MINUTES
CHURCHILL COUNTY SENDING SITE REVIEW COMMITTEE
October 30, 2023

Present: Christian Spross, Chairman
Bob Getto, Committee Member
Carla Pomeroy, Committee Member
Ernie Schank, Committee Member
Dean Patterson, Senior Planner
Savannah Dukes, Planning Technician
Diane Moyle, Administrative Assistant
Ramiro Coutinho, Applicant

1. Call to Order.

Chairman Spross called the meeting held in the Planning Department Conference Room of the Churchill County Administrative Complex, 155 North Taylor Street, Fallon, Nevada, to order at 8:31 a.m.

2. Verification of the posting of the Agenda.

Chairman Spross verified that the agenda had been posted in accordance with NRS 241 and Churchill County Code on October 24, 2023, as stated on the agenda.

3. Consideration and possible action re: Review and Adoption of the Agenda as submitted or revised.

Member Schank moved to approve the Agenda as submitted. The motion was seconded by Member Pomeroy, and the Agenda was unanimously approved.

4. Public Comment.

Chairman Spross asked if there were any public comments on anything not on the agenda, and there were none.

5. Consideration and possible action re: Review and Adoption of Minutes of the regular meeting held:

A. June 5, 2023

Committee members had previously been provided with the Minutes of the meeting held on June 5, 2023.

Member Schank moved to approve the Minutes of June 5, 2023 as submitted. The motion was seconded by Member Pomeroy, and the Minutes were unanimously approved.

6. Public Hearing

A. Consideration and possible action re: A sending site application filed by Ramiro Jose Coutinho for properties located at 1579, 1750 and vacant property on Cushman Road, Assessor's Parcel Numbers 006-851-18, 006- 851-85, & 006-851-83, consisting of a total of 168.14 acres with a total of 138.41 irrigated water rights in the A-10 zoning district.

Chairman Spross went through the Transfer of Development Rights (TDRs) calculation worksheet and reported that the total calculations are 222 TDRs. Member Schank asked regarding the “vacant” property listed on the agenda, and Diane Moyle answered that was added by staff because there is no address assigned to that parcel, which was 006-851-83. Member Schank then asked if there were any areas on the properties that are not water-righted where additional water could be applied, and Mr. Coutinho replied that the remaining acreage is roads, ditches, haystacks, and areas around houses. Diane Moyle noted that the application requested an appraisal with and without a potential future homesite and inquired on which parcel the future homesite might be located. Ramiro Coutinho remarked that it would be in the open area on 1750 Cushman Road, APN 006-851-85, near the home that is on a small separate parcel. There was more discussion on the existing residences.

Motion by Member Getto, based on meeting the criteria for a Sending Site, including zoning designation, minimum acreage, water rights, military operations area, and parcels totaling over 100 acres, that the application concerning 1579, 1750 and vacant property on Cushman Road, Assessor’s Parcel Numbers 006-851-18, 006- 851-85, & 006-851-83, consisting of ±168.14 acres, with ±138.41 irrigated water righted acres, be approved as a Sending Site. Member Schank seconded the motion and it passed unanimously.

Member Getto made a motion based upon the calculations for acreage, irrigated water righted acreage, location in the military buffer zone, and parcels totaling more than 100 acres to recommend a total of 222 Transfer of Development Rights (TDRs) be approved for APNs 006-851-18, 006- 851-85, & 006-851-83 at 1579, 1750 and vacant property on Cushman Road. The motion was seconded by Member Pomeroy and was carried unanimously.

Diane Moyle stated that this application will be forwarded to the Planning Commission on November 8, 2023 at their 7:00 p.m. meeting, and then will be sent to the Board of County Commissioners first meeting in December 2023 for a final decision.

7. Discussion Item.

A. Updates and other items of interest.

Member Getto brought up the joint workshop with the Planning Commission that was held the previous week and asked Chairman Spross to share a recap from that meeting. Chairman Spross indicated that there were two major areas of discussion. One of these was regarding the valuation of TDRs (Transfer of Development Rights) due to the county possessing around 12,000 of these and a handful of private individuals holding 277 of them. There was a lot of conversation about how to go about coming up with a value for these. He stated that Joe Sanford, Deputy District Attorney-Civil, made it very clear that the transfer of development rights, although they are instigated by the process of the Conservation Easement, they are not tied to that. They are two separate things. Some thought that we could simply use the appraisal to try to come up with a value of a TDR. There was a lot of discussion about the value being tied to what someone would be willing to pay for them, and right now there is just not a market or demand for these. There was talk about eliminating the TDRs held by all parties, but Mr. Sanford, DDA-Civil, mentioned there are some legal ramifications to doing that. If that is a consideration for the county, a lot more investigation needs to be done into that. There were a few tasks that staff was asked to partake in prior to the next workshop on this matter to be scheduled for March 2024. Staff is to gather all of the information for the TDRs that have been issued to the county and held privately, the value of the conservation easements that have been completed, and this information has been requested to be sent to the members a month prior to that next workshop meeting.

Bob Getto inquired if any other thoughts had come to them since the meeting for handling the TDRs. He wasn't sure what can and can't be done regarding the program. Chairman Spross noted that Mr. Sanford has been on vacation since that meeting, so he hasn't been able to meet with him regarding any legal issues or code regulations. Diane Moyle brought up that there was also a suggestion related to the calculation for TDRs. Chairman Spross agreed that this was another item for staff to look into, and no one at the meeting had been involved with the development of the calculations that are in the code for TDRs. Member Schank noted that he was part of the group that were involved with the development of this program. He would have to go back through his files to see what he may still have about this, and he also mentioned that Mario Peraldo was part of this group. Member Schank agreed to reach out to him to see what he can remember as well. He believes that it was based on the number of appropriate lots, and basically not doing away with any lots, and allowing those to be transferred to the receiving area. He further indicated that he wasn't sure why they added the enhancements for the additional calculations. Chairman Spross reported that this was part of the discussion at the workshop because large lots such as this application today generate a large number of TDRs, which would be enough to build a very large subdivision of around 1,000 homes. Development rights are only going to be used to increase density. Most of the smaller developments that are proposed here would only use a fraction of the TDRs that are calculated for just one sending site. It was brought up at the workshop that we may need to look at the calculations in order to make them match more of what the program intended. Member Schank again stated that he would have to go back to see if he had kept any notes. He said that it was patterned after Douglas County and another city in Washington—Seattle or Spokane maybe. He suggested that the county contact Douglas County to see how they handle the TDRs. Dean Patterson, Senior Planner, remarked that he worked in Douglas County for a while, and he noted that the county is not involved with stockpiling TDRs and transactions related to these is strictly between the developer and the person with the TDRs. Member Schank remarked that there is something in their regulations that require developers to get development rights in order to do certain things. Mr. Patterson agreed that another thing that was talked about at the workshop is that there are no requirements in our code regarding the need for development rights. This is something that needs to be fixed if there is a desire from the county to require the use of development rights. Member Schank stated that he had spoken with Jim Barbee previously about using these when anyone requests a zone change, and Mr. Barbee was concerned that it would be considered an extra tax. Dean Patterson pointed out that people don't want to obstruct development or increase costs here either. Chairman Spross said that there were some other ideas for requiring development rights for building an accessory dwelling unit or second and subsequent permanent residences on large parcels. Something to get the ball moving on creating a market for development rights, so that the county isn't just holding onto all of these for some time later on down the road. The county will continue to amass TDRs because this program will keep moving forward. Some people suggested getting rid of this program and starting from scratch, but that has implications for the private parties as well. Member Schank said that if we don't do something it, technically, becomes a liability on the county. If the desire is to extinguish these, then the county would have to determine a value, use some of the funds set aside in order to buy back those held by private parties, and then just extinguish all of them. Member Getto questioned why he said these are a liability. Member Schank believes that there has to be some value inherent in this because the county is giving people money for these rights, and they are holding them. They are either a liability or an asset, but if they are an asset that has value and is just sitting there with no benefit to the taxpayer, he believes that it becomes a liability.

Member Getto mentioned another thing that was discussed at the workshop about TDRs and Conservation Easements being two different things that aren't really connected. Do we need to change the way everyone thinks about these in order to better understand how they are not connected? Chairman Spross believes that this only came up as a result of the discussion about trying to determine a value, and the only tangible thing anyone could come up with was the appraisal. He gave the example Commissioner Goings shared that two properties could have 100 TDRs calculated for each one, but based upon the appraisal given for the conservation easement, the values are not the same. TDRs are based upon acreages and appraisals are not based on TDRs, so the value given by the appraisal is based upon something totally irrelevant to the TDRs. He thinks that it is important for people to understand that the appraisal for the conservation easement is related to that property specifically, and the TDRs that the county gets is based on the property itself related to area, water rights, proximity to the base or ranges, and things like that. He stated that he doesn't believe that using the appraisal to value TDRs is the right way. Member Getto agreed that it is not. Member Schank confirmed that it has to be driven by two parties and what one is willing to pay the other, but that will never happen unless there is some kind of a system in place that requires TDRs in order to do something that a person wants to do. Chairman Spross agreed and mentioned that another consideration is when someone wants to request the R-3 zoning district it could be a requirement to bring TDRs for the increased density. He thinks that we need to look at how it is written and determine what and how this could be amended should the county want to consider that option. Member Schank thinks this might be the simplest way to start this process, and then maybe expand it later to other things. He thinks that when they developed the first part of the program for sending sites they just didn't continue to the next step for the receiving sites. Chairman Spross confirmed that without the exchange between these two you don't really have a complete program. He remarked that one problem with using these related to accessory dwellings and additional dwellings on properties is the need for the county to kind of determine a value to know how many TDRs to require for each situation.

There was more discussion related to creating the market for the TDRs and how the county should not compete with private individuals, and the privately owned ones should be purchased prior to the county selling those in its possession. We also don't want to make it a requirement that people must sell their TDRs as well. There is also a question regarding the continuation of accumulating TDRs under county or private ownership. The reason that some people ended up with privately owned TDRs was due to agricultural producers believing that the appraised value for the conservation easement came up short to what they thought it should be worth, and the County Manager at that time negotiated with them to make up the difference is what they believed it was worth by allowing them to keep some of the TDRs in hopes that they could get paid the difference by selling the TDRs. Member Schank agreed this was the case in the early years. It was noted that since 2008 this has no longer been offered. Dean Patterson thinks that the TDR program was combined with the Navy program where it shouldn't have been. Normally, a farmer will place a conservation easement in order to obtain a certain number of TDRs that could then be sold to a developer. The Navy program is strictly based upon an appraised value for a conservation easement. Somehow these programs were morphed together, which created this problem. It was suggested that those conservation easements that go through the Navy and County could just extinguish the TDRs on those properties. This committee can make whatever recommendations, but it is ultimately up to the Board of County Commissioners to decide. Chairman Spross requested a time to meet with Member Schank to discuss the development of this program within the next month or so.

8. Public Comment.

Chairman Spross asked if there were any public comments and there were none.

9. Adjournment.

Chairman Spross adjourned the meeting at 9:02 a.m.

Approved: ____________________________
Bob Getto, SSRC Member

Approved: ____________________________
Carla Pomeroy, SSRC Member

Approved: ____________________________
Ernie Schank, SSRC Member

Attested:

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Diane Moyle
Administrative Assistant