



City of South Lake Tahoe Report to TRPA Regional Plan Implementation Committee

Meeting Date: December 15, 2021

Title: Tourist Core Area Plan Amendments

Location: Tourist Core Area Plan Tourist Center Gateway District, Special Area 1 - 18.0 Acre Amendment Area with 49 Parcels (Multiple APNs)

Responsible Staff Members: John Hitchcock, Planning Manager (530) 542-7405

Background:

Tahoe Wellness Center submitted a development application to the City of South Lake Tahoe proposing an amendment to the Tourist Core Area Plan/Specific Plan. Specifically, the proposed amendment would add the following uses as a special use in the TCAP Tourist Center Gateway (TSC-G) District, Special Area 1: industrial services; wholesale and distribution; and small-scale manufacturing. The proposed amendment specifies that each of these new special uses would be allowed only in connection with a retail commercial use where they will enhance the visitor experience and that the additional special use shall be limited in size to thirty (30) percent of the associated retail space.

The Tourist Core Area Plan was adopted in 2013 (City Ordinance 2013-1060) and replaced the former Stateline/Ski Run Community Plan. The TCAP established seven new zoning districts, two overlay zoning districts, as well as design and development standards for each district.

The Tourist Core Area Plan is considered a specific plan under the City and a component of the Regional Plan.

Issue and Discussion:

The proposed amendment includes modifying the existing TCAP land use definition of "industrial services," and would add a definition for "wholesale and distribution" (not a currently defined use in the TCAP). The proposed definitions for each of these uses is as follows:

- **Industrial Services.** Establishments providing light industrial services to an associated retail commercial primary use while providing educational and/or demonstration opportunities to the public.
- **Small Scale Manufacturing.** Establishments primarily engaging in retail sales and secondarily as a fine art or craftsman demonstration workshop of light industrial nature such as sculptor,

potter, weaver, carver, jeweler, or other similar art that requires artistic skill. Outside storage or display would require approval of a Special Use Permit.

- **Wholesale and Distribution.** Retail commercial establishments engaged in, as a secondary use, the storage of merchandise and distribution of products for sale.

The proposed amendment would modify the TCAP Permissible Use List (TCAP Appendix C – Table 1) and List of Primary Uses and Use definitions (TCAP Appendix C – Table 2). The proposed amendment does not involve any other changes to the TCAP, and does not involve any changes to existing policies, development standards, design standards, or maps. Attachment 02 displays the zoning districts of the TCAP, including TSC-G Special Area 1, which this amendment would affect.

Purpose and Need

Special Area #1 of the TCAP Gateway District is designated as a tourist/commercial district and is intended to provide for an attractive mixed-use commercial and tourist accommodation corridor that provides a welcoming gateway to the tourist core area. The district provides for an array of uses including tourist accommodation, residential, commercial retail, restaurants and recreation uses. The district currently has a mix of tourist accommodation, commercial retail, restaurants and recreation uses that cater to visitors and locals.

The purpose of the proposed amendment is to facilitate implementation of the TCAP objective to develop and redevelop a wide range of tourist-related commercial uses (i.e., light industrial demonstration workshops and product production) that are related to a primary retail commercial use and enhance the tourist destination goals of the Tourist Core Area Plan.

To further enhance and create additional opportunities for expansion of tourist-related retail commercial uses and activate the district, the proposed amendment would allow a primary retail commercial use to expand to include production of products for retail sale and distribution. The area would have to be associated with a primary retail use and will be limited to thirty (30) percent of the primary retail commercial use. The amendment also requires any proposed industrial service, small scale manufacturing, or wholesale and distribution use to obtain a special use permit from the City. The special use permitting process would allow the City to review a project to determine if it is a desirable use in the proposed location, if potential project impacts have been adequately addressed.

Examples of projects that are envisioned as a result of this amendment include but are not limited to retail businesses selling artisanal confectionery items, leather goods, metal works, woodworking, handcrafted goods, small-scale bakery stores, or ice cream parlors. The amendment would also provide the opportunity for production of products for onsite eating and drinking places. The intent is to allow the production, manufacturing and repair of goods on-site and allow retailers the opportunity to demonstrate and educate the public on how products are manufactured for retail sale.

Tourist Core Area Plan

The Tourist Core Area Plan was adopted by the City “to establish a framework that will achieve redevelopment and reinvestment in properties, on the ground environmental improvement, enhancement of the built environment...and increased access to recreation opportunities.” The proposed amendments will further the goals of the Tourist Core Area Plan by encouraging properties in the amendment area to redevelop or expand and provide unique retail experiences to visitors and locals that activate the TCAP Gateway District as a destination center.

The proposed amendments are also consistent with Land Use Goal LU-1 that encourages redevelopment and development in order to provide high quality services to visitors and the public and to animate the streetscape. In addition, the proposed amendments are consistent with the following policies:

Policy LU-1.1: Reinforce the Tourist Core as the primary visitor and tourist district in South Lake Tahoe.

Policy LU-1.3: Create distinctive, connected, and walkable districts that have a strong sense of identity.

Environmental Consideration

To evaluate the potential impacts of the proposed amendment, the City contracted with Cardno to prepare an Initial Study/Negative Declaration (IS/ND). Additionally, TRPA staff prepared an initial environmental checklist (IEC). The IEC and Draft IS/ND provides an analysis of the potential for the project to result in significant environmental impacts. Areas of analysis include aesthetics, agriculture and forestry, air quality, biological resources, cultural resources, geology and soils, greenhouse gas emissions, hazards and hazardous materials, hydrology and water quality, land use planning, mineral resources, noise, population and housing, public services, recreation, transportation and traffic, utility and services systems, and additional mandatory findings of significance related to potential cumulative impacts. The analysis demonstrates that the project either has no impacts or has less than significant impacts in all of these areas.

Tribal Consultation

Pursuant to state law, the City has completed requirements for consultation with Native American tribes under Assembly Bill 52 and the California Environmental Quality Act (CEQA) Guidelines (see Attachment 03). The City received a comment from the United Auburn Indian Community acknowledging the proposed project and deferring to the Washoe Tribe of Nevada and California. No other comments were received. Staff sent a notice to the Washoe Tribe of Nevada and California on February 16, 2021. At this time no comments have been received from the Washoe Tribe of Nevada and California.

Public Workshop

A public workshop was held on February 17, 2021 via an online meeting to take public comment on the proposed amendment and the scope of the environmental analysis. The meeting was attended by a few members of the public who asked clarifying questions. One member of the public who lived in a nearby timeshare (Sierra Shores) did object to the proposed amendments. Subsequently, the City did receive a written comment from Mr. Jeffrey Sun, objecting to the proposed amendment (see Attachment 04).

Public Comment Period, Public Noticing and Public Hearing

The Draft IS/ND has been sent, along with a Notice of Completion, to the California State Clearinghouse for distribution to state and regional agencies for review. The IS/ND has also been available at City offices (1052 Tata Lane) and online at <https://www.cityofslt.us/DocumentCenter/View/16100/Project-Summary-Page-TWC-TCAP-Amendment>. The public review and comment period was August 17, 2021 to September 17, 2021. A Notice of Availability and Notice of Intent, advertising the review period was mailed to all affected property owners within 300 feet of TCAP Gateway District Special Area #1 and published in the Tahoe Daily Tribune on August 20, 2021 (see Attachment 05).

Due to the cancellation of the September Planning Commission meeting and a change in the public hearing date, a second public notice indicating a new date, time and location of the Planning Commission meeting to consider the proposed amendment and the IS/ND was sent on September 9, 2021 and published in the Tahoe Daily Tribune on October 1, 2021 (see Attachment 06).

On October 14, 2021, the Planning Commission held a duly noticed public hearing, receive public comment, deliberated and passed Resolution 2021-14 recommending the City Council adopt the IS/ND and the Tourist Core Area Plan/Specific Plan amendments (see Attachment 07).

A public notice indicating the date, time and location of the City Council meeting to consider the proposed amendment and the IS/ND was mailed to all affected property owners on October 19, 2021 and published in the Tahoe Daily Tribune on October 22, 2021 (see Attachment 08).

The City Council adopted the TCAP amendments as provided in this packet on November 16, 2021 during a regular public meeting.

Recommendation:

City staff recommends that the TRPA Regional Plan Implementation Committee recommend approval of the TCAP amendments as provided in this packet to the TRPA Governing Board.