

## MEMORANDUM OF UNDERSTANDING

This MEMORANDUM OF UNDERSTANDING, ("MOU") is made and entered into at Tahoe City, Placer County, California, on the \_\_\_\_ day of April, 2021, by and between the TAHOE CITY PUBLIC UTILITY DISTRICT, a body politic, and governmental entity ("TCPUD"), and the TRUCKEE TAHOE AIRPORT DISTRICT, a body politic, and governmental entity ("TTAD"). TCPUD and TTAD may be referred to herein individually as "PARTY" or jointly as "PARTIES" as the context requires.

### RECITALS

- A. WHEREAS, TCPUD is the owner of the real property commonly known as 401 West Lake Boulevard, located in Tahoe City, CA, and more specifically described as: Placer County APNs: 094-200-026, 094-200-027, 094-200-029, 094-200-037, 094-200-050, and 094-200-051 ("PROPERTY").
- B. WHEREAS, TCPUD purchased the PROPERTY in October 2020, on behalf of the community with the intention of using the facility for Parks and Recreation purposes and other public uses.
- C. WHEREAS, TCPUD invests funds to acquire recreation facilities for the benefit of the public.
- D. WHEREAS, TTAD invests funds to provide and maintain public airports and landing places for aerial traffic and to provide community benefits for residents of its service area.
- E. WHEREAS, the development of the PROPERTY as a LANDING SITE (as defined below) serves the public purpose of TCPUD and TTAD.

TCPUD and TTAD have cooperatively considered the merits of TTAD participating in enhancing the PROPERTY for the benefit of the public and believe that there are numerous public benefits from the public ownership and operation of the PROPERTY, including, but not limited to, the ability to:

#### 1. TCPUD:

- Provide for public recreation and open space to help maintain the Lake Tahoe region's high quality of life and promote a sense of community.
- Provide opportunity for a potential site for the development of future park and recreation facilities/amenities.
- Provide the community with additional publicly-held spaces for both visitor and local community use.

#### 2. TTAD:

- Provide a designated open space emergency landing site for firefighting helicopters in the event of a wildfire in the Lake Tahoe Basin.
- Provide opportunities for public meeting space in North Lake Tahoe.

- Provide an opportunity for a venue for outdoor STEM (science, technology, engineering and mathematics) education programming, promoting the mission of TTAD.
- F. Based on the above numerous public benefits and the PARTIES' desire to participate in the funding of improvements to and planning for the future use and operation of the PROPERTY, the PARTIES now desire to enter into this MOU to provide for said funding by the TTAD in the amount of \$500,000.

NOW THEREFORE, the PARTIES agree as follows:

#### Article I. Purpose

- A. The purpose of this MOU is for the PARTIES to agree upon the terms and conditions upon which TTAD will provide funding for improvements, use and operation, and planning for future use and operation of the PROPERTY for the benefit of the shared constituents of TTAD and TCPUD.

#### Article II. Funding of Improvements and Ownership of the PROPERTY

- A. The PARTIES agree that within sixty (60) days of the date that this MOU has been approved and executed by both PARTIES, TTAD shall pay TCPUD \$500,000 for TCPUD to use for improvements to the PROPERTY and for TCPUD's other agreements and obligations set forth herein.
- B. The PARTIES agree that TCPUD is, and shall remain, the sole owner of the PROPERTY and holds title to it in its name.

#### Article III. Use and Operation of the PROPERTY

- A. The PARTIES agree that TCPUD shall own, operate and maintain the PROPERTY and that TCPUD intends to operate and maintain the PROPERTY as a community park and recreation facility, with other potential compatible uses, in substantially the same way the PROPERTY currently exists for at least the next five (5) years.
- B. The PARTIES acknowledge that TCPUD has entered into Land Lease Agreements with two existing local businesses who were current tenants on the Property when TCPUD took ownership. The term of the Land Lease Agreements will expire on October 31, 2025. The PARTIES have independently reviewed the Land Lease Agreements and each PARTY independently concludes that this MOU is not inconsistent with and will not interfere with the Land Lease Agreements.
- C. Within the next five years, TCPUD intends to make required and necessary improvements to the PROPERTY in order to provide for community use of both the existing building and grounds for community parks and recreation, meeting space and special events.
- D. TCPUD agrees to work with TTAD in TTAD's efforts to conduct the necessary review and make all applications for permits and obtain all approvals for the designation of a location on the PROPERTY for an emergency wildfire fire-fighting helicopter landing

site (LANDING SITE). TTAD agrees to fund the costs associated with such permits, review and approvals. The PARTIES will jointly select the LANDING SITE and will take into consideration TTAD's recommended location. Additional planning goals of the PARTIES will be to identify a location for the LANDING SITE that will minimize impact to future development of the PROPERTY, utilize the least amount of land coverage and minimize the number of trees that may need removal to meet landing and departure angle requirements.

- E. The PARTIES agree that the LANDING SITE shall be used for emergency firefighting purposes only and that while it may require minor modifications to the PROPERTY, including the potential for some tree removal, it shall not require the construction of any permanent infrastructure or land coverage features.
- F. In the event that the proposed location selected by the PARTIES for the LANDING SITE cannot meet required aeronautical or FAA certifications or standards, or a regulatory agency denies any required permits or otherwise prevents the designation/use of the LANDING SITE, the PARTIES agree that the primary goal of the TTAD would have been unmet and therefore the PARTIES agree to negotiate to determine the amount of TTAD's financial contribution that shall be promptly reimbursed by TCPUD.
- G. After required improvements are completed to the existing building on the PROPERTY, and the facility is opened to the public, the TCPUD agrees to make meeting space available to the community in accordance with TCPUD policies for use of its other spaces made available for use by the public.
- H. TCPUD agrees to work with TTAD to host, conduct or facilitate STEM education programming or events at the PROPERTY.

#### Article IV. Future Improvements, Changes in Uses, or Sale of All or Portion of the PROPERTY

- A. TCPUD is currently in the process of a Joint Active Recreation Needs Assessment Project (Assessment) with North Tahoe Public Utility District. This Assessment will inventory and study existing active recreation sites within the North Lake Tahoe-Truckee region, as well as identify suitable locations for the development of future active recreation facilities. The long-term future recreational uses and/or development opportunities for the PROPERTY will be a part of this study and therefore, no direct planning for long-term improvements to the PROPERTY will take place until completion of the Assessment (currently estimated for late 2022).
- B. The PARTIES acknowledge and agree that if future planned construction of community recreation amenities by the TCPUD on the PROPERTY make the designated LANDING SITE unusable as an emergency landing site, the TCPUD will work with TTAD to identify another suitable location for a LANDING SITE. If the PARTIES are unable to identify a suitable replacement location, and if the TTAD's other goals for investing in the improvements to the PROPERTY have not been met, the PARTIES agree to negotiate reasonable terms for TTAD to be reimbursed for some portion of its financial contribution towards the improvements to the PROPERTY.
- C. The PARTIES agree that if within ten years (10) years of approval and execution of this MOU, the TCPUD elects to sell the PROPERTY for whatever reason, upon TTAD's request TCPUD shall reimburse TTAD in full for its contribution towards improvements

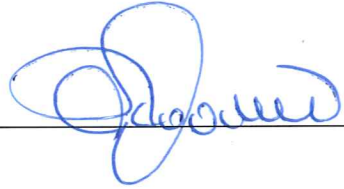
made on the PROPERTY under this MOU.

Article VI. Dispute Resolution

A. In the event of a dispute between the PARTIES arising under or relating to performance of any PARTY's obligations under this MOU, or any aspect of the planning process contemplated in this MOU, the Executive Officer of each involved PARTY to the MOU will meet to discuss a resolution to the dispute. If the dispute is not resolved, either PARTY may request the initiation of mediation for the dispute, by delivering a written request for mediation to the other PARTY. The mediation request must include a brief summary of the issues in dispute. The other PARTY may serve a response to the issues in dispute to clarify those issues. Within 10 calendar days after delivery to the mediation request, the PARTIES will attempt in good faith to agree upon a neutral mediator to preside over a mediation. If unable to facilitate a mutually agreed upon resolution by the PARTIES, the mediator shall provide a written advisory decision to the PARTIES. The governing body of each PARTY shall have 20 calendar days to accept the decision, or provide a written response rejecting the decision. Each PARTY shall bear its own costs for the mediation and share equally with the other PARTY the costs of the mediator and mediation, if any.

TAHOE CITY PUBLIC UTILITY DISTRICT,

3-22-21  
Date

  
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TRUCKEE TAHOE AIRPORT DISTRICT,

\_\_\_\_\_  
Date

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