of El Dorado County Assessor Parcel Number (APN) 031-290-037, in the City of South Lake Tahoe, El Dorado County. The South Upper Truckee River runs through the property. This site consists of approximately 2.2 acres improved with a two-story three-bedroom, two-bathroom single family residence containing 1,592± square feet of gross living area which was constructed in 1984. The remaining 25.0± acres are an undeveloped meadow area.
- Parcel 2 is 4.03+/- acres located at 2375 South Lake Tahoe Boulevard, listed as APN 031-290-039 (Motel 6 site), in the City of South Lake Tahoe, El Dorado County. The site is improved with a 4,450 square foot vacant single-story restaurant built in 1970 and a 143-unit Motel 6 housed in two, two story, concrete buildings constructed in 1974, along with an outdoor pool, asphalt paving and landscaping.

Authorization for the acquisition of the Property is in support of the mission of the California Tahoe Conservancy (CTC) which includes the protection of the natural environment, provision of public access or public recreational facilities, preservation of wildlife habitat areas, and/or the provision of access to or management of acquired lands.

Funding and Cost Verification

**This project is within cost.** The Budget Act of 2021 and the Budget Act of 2022 authorized \$16 million, including \$2 million in General Fund, \$7.5 million from the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Fund, and \$6.5 million in reimbursement authority.

\$16,000,000	Total authorized project costs
\$15,400,000	Total estimated project costs
\$16,000,000	Project costs previously allocated: \$16,000,000 for acquisition
\$0	Project costs to be allocated

## CEQA

A Notice of Exemption was filed with the State Clearinghouse on November 22, 2021, and the 35-day statute of limitations has expired.

## Project Schedule

The anticipated close of escrow is subject to deposit of all purchase proceeds which shall originate from multiple sources within the state. Therefore, close of escrow shall occur within 45 days of receipt in escrow of all funds and documents required to complete the transaction.

## Condition of Property

On June 1, 2021, the Department of General Services (DGS), Environmental Services Unit (ESU) staff conducted a site visit to assess the general condition of the property.

The Property is approximately 31.25 total acres located at 2375 S. LakeTahoe Boulevard, and 940 Sunset Drive, in South Lake Tahoe. The Property includes a developed area that consists of a 143-unit Motel 6 and a non-operational Carrow's restaurant built in 1974 and paved asphalt, and a separate area containing a house, but is otherwise forested meadow.

No hazardous waste containers or staining were observed around the exterior of Motel 6 or the restaurant. ESU staff did not inspect the forested open space area. However, the property owner indicated that there are known homeless encampment(s) on site. In early September 2023, the City of South Lake Tahoe and other agencies and nonprofits led a comprehensive clean-up of the meadow area on the property to remove trash and to relocate unhoused people to safe, housed locations.

The Motel 6 site is mapped as within a Stream Environment Zone and is mapped as FEMA Flood Zone X Shaded, a 500-year flood zone. The meadow portion of the Property is designated as 2 areas of 2 percent and 1 percent annual chance of flood, and therefore is within a 100-year flood zone.

## **Phase I Environmental Site Assessment Review**

CTC completed a Phase I Site Assessment in November 2021 and updated October 2023. There were no recognized environmental conditions associated with the Property. No further investigation is recommended.

## Other:

- The Property was approved for site selection on September 15, 2021 for 27.15 combined acres, which equated to the Motel 6 parcel at 4.03 acres, and the meadow parcel at 23.15 acres. Due to an adjustment to the meadow parcel, identified as APN 031-290-037, the total combined Property has increased by approximately 4.1 acres.
- The purchase price does not exceed estimated fair market value as determined by a DGS approved appraisal.
- Parcel 2 shows compact dirt pathways crossing the site, indicating a potential implied dedication in favor of the public. The owner has posted no trespassing signs; and CTC plans to provide and direct all public access to the property from a wildlife viewing area along US Highway 50/Lake Tahoe Boulevard to enable future mountain meadow habitat restoration, as prioritized by the Tahoe Regional Planning Agency's Regional Plan and Sensitive Environmental Zone designation.

- Lawful execution of the grant deed is subject to a lawsuit for Partition Action filed in the Superior Court of California, El Dorado County, Case No. 21-CV0173, on November 22, 2021. The action pertains to one of the 50% owners serving the other owner regarding sale of the Property. Execution of the grant deed and the purchase agreement is subject to the court's final authorization.
- The Motel 6 is currently managed by G6 Hospitality and owned by the Blackstone Group Corporation, based in New York, New York. All of the above ground Motel 6 improvements are owned by the Blackstone Group as successor in interest to the Motel 6 Operating L.P., a Delaware Limited Partnership, pursuant to Corporation Grant Deed recorded in 1986. It is the intent of the negotiating parties that the final purchase agreement require, as a condition on close of escrow, that the owners must cause a quitclaim of these rights to be granted in favor of the state.
- The land beneath the Motel 6 improvements is currently subject to a Lease Agreement dated July 10, 1975, extended on May 20, 1999, by and between the Knox Johnson ownership and the Blackstone Group, as successor to the Motel 6 Inc., a Delaware Corporation. As a condition on the close of escrow, the owners must execute a termination of the lease.
- All improvements existing are slated to be demolished post close of escrow by CTC and any asbestos or lead paint present on the property will be properly disposed, according to all state and local laws and regulations. CTC also will do any necessary analysis of historic and cultural resources prior to the demolition.
- The site meets the physical and location requirements of CTC.
- No relocation assistance is required.
- The proposed project location is consistent with the state's planning priorities in accordance with the Statewide Environmental Goals and Policy Report (commencing with Section 65041 of the Government Code).

**Staff Recommendation:**      **Authorize acquisition of real property and execution of a Property Acquisition Agreement and other such documents as may be required to approve the acquisition**

# **ACTION ITEMS**

## **ACTION ITEM—1**

**HIGH SPEED RAIL AUTHORITY (2665)**

**CENTRAL VALLEY SEGMENT**

**VARIOUS COUNTIES**

*Authority:*      *2012 Budget Act, 2665-306-0890 (1), as reappropriated by the 2018 and 2021 Budget Act*  
*2012 Budget Act, 2665-306-6043 (1), as reappropriated by the 2018 Budget Act*  
*2014 Budget Act, 2665-306-3228 (1),*  
*2021 Budget Act, 2665-301-6043 (1),*  
*Section 39719(b) (2) of the Health and Safety Code*  
*Section 39719.1 of the Health and Safety Code*  
*Section 15854 of the Government Code*

**Consider the adoption of Resolutions of Necessity authorizing the use of eminent domain by the High-Speed Rail Authority to acquire the following properties for the High-Speed Train System:**

- 1. Friis-Hansen Property (Fresno County)**  
**Authority Parcel Number: MF-10-0803-1**  
**Assessor Parcel Number: None Assigned**
  
- 2. Santa Monica Mountain Park Company Property (Madera County)**  
**Authority Parcel Number: MF-20-1537-1**  
**Assessor Parcel Number: 047-080-007**

## **STAFF ANALYSIS ITEM—1**

High Speed Rail Authority  
Central Valley Segment  
Various Counties

### Action Requested

**Adopt Resolutions of Necessity authorizing the use of eminent domain by the High-Speed Rail Authority to acquire properties or interests in properties for the High-Speed Train System.**

### Background

Under California Eminent Domain Law, the Board is the governing body of the High-Speed Rail Authority (Authority) for purposes of adopting Resolutions of Necessity that are required for the Authority to initiate eminent domain proceedings. To adopt a Resolution of Necessity the Board must consider that the following conditions have been met:

- (A) The public interest and necessity require the project;
- (B) The project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury;
- (C) The property sought to be acquired is necessary for the project; and,
- (D) The offer required by Government Code section 7267.2 has been made to the owner or owners of record or the offer has not been made because the owner cannot be located with reasonable diligence.

The properties are within the right of way for the Central Valley Segment, extending from Madera to Shafter, and are within the preferred alignment as previously approved by both the High-Speed Rail Authority Board of Directors and the Federal Railroad Administration. Acquisition of these properties will allow the Authority to move forward with construction of the High-Speed Train System (HSTS).

The Authority notified the Board's staff that for Property 1 in November 2023, the respective property owner was provided with a first written offer to purchase the subject property, as required by Government Code section 7267.2. The Authority has informed the Board's staff that negotiations to acquire the property are continuing; however, to keep the project on schedule, the adoption of a Resolution of Necessity to authorize the use of eminent domain is required at this time. For Property 2, a formal offer to purchase the Property was not mailed due to inability to locate the owner of record or confirm the identity or any appropriate heirs, descendants, or devisees.



On December 22, 2023, a Notice of Intent to adopt a Resolution of Necessity was mailed by the Board staff to the owner of Property 1. The Notice of Intent for Property 2 was posted at the property boundary. These notices were sent in accordance with the Code of Civil Procedure section 1245.235.

**Property Specific Information:**

**1. Friis-Hansen Property (Fresno County)**

**Authority Parcel Number: MF-10-0803-1**

**Assessor Parcel Number: None Assigned**

Full Acquisition: Approximately 0.09 acre in fee

The property interest identified by the Authority Parcel Number is the underlying fee needed for construction of the HSR corridor along North Golden State Boulevard near Elgin Avenue.

**2. Santa Monica Mountain Park Company Property (Madera County)**

**Authority Parcel Number: MF-20-1537-1**

**Assessor Parcel Number: 047-080-007**

Full Acquisition: Approximately 0.34 acre in fee

The property interest identified by the Authority Parcel Number is needed for construction of the Avenue 12 grade separation at Santa Fe Drive.

**Staff Recommendation: Adopt Resolutions of Necessity authorizing the use of eminent domain by the Authority to acquire the above-described properties or interests in properties for the HSTS.**

## **OTHER BUSINESS**

**NONE**

## **GENERAL PUBLIC COMMENT**

# REPORTABLES

## REPORTABLE ITEMS

**For the January 12, 2024, Board Meeting  
 Actions Authorized by Staff from November 22, 2023, through December 29, 2023  
 As Authorized by Resolution of the Board dated December 13, 2019**

<b>Department/Org Code</b>	<b>Project Title</b>	<b>Project Authority</b>	<b>Action</b>	<b>Amount/(Percent)</b>
Department of Corrections and Rehabilitation (5225)	Motherlode Regional Juvenile Facility Project Tuolumne County	<i>Sections 1970 - 1978 of the Welfare and Institutions Code (SB 81)</i>	Recognize revised project costs	\$20,035,000, total authorized project costs  Decrease of \$283,000 local costs
Department of Corrections and Rehabilitation (5225)	Santa Barbara County Jail Santa Barbara County	<i>Sections 15820.91 – 15820.917 of the Government Code (AB 900, Phase II)</i>	Recognize revised project costs	\$113,063,000, total authorized project costs  Increase of \$6,647,000 local costs
Department of Parks and Recreation (3790)	Statewide: State Parks System Acquisition Program Wiley Property Humboldt County	<i>2021 Budget Act, 3790-301-0001(1)</i>	Authorize site selection	
Department of Parks and Recreation (3790)	Statewide: State Parks System Acquisition Program Otis Property Del Norte County	<i>2021 Budget Act, 3790-301-0001(1)</i>	Authorize site selection	

Department/Org Code	Project Title	Project Authority	Action	Amount/(Percent)
Department Of Parks and Recreation (3790)	Statewide: State Parks System Acquisition Program Clark Property Humboldt County	2021 Budget Act, 3790-301-0001(1)	Authorize site selection	