



## SPECIAL BULLETIN DECEMBER 2006

### Attention: Friends of Clair Tappaan Lodge from Ernie Malamud, CTL Committee Chair

The Finance Governance Committee (FinCom) of the Sierra Club and the Sierra Club Board of Directors has been grappling with what to do about our Lodge. You know the Lodge has been losing money for many years. Deadlines were put in place and the Clair Tappaan Lodge (CTL) Committee has made significant progress toward breaking even, but has not done so yet.

First, let me apologize for not getting out an issue of the *Goshawk* to keep the larger Clair Tappaan Community informed of the impressive strides that have been made. The increasing threat of selling off parcels in the "Clair Tappaan Lodge Complex" required my attention and distracted us from publishing a Fall/Winter *Goshawk* for which a number of great articles have already been received.

Much of our recent progress is documented in two documents: a Third Quarter 2006 Report to the FinCom sent to them for their October meeting and an Addendum to that report sent to CTL Committee and the Sierra Club Board of Directors for their November meeting.

I have posted them at  
[OliviaDiaz.org/thirdquarter.pdf](http://OliviaDiaz.org/thirdquarter.pdf)  
[OliviaDiaz.org/addendum.pdf](http://OliviaDiaz.org/addendum.pdf)

I invite you to take a look at them. Diligent and creative work by members of the CTL Committee has re-

sulted in impressive strides toward increasing occupancy and the establishment of a vital Environmental Education Program using the Lodge and its surrounding lands.

Because of our great progress, I was able to submit a **BREAK EVEN** budget for 2007. The final budget for Clair Tappaan reflected in the 2007 Sierra Club Budget was only \$3,000 short of breaking even. This is out of a total budget of \$600,000.

#### Chronology

- August 4 Meeting of the FinCom where I made a presentation;
- October 26-28 FinCom meeting where a resolution was passed to recommend selling first the Warming Hut parcel, and then other parcels;
- November 17-18 SC Board meeting for which I sent the Addendum to the Third Quarter Report.

#### Outcome

After hours of discussion, which included considerable interaction with members of the CTL Committee, the Board modified the October FinCom resolution. The text of what was approved is on page 3.

The short version is that the Board has decided to sell the 23¼-acre Warming Hut parcel, half a mile uphill from the Lodge, to generate the remaining needed funds for the Club's Global Warming Initiative. It extended for 2 years the break-even requirement.

A Working Group (see #8 in the Board resolution) will meet on Wednesday December 6 at Sierra Club Headquarters. Olivia and I will represent the CTL Committee at this meeting. The group will define restrictions and/or easements on the Warming Hut parcel prior to

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**Warming Hut**  
Photo credit: Joel Brody

selling it. We know of one offer, by an anonymous donor who is a friend of the Lodge. There is possibly another offer on the table.

I know things are moving fast. This Bulletin is to keep you, a friend of Clair Tappaan, informed.

Regardless of the results of this meeting or the sale

of the Warming Hut parcel, much work remains to make my 2007 budget projection a reality and to keep CTL from being a financial burden to the Club.

You can help by staying overnight at the Lodge and by bringing your family and friends, scout groups, church groups, school groups or by holding a meeting there. If our Lodge visitors stayed one more night than last year, we would more than break even. Come during the slow times in summer, spring or fall. The place is beautiful then, too.

*Ernie*



## Volunteers Sought to help Clair Tappaan Lodge

The CTL Committee currently numbers 32 dedicated and skilled people and is roughly divided into a number of teams: Marketing, Environmental Education, Public Relations, Lodge Improvements, Special Events. We need and welcome help especially in marketing the Lodge to increase occupancy.

Also there is a need for an Activity Coordinator, a Volunteer Coordinator, a Forester, and a Blogger. Contact Ernie 530-470-8303 or malamud@foothill.net if you are interested.

## SAVE THE DATE



Third Annual  
Clair Tappaan Lodge Fundraiser

**August 10-12, 2007**

Web Page: <http://ctl.sierraclub.org>  
Phone: 1-800-800-679-6775

## Activities at Clair Tappaan Lodge

- Join us for the wonderful traditional New Year's Party
- Take a look at the Activities list on the CTL web page — new activities are being added frequently



Photo: Dick Simpson

## Bulletin Distribution

Due to the importance of getting this bulletin out quickly so people know what is going on, there hasn't been time to carefully update the Goshawk mailing list. So we are sending it to a list of about 800, mostly those who contributed to the successful 2004-5 fundraising campaign and also others. Please feel very free to send this to other friends of Clair Tappaan Lodge.

# Sierra Club Board of Directors Resolution regarding Clair Tappaan Lodge and the Warming Hut

*Passed at the BoD November 2006 meeting*

1. In response to continuing annual operating deficits at the Clair Tappaan Lodge that have exceeded \$100,000, in November 2004 the Board unanimously passed a motion to begin the process of selling the Lodge, the parcel upon which the Lodge is located, and adjacent and nearby parcels at Donner Pass unless the CTL volunteers raised \$100,000 by September 2005, and Miramar had in place a detailed and viable plan in effect to operate the Lodge at a breakeven, fully cost-inclusive basis, including recovery of overhead, by September 30, 2005. Miramar submitted a plan that makes significant progress toward this goal, although the Board expressed concerns about the viability of the plan, and the first condition was met due to the hard work of CTL volunteers.

2. In November 2005, the Board unanimously passed a motion requiring that the Lodge make "significant progress" in 2006 toward operating at a breakeven, fully cost inclusive basis, including recovery of overhead, and directing the Finance Committee to recommend to the Board no later than the October 2006 Finance Committee meeting whether to sell or transfer the Lodge and the Donner Pass parcels. The Board also requested that staff evaluate the options for selling or transferring the Lodge and the Donner Pass parcels

3. A commitment was made to the chair of the CTL Committee that the Executive Director would not recommend selling or transferring the Lodge prior to July 2007 if the Lodge was meeting occupancy goals that would result in operating at a breakeven, fully cost inclusive basis.

4. As of October 2006, the Lodge was not operating at or near a breakeven, full cost inclusive basis and was not projected to do so in 2007. Accordingly, in October 2006 the Finance Committee considered whether to sell or transfer the Lodge and the Donner Pass parcels, pursuant to the November 2005 Board motion. Rather than recommend the sale or transfer of the Lodge and the Donner Pass parcels, the Finance Committee recommended to the Board that it sell one or more of the Donner Pass parcels, including the Warming Hut parcel, with restrictions that would allow the Lodge to pursue its educational and recreational programs while precluding inappropriate development, and use some of the revenues from such sales to allow the Lodge to continue operating past 2007 with an operating deficit.

5. The Warming Hut parcel is 23.25 acres upon which is located a warming hut that cannot be utilized without significant capital improvements because it has been closed by the local government. The parcel is approximately 0.5 miles from the Lodge and is not adjacent to the Lodge or any of the other Donner Pass parcels. The primary current use of the Warming Hut parcel by Sierra Club members is to traverse a portion of the parcel for access to trails. The zoning of the Warming Hut parcel allows construction of a maximum of one single-family residence and no subdivision of the parcel. A recent appraisal of the Warming Hut parcel is based on potential use of the property limited only by the zoning designation, not limited by additional easements or restrictions on use.

6. Holding and maintaining undeveloped or minimally developed land, such as the Warming Hut parcel, for its own sake and without use of that land for educational or recreational programs or similar activity does not advance the Sierra Club's mission.

7. In light of the foregoing, the Board authorizes sale of the Warming Hut parcel contingent upon appropriate easements and/or restrictions on future use of the parcel, which will be determined by the Board no later than the February 2007 Board meeting. By this action, the Board is not authorizing the sale of any other Donner Pass parcel, nor is the Board authorizing the sale or transfer of the Lodge.

8. The Board establishes a working group that will gather and consider input from the CTL Committee and other stakeholders and is charged solely with recommending to the Board no later than January 31, 2007 the appropriate easements and/or restrictions on use of the parcel that will (a) continue the Club's limited use of the parcel, (b) preclude inappropriate development on the parcel, and (c) maintain the marketability of the parcel. The working group shall include an attorney with expertise in easements and restrictions on use of real property and representatives from the following Sierra Club entities: CTL Committee, Mother Lode Chapter, Outdoor Activities Governance Committee, Finance Committee, the Board, Outings Program staff, and Finance staff.

9. 25% of revenues from sale of the Warming Hut parcel will be provided to CTL as a grant, and the funds

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SIERRA  
CLUB

Clair Tappaan Lodge

P. O. Box 36, Norden, CA 95724



**Think Snow!!**

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can be used for investment in capital improvements and/or to cover operating deficit. Of those funds, 50% may be used in 2007 and 50% may be used in 2008.

10. The Board expects the Lodge to operate at a breakeven, fully cost inclusive basis, including recovery of overhead. If the Lodge is not operating at a breakeven, fully cost inclusive basis, including recovery of overhead by the end of third quarter 2008, the Board intends to authorize the sale or transfer of the Lodge, the parcel upon which the Lodge is located, and adjacent and nearby parcels at Donner Pass.

11. The CTL Committee is directed to hold a strategic planning retreat in Spring 2007, as proposed by the CTL Committee, and subsequently submit to the Board no later than June 30, 2007 a comprehensive report

and strategic plan for the Lodge and the Donner Pass parcels (excluding the Warming Hut parcel). The comprehensive report shall include a business plan, evaluation of consolidation of the Donner Pass parcels, and evaluation of transfer of the Donner Pass parcels to a separate non-profit organization. In developing the strategic plan, the CTL Committee should select the most cost-effective approach to delivering the Lodge's educational and recreational programs, and document in the strategic plan that it has selected such an approach and considered operating costs, capital costs, and the opportunity costs of the land essential to accommodate the educational and recreational programs.

12. The Finance Committee is directed to review the current formula for allocation of the amount of overhead attributable to the Lodge no later than April 2007.