



**MEETING DATE:** Oct. 29, 2014  
**TO:** Board of Directors  
**FROM:** Kevin Smith, General Manager  
**SUBJECT:** PC-3 Property Acquisition

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**OBJECTIVE:** Respond to request by the public. Review options and considerations for the acquisition of various parcels in PC-3 (Planned Commercial - 3). No formal action will be taken at this meeting.

**DISCUSSION:** Planned Commercial - 3 (PC-3) is the development project name of the Joerger Property on the south and west side of the Airport on both sides of Highway 267. Please see the attached map. As you will recall, Laurel and Tom Lippert requested the Board consider acquisition of some of these parcels, specifically the area Zoned Business Innovation (BIZ) in Parcel 6. They felt this would enhance safety and prevent development of parcels that may be incompatible with the Airport. Staff is also interested in exploring Parcel 3. Staff feels there may be some value in considering acquisition of this Parcel as the District owns the adjoining property.

Staff discussed acquisition with the owner's representative which is Truckee River Associates. They are willing to sell individual parcels. Staff specifically discussed Parcel 3 and Parcel 6. Parcel 3 is offered at about \$17.50 per sq. foot. Total cost to acquire this parcel at the offered rate is \$3,910,599. Truckee River associates did not have a price yet for Parcel 6 but they indicated that it would be slightly more than Parcel 3. At an estimated \$20.00 per sq. foot, the Parcel would cost \$12,693,384. If the District just purchased the area zoned BIZ the price is estimated at \$10,297,584.

It should be noted that the District had its property abutting Soaring Way appraised last year. Johnson Perkins and Associates appraised the value at \$8.00 per square foot for the property directly to the east of Parcel 3. Certified appraisals are typically the guiding document to set purchase prices for the District. It is staff's understanding that Truckee River Associates nor the Joergers have an appraisal to support their proposed purchase price. It should also be noted that the District appraisal was completed on Oct. 17, 2013, and as such values and comparable may need updating to reflect current market conditions.

#### **PARCEL ZONE AND CLUP LAND USE DESIGNATIONS**

Parcel 3 is zoned Manufacturing and Industrial (M1) which is generally considered compatible with the Airport Comprehensive Land Use Plan. It is in CLUP Zone *B2 – Adjacent to Runway*, with moderate to high noise impact and a risk level of low to moderate.

Parcel 6 is zoned BIZ –Business Innovation and a small area to the south is zoned RM-Multi Family Residential. It is in CLUP Zone *B-1 –Inner Approach Departure Zone* and *D - Extended Approach/Departure Zone*. The B-1 Zone is considered to have high noise impacts and high risk per the CLUP. The RM zoning is in CLUP Zone D which is considered moderate noise impact and low risk.

**FISCAL IMPACT:** The Fiscal impact will vary based on the parcels acquired and price negotiations. Generally and based on the values presented by the property owner, Parcel 3 is approximately \$4,000,000 while Parcel 6 is estimated at between \$10,000,000 and \$12,000,000. The Parcel 6 acquisition costs are well beyond what the District can expend with its existing reserves. The District currently has \$2,750,000 set aside in Unrestricted Net Assets for Open Space Acquisition. An acquisition of this size would require a Revenue Bond or some other financing mechanism.

**ATTACHMENTS:**

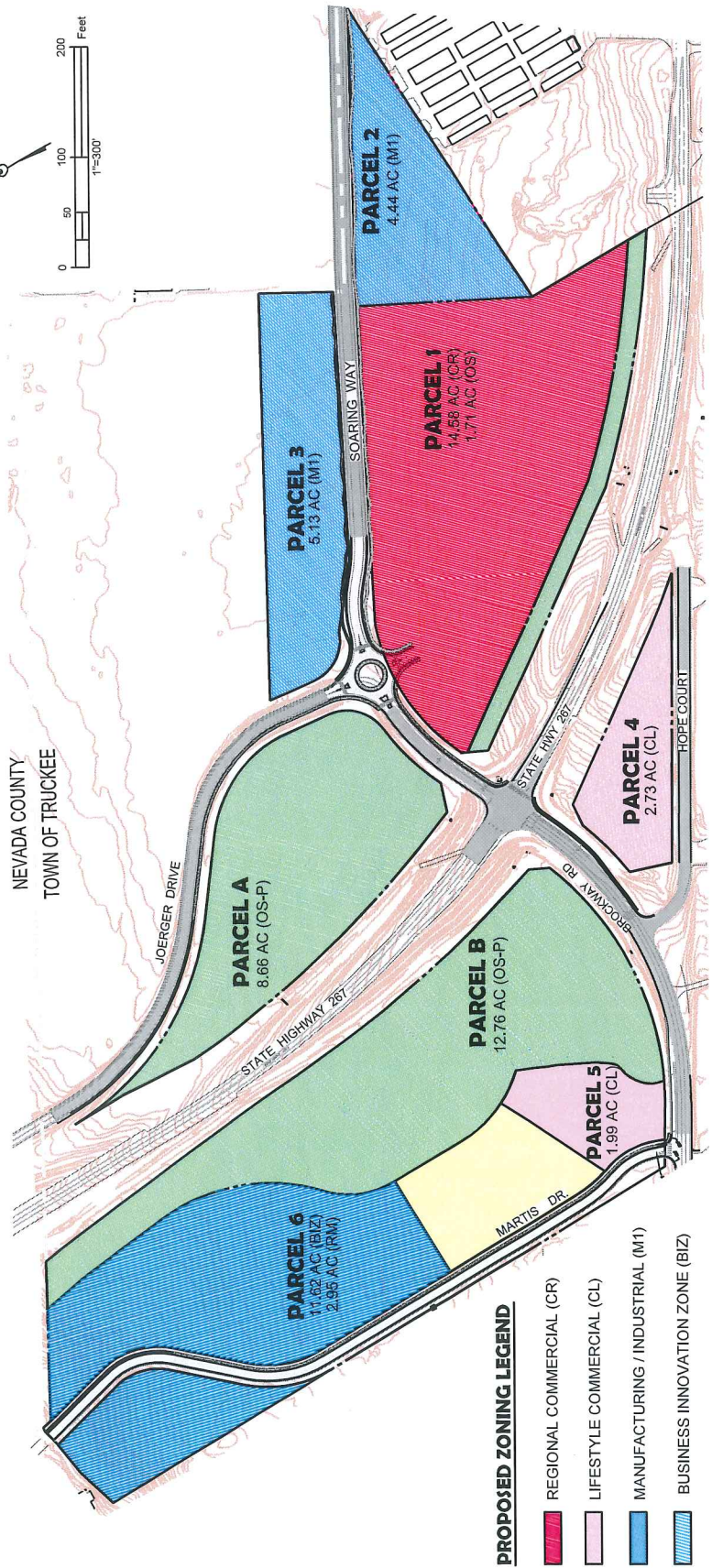
Tentative Map and Zoning Exhibit

Letter form Truckee River Associates

CLUP Map

# TENTATIVE MAP AND ZONING EXHIBIT

PROPOSED ZONING STATISTICS		
JOERGER RANCH - PC-3 ZONING DESIGNATION	ACREAGE	DENSITY
REGIONAL COMMERCIAL (CR)	14.58 AC.	14.58 AC.
LIFESTYLE COMMERCIAL (CL)	4.72 AC.	4.72 AC.
MANUFACTURING / INDUSTRIAL (M1)	9.57 AC.	9.57 AC.
BUSINESS INNOVATION ZONE (BIZ)	11.62 AC.	11.62 AC.
MULTI-FAMILY RESIDENTIAL (RM)	2.89 AC.	2.89 AC.
OPEN SPACE (OS)	23.13 AC.	23.13 AC.
TOTAL:	66.57 AC.	66.57 AC.



- PROPOSED ZONING LEGEND**
- REGIONAL COMMERCIAL (CR)
  - LIFESTYLE COMMERCIAL (CL)
  - MANUFACTURING / INDUSTRIAL (M1)
  - BUSINESS INNOVATION ZONE (BIZ)
  - MULTI-FAMILY RESIDENTIAL (RM)
  - OPEN SPACE PROTECTED (OS-P)

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OF  
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GRAPH WALKER  
FAB 520-572-0280  
303-572-5441  
303-572-0280  
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SSG  
PLANNING  
ENGINEERING  
COUNTY OF NEVADA

PC-3/JOERGER RANCH  
TENTATIVE MAP AND ZONING EXHIBIT  
CALIFORNIA

NO. REVISIONS	DATE	DESIGNED: REV	DRAWN: MCL	PROJ. NO. 200905	DWG. SET DAY STAMP	DATE: JULY, 2014
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**TRUCKEE  
RIVER  
Associates**

October 7, 2014

Kevin Smith  
Truckee Tahoe Airport District  
10356 Truckee Airport Road  
Truckee, CA 96161

Re: Planned Community 3, Joerger Ranch Parcel 3 Pricing

Dear Kevin:

On behalf of the property owners of Planned Community 3, also known as Joerger Ranch, I have prepared the following pricing assessment of Parcel 3 for your consideration.

Parcel 3 consists of 5.13 acres zoned Manufacturing/ Industrial located north of Soaring Way. The property shall be offered for sale at the asking price of \$17.50 per square foot, equating to \$3,910,599.00. I arrived at this pricing after taking into consideration this parcel's superior attributes, such as its advantageous size and location. First, the property commands a price per square foot premium because there will be few opportunities to purchase a parcel this small in the Joerger Ranch project. In fact, much of PC-3 will be sold in bigger parcel sizes intended for larger scale development. Parcel 3 offers the perfect amount of developable square footage for a small business, meaning a potential owner can easily maximize their use of the space and their return on investment. Second, the lot offers significant street frontage on Soaring Way. All utilities, such as sewer, water, and electric services, run directly in front of the site and are easily accessible. I estimate the added value of having these services already in place is \$6 per square foot at minimum.

We recognize that Parcel 3 is directly in front of and adjacent to existing airport parcels, and that this represents a tremendous opportunity for the Truckee Tahoe Airport District to connect their existing lots. Parcel 3 would be a seamless addition, and since it is incorporated into the Town of Truckee it also creates development advantages for the airport. For these reasons, the property owners and I both look forward to working with the Airport District on a potential sale of Parcel 3 at the above pricing.

Sincerely,

  
Tom Watson

Enclosed: PC-3/Joerger Ranch Tentative Map and Zoning Exhibit

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