

Tahoe Living: Housing and Community Revitalization Workgroup

Workgroup Meeting #3
Wednesday, February 10, 2021
1:00 PM to 4:00 PM
Via Zoom

Meeting Notes

IN ATTENDANCE

Working Group Members

Claudia Andersen

Parasol Tahoe Community Foundation

Elizabeth Balmin

Sierra Community House

Casey Beyer

TRPA Governing Board

Sam Booth

Douglas County

Jean Diaz

St. Joseph Community Land Trust

Gavin Feiger

League to Save Lake Tahoe

Brendan Ferry

TRPA Advisory Planning Commission | Chair
El Dorado County Planning | Deputy Director

John Friedrich

TRPA Local Government and Housing Committee
South Lake Tahoe City Council

Cindy Gustafson

TRPA Regional Plan Implementation Committee
Placer County Board of Supervisors

Chase Janvrin

Tahoe Prosperity Center

Meea Kang

Related California

Heather Lunsford

Carrara Nevada / Nevada Realtors

Sue Novasel

TRPA Local Government and Housing Committee
El Dorado County Board of Supervisors

Shawna Purvines

Placer County CDRA | Housing Manager

Candace Stowell

City of South Lake Tahoe

Katie Victor

Vail Resorts

Jessica Wackenhut Lomeli

California Tahoe Conservancy and Strategic Growth
Council

Natalie Yanish

Contractors' Association of Tahoe Truckee

Eric Young

TRPA Advisory Planning Commission
Washoe County

Tara Zuardo

Mountain Housing Council

Working Group Alternates and Ad Hoc

John Falk

Tahoe Sierra Board of Realtors | Legislative Advocate

John Hitchcock

City of South Lake Tahoe | Planning Manager

Bill Roby

El Dorado Community Foundation | Executive Director

Other Attendees

Debbie Bernard

Resident

Rebecca Bryson

Tahoe Home Connection

Darin Dinsmore

Patrick Flynn

Sharon Kerrigan

South Tahoe Association of Realtors | EVP

Catherine Kittle

Property Owner

Andrew Krech

Resident

Lisa Marechal

Resident, Incline Village

Emily Setzer

Placer County CDRA | Senior Management Analyst

Jill Teakell

Steve Teshara

Tahoe Chamber | CEO

Zach Thomas

City of South Lake Tahoe | Housing Manager

Allyson Willoughby

Ronald Yank

Tahoe Meadows Association

Nicole Zaborsky

STAR and Tahoe Coalition for the Homeless

South Tahoe Association of Realtors, Tahoe Coalition for the Homeless

TRPA Staff

Alyssa Bettinger

Long Range Planner

Karen Fink

Housing Program Manager

John Hester

Chief Operating Officer

Joanne Marchetta

Executive Director

John Marshall

General Counsel

MEETING SUMMARY

I. PLACER COUNTY WORKFORCE HOUSING PRESERVATION PROGRAM OVERVIEW

- A program to preserve existing and new housing for local workforce. Help new homebuyers and incentivize new residential construction by paying them in exchange for deed restricting the unit for local workforce occupancy.
- Creates a secondary market of designated workforce housing

In Eastern Placer/Tahoe:

- Total household income cap of 245% (single family) or 220% (multifamily) area median income, per TRPA Achievable Income limits
- Deed restriction would run for 55 years and auto-renew with each sale/transaction
- Residence in East Placer
- At least one occupant must work at least 30+ hours/week within TTUSD boundary
- Participants must work 30+hours/week for at least seven years before retiring

- More information in the February 16, 2021 staff report:
<https://www.placer.ca.gov/DocumentCenter/View/50107/03A>.

II. NOVEMBER TAHOE LIVING OUTCOMES

TRPA’s Local Government and Housing Committee recommended approval and TRPA’s Governing Board approved the set of prioritized housing actions confirmed by the working group. The set of actions and general timeframe is:

Land Use Action	Policy Action	Timeframe
ADUs/Small Homes	Density	Near Term
Mixed Use Residential	Permitting	Medium Term
Tourist/Commercial Conversion to Residential	Coverage	Long Term
Land Donations	Fees	

III. BASIC ADU PACKAGE

TRPA staff presented a set of five elements of a “Basic” ADU package, while noting that the next step, after approval of a “Basic” package would be to take more time to build an “Incentive” ADU package. The “Basic” package would build on existing code and policies, will likely not require extensive environmental analysis, and survey results indicated that, at least conceptually, these elements had support from the large majority of the working group; or, where not supported, the working group members supported a more aggressive action that could be included in the “incentive” package. TRPA staff acknowledged that many Working Group members had identified in the survey that the “Basic” package is not enough to get ADUs on the ground in sufficient numbers to impact the workforce housing supply. The bullets below describe the elements and highlight major points from the Working Group discussion:

1. Remove 1-acre limit on ADUs basin-wide. Local ADU regulations that do not conflict with TRPA regulations would apply. Douglas County has a 1-acre limit in its code, and Washoe County is bringing forward a 1-acre limit in its Area Plan amendment, scheduled for approval by TRPA in spring of 2021. These were based on the TRPA 1-acre limit but would remain in place until removed by these counties by a subsequent action. No opposition to this from Working Group members or the public came up during the discussion. The group recommended moving this element forward.
2. ADUs require one Residential Unit of Use (RUU) or one Bonus Unit (or a Potential Unit of Use + allocation). This is the system currently in place for ADUs on parcels of over one acre and would allow the “Basic” package to be consistent with TRPA’s growth management system. A Bonus Unit may be obtained for free from TRPA in exchange for the ADU being deed-restricted to affordable, moderate, or achievable local resident occupancy, and in a location eligible for bonus units. The RUU or PRUU must be purchased on the open market but has no restrictions on usage attached. There was not widespread support for this among

Working Group members and the public, although some did support it. Most comments identified that the RUU is too costly for use to build an ADU. RUUs on the open market have a much higher value for use as a larger home, and it is not worth it for someone to pay that cost for an ADU, which is usually 1-bedroom or less. Regarding the Bonus Unit, several Working Group members and public felt that most people will not want to restrict their ADU to only one use, and that a deed-restriction clouds the title for the whole property, making it harder to sell. The overarching concern is that this element will result in very few ADUs being constructed. TRPA staff noted that changing this existing code requirement will likely require significant environmental analysis and would delay the process, perhaps by as much as two years. Most Working Group members then supported keeping the process moving with this in place for now but wanted to revisit.

3. With Bonus Unit, either the main home or the ADU must be deed-restricted. There was not widespread support for this, mainly because there is not support for requiring a deed-restriction, even in exchange for a Bonus Unit, per the discussion above. However, for purposes of keeping the "Basic" package moving, the group seemed willing to support this for now. Again, some Working Group members and some members of the public were in favor of this element as-is, without additional modifications.
4. No Noticing for ADUs once it is an allowable use in single-family zones. There was widespread support for this, and little discussion. The group recommended moving this element forward.
5. Change the deed-restriction to be workforce-based, not income-based. There was general support for this in concept, but concern that the language as presented could exclude vulnerable populations and some seniors, as well as people that worked part-time jobs. Some suggested allowing the property owner to select either an income-based (affordable or moderate) or workforce-based deed-restriction. Others noted that making the deed-restriction too complicated could result in a compliance and monitoring burden for TRPA. Still others noted that ADUs are affordable by design and do not need a deed-restriction. In general the Working Group recommended that this element needs more work before moving forward.

Other suggestions/comments:

- Amnesty for illegal units to get them up to code
- Junior ADU does not change the footprint
- Experience from Santa Cruz – ADUs not a panacea
- ADUs with a less-complicated deed-restriction can provide housing for populations that have a hard time finding housing – "invisible" populations

Overall Outcome on Basic ADU Package: Move forward removal of 1-acre limit and removal of noticing requirement for ADUs at this time. Move forward that if a Bonus Unit is utilized, it may be on either the main home or the ADU.

IV. Density/Distribution of Development

TRPA staff presented an overview of the issues Working Group members have voiced regarding density. The key issue is that existing allowable densities are too low to provide the building types that typically house Tahoe's local workforce. TRPA is not proposing to change the growth caps through development rights but is beginning the conversation of where and how to better

incentivize and concentrate growth in areas near transit, town centers, and areas zoned for multi-family housing. The purpose of this agenda item was to begin a conversation with the working group on the following topics regarding density:

1. Where should higher density housing be encouraged?
 - i. Areas zoned for multi-family
 - ii. Town Centers
 - iii. Within ½ mile of transit
 - iv. Other?
2. How do we redirect housing density in these areas? Options:
 - i. Consistent density
 - ii. Regulate height, size and mass of buildings
 - iii. Floor area ratio (FAR)
 - iv. Other?
3. How could this integrate with local jurisdiction requirements and standards?
4. What information and resources do we need for this process?

General Working Group Discussion:

- Often coverage, height, setbacks, parking and other existing requirements limit how much can be built on a parcel and density is irrelevant. What other ways can we achieve the building types that we want that don't put more restrictions in place? Development isn't easy – flexibility helps.
- Suggestion to allow CA jurisdictions to comply with CA density bonus law which allows for flexibility in height, density, parking, coverage based on specifics of project.
- Remove TRPA's parking requirement where it does exist [TRPA note – TRPA's parking requirements mostly references local parking requirements. The references can sometimes get out of date, which can introduce a more restrictive requirement prior to the code being updated.]
- Focus on types, not density
- Missing middle should be allowed anywhere
- Low-hanging density change: allow non-conforming densities to be grandfathered in when converting tourist accommodations units to residential units.
- Rigid allocation requirements incentivize maximizing unit size.
- Seems like a waste of Bonus Units to use a whole Bonus Unit for a small ADU/unit.
- WG members noted a theme of allowing non-conforming to convert with low barriers – consider for illegal ADUs as well since they are already part of the existing scenario.
- Suggestion for a pilot program where an RUU is not required.

Item IV: Overall Consensus and Next Steps:

- TRPA should move towards a Floor Area Ratio (FAR) approach and allow local jurisdictions to implement their own density (or other) restrictions as long as it is within the environmental umbrella TRPA adopts. Local jurisdictions need to know what the limitations are before going through the process of changing their code and regulations.

- Support for higher growth being concentrated in areas zoned multi-family, ½ mile from Town Centers, and ½ mile from existing transit.
- Support for moving forward a near-term code change to allow existing tourist density to be grandfathered in for residential uses as well.

V. Public Outreach

TRPA noted that it would be ideal to do joint regional/local outreach. Asked for other considerations.

Working group member comments:

- Having a robust discussion with the public on ADUs could generate some interesting ideas and feedback on the incentives, that may differ from or add to what we've heard so far from the working group.
- The public hasn't had the advantage of the months of discussion the Working Group has had so we need to find a way to bring them along. If we want to move these pieces forward it is worth taking the time to communicate with the public so they are ready when these concepts come forward.

VI. Next Steps

TRPA will bring draft code forward at the April Working Group meeting for Working Group confirmation before taking them through the LGHC/APC/RPIC/GB approval process. TRPA will also follow up with local jurisdictions about public outreach. TRPA will work more on the items that didn't have consensus, and at the April meeting we can see whether there are other pieces we can move forward now or determine a different timeline.

VII. Adjournment