Meeting Summary: Tahoe Living Working Group

September 22, 2025

Tahoe Living

Cultivating Community, Conserving the Basin.

INTRODUCTION

On September 22, 2025, the Tahoe Living Working Group (TLWG), in collaboration with the Community Partner Group, convened to provide feedback on proposed policy packages for the *Cultivating Community, Conserving the Basin* project. The meeting focused on evaluating proposed policy packages and options to improve housing affordability, streamline the development processes, and balance environmental stewardship across the Tahoe Basin. Discussions were organized around key policy areas including development rights, residential bonus units, land coverage, development standards, expanded housing sites, accessory dwelling units (ADUs), and planning processes. The meeting began with a presentation on the proposed packages, as well as time for clarifying questions. This was followed by a session of small group discussions, with each small group focusing on a handful of topics. The day then concluded with a report-back session where everyone came together to have a final discussion on all the topics. The meeting reflected a shared commitment to advancing housing solutions that are inclusive, environmentally responsible, and responsive to local needs.

The feedback gathered at this meeting and summarized below will be used to update the policy recommendations, which will go to the Governing Board and Advisory Planning Commission in the coming months. This summary reflects and incorporates information documented in the draft meeting minutes of the September 22, 2025 Tahoe Living Working Group and Community Partner Group meeting.[1]

DISCUSSION SUMMARY BY TOPIC

Below is a summary of key topics of discussion, takeaways, comments, and concerns for each topic covered in the small groups and closing discussion.

Development Rights

The proposed development rights packages are:

1. Scaled Development Rights for Residential
2. Maintain Current System with Exemptions for Certain Housing Types

The proposed development rights policy options are:

A. Simplify PRU Access for Multi-Family
B. Single-Family Home Conversion
C. Exempt Accessory Dwelling Units
D. Require that All STRs Acquire a TAU

Some participants expressed general support for using exemptions over scaled development rights, citing their faster implementation and greater appeal to developers due to fewer restrictions. However, concerns were raised about ensuring the production of appropriate housing types without deed restrictions and the potential for wealthier individuals to monopolize development rights. A hybrid approach—combining exemptions with scalable development rights—was recommended to balance feasibility, equity, and market responsiveness. While exemptions are easier to implement and can incentivize smaller units and ADUs, scaled rights offer a more nuanced reflection of development impacts but risk manipulation by wealthier developers. There were mixed views on tying exemptions to deed restrictions, with cities preferring flexible property controls. Local jurisdictions advocated for more autonomy and streamlined processes, suggesting TRPA provide best practice guidance. Additional discussions focused on incentivizing smaller homes,

[1] https://www.trpa.gov/wp-content/uploads/Draft_Tahoe-Living-Working-Group-Minutes_09222025.pdf

evaluating the necessity of the bonus unit pool if exemptions expand, and supporting simplified PRU access for multifamily housing.

POLICY OPTION A: SIMPLIFY POTENTIAL RESIDENTIAL UNIT OF USE (PRU) ACCESS FOR MULTIFAMILY

Stakeholders generally supported a simple scaled hybrid model that reserves a portion of development rights for affordable housing. However, concerns were raised that using bonus units for market-rate multifamily housing could reduce the availability of units for affordable housing. The limited resources for middle-income housing, due to most government funding being targeted at lower-income households, were highlighted as a challenge, especially for households that are not impoverished but still struggle with affordability. Local jurisdictions expressed frustration with overlapping policies between themselves and TRPA, which add complexity and hinder flexibility. They advocated for more control and less interference from TRPA. There was interest in exploring additional tools to support low- to middle-income housing. Stakeholders emphasized the importance of monitoring the allocation of development rights—whether for market-rate or income-restricted units—and supported this policy option contingent on analysis that includes estimated unit counts and environmental impact.

POLICY OPTION B: SINGLE FAMILY HOME CONVERSION

This option received support, but stakeholders raised several concerns. Some stressed that subdividing homes should not require a separate fee. It was noted that multifamily housing typically has more tenant protections, and recommended that TRPA not engage with tenant protection laws. Stakeholders expressed concern that subdivided homes may be harder to resell, and that new owners facing financial or regulatory challenges might not maintain existing tenant protections, potentially leading to evictions. Support for this option was contingent on conducting environmental and economic impact analyses to better understand its implications.

POLICY OPTION C: EXEMPTIONS FOR ADUS

There was support for this option to exempt or waive ADUs from development rights with environmental and economic impact analysis. Some emphasized that TRPA would need to account for those waivers from the requirement to obtain a development right against the region's growth limits.

POLICY OPTION D: REQUIRE ALL SHORT TERM RENTALS (STRS) ACQUIRE A TOURIST ACCOMODATION UNIT (TAU)

This option was met with mixed reactions. Some opposition was due to the complexity of converting TAUs to residential use. Stakeholders noted that STRs are not easily defined, making implementation potentially messy. There was also concern that new owners may not have a valid Vacation Home Rental (VHR) permit, raising questions about enforcement and eligibility. Overall, the feasibility of this option was questioned and in need of further clarification and refinement.

Residential Bonus Units

The proposed residential bonus units policy options are:

A. Replenish the Amount of Bonus Units
B. Expand the Type of Projects that Qualify for Bonus Units

OPTION A: NO NET LOSS OF HOUSING

City of South Lake Tahoe already has a no net loss policy. However, not all jurisdictions do. Scaled development rights or in lieu fees are other ways to address the issue. No net loss does not address the demolition of small single family homes for large single family homes. Some said a better way to go about this would be for TRPA to propose this option as a best practice for local jurisdictions.

OPTION B: EXPAND THE TYPE OF PROJECTS THAT QUALIFY FOR BONUS UNITS

Stakeholders discussed the availability of approximately 2,100 units from existing Commercial Floor Area (CFA) and Tourist Accommodation Units (TAUs), with proposals to scale conversions in order to generate

more bonus units. There was debate over whether to expand the pool of units or to increase the types of projects that could draw from it. Some stakeholders supported "Option A" only if paired with "Option B" or merged into a single policy, reflecting a desire for streamlined implementation. Concerns were raised about entitlements and the slow pace of bonus unit usage, particularly as current development trends favor luxury condos and large single-family homes. Deed restrictions were seen as a valuable tool for gaining support, especially in Placer County, as demonstrated in Phase 2. Suggestions included implementing stricter conversion policies and ensuring that if TRPA expands the unit pool without requiring deed restrictions, local jurisdictions should manage those restrictions and be provided with examples from other regions. The Launchpad program was cited as a helpful tool for jurisdictions to monitor deed-restricted units.

Banking, Conversions, and Transfers

The proposed banking, conversions, and transfers packages are:

1. Convert Unused CFA and TAU Pools
2. Create Additional Incentives and Disincentives for Transfers

The proposed banking, conversions, and transfers policy option is:

A. No Net Loss of Housing Units

Stakeholders expressed interest in converting unused Commercial Floor Area (CFA) and Tourist Accommodation Units (TAUs) into Residential Units of Use (RUUs), especially if conversions are not tied to area plan boundaries. There was general support for simplifying and scaling these conversions to generate more bonus units, though concerns were raised about the slow pace of bonus unit usage and the potential for entitlements to favor luxury developments. Some participants suggested merging Policy Options A and B to streamline implementation, while others emphasized the need for stricter conversion policies and better tracking of how development rights are allocated between market-rate and income-restricted units. Cities have banked retired development rights for apartments and ADUs, and there was support for allowing local jurisdictions to manage no net loss policies, with TRPA offering best practice guidance.

Land Coverage

The proposed land coverage packages are:

1. Institute a Performance-Based System
2. Increase Land Coverage Limits

The proposed land coverage policy options are:

A. Install Areawide Stormwater Improvements
B. Use Updated Maps
C. Reevaluate ECM Fees

Participants expressed general support for both proposed land coverage packages, particularly favoring a performance-based system (PBS) for its flexibility and applicability across various development types, not just housing. There was discussion of a PBS that would require developers to demonstrate their projects can manage a 20-year, 1-hour storm event (this is the current standard). While some stakeholders supported retiring the traditional coverage system due to its perceived redundancy and limitations, others suggested maintaining it as an opt-in alternative for those unable or unwilling to adopt PBS due to budget or technical constraints. Stakeholders emphasized the need for a system that works for everyone and applies broadly, with lot size and setback standards already being addressed at the local level. Reducing land coverage was seen as essential by some for effective stormwater retention, and transitioning to new systems would require education and stakeholder engagement. Maintenance of stormwater systems was identified as a significant ongoing expense, and mitigation fees were viewed as a necessary tool to support local governments in managing infrastructure. There was also discussion about entrepreneurial opportunities related to BMP

maintenance. Some stakeholders suggested that higher fees on homes that are not supportive of Regional Plan goals could help fund stormwater systems. There was a call for clearer land capability distinctions and stronger enforcement mechanisms. Stakeholders also discussed the feasibility of relying on existing stormwater mitigation systems, noting that California law already mandates 100% retention. However, maintenance and enforcement of Best Management Practices (BMPs) remain key challenges, with TRPA seen as better equipped than local jurisdictions to oversee compliance.

To promote affordability, there was interest in merging PBS with scaled development rights and incentivizing "achievable" housing—units that are easier to build due to fewer income tracking requirements and a focus on local employment. Bonus units are currently distributed across affordable, achievable, and moderate income levels, and stakeholders proposed tiered or waived fees based on housing type, with affordable units receiving the most support. They also recommended differentiating strategies for rental versus for-sale properties.

Development Standards

The proposed development standards packages is:

1. Allow Local Jurisdictions to apply the Tahoe Living Phase 2 Housing Amendments to Non-Deed-Restricted Housing

Stakeholders expressed mixed feedback on extending Phase 2 incentives to non-deed-restricted housing. Some supported applying only density incentives to market-rate housing, while others advocated for extending all Phase 2 incentives to both market-rate and deed-restricted housing, provided that deed-restricted units receive greater benefits. There was strong interest in differentiating between rental and for-sale units, with recognition that for-sale housing contributes to personal and generational wealth and should not be overlooked. Maintaining height and coverage restrictions for market-rate housing was recommended to ensure deed-restricted units receive more favorable treatment, or, if additional height was allowed for deed-restricted, then market-rate could go higher as well, but not as high as the deed-restricted housing. One group recommended that inclusionary zoning should also be considered, so that some affordable and moderate-income deed-restricted housing would be constructed. If pursued, inclusionary zoning should be based on total square footage rather than unit count to encourage smaller affordable units, and a 50/50 split between affordable and market-rate units was suggested.

Stakeholders also supported tiered incentives to promote a mix of affordable, moderate, and achievable housing types. Policies should remain opt-in for jurisdictions, with some requesting that this provision be explicitly stated in policy language. Flexibility in standards was encouraged, such as relaxing parking and density requirements while maintaining height and coverage limits. Allocating units across various income levels was seen as essential for supporting mixed-income housing. Developers had some concerns, particularly around the cost of mixed-income requirements, and local incentives were deemed critical to attracting participation. "Affordable by design" strategies, like smaller unit sizes, were recommended to meet affordability goals without formal income restrictions. However, stakeholders cautioned that developers might design units just under 500 sq ft to qualify for incentives, potentially leading to higher unit counts but reduced livable space. Some stakeholders noted that developers currently favor "achievable" housing due to fewer regulatory burdens, making deeply affordable housing challenging without additional subsidies.

There was also explicit interest in addressing workforce housing needs, with some support for extending incentives to non–deed-restricted projects specifically to serve this segment.
In addition, stakeholders discussed the potential for rezoning single-family zones to allow 2–4 unit developments as a gentler transition toward increased density, rather than relying solely on large multifamily projects. It was noted that some local jurisdictions are already developing their own incentive programs, reinforcing the call for TRPA policies that allow local flexibility, coordination, and site-specific adaptation. Finally, stakeholders called for environmental and economic impact studies to assess the feasibility and outcomes of increased height and density for deed-restricted housing.

Expanded Housing Sites

The proposed expanded housing sites packages are:

1. Expand Geographic Scope for Incentives
2. Rezone SFR Zones to Allow 2-4 units
3. Allow and Encourage Housing on Public/Institutional Lands

The proposed expanded housing sites policy option is:

A. Facilitate Transitional and Supportive Housing

Stakeholders generally supported expanding the geographic scope of incentives, particularly through overlays that promote missing-middle housing types such as duplexes and small multi-unit complexes. There was strong interest in allowing local jurisdictions to designate appropriate areas for such development, especially in infill and transit-served zones. However, stakeholders cautioned against full exemptions from development requirements within these overlays, noting that such an approach could reduce public support.

Exemptions were considered acceptable if offset by reductions in development rights elsewhere. Terminology differences were flagged as a barrier, with TRPA, Washoe County residents, and California building code each defining "multi-family" differently, leading to potential confusion and misalignment. Stakeholders also warned against zoning practices that could reinforce neighborhood stereotypes, such as clustering deed-restricted housing, and recommended creating a "multi-plex" overlay zone to support diverse housing types without stigmatization. Development barriers such as coverage and unit size requirements were identified as limiting flexibility, and stakeholders suggested revising these standards and targeting specific zone districts for multi-plex development. Finally, there was support for exploring public-private partnerships and community housing trusts to develop and manage deed-restricted multi-family housing, with successful models in Portland and Washington cited as references.

Accessory Dwelling Units (ADUs)

The proposed ADU packages are:

1. ADU Exemptions
2. Scaled ADU Rights
3. Improved ADU System

Stakeholders expressed strong support for exempting ADUs from development rights to encourage their construction, especially if environmental and economic impacts could be mitigated at the regional level. However, participants also raised concerns regarding the potential development intensity resulting from ADU exemptions and emphasized the need to monitor ADU growth to prevent overdevelopment. Coverage requirements remain a significant barrier, even if other exemptions are granted. Stakeholders recommended waiving impact fees for units under 750 square feet to promote affordability. There was interest in streamlining the bonus unit application process by having TRPA manage paperwork and unit tracking, which would reduce administrative burdens for property owners. ADUs were widely recognized as extensions of primary residences, and stakeholders emphasized the need for increased property owner education to reduce perceived risks and complexity around ADU construction. Additionally, there was a call for the EIS to evaluate how many ADUs could be built under exemption policies and to assess their cumulative effects on infrastructure and neighborhoods. Overall, the feedback reflected a desire to balance streamlined ADU development with safeguards and improved systems to manage growth and impacts effectively.

Planning Process

The proposed planning process package is:

1. Localized Planning Standards within TRPA Framework

Participants generally agreed that local jurisdictions should have more control over planning and setting their own standards, particularly for elements that do not have significant environmental impacts. However, concerns were raised about delegating authority to jurisdictions that may lack in-basin representation or support from the TRPA Governing Board. Stakeholders discussed the potential risks of local jurisdictions setting higher standards without broader consensus, potentially leading to misalignment with regional goals. There was also support from developers for deferring fees until the end of the development process, and interest in streamlining review procedures, though some cautioned that site-specific conditions, especially on sensitive lands, must be carefully considered.

Development Process

The proposed development process packages are:

1. Increase Thresholds for Discretionary Review
2. Environmental Exemptions

While there was interest in streamlining review procedures, stakeholders emphasized that site-specific conditions—especially on environmentally sensitive lands—must be carefully considered. The idea of identifying opportunity sites through GIS analysis and public vetting was proposed as a more targeted and transparent approach to streamlining development.

Housing Occupancy

The proposed housing occupancy packages are:

1. Unlock vacant housing units
2. Support housing authority to manage deed-restrictions and programs
3. Establish stable sources of funding for deed-restricted housing.

There was strong support for all three packages. Some participants strongly supported requiring STRs to acquire TAUs. If this option doesn't move forward, stakeholders would like to understand the "why". Some proposed that the funding acquired through the purchase of the TAUs can go towards housing. There was a strong belief amongst some working group members that it is the responsibility of TRPA to manage STRs.