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## STAFF REPORT

**Date:** July 21, 2021

**To:** TRPA Governing Board

**From:** TRPA Staff

**Subject:** Phase 1 Housing Code Amendments: Amendments to the TRPA Code of Ordinances related to: **1)** Bonus Unit Boundary, including amendments to Chapter 52; **2)** Non-conforming density, including amendments to Chapter 31; **3)** Accessory Dwelling Units, including amendments to Chapters 21, 31, 39, 50, 51, 52 and 90, Meyers, Tahoe Valley, and Tourist Core Area Plans, and Rules of Procedure Section 12; **4)** Development Rights Strategic Initiative Code Clean-Up: Potential Residential Units of Use and Bonus Unit Pools, including amendments to Chapters 51 and 52.

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### Summary and Staff Recommendation:

TRPA staff ask that the Governing Board approve and adopt the Phase 1 housing code amendments developed through the Tahoe Living Housing and Community Revitalization Working Group process related to:

- 1) Bonus Unit Boundary, including amendments to Chapter 52;
- 2) Non-Conforming Density, including amendments to Chapter 31;
- 3) Accessory Dwelling Units (ADUs); including amendments to Chapters 21, 31, 39, 50, 51, 52 and 90, Meyers, Tahoe Valley, and Tourist Core Area Plans, and Rules of Procedure Section 12;
- 4) Code clean-up items related to Development Rights Strategic Initiative; including amendments to Chapters 51 and 52.

### Required Motions:

In order to recommend approval of the requested action, the Governing Board must make the following motions, based on the staff report:

- 1) A motion to approve the required findings (Attachment A), including a finding of no significant effect, for the adoption of Amendments to the TRPA Code of Ordinances related to: 1) Bonus Unit Boundary, including amendments to Chapter 52; 2) Non-conforming density, including amendments to Chapter 31; 3) Accessory Dwelling Units, including amendments to Chapters 21, 31, 39, 50, 51, 52 and 90, Meyers, Tahoe Valley, and Tourist Core Area Plans, and Rules of Procedure Section 12; 4) Development Rights Strategic Initiative Code Clean-Up: Potential Residential Units of Use and Bonus Unit Pools, including amendments to Chapters 51 and 52, as shown in Attachment B.

2) A motion to approve and adopt Ordinance \_\_\_\_ - \_\_\_\_ (Attachment C), amending Ordinance 87-9, as amended, for the adoption of amendments to the TRPA Code of Ordinances Chapters 21, 31, 39, 50, 51, 52, and 90.

3) A motion to adopt Resolution 21-\_\_\_\_ to amend the Rules of Procedures as set forth in Attachment D.

For the motions to pass, the vote of at least four Board members from each state is required.

Background:

As part of the Region-wide, collaborative effort to address the serious housing challenges facing Tahoe communities, in 2019 and 2020 TRPA's Governing Board took two steps to elevate housing as a priority issue and commit to working with other entities to identify the best ways for TRPA to help create housing solutions while supporting and furthering Regional Plan goals. In January of 2019, the TRPA Governing Board re-designated the Local Government Committee as the Local Government and Housing Committee, and in June of 2020, recognizing the need for an in-depth, analysis-based approach to the problem, created a new committee of the Advisory Planning Commission (APC), the Tahoe Living Housing and Community Revitalization Working Group.

Since August of 2020 these committees and the Governing Board have been working to better understand the housing issues in the Basin and identify and implement new policy directions that will proactively move the Region toward a more balanced housing pattern that simultaneously advances Regional Plan and Sustainable Communities Strategy goals of walkable, transit-supportive communities that reduce greenhouse gas emissions and other environmental impacts, while supporting local governments in meeting their housing needs, including meeting Regional Housing Needs Assessment (RHNA) requirements.

In the fall of 2020, the Tahoe Living Working Group recommended moving forward on developing a set of priority housing actions. The Working Group based the identification and prioritization of these actions on technical analysis<sup>1</sup> presented by TRPA staff that identified potential cost reductions and expected on-the-ground housing by strategy, as well as on in-depth discussions with local jurisdiction staff that identified major barriers to implementation of local housing plans. A key takeaway from the analysis and the discussions was that Regional Plan goals that are intended to incentivize workforce housing and mixed-use development are not yet fully supported by existing code and processes. In fact, in many cases tourist developments or homes that are likely to become second homes face fewer permitting and regulatory hurdles than workforce housing project types do. This led to a set of recommendations that included a focus on smaller homes, such as ADUs, better incentivizing tourist and commercial conversions to residential, and permitting parity between housing types, among other priority actions.

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<sup>1</sup> The technical analysis is included in Attachments A and B of the November 2020 Tahoe Living Working Group staff packet: <https://www.trpa.gov/tahoe-living-housing-and-community-revitalization-working-group-2/>.

The Working Group supported sorting the actions into near-term, medium-term, and longer-term actions. In January 2021, upon a recommendation from the Local Government and Housing Committee, the TRPA Governing Board approved the set of priority housing actions (below).

<b>Action Categories</b>	<b>Timing</b>
<b>ADUs/Small Homes and Residential Density</b>	Near-Term (3-6 months)
<b>Mixed Use Residential and Permitting/Streamlining</b>	Medium-Term (6-12 months)
<b>Tourist/Commercial Conversions to Residential and Coverage Incentives</b>	Longer-Term (1-2 years)
<b>Public Land Donations and Fees</b>	Longer-Term (1-2 years)

Since approval of those priorities, recommendations have emerged from the Working Group process on the near-term items, ADUs and residential density. These recommendations included initial code changes. During the discussions, many Working Group members noted that these initial actions may not be enough to stimulate the housing production that was analyzed and shown in the November attachments without further incentives. The two main concerns were related to coverage and development rights requirements, no changes to which are included with this set of code amendments. Related to coverage, several Working Group members suggested that changes to coverage regulations be considered for ADUs to allow more properties to build detached ADUs. Another concern related to the small size of ADUs, and the requirement that they procure a full development right or Bonus Unit, despite the fact that that same development right could be used for a 4- or 5-bedroom, or even much larger, home. As the pool of Bonus Units is limited, Working Group members expressed concern that ADU applications for Bonus Units would draw down the pool too quickly, without providing as much housing as could be provided if the Bonus Units were used for larger units. However, even without changes in those two areas, there was support for maintaining momentum by bringing these initial actions forward while taking more time to develop additional actions as part of later phases.

The Working Group has already begun working on the medium-term actions, which will look into how the interactions between required density, height, coverage, fees and unit size can be better managed to incentivize workforce housing and walkable, sustainable development. Based on the Working Group’s discussion summarized above, TRPA staff recommends that, as part of the “Permitting/Streamlining” action, the group examine whether development rights requirements, particularly for accessory dwelling units, can be scaled based on the size of the unit.

Discussion:

The Working Group recommended moving three near-term recommendations forward in order to remove barriers to Regional Plan implementation, while beginning work on the medium-term recommendations. The three recommendations are summarized below, and the draft recommended code, Rules of Procedure, and Regional Plan changes are shown in Attachment A. Staff has also included a fourth recommendation that includes code-cleanup items from the Development Rights Strategic Initiative. Upon requests from El Dorado County and the City of South Lake Tahoe, this packet also includes corresponding changes to the Meyers Area Plan, the Tahoe Valley Area Plan, and the Tourist Core Area Plan to reflect the proposed ADU code changes.

### **Recommendation #1 - Bonus Unit Boundary**

The boundary within which bonus units may be awarded in exchange for deed-restricting a unit to affordable, moderate, or achievable housing is described in the TRPA Code of Ordinances Section 52.3.4.F.

The current area of eligibility for these bonus units includes only those parcels that are within ½ mile of existing transit. The Working Group found that this boundary did not fully capture areas that had been identified through other planning efforts as priority areas for higher density residential development, such as the Town Centers established through the 2012 Regional Plan, some Community Priority Zones identified in the Regional Transportation Plan, and some neighborhoods that are zoned multi-family, and which in some cases have a significant amount of attached housing currently used as affordable rentals. The Working Group supported modifying the boundary to recognize that areas close to Town Centers and neighborhoods previously recognized as appropriate for affordable housing can provide walkability.

The Working Group recommended that the Bonus Unit Boundary be modified as follows:

*52.3.4.F. The housing project awarded a residential bonus unit shall be within ½ mile of a designated Town Center; within ½ mile of an existing transit stop or a transit stop that will be existing concurrent with the completion of the project; or located in an area where multi-family is an allowed or special use.*

This change increases the boundary by approximately 15 percent. The existing and proposed boundaries may be viewed on an interactive map, here: [https://trpa.shinyapps.io/bonus\\_unit\\_boundary\\_map/](https://trpa.shinyapps.io/bonus_unit_boundary_map/).

The draft code changes can also be seen in Attachment B.

### **Recommendation #2 - Non-conforming tourist density**

The second recommended code change would allow motels to keep their original Tourist Accommodation Unit (TAU) density when converting to residential. In one-on-one meetings that TRPA held with local jurisdictions in the fall of 2020, and again at the February Working Group meeting, local jurisdictions identified that existing, aging motel properties are disincentivized from converting to residential or a mix of tourist and residential uses through redevelopment because existing, non-conforming tourist densities cannot be applied to residential densities. Many older motels on small lots have tourist densities exceeding the allowable 40 units per acre. Under the existing code, if these properties redevelop, they can keep the grandfathered density if the use does not change. However, when they redevelop and convert to residential, they lose a significant number of units since the maximum residential density allowed is only 25 units per acre and units above this must be banked and transferred off the property. For example, the Seven Seas Motel in South Lake Tahoe considered redeveloping to residential but was deterred by the small number of units available using residential densities. If the project redeveloped to new tourist development, the existing 17 units on the parcel would be grandfathered in. However, when converting to residential, the required residential density would allow only 6 residential units. The proposed revision that is part of this packet would allow the property owner to redevelop from tourist to residential and grandfather in the existing density, resulting in 17 residential units onsite in the case of the example above.

This code amendment would only apply to conversions between TAUs and multi-residential uses and would only be allowed where multi-residential is an allowable use. Because the 1:1.5 conversion rates from TAUs to multi-residential would result in additional multi-residential units, over and above the number that would be allowed based on the grandfathered tourist density, TRPA will require these units to be banked onsite.

See Attachment B for detailed code amendment language. As part of this code amendment, staff is also recommending adding clarifying language to the code regarding the grandfathering in of residential density and banked residential units for use during redevelopment to new residential uses. This new language codifies the existing practice of maintaining existing, non-conforming densities as part of onsite redevelopment, and that of allowing units that are banked onsite and which resulted from development that was legally established to count toward the existing density. However, if a transfer of development from the site occurs to make the project area more conforming, it cannot be transferred back to result in non-conforming density.

***Recommendation #3 - Accessory Dwelling Units (ADUs)***

Accessory Dwelling Units are attached or detached units that are accessory to the main house, and are generally between 400 and 1200 square feet, averaging around 640 square feet.<sup>2</sup> TRPA's analysis of the potential for ADUs to provide workforce housing in the basin identified that a near-term strategy to allow ADUs within the framework of TRPA's existing coverage and development rights regulations could result in between 100 to 200 ADUs provided by the private market over the next eight years.<sup>3</sup> Because of TRPA's incentives supporting deed-restricted housing within close proximity to transit and Town Centers, TRPA expects that a significant number of these units would be used for workforce housing. The California Department of Housing and Community Development (HCD) allows jurisdictions to count ADUs toward their Regional Housing Needs Assessment (RHNA) requirements regardless of whether they are deed-restricted or not, instead allowing them to base their assessment on size and rental rates of comparable properties.<sup>4</sup> El Dorado County, Placer County, and the City of South Lake Tahoe have all indicated that ADUs are a key part of their strategy to meet the RHNA requirements.

TRPA's current policy restricting ADUs to parcels of one acre could be made to better align with Regional Plan Goals of encouraging workforce housing in walkable areas. Under the current policy, less than 800 parcels are even eligible to construct this housing type. And smaller parcels are often appropriate for workforce housing types – for instance the average residential parcel size within the proposed Bonus Unit Boundary and close to Town Centers and transit is about 20 percent smaller than the average parcel size outside the boundary.

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<sup>2</sup> Sacramento Area Regional Council of Governments, "SACOG Regional Accessory Dwelling Unit Affordability Analysis," March 2020, Sacramento Area Regional Council of Governments, accessed May 27, 2021 at: [adu\\_affordability\\_analysis\\_methodology\\_2020-3-31\\_0.pdf \(sacog.org\)](https://www.sacog.org/du/du-affordability-analysis-methodology-2020-3-31-0.pdf); and Turner Center for Housing Innovation, "Jumpstarting the Market for Accessory Dwelling Units, Lessons Learned from Portland, Seattle, and Vancouver," Chapple, Wegman et al., April 2018.

<sup>3</sup> For more information on this analysis, see Attachment A of the November 2020 Tahoe Living Working Group agenda: [https://www.trpa.gov/wp-content/uploads/documents/archive/03\\_Attachment-A-Land-Use-Evaluation-Sheets.pdf](https://www.trpa.gov/wp-content/uploads/documents/archive/03_Attachment-A-Land-Use-Evaluation-Sheets.pdf).

<sup>4</sup> California Department of Housing and Community Development, "Housing Element Site Inventory Guidebook Memorandum," June 10, 2020, accessed on May 27, 2021, at: [https://www.hcd.ca.gov/community-development/housing-element/docs/sites\\_inventory\\_memo\\_final06102020.pdf](https://www.hcd.ca.gov/community-development/housing-element/docs/sites_inventory_memo_final06102020.pdf)

At the February 10, 2021 Working Group meeting, Working Group members agreed that two policy changes should move forward into code development related to ADUs. Through the discussion additional suggestions for further incentivizing ADUs surfaced, such as through coverage or development rights incentives as discussed above, but there was not consensus on these items and additional research is needed to determine their impact on the supply of workforce housing.

The proposed elements of the ADU recommendation include:

- 1. Remove 1-acre limit on ADUs basin-wide.** Currently TRPA regulations stipulate that secondary residences/ADUs are only allowed on parcels greater than one acre in size unless a jurisdiction has a TRPA-certified “Local Government Housing Program” (TRPA Code of Ordinances Section 21.3.2.B). With the advent of California’s 2019 ADU legislation, and local codes in effect in Douglas County and Washoe County, local jurisdictions have most if not all of the required elements of the “Local Government Housing Program” in place. Requiring five separate certifications along with updates over time could add an unnecessary staffing burden both for local jurisdictions and TRPA and was not supported by Working Group members. Hence, under the proposed code amendments, the 1-acre limit would be removed and local jurisdictions would have the authority to regulate ADU construction just as they regulate other single-family home construction through their area plans and their development and building codes. ADUs would still be required to comply with TRPA’s coverage, height, and growth management regulations. As part of this code amendment, TRPA is also recommending lifting the requirement of only one secondary residence/ADU per parcel. Since incentives for ADUs encourage them to locate in close proximity to transit and Town Centers, allowing two ADUs per parcel supports walkability goals. This would also help California jurisdictions comply with California law, as California law allows one ADU and one Junior ADU<sup>5</sup> per parcel.

There are several elements of California law and Douglas County and Washoe County plans and codes that place further restrictions on the construction or use of ADUs. Currently, California law requires that accessory dwelling units created pursuant to section 65852.22 of the California Government Code (which applies to all new ADUs) if rented, be rented for a term longer than 30 days. Douglas County and Washoe County both currently have a 1-acre parcel size limit for ADUs in the Tahoe Basin in their codes. These 1-acre limits were based on the TRPA 1-acre limit but as they are already adopted they would remain in place until removed by these counties in a subsequent action.

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<sup>5</sup> California law provides the following specifications for a Junior Accessory Dwelling Unit (JADU): within the walls of the single-family house; no more than 500 square feet in size; must have an efficiency kitchen; separate entrance; may share a bathroom with the main house or have its own bathroom; requires owner-occupancy in the main house or the JADU.

Within the bonus unit boundary, an ADU would be eligible for a bonus unit in exchange for a deed-restriction for affordable to achievable income levels, and occupancy of the unit by a local resident. A bonus unit is available from the TRPA pool at no cost to the applicant. There was consensus among working group members that when a bonus unit is assigned in association with the construction of an accessory dwelling unit, the deed-restriction should require that either the accessory dwelling unit, or the main home must comply with the affordability and local residency requirements. This would allow for diversity in housing size and types through construction of ADUs and utilization of the bonus unit program. For example, an out-of-town homeowner might wish to reserve the ADU for their own, periodic use, but rent out the larger, main home to a local family.

- 2. Remove noticing requirement for ADUs.** Currently the Rules of Procedure require noticing for secondary residences as well as for affordable housing, employee housing and multi-family housing. Through the survey results, it was clear that most Working Group members supported lifting the requirement for noticing for secondary residences/ADUs. Several Working Group members, particularly planners from local jurisdictions, noted that it is not appropriate to require noticing for allowed uses, only for special uses. As accessory dwelling units would be allowed on all single-family parcels, the construction of an ADU would not be an exception to the rule; therefore, it would not require special notice. This is similar to existing code whereby a property owner may expand the footprint of a home for construction of a garage or other accessory use without notice of adjacent neighbors. This change does not preclude a local government from requiring noticing for ADUs. In order to implement this change, both the words “affordable” and “secondary residence” will be struck from Section 12.14.2, *Noticing*, of the Rules of Procedure, as many ADUs will likely be deed-restricted affordable units. This amendment does not propose to remove the requirement for noticing of multi-family projects (note that because ADUs are an “accessory” use, they are considered a single-family, not a multi-family use in TRPA’s code).

See Attachment B for detailed code amendment language.

***Recommendation #4 - Code clean-up items related to the Development Rights Strategic Initiative***

As more deed-restricted housing projects begin to make their way through TRPA’s permitting process, bonus units set aside in the “affordable” and “moderate/achievable” pools have begun to be drawn down. A total of 469 of the remaining 1,124 affordable, moderate, and achievable bonus units as of July 2020 have been transacted or reserved. Of those, 370 have been requested from the “affordable” pool and 99 have been requested from the “moderate/achievable” pool. The significantly higher number of unit requests from the affordable pool is due in part to the lack of state and federal tax credit and other grant programs for homes other than those deed-restricted for affordable income levels, that is, less than 80 percent of Area Median Income. Based on bonus unit transactions that have already been completed, and projects that have submitted applications, the pool dedicated solely to “affordable” has run out of bonus units, while 464 bonus units will remain in the moderate/achievable pool once the submitted applications are completed. Another 337 bonus units are set aside in local jurisdiction pools. See Table 1 for a summary of the pools and transactions since July 2020.

**Table 1: Remaining Bonus Units in Affordable/Moderate/Achievable Pools**

	TRPA Bonus Unit Pool - Affordable	TRPA Bonus Unit Pool - Moderate/Achievable	TRPA Centers Pool - Moderate/Achievable	Local Jurisdiction Pools	Total
Pool Description	Must be used for affordable	Must be used for moderate/achievable	Must be used in Centers; must be used for moderate or achievable housing	Carry over from Community Plans and Community Enhancement Projects, must be used in the area designated	
Pool Beginning Balances July 2020	225	299	263	337	1124
<b>Reserved or Transacted</b>					
Boulder Bay	-24				-24
Homewood	-12				-12
Aspens Phase 2	-8				-8
Private Project by MOU#18-334	-1				-1
South Shore Bikes Upper Floor				-3	-3
CTC - town center, affordable	-248				-248
Silver Dollar Achievable		-23			-23
Tahoe City ADU		-1			-1
Homewood ADU		-1			-1
CTC – Crossings at the “Y” Mixed-Use				-70	-70
Ski Run/Pioneer Affordable Housing	-77				-77
<b>All Reservations and Transactions Subtracted from the Pool</b>	<b>-370</b>	<b>-25</b>	<b>-73</b>	<b>0</b>	<b>-468</b>
<i>Available Balance July 2020<sup>6</sup></i>	<i>-145</i>	<i>274</i>	<i>190</i>	<i>337</i>	<i>656</i>

<sup>6</sup> Until the pool is replenished or units can be drawn from the moderate/achievable pool, reservations that cause the pool to go into the negative cannot be honored.

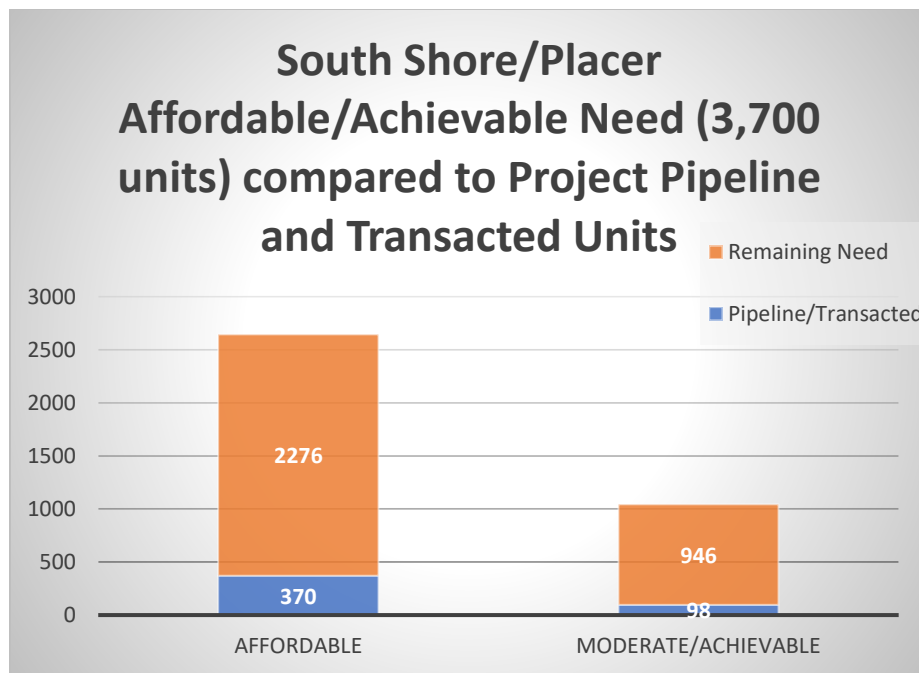


Section 52.3.1 of the Residential Incentive Program section of the code identifies how residential bonus units from the TRPA pool will be used. Currently, this section identifies that half of the pool shall be used for affordable housing units, while the other half shall be used for moderate or achievable housing units.

Because both the South Shore Housing Needs Assessment and Placer County show a much higher need for homes in the affordable category than in the other two categories combined (see Figure 1), TRPA proposes to update Section 52.3.1 of the code to make it clear that bonus units from the moderate/achievable pool can be used for affordable homes. This is consistent with the definitions of moderate and achievable, which allow use as long as the income levels of occupants are below the specified levels. In response to concerns that this could lead to a shortage of moderate or achievable units, staff notes that there are a variety of bonus unit and other development rights pools that have been set aside that were not explicitly designated for affordable, moderate, or achievable units. As the income-restricted bonus units are drawn down, staff and the Governing Board can monitor the remaining pools and identify whether there is a need to shift more units into the income-restricted pools from other sources.

The change to code language is shown in Attachment B.

**Figure 1: Number of housing units needed by 2026 compared to units constructed since July 2020 or that have submitted project applications (“pipeline”)<sup>7</sup>**



<sup>7</sup> A similar graph in the June 23, 2021 Regional Plan Implementation Committee staff report showed 325 affordable units in the pipeline (thus, only reserved units) and 99 units of moderate/achievable in the pipeline. The current version of the graph shows units that are both in the pipeline (reserved) and those that have been transacted from the pools. The previous graph also included one ADU application in the “moderate/achievable column,” however that application was subsequently withdrawn.

At the Local Government and Housing Committee meeting on June 9, committee member Shelly Aldean asked for clarification on the process for reserving bonus units and noted that there should be a time limit on how long bonus units may be reserved. Staff researched the internal reservation process in response to this request. Bonus units are only reserved once a completed application has been received. The bonus units would be reserved until the project is either completed, or, if not started within the allowable timeframe, when the permit expires, three years after issuance.

One additional Development Rights Strategic Initiative code clean-up item is included in this section – in Section 51.5.1.A the word “development right” will be changed to “potential unit of use.”

#### Informational Hearings:

Staff presented the Phase 1 Housing Amendments to the Advisory Planning Commission, the Local Government and Housing Committee, and the Regional Plan Implementation Committee (RPIC) in June. All three bodies were supportive of the amendments and recommended moving the amendments forward to final environmental review and recommendations for approval.

APC members requested that discussion of VMT, traffic, parking, effect on coverage retirement from sensitive lands and emergency evacuation be included in the final packet. Discussion of these items has been included in the IEC. Local Government and Housing Committee Members requested more information on how long a project can reserve bonus units and expressed concern that we ensure that sufficient Bonus Units go toward moderate/achievable units. This has been addressed in the discussion of Recommendation #4, above. RPIC members requested additional examination of the definition of “affordable” units in the code to specify that they are for local occupancy, and to clarify compliance procedures. Staff has added a change to the “affordable” definition in Chapter 90, and to the Bonus Unit Incentive Program compliance procedures in Section 52.3.4.D in response, which can be seen in Attachment B, under Recommendations #3 and #4. Another RPIC comment was related to working with the California Tahoe Conservancy on possible coverage incentives for ADUs.

Public comments encouraged staff to consider allowing tiny homes on wheeled chassis more widely as part of this or future recommendations, and to consider whether ADUs, particularly on the Nevada side, could lead to additional short-term rental impacts. Public comments received for these meetings are included in the attachments.

#### Environmental Review and Regional Plan Compliance:

The environmental documentation for the recommended changes described above consists of the Initial Environmental Checklist (IEC) (Attachment E), environmental findings and finding of no significant effect (Attachment A), thresholds evaluation (Attachment E), and compliance measures evaluation (Attachment F). The IEC tiered from the 2020 Regional Plan Environmental Impact Statement, the 2020 Linking Tahoe Regional Transportation Plan and Sustainable Communities IEC, and other recent planning efforts.

The IEC found that the amendments will not have a significant effect on the environment and a finding of no significant effect was prepared.

The environmental evaluation found that the recommendations could improve compliance with BMP requirements and improve mass transportation and scenic quality. The recommendations include incentives for new residential development and tourist redevelopment which would require implementation of BMPs as a condition of permitting, and compliance with design standards and scenic quality ratings. The evaluation also found that the recommendations could lead to improved mass transportation as they encourage development in close proximity to transit, leading to higher ridership which could in turn support higher transit frequencies.

#### Findings:

Based on the analysis contained in the attached IEC, the monitoring and tracking standards discussed within the IEC and included in the Regional Plan, and the environmental findings document, TRPA determined that the proposed recommendations would not have significant effects or adverse impacts on the environment. Therefore, TRPA staff prepared a Finding of No Significant Effect for the Phase 1 Housing Amendments (Attachment A).

Furthermore, based on the analysis within the thresholds and compliance measures evaluations, the Regional Plan as amended through the proposed policy and code amendments will continue to achieve and maintain thresholds. The intent of the recommended changes is to accelerate attainment of affordable and workforce housing goals for the region, support Regional Plan goals of walkable town centers and neighborhoods, maintain overall development and growth caps for the Tahoe region, and help to accelerate achievement of the environmental thresholds. Project-level review of environmental and threshold impacts shall remain in place as part of the recommended changes.

#### APC Recommendation

On July 14, staff presented the amendment package to the APC. Public comment at the hearing, including letters sent in advance, touched on the following areas:

- Allow for ADUs in already constructed space to not require a development right;
- Encourage affordability by design, not by government subsidy;
- Encouraged monitoring to understand how ADUs are being used before approving additional incentives; cautioned changing coverage and development rights; encouraged reducing parking requirements before loosening coverage requirements.
- Concern that future amendments to Washoe County Area Plan that might allow for ADUs on parcels of less than one acre might not include restrictions on short-term rentals.

The APC recommended approval of the amendments and a finding of no significant effect. Based on public comment and discussion, the APC approved a fifth motion to recommend that the Tahoe Living Housing and Community Revitalization Working Group work plan prioritize and evaluate the process of requiring a development right for an ADU.

Public comments from the APC meeting are included in Attachment H.

Timeline:

The Regional Plan Implementation Committee will review the amendments and the findings and be asked to make a motion to recommend approval to the Governing Board on July 29. Staff will report the result of the RPIC's deliberation at the Governing Board hearing later in the day.

Contact Information:

For questions regarding this agenda item, please contact Karen Fink, at (775) 589-5258 or kfink@trpa.gov.

Attachments:

- A. Findings and Finding of No Significant Effect
- B. Changes to the Code of Ordinances, Rules of Procedure and Area Plans Shown in Track Changes
- C. Adopting Ordinance for Changes to the Code of Ordinances
- D. Adopting Resolution for Changes to the Rules of Procedure
- E. Initial Environmental Checklist and Threshold Indicators
- F. Compliance Measures
- G. Area Plan Compliance Checklist
- H. Public Comments Received for APC July 14, 2021 Hearing

Attachment A  
Findings and Finding of No Significant Effect

Attachment B

Changes to the Code of Ordinances, Rules of Procedure and Area Plans Shown in Track Changes

Attachment C  
Adopting Ordinance for Changes to the Code of Ordinances

Attachment D  
Adopting Resolution for Changes to the Rules of Procedure



Attachment E  
Initial Environmental Checklist and Threshold Indicators

Attachment F  
Compliance Measures

Attachment G  
Area Plan Compliance Checklist

Attachment H  
Public Comments Received for APC July 14, 2021 Hearing