

Possible Action
Governing Board
12.13.23

Agenda Item No. VI.A

Discussion and possible action for Phase 2 Housing Amendments:

Proposed changes to TRPA Code of Ordinances Chapters 1, 13, 30, 31, 34, 36, 37, 52, and 90; and to the Regional Plan Goals and Policies, Land Use and Housing Sections

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Why Housing?



Compact development helps meet Regional Plan goals

- Housing
- Traffic (VMT)/Greenhouse Gas
- Water Quality
- Transit



How did we get here?

- Tahoe Living Working Group
- Housing Need
- Priorities
- Financial Feasibility Analyses



Figure 4 Total Unmet Need by Cohort (in Units)



MHC Regional Housing Implementation Plan, October 2021



Figure 5 compares adequately housed workforce households versus inadequately housed workforce households by income category.

Figure 5 Inadequately Housed Workforce HHs vs. Adequately Housed HHs (in units)



Economic & Planning Systems, Inc.

Washoe Tahoe Local Employee Housing Needs and Opportunities

September 2021



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How much housing is needed?

- RHNA/Sustainable Communities Strategy
- 3 Housing Needs Assessments completed for Tahoe Basin
- Summary of need at each deed restriction level:
 - **Affordable:** 2,735 units
 - **Moderate:** 1,512
 - **Achievable:** 1,575

Housing Needs Assessments can be found at trpa.gov/housing

Tahoe Living Phases & Status

Phase 1

- Accessory Dwelling Units
Completed
- Motel to Residential Density Conversion
Completed

Phase 2

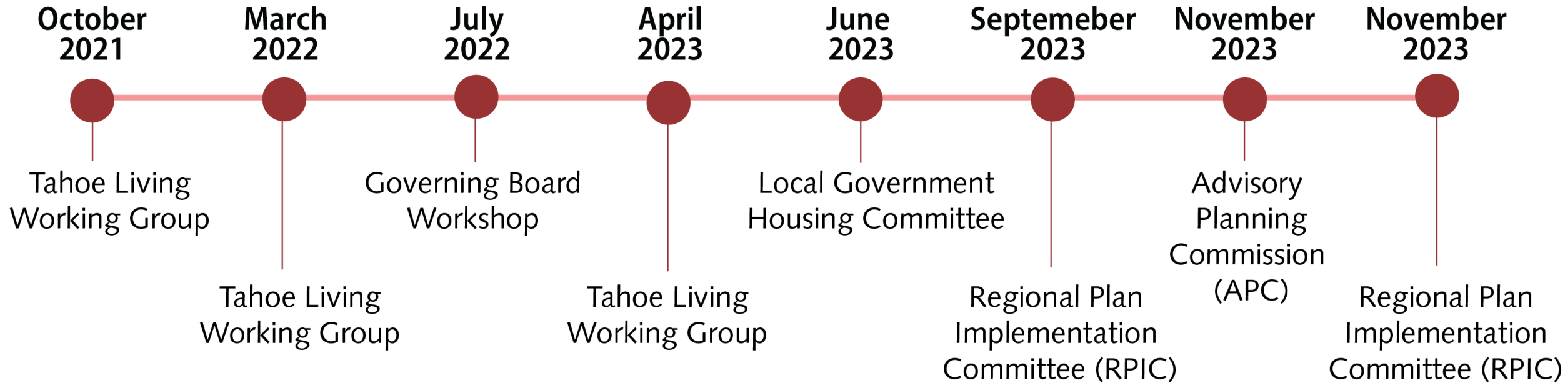


- Reduce the Cost of Building Affordable and Workforce Housing Development
In Process

Phase 3

- Growth Mgmt. System
- Equity, Community Engagement
- Fees, permit streamlining
Starting

Phase 2 Housing Amendments - Process



Goal of Phase 2

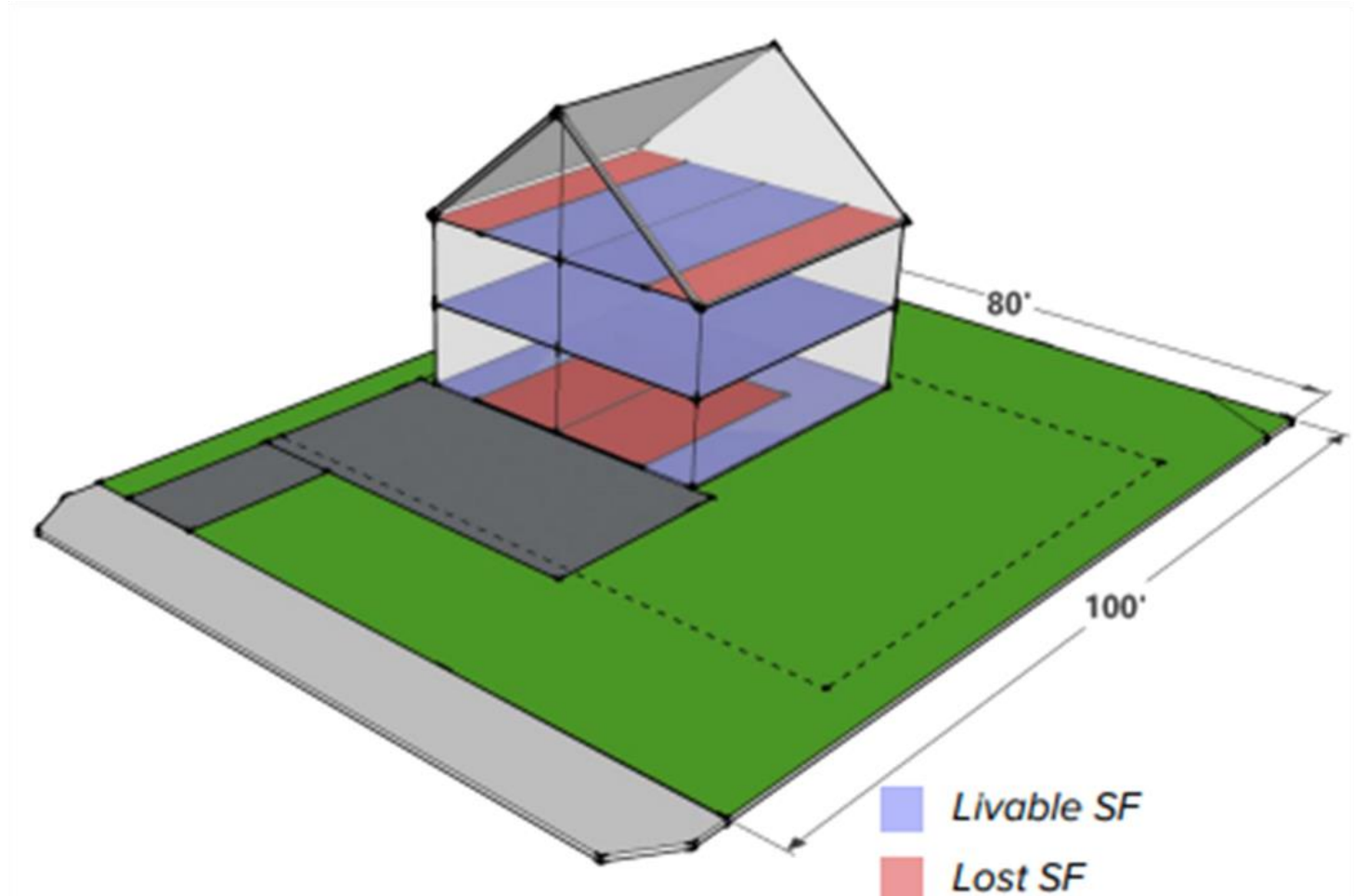
- Regularly evaluate housing needs in the region and update policies and ordinances to achieve state, local, and regional housing goals
- Reduce the cost to build remaining bonus units at each deed restriction level
- Support continued development of bonus units in town centers and multi-family areas to benefit water quality and transportation goals



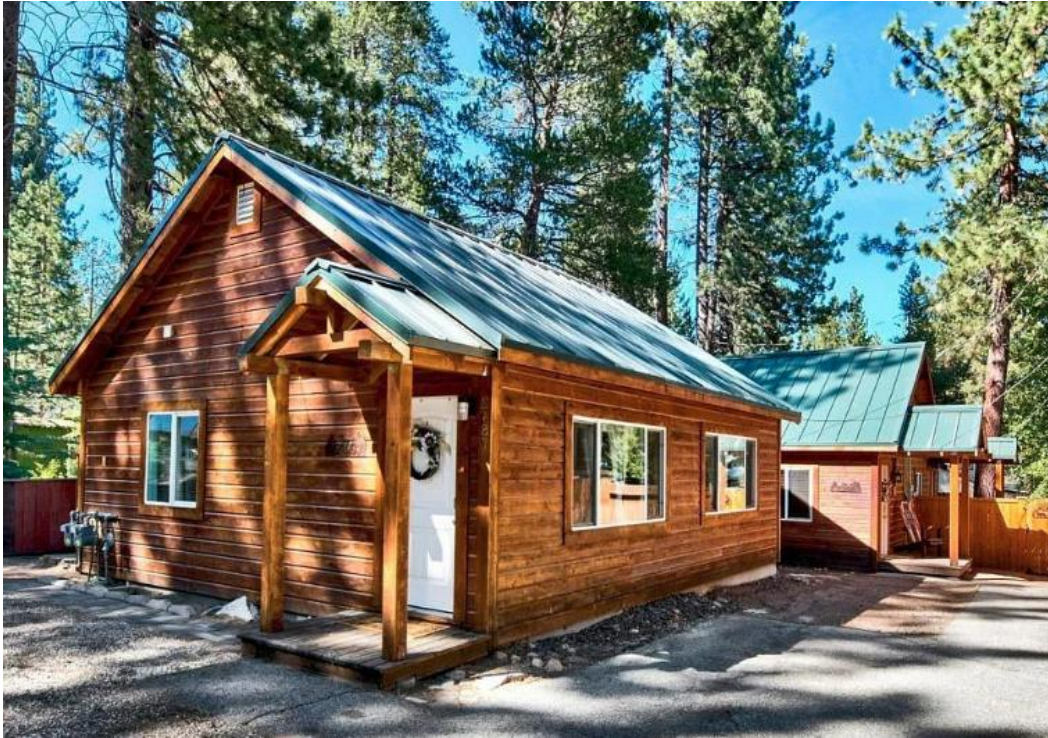
Development standards influence housing size and cost

Development Standards

- Coverage
- Height
- Parcel-level density
- Parking



Median Home Size and Price in Tahoe has Increased



1970



2020

Proven Cost Reduction Method

>40% in feasible rent



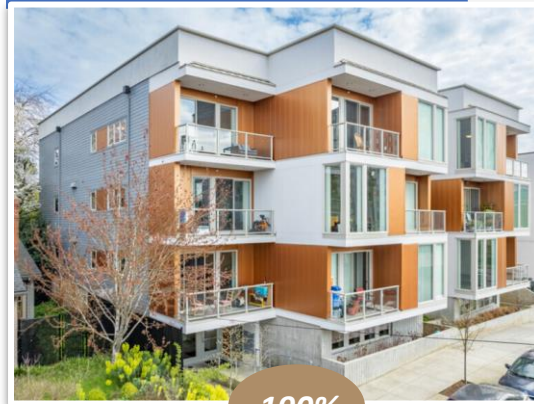
Exist. TRPA + Exist. Local



230%

Local Income Level

TRPA Changes



190%

Local Income Level

TRPA + Local Changes



170 - 155%

Local Income Level

Financial
assistance
may still
be needed

150 – 80%

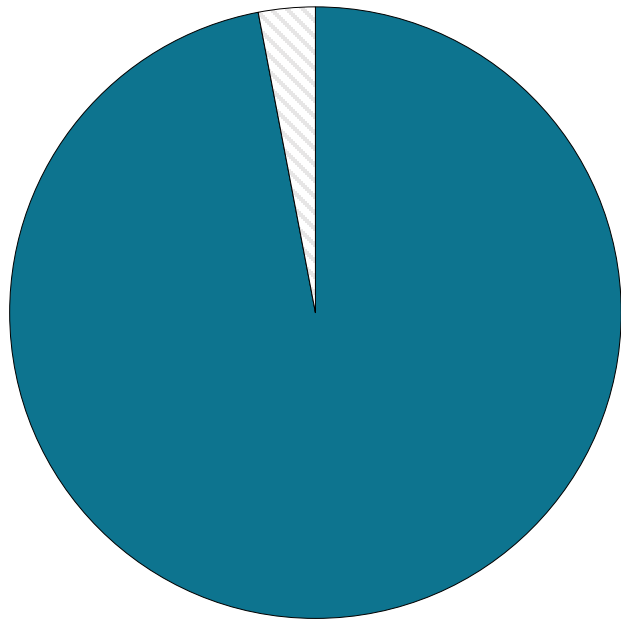
Local Income Level

Changes to development standards could reduce the cost to build multi-family housing, lowering the cost for the owner or renter.

Financial Feasibility Analysis

- Housing cost is driven by market forces and is always in flux
- Analysis showed \$3k reduction in rent
- Public subsidies likely still required, but fewer needed





946 Residential Bonus Units Remain

Residential bonus units are reserved
for affordable, moderate, and
achievable deed restricted housing

Development
is Capped in
the Tahoe
Basin

Phase 2 Amendments: Available only for 946 Bonus Units

Deed Restriction Category	Criteria	2023 Placer County Income (1-person household)	2023 Douglas County Income (1-person household)
Affordable	Income up to 80% of the Area Median Income (AMI)	\$60,050	\$51,300
Moderate	Income between 80% - 120% of AMI	\$95,700	\$77,040
Achievable	Local worker requirement (at least 30 hours/week)		

50% of the TRPA pool

50% of the TRPA pool

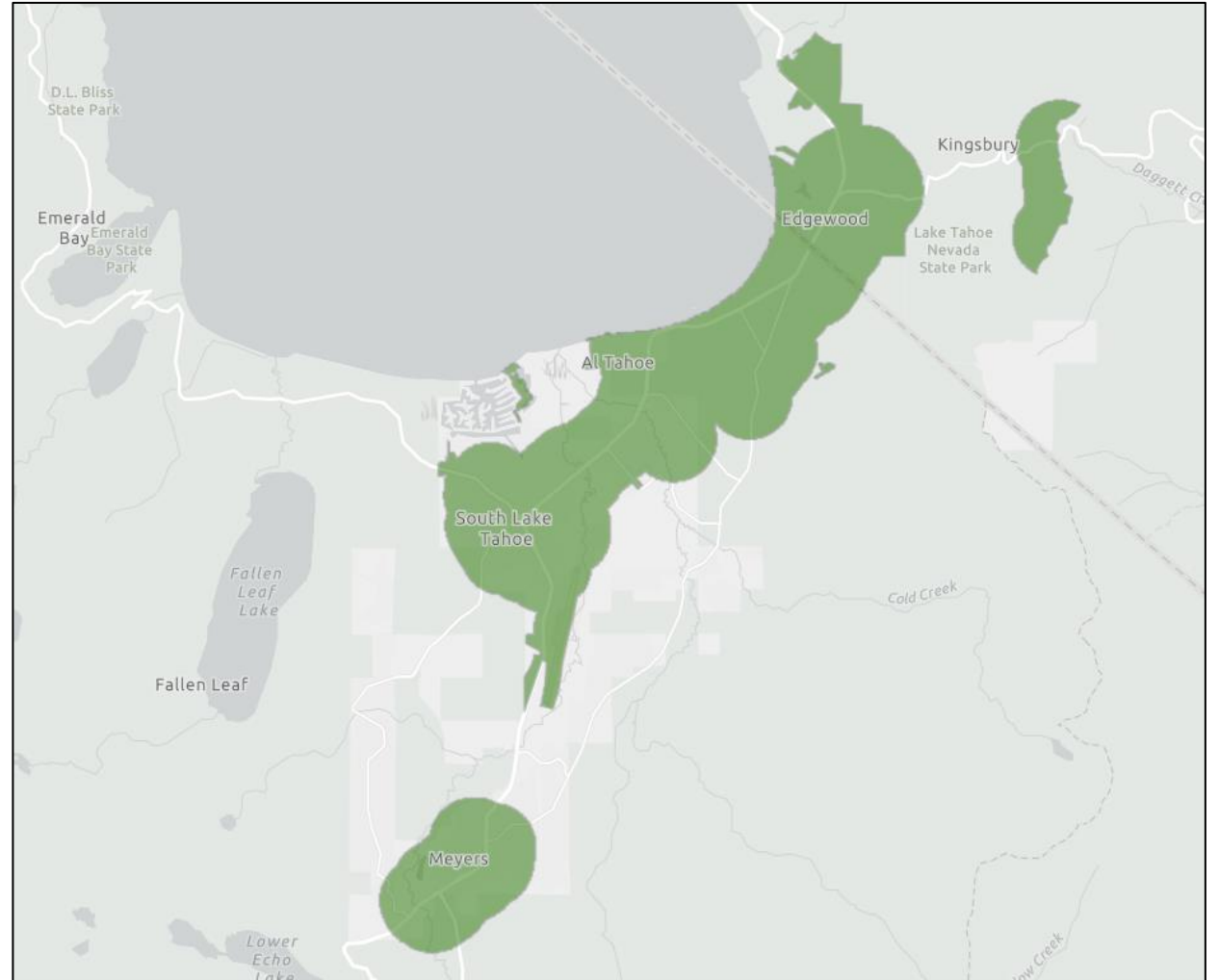
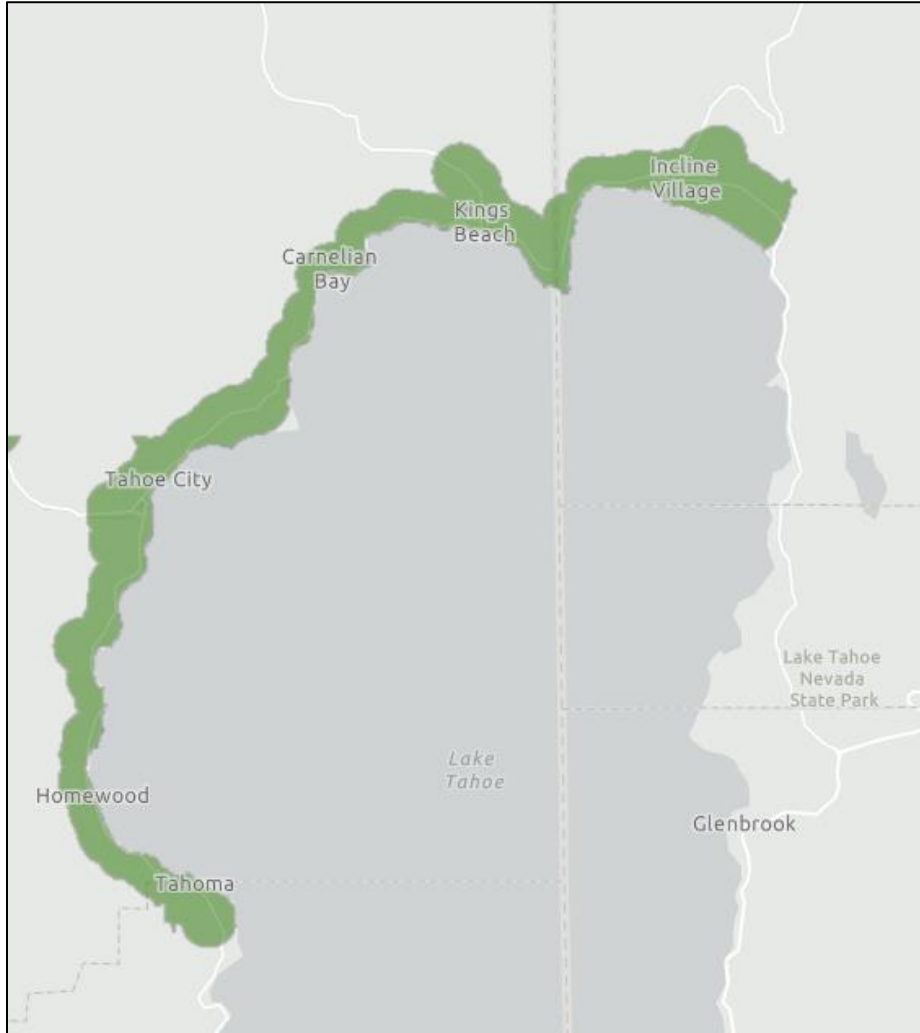
Achievable Deed Restrictions

- Proposed updated definition requires physical presence for employer in the region
- Requirement to submit proposed unit size to reserve achievable units
- Deed restricted properties required to submit annual compliance report
- Hired third party consultant to audit
- Two new TRPA staff positions

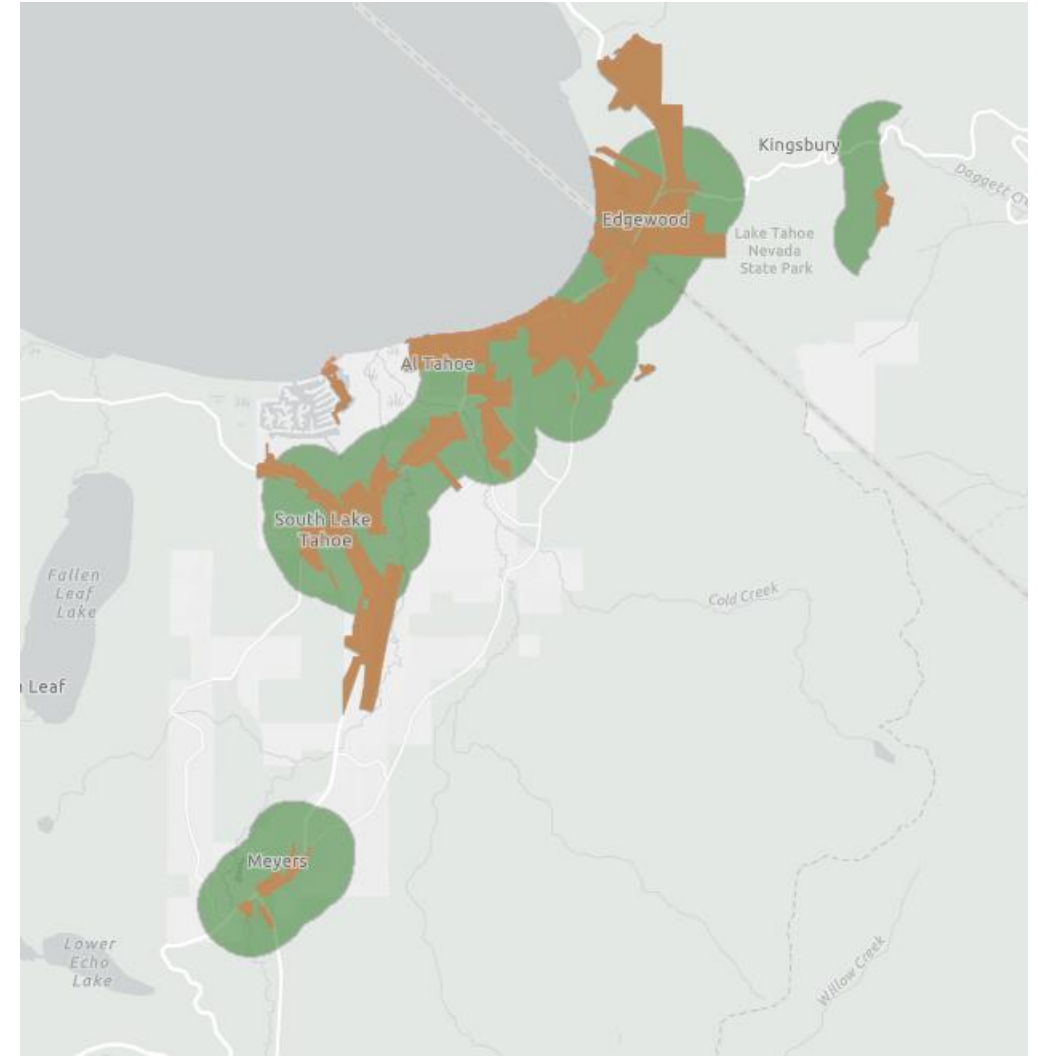
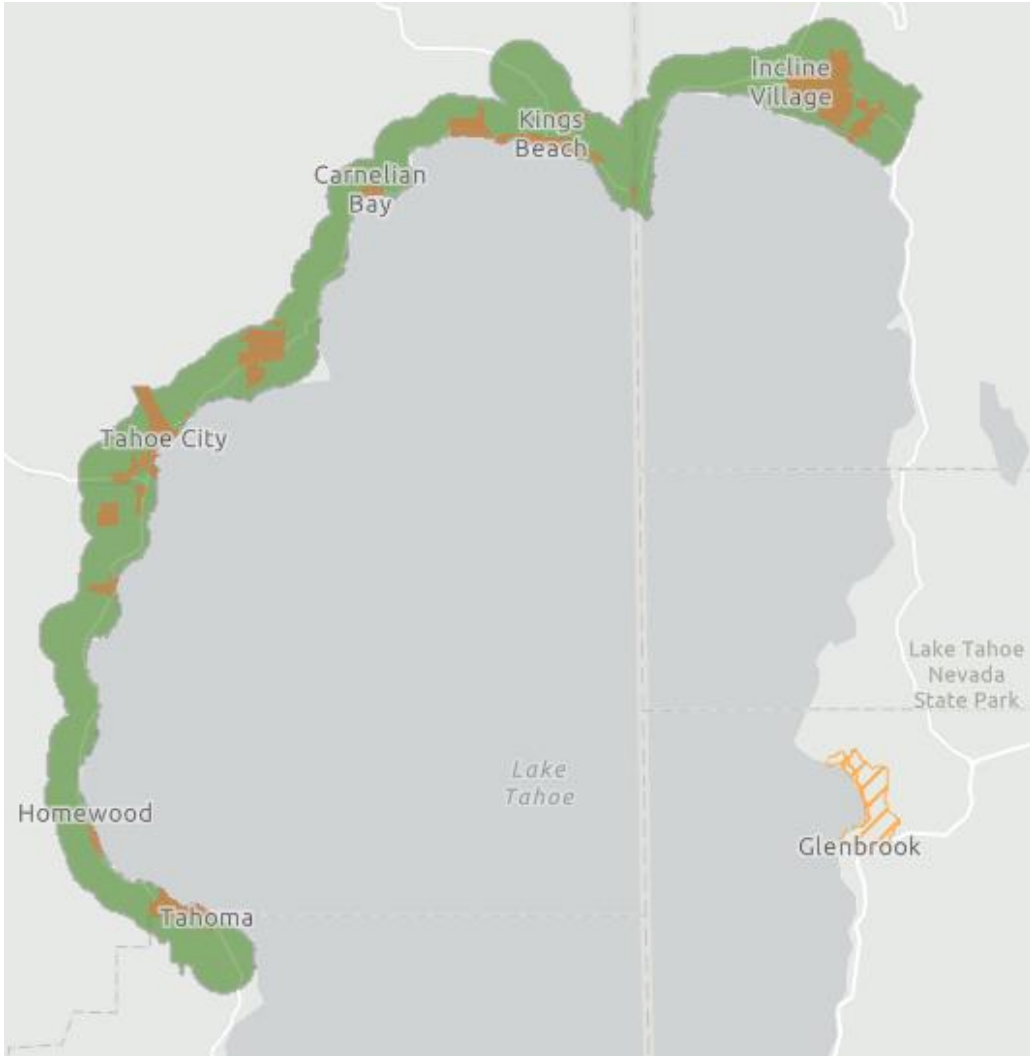
Bonus units must be used within the Bonus Unit Boundary today

Bonus Unit Boundary includes:

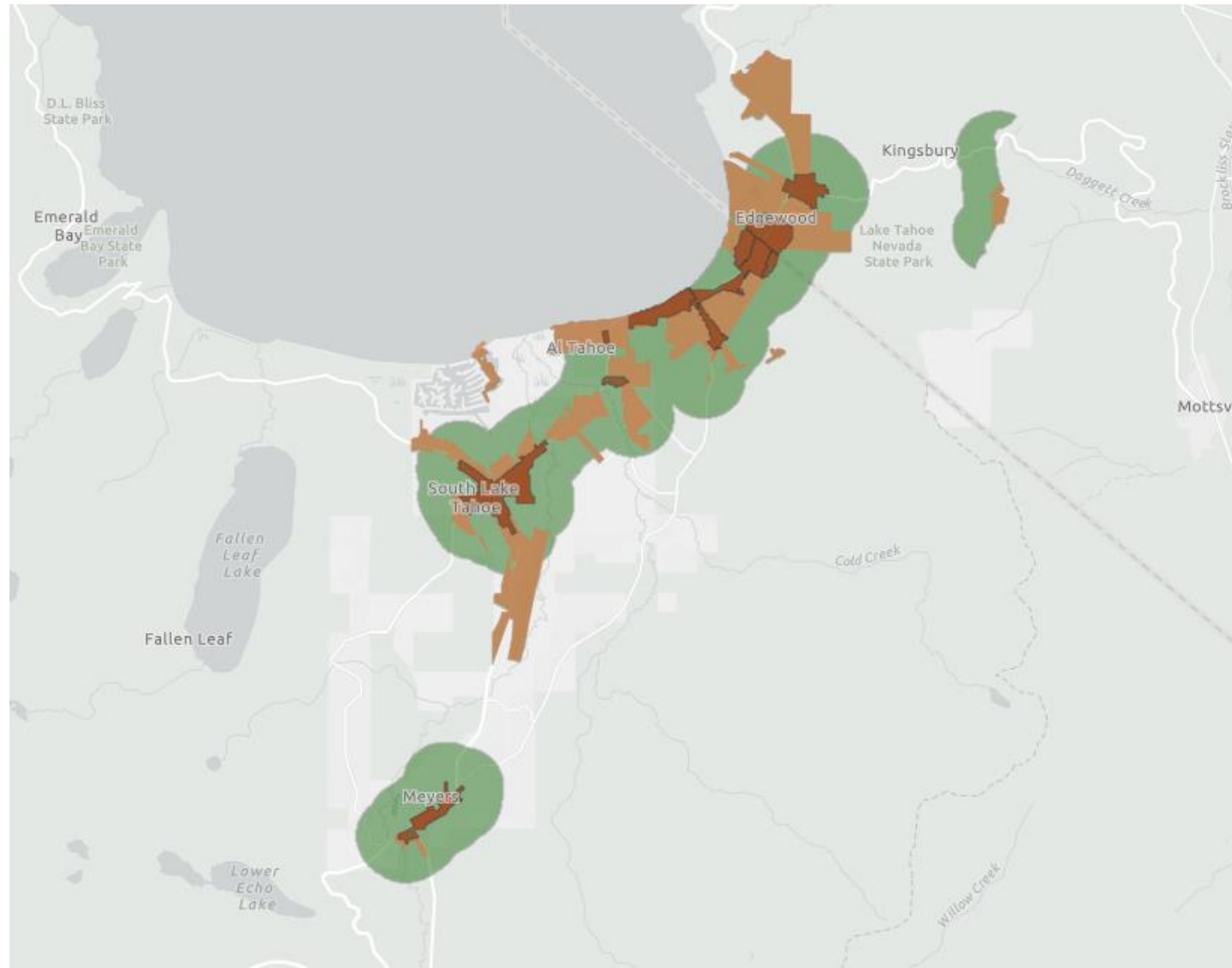
- ½ mile from transit
- ½ mile from centers
- Areas zoned for multi-family



Bonus Unit Boundary includes areas zoned for multi-family



Bonus unit Boundary, areas zoned for multi-family, and centers



Encourage “missing middle” housing in multi-family zones

- Proposal in multi-family zones are walking distance to transit and services
 - Density needed in these areas to support transit
- Supports smaller scale multi-family (duplex, triplex, four-plex)



Phase 2 Proposal Summary

Deed restricted only

- Increased height in town centers
- More flexible roof pitch in areas zoned for multi-family
- Increased coverage scaled by location with contribution to water quality system
- No maximum parcel-level density
- Reduced parking requirements with a parking analysis

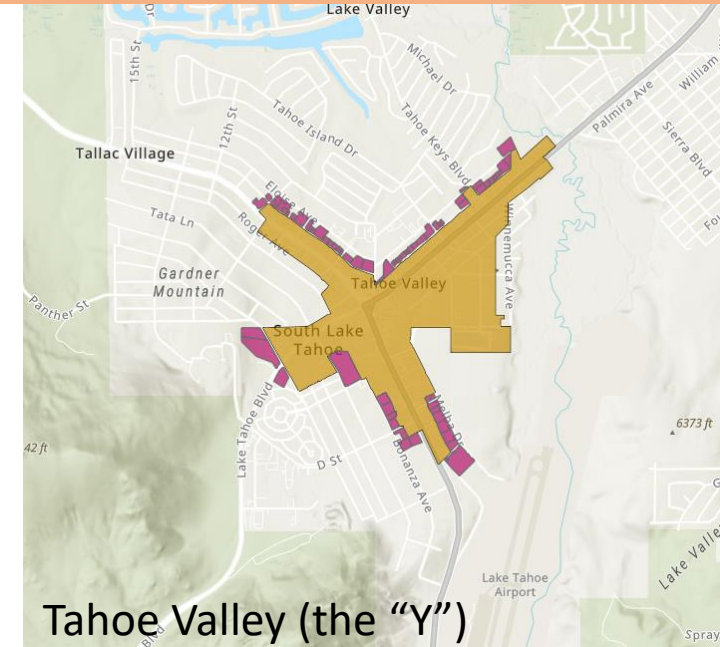
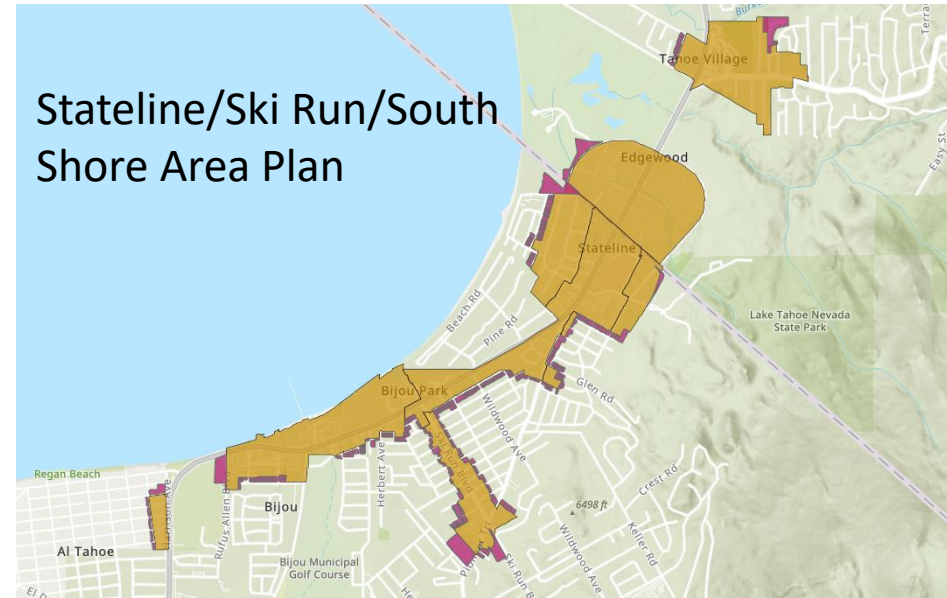
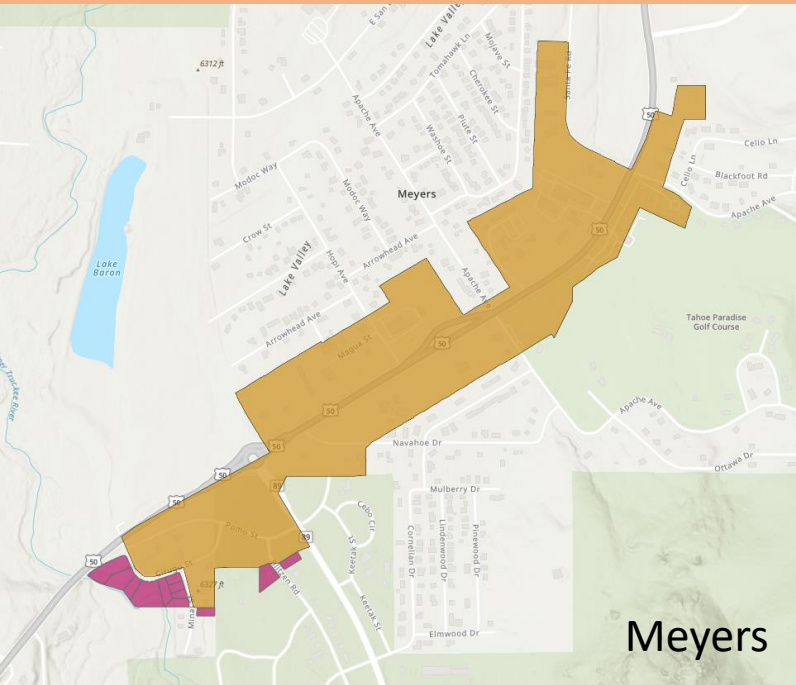


Parking

- 4% of households do not have a car (~1,000 households)
- Town centers and multi-family areas are close to transit and services
 - Density needed in these areas to support transit



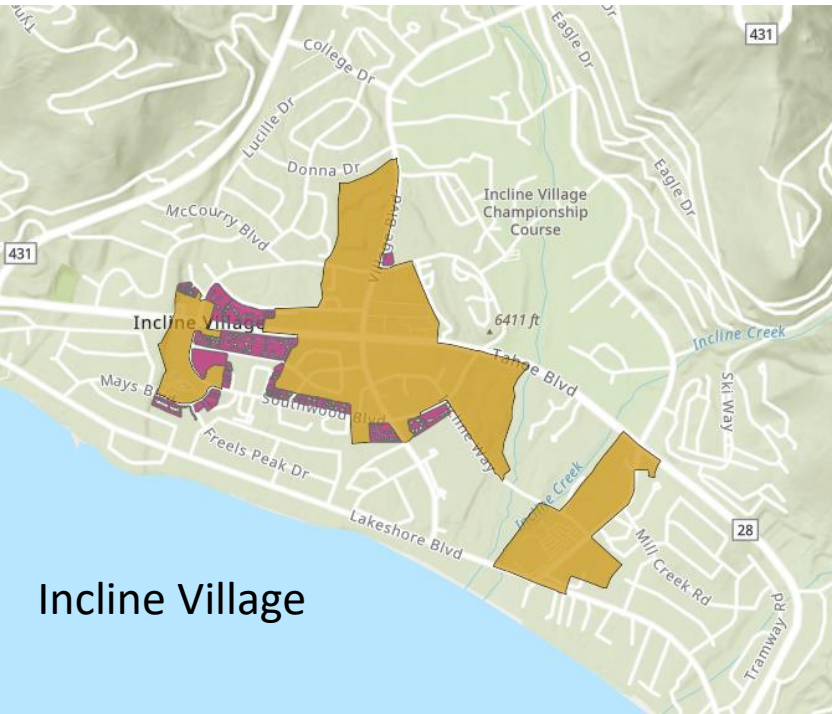
Areas Zoned for Multi-Family



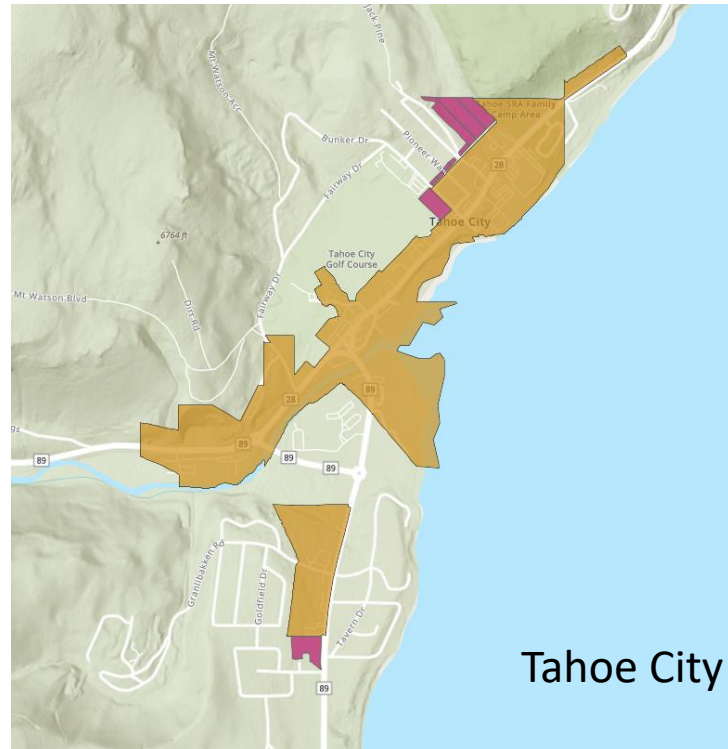
Transition Zones – South Shore *Deed restricted only*

- Allow additional 11' of height
- Parcels zoned for multi-family that are contiguous and adjacent to centers, and the building area is within 500' of a center

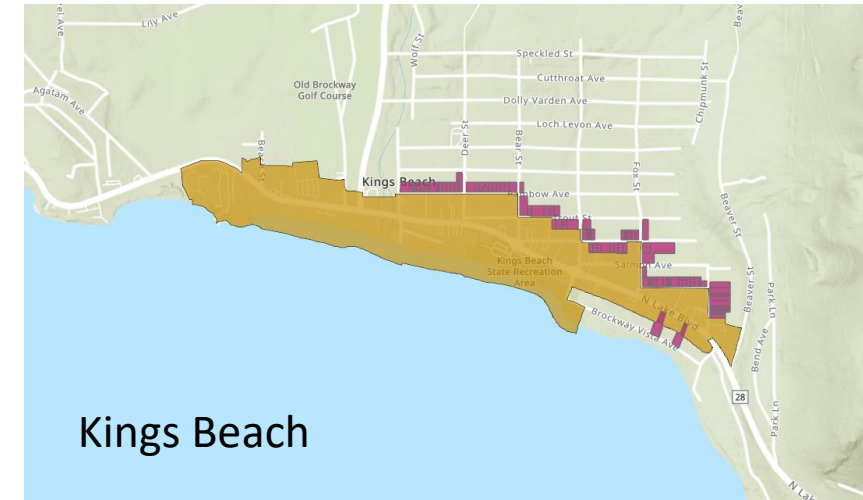
Areas Zoned for Multi-Family



Incline Village



Tahoe City



Kings Beach

Transition Zones – North Shore *Deed restricted only*

- Allow additional 11' of height
- Parcels zoned for multi-family that are contiguous and adjacent to centers, and the building area is within 500' of a center

ADUs & Mixed-Use Developments

Mixed-Use

Proposal could be applied to mixed-use developments that have a 100% deed restricted residential component onsite

- *Commercial portion no more than 50% of total square footage*

Accessory Dwelling Units (ADUs)

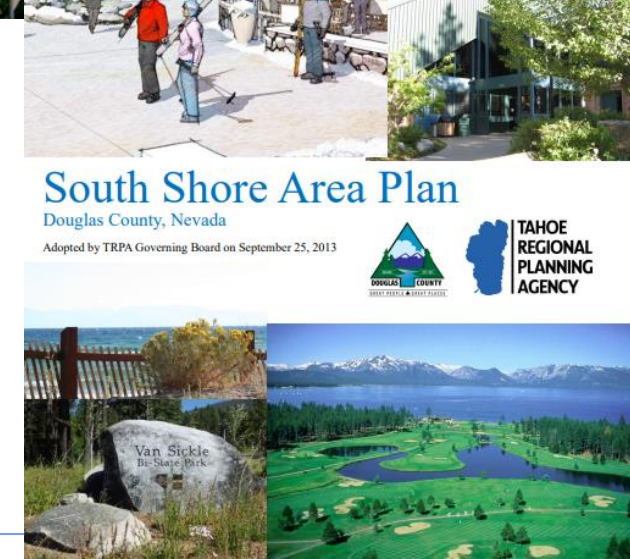
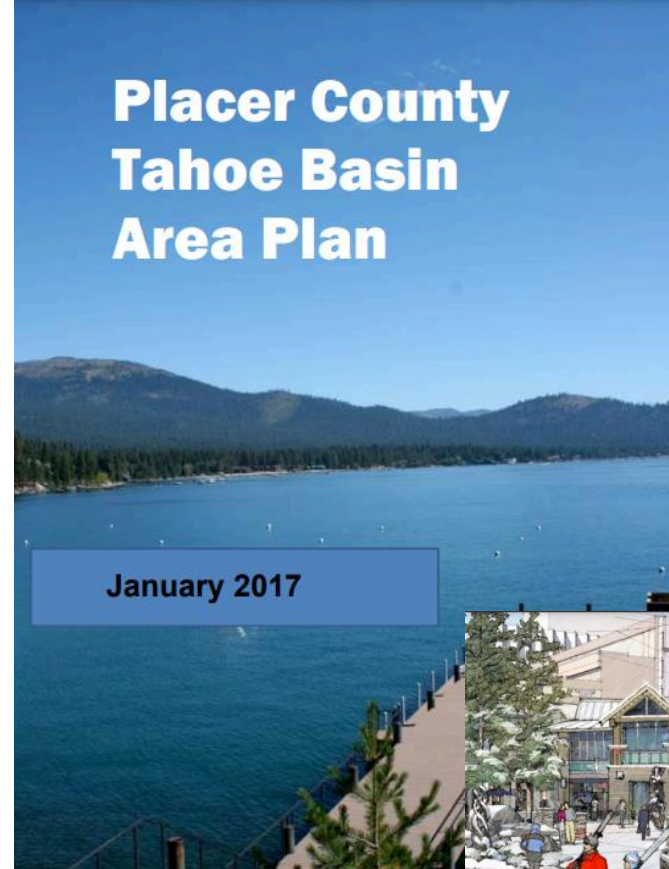
Additional coverage for ADUs would be available within the bonus unit boundary

- *Up to 1,200 sq ft. or 70%, depending on location*



Implementation

- **Option 1:** One year for local jurisdictions to opt in and amend area plans for consistency with TRPA standards
- **Option 2:** Local jurisdictions can opt out through an area plan amendment if they can show same or better financial feasibility



Housing Outreach By the Numbers

8

public hearings

7

pop-up booths

1 public webinar
&
1 public survey

20+

meetings with
community
members and groups

8 newspaper
columns

6 newspaper ads
(reaching 23,750
readers per ad).

28

Enewsletters,
11,500 subscribers

56%
open
rate

One-on-One Meetings

- Washoe Tribe
- Lake Tahoe Collaborative
- Tahoe City Downtown Association
- North Tahoe Business Alliance
- Kiwanis Club North Lake Tahoe
- NTCA Breakfast Club
- Incline Village/Crystal Bay Citizen Advisory Board
- Realtors
- Sierra Community House Promotoras
- Family Resource Center
- Meyers Advisory Council
- Envision Tahoe Summit
- South Shore Chamber of Commerce
- Mountain Area Preservation (MAP)
- TRPA talks with Julie Regan



Refinements based on feedback

- Reduced height in multi-family areas
- Removed parcel-level density allowances for market rate
- Continued to require coverage transfers
- Updated requirements for area-wide treatment with entity with ongoing funding source
- Added parking options to the proposal
- Added requirements to achievable definition

APC Recommendation

- Recommended approval to the Governing Board on 11.8.23
 - Release FAQ with Governing Board Packet

RPC Recommendation

- Recommended approval, as amended, to the Governing Board on 11.15.23

Governing Board Questions

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Public Comment

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Phase 2 Housing Amendments: Motions

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A motion to adopt the required findings (Attachment A), including a finding of no significant effect, for the adoption of amendments to the Code of Ordinances Chapters 1, 13, 30, 31, 34, 36, 37, 52, and 90; and changes to the Regional Plan Goals and Policies, Land Use and Housing Sections; that will only apply to projects applying for deed-restricted bonus units.

Phase 2 Housing Amendments: Motions

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A motion to adopt Ordinance 2023-__ (Attachment D), amending Ordinance 2021-03, as amended, for the adoption of amendments to the Regional Plan Goals and Policies, Land Use and Housing Sections; that will only apply to projects applying for deed-restricted bonus units to the TRPA Governing Board.

Phase 2 Housing Amendments: Motions

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A motion to adopt Ordinance 2023-__ (Attachment C), amending Ordinance 87-9, as amended, for the adoption of amendments to the TRPA Code of Ordinances Chapters 1, 13, 30, 31, 34, 36, 37, 52, and 90; that will only apply to projects applying for deed-restricted bonus units to the TRPA Governing Board.