

STAFF REPORT

Date: December 6, 2023
To: TRPA Governing Board
From: TRPA Staff
Subject: Local Government Coordination Report

Summary and Staff Recommendation:

This Local Government Coordination Report (Report) was developed to inform the Governing Board on progress being made toward the development, adoption, and implementation of area plans and associated permit delegation Memoranda of Understanding (MOU) in the Tahoe Region. In addition, this Report was prepared, pursuant to Tahoe Regional Planning Agency (TRPA) Code, Section 13.8: *Monitoring, Certification, and Enforcement of Area Plans*, to provide the Governing Board a recommendation to either certify, certify with conditions, or revoke all or part of a permit delegation MOU based on audit results. The City of South Lake Tahoe, Placer County, and El Dorado County all have MOUs in effect. Pursuant to TRPA Code, Section 13.8.3: *Annual Review*, TRPA audited a sample of permits issued by MOU partners. Based on the information in the Report, TRPA staff recommends that the Governing Board recertify the MOUs. The Report is provided as Attachment A.

Required Motions:

In order to recertify the MOUs, the Governing Board must make the following motion based on the staff report:

- 1) A motion to find that the City of South Lake Tahoe, Placer County, and El Dorado County are meeting the requirements of their MOUs and to recertify the MOUs.

In order for the motion to pass, an affirmative vote of any eight Board members is required.

Background:

TRPA, as a regional agency, guides and oversees the implementation of its adopted Regional Plan. Local jurisdictions through adopted area plans play a key role in meeting local community needs while accomplishing the broader goals for the Tahoe Region. The Regional Plan specifies TRPA will periodically review the implementation of adopted area plans and associated permit delegation MOUs for continuing conformance with the Regional Plan. Based on the review, TRPA may then recertify, recommend adaptive actions to improve area plan implementation, or revoke local government area plan delegation. The Report gathers the information needed for the Board to consider the review and recertification of adopted local government area plans to date and reports the status of other local government planning matters supported by TRPA. Based on experience so far, the Report also reviews and recommends ways to improve coordination between TRPA and local jurisdictions.

Regional Plan Compliance:

Regional Plan Land Use Goals and Policies encourage local jurisdictions to develop area plans and take on additional permitting through MOUs (Regional Plan Goal LU-4 and Policies LU 4.1 – 4.13).

Contact Information:

If you have questions regarding this item, please contact Brandy McMahon, AICP, Local Government Coordinator, at (775) 589-5274 or bmcMahon@trpa.gov.

To submit a written public comment, email publiccomment@trpa.gov with the appropriate agenda item in the subject line. Written comments received by 4 p.m. the day before a scheduled public meeting will be distributed and posted to the TRPA website before the meeting begins. TRPA does not guarantee written comments received after 4 p.m. the day before a meeting will be distributed and posted in time for the meeting.

Attachment:

- A. Local Government Coordination Report

Attachment A
Local Government Coordination Report



LOCAL GOVERNMENT COORDINATION REPORT



INTRODUCTION

This Local Government Coordination Report was developed by the Tahoe Regional Planning Agency (TRPA) to inform the Governing Board on progress being made toward the development, adoption, and implementation of area plans and associated permit delegation memoranda of understanding (MOUs) in the Tahoe Region.

BACKGROUND

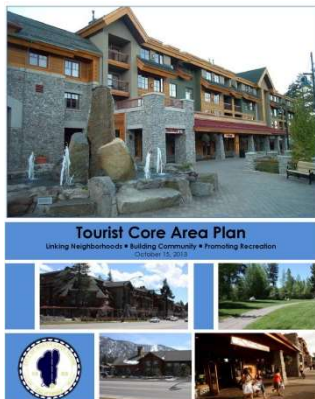
TRPA's Regional Plan Goals and Policies serve as a guide for future land use decisions within the Tahoe Region. To further the Goals and Policies, the 2012 Regional Plan encourages local jurisdictions to develop area plans to supersede and bring current the plan area statements and community plans developed to implement the 1987 Regional Plan. The majority of community plans and plan area statements are over 20 years old. The area plan process was developed to give local jurisdictions the ability to develop their own sub-regional plans within the "sideboards" established under the Regional Plan, incentivize the environmental redevelopment of centers (i.e., the Town Center, Regional Center, and High Density Tourist Districts) in the Regional Plan, streamline the permitting process, and make further progress towards environmental threshold attainment.

ADOPTED AREA PLANS

With the adoption of the Washoe County Tahoe Area Plan in 2021, there are now six area plans covering approximately 71,913 acres, or 34 percent of the land area of the Tahoe Region and 89 percent of centers. This section includes an overview of area plans and associated permit delegation MOUs.

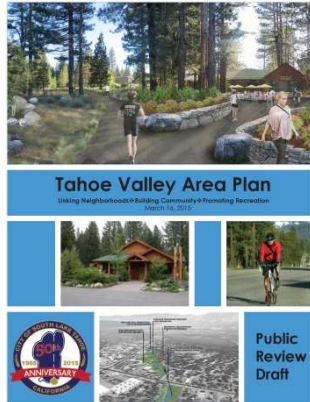
CITY OF SOUTH LAKE TAHOE, CA

Tourist Core Area Plan



This Area Plan includes approximately 300 acres located along Highway 50, between Ski Run Boulevard and the state line in the City of South Lake Tahoe, California. The Governing Board adopted the Area Plan in 2013 and approved Area Plan amendments to incentivize center redevelopment and housing development in 2020. The Governing Board adopted a delegation MOU with the City in December 2014. The MOU covers areas both within and outside of area plans in the City of South Lake Tahoe. The MOU took effect in the third quarter of 2015.

Tahoe Valley Area Plan

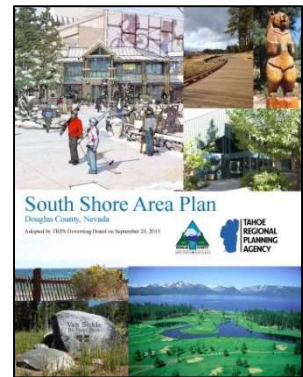


This Area Plan includes 337 acres near the intersection of Highways 50 and 89 (“Y” area) in the City of South Lake Tahoe, California. The Governing Board adopted the Area Plan in July 2015. In 2020, the Governing Board approved updates to the Area Plan to facilitate the development of the Sugar Pine Village affordable housing project, as well as future affordable housing projects. The City delegation MOU that took effect in 2015 includes the Area Plan.

DOUGLAS COUNTY, NV

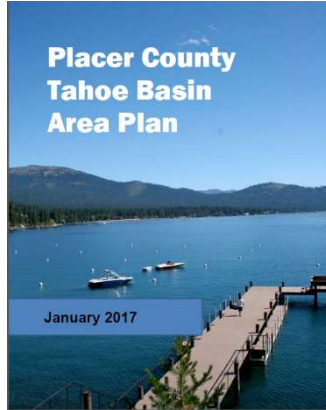
South Shore Area Plan

This Area Plan includes approximately 667 acres located along Highway 50, between Kahle Drive and the state line, in Douglas County, Nevada. The Governing Board adopted the Area Plan and an associated MOU in 2013. The Governing Board approved an amendment in 2023 to allow religious assemblies in the Tahoe Mixed-Use Zoning District. Due to staffing constraints at the County, the MOU never went into effect. TRPA currently reviews all permit applications in the Tahoe Basin portion of Douglas County.



PLACER COUNTY, CA

Placer County Tahoe Basin Area Plan

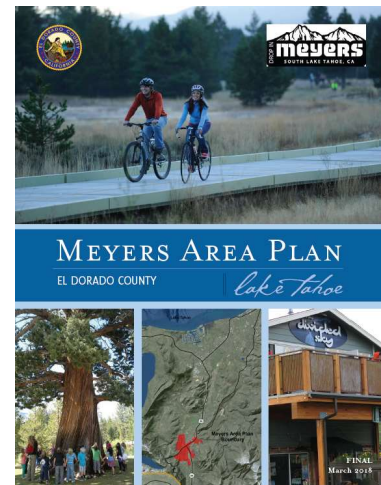


This Area Plan includes all property under the jurisdiction of TRPA in Placer County, California. The Governing Board adopted the Area Plan in February 2017 and approved updates to the Area Plan to better align the Area Plan with the County's housing goals and TRPA Regional Plan updates in 2021. The Placer County Board of Supervisors adopted additional amendments in October 2023 with the intent of providing more development incentives and flexibility to encourage economic redevelopment and housing construction. The amendments will be presented to the Governing Board in early 2024. The Governing Board approved an MOU in October 2017. The MOU includes three phases of permit delegation. The MOU (Phase I & II) went into effect in May 2018.

EL DORADO COUNTY, CA

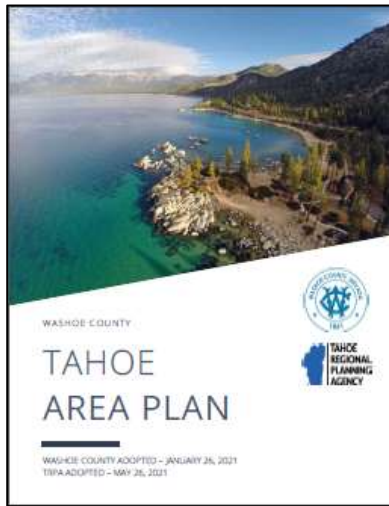
Meyers Area Plan

This Area Plan includes approximately 669 acres in the Meyers community of El Dorado County, California. The Governing Board adopted the Area Plan in February 2018. A delegation MOU that covers the Meyers Area Plan and future area plans, as well as the rest of El Dorado County in the Tahoe Region, was adopted by the Governing Board in November of 2018. The MOU includes three phases of permit delegation. The MOU (Phase I & II) went into effect in January 2020.



WASHOE COUNTY, NV

Washoe County Tahoe Area Plan



This Area Plan includes all property within the Tahoe Basin portion of Washoe County, Nevada. The Governing Board approved the Area Plan in May of 2021. The plan guides growth by recognizing critical conservation areas, establishing existing and future land use and transportation patterns, and identifying current and future public service and facility needs. This is the most recently adopted area plan in the Tahoe Basin. In 2023, the Governing Board approved an amendment to allow condominiums in Special Area 1 of Incline Village with mitigations to ensure that condominiums are in mixed-use structures and include affordable housing. TRPA also approved a new permit delegation MOU with Washoe County in 2023, but due to staffing limitations Washoe County does not plan to take on the permitting authorized under the MOU at this time.

Area plans and associated permit delegation MOUs are available on the TRPA website (trpa.gov). The location of adopted area plans is shown in Exhibit 1.

ANNUAL AREA PLAN PERMITTING ACTIVITY

This section includes an overview of permitting activity from 2020 to 2022 and other highlights that have occurred within the geographic areas covered by area plans.

CITY OF SOUTH LAKE TAHOE - TOURIST CORE AREA PLAN

During 2022, 32 project applications were submitted to TRPA and 5 project applications were submitted to the City of South Lake Tahoe (CSLT) within the Tourist Core Area Plan. A summary of these applications is shown in Table 1.

Table 1: Permit Activity within the Geographic Area of the Tourist Core Area Plan, Calendar Year 2020-2022

| | 2020 | | 2021 | | 2022 | |
|---|----------|-----------|----------|-----------|----------|-----------|
| | CSLT | TRPA | CSLT | TRPA | CSLT | TRPA |
| Applications Received¹ | 5 | 25 | 2 | 22 | 5 | 32 |
| Residential Projects ² | 0 | 2 | 0 | 2 | 0 | 1 |
| Commercial Projects ² | 4 | 0 | 2* | 1 | 2 | 2 |
| Recreation/Public Service Projects ² | 1 | 0 | 0 | 1 | 3 | 0 |
| Environmental Improvement Construction Projects | 0 | 0 | 0 | 0 | 0 | 0 |
| Shorezone/Lakezone Projects ² | 0 | 0 | 0 | 1 | 0 | 2 |
| Grading Projects | 0 | 2 | 0 | 0 | 0 | 0 |
| Verification and Banking ³ | 0 | 19 | 0 | 10 | 0 | 16 |
| Development Rights Transfers and Conversions | 0 | 1 | 0 | 3 | 0 | 8 |
| Other ⁴ | 0 | 1 | 0 | 4 | 0 | 3 |

Notes:

¹ Does not include Exempt Activities, Qualified Exempt Declarations, Tree Removal Applications, or Administrative Applications.

² Includes New Development and Additions/Modifications.

³ Includes Soils/Hydrology Verifications, IPES Applications, Land Capability Verifications, Land Capability Challenges, Verifications of Coverage, Verifications of Uses, Site Assessments and Standalone Banking Applications.

⁴ "Other" includes Historic Determinations, Lot Line Adjustments, Resource Management, Temporary Activities, Projects, and Structures, Scenic, Underground Tank Removal, Subdivision of Existing Uses, Signs, Allocation Assignments, and other miscellaneous project types.

* Includes 933 & 943 Poplar Tourist Accommodation project.

Sources: TRPA Accela permit records, local jurisdiction permitting system data, and correspondence with local jurisdiction staff.

Area Plan highlights:

- The Bijou Market Place (Whole Foods) Project is complete. This project included the removal of the old Knights Inn, a new Whole Foods, restaurants, and retail stores, "daylighting" Bijou Creek, and stream environment zone (SEZ) restoration at the intersection of Ski Run and Hwy 50.
- The 20-unit Gondola Vista residential project is complete.
- The Novus Select building was remodeled on Ski Run.
- The bi-state US 50/South Shore Community Revitalization Project was approved.
- The Main Street Management Plan to implement the approved US 50/South Shore Revitalization Project was approved.
- The City approved a 4-unit multi-family housing project at 3794 Montreal Road.
- The City approved Phase II of Hotel Desolation at 933 and 943 Poplar Avenue.
- The Lake Tahoe Resort Hotel/Embassy Suites building is being redeveloped into a Margaritaville.
- The construction of Ski Park, a public park located on Ski Run Avenue, has commenced.



**Bijou Market Place
“Whole Foods & SEZ Restoration”**

CITY OF SOUTH LAKE TAHOE - TAHOE VALLEY AREA PLAN

During 2022, 24 project applications were submitted to TRPA and 4 project applications were submitted to the City of South Lake Tahoe (CSLT) within the Tahoe Valley Area Plan. A summary of these applications is shown in Table 2.

| Table 2: Permit Activity within the Geographic Area of the Tahoe Valley Area Plan, Calendar Year 2020-2022 | | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|-------------|
| | 2020 | | 2021 | | 2022 | |
| | CSLT | TRPA | CSLT | TRPA | CSLT | TRPA |
| Applications Received¹ | 7 | 8 | 2 | 23 | 4 | 24 |
| Residential Projects ² | 2 | 3 | 2** | 0 | 0 | 4 |
| Commercial Projects ² | 5 | 0 | 1** | 0 | 3 | 0 |
| Recreation/Public Service Projects ² | 0 | 0 | 0 | 2 | 1 | 1 |
| Environmental Improvement Construction Projects | 0 | 0 | 0 | 0 | 0 | 0 |
| Shorezone/Lakezone Projects ² | 0 | 0 | 0 | 0 | 0 | 0 |
| Grading Projects | 0 | 0 | 0 | 1 | 0 | 1 |
| Verification and Banking ³ | 0 | 3 | 0 | 6 | 0 | 7 |
| Development Rights Transfers and Conversions | 0 | 2 | 0 | 12 | 0 | 8 |
| Other ⁴ | 0 | 0 | 0 | 2 | 0 | 3 |

* Notes and Sources are shown under Table 1.

** 941 Emerald Bay Road is a mixed-use project and is included in the residential and commercial figures.

Area Plan highlights:

- The Sugar Pine Village Project, a 248-unit affordable multi-family housing project with a childcare facility and non-profit office space, was approved and construction has commenced.
- Blue Granite Climbing Gym was constructed near the “Y”.
- A facilities Master Plan for Barton Memorial Hospital was completed.
- The Center of Excellence at the Barton Memorial Hospital, a 25,000-square foot orthopedic, sports performance, rehabilitation, and wellness center is now open. Mitigation for the project included the retirement of more than 33,600 square feet of land coverage previously removed from an SEZ at the Lake Tahoe Airport.
- The City approved the Barton Center of Excellence Outdoor Wellness Training Facility.
- The City approved three new multi-family units over South Shore Bikes.
- "The Factory Stores at the Y" went through a major remodel and were transformed into "The Crossings at Tahoe Valley."
- Six electric vehicle (“EV”) charging stations were constructed at The Crossings at Tahoe Valley.
- An old hardware store was turned into the South Lake Brewing Company near the “Y”.
- The McDonald’s at the “Y” was rebuilt.
- The Toyota dealership underwent an expansion/remodel.
- The design of the Tahoe Valley Greenbelt has started.
- The City approved six new multi-family housing units at 906 Emerald Bay Road.
- The City approved a mixed-use project at 941 Emerald Bay Road.
- The City approved a 14-unit multi-family project at 3rd Street and Barton Avenue
- The City approved the AleWorX backyard grill.
- Construction has commenced on Cascade Kitchen, a new food hall, in the old K-mart building.



Sugar Pine Village Affordable Housing Project

DOUGLAS COUNTY - SOUTH SHORE AREA PLAN

During 2022, 19 project applications were submitted to TRPA within the South Shore Area Plan. A summary of these applications is shown in Table 3. TRPA currently reviews all project applications within the Douglas County portion of the Tahoe Basin.

Table 3: Permit Activity within the Geographic Area of the South Shore Area Plan, Calendar Year 2020-2022

| | 2020 | | 2021 | | 2022 | |
|---|----------|----------|----------|-----------|----------|-----------|
| | DC | TRPA | DC | TRPA | DC | TRPA |
| Applications Received¹ | 0 | 6 | 0 | 17 | 0 | 19 |
| Residential Projects ² | 0 | 0 | 0 | 0 | 0 | 1 |
| Commercial Projects ² | 0 | 1 | 0 | 1 | 0 | 4 |
| Recreation/Public Service Projects ² | 0 | 1 | 0 | 1 | 0 | 2 |
| Environmental Improvement Construction Projects | 0 | 0 | 0 | 0 | 0 | 0 |
| Shorezone/Lakezone Projects ² | 0 | 0 | 0 | 0 | 0 | 3 |
| Grading Projects | 0 | 0 | 0 | 5 | 0 | 4 |
| Verification and Banking ³ | 0 | 2 | 0 | 3 | 0 | 3 |
| Development Rights Transfers and Conversions | 0 | 0 | 0 | 0 | 0 | 1 |
| Other ⁴ | 0 | 2 | 0 | 7 | 0 | 1 |

* Notes and Sources are shown under Table 1.

Area Plan highlights:

- The Tahoe Blue Event Center is now open, and events are being held.
- The Lake Link microtransit shuttle system is now in operation on the south shore. The Lake Link microtransit is a mitigation measure for trips generated from the Tahoe Blue Event Center.
- The casinos implemented a paid parking program to encourage the use of alternative modes of transportation.
- Improvements were made to both the exterior and interior at Bally's Lake Tahoe (previously MontBlue), including modified signage, color upgrades to building exterior, landscaping, and parking lot refurbishment.
- The old Horizon Casino/Hotel went through a substantial interior and exterior remodel and was transformed into the Hard Rock Hotel & Casino and is now the Golden Nugget Lake Tahoe Hotel & Casino.
- The Lake Tahoe Epic Curling Facility was completed by a tenant in the TRPA Office building.



Tahoe Blue Event Center

- Construction of the Edgewood Lodge, which contains 154 tourist accommodation units, a restaurant, and spa, as well as the associated water quality improvement projects, is complete. The current phase of the project is still under construction and consists of four new detached buildings that will contain a total of 14 new tourist accommodation units (TAUs). Future phases include the construction of an additional 26 TAUs in several detached “cottage” structures, expansion of the golf course clubhouse and several threshold improvement projects, such as enhancements to Golf Course Creek.
- The bi-state US 50/South Shore Revitalization Project was approved.
- The Main Street Management Plan, a plan to implement the approved US 50/South Shore Revitalization Project, was approved.
- TRPA approved an outdoor dining space adjacent to Harvey’s Lake Tahoe Casino & Hotel facing Stateline Avenue. The outdoor dining area will be part of a restaurant within the casino.
- The Governing Board approved Latitude 39, a mixed-use 40-unit residential condominium and commercial project, on the site that includes the old Wells Fargo Bank building next to the Golden Nugget Lake Tahoe Hotel & Casino.
- The Lakeside Inn Casino property was purchased by Barton Hospital and the buildings on the site have been demolished to accommodate a future medical facility.

PLACER COUNTY – TAHOE BASIN AREA PLAN

During 2022, 260 project applications were submitted to TRPA and 146 project applications were submitted to Placer County within the Placer County Tahoe Basin Area Plan. A summary of these applications is shown in Table 4.

| Table 4: Permit Activity within the Geographic Area of the Placer County Tahoe Basin Area Plan, Calendar Year 2020-2022 | | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
| | 2020 | | 2021 | | 2022 | |
| | PC | TRPA | PC | TRPA | PC | TRPA |
| Applications Received¹ | 151 | 194 | 148 | 233 | 146 | 260 |
| Residential Projects ² | 89 | 39 | 80 | 47 | 88 | 54 |
| Commercial Projects ² | 0 | 7 | 0 | 4 | 0 | 4 |
| Recreation/Public Service Projects ² | 0 | 7 | 0 | 10 | 0 | 7 |
| Environmental Improvement Construction Projects | 0 | 1 | 0 | 0 | 0 | 1 |
| Shorezone/Lakezone Projects ² | 0 | 18 | 0 | 63 | 0 | 34 |
| Grading Projects | 0** | 8 | 0** | 11 | 0 | 11 |
| Verification and Banking ³ | 58 | 90 | 64 | 74 | 58 | 89 |
| Development Rights Transfers and Conversions | 0 | 4 | 0 | 2 | 0 | 10 |
| Other ⁴ | 4 | 20 | 0 | 22 | 0 | 50 |

* Notes and Sources are shown under Table 1.

** Placer County did not issue any grading permits. All grading was permitted as part of a project.

In some cases, a “0” is indicated because Placer County does not have MOU authority to review a permit.

Area Plan highlights:

- The Tahoe City Lodge project, a redevelopment project approved in conjunction with the Placer County Tahoe Basin Area Plan, has been approved and the construction of foundations commenced in 2023.
- The County and TRPA are meeting with applicants on concepts for the 39 North (formerly the Kings Beach Center) project, a proposed redevelopment project that includes two non-contiguous project sites.
- The County and TRPA are reviewing the Boatworks redevelopment project in Tahoe City. The proposed project includes 80 to 85 hotel units, 31 residential condominiums, conference facilities, and retail space.
- Planning for the proposed Dollar Creek Crossing affordable housing project, a multi-family affordable housing project, is underway.
- The County and TRPA are reviewing the proposed Lake View development, a mid-size mixed use project including 10 market rate multi-family units, 15 tourist accommodation units, and professional office space in Kings Beach.
- The County and TRPA are reviewing the Kings Beach Lodge project, an urban infill project that includes a 31 unit boutique hotel, restaurant space, and small meeting/seminar room.

Housing highlights:

- Workforce Housing Preservation – The County has invested over a million dollars to provide homebuying assistance to members of the local workforce to deed restrict existing homes for local workforce occupancy.
- Lease to Locals - Funding for this program goes to incentivize homeowners to convert vacation homes to long-term rentals for members of the local workforce.
- Short Term Rental (STR) Program – To further encourage a diversity of lodging types, lodging in centers and to support neighborhood compatibility, a new ordinance was adopted that includes features such as a cap of 3,900 STR permits, Transit Occupancy Tax (TOT), certificate requirements for all STRs, and creation of a stakeholder working group.

Transportation highlights:

- The County has invested millions into expanded Tahoe Truckee Area Regional Transportation (TART) services, micro transit services, and park and ride services, including services to ski resorts, to reduce traffic congestion and vehicle miles traveled (VMT) in the Tahoe Basin and improve the overall visitor experience.
- The County is providing funding for pedestrian safety and center traffic flow at heavily trafficked crossings in Kings Beach and Tahoe City.

- The Resort Triangle Transportation Plan was adopted by the Board of Supervisors to expand parking waiver and exemption opportunities with project contributions to transit, shared parking, and transportation demand management initiatives.

Department of Public Works project highlights:

- The County has completed the Dollar Creek Shared Use Trail, Kings Beach Water Quality Project, Secline Beach Project, and West Shore Pedestrian Improvements.
- The County is currently designing the North Tahoe Bike Trail segments 1 and 3, the SR 28/Hwy 267 roundabout project, Lakeside Trail, and SR 89/Fanny Bridge revitalization project (second phase with roundabout at the “wye” and Fanny bridge replacement).

EL DORADO COUNTY – MEYERS AREA PLAN

During 2022, 4 project applications were submitted to TRPA and 4 project applications were submitted to El Dorado County within the Meyers Area Plan. A summary of these applications is shown in Table 5.

| Table 5: Permit Activity within the Geographic Area of the Meyers Area Plan, Calendar Year 2020-2022 | | | | | | |
|---|----------|----------|----------|----------|----------|----------|
| | 2020 | | 2021 | | 2022 | |
| | ED | TRPA | ED | TRPA | ED | TRPA |
| Applications Received¹ | 1 | 6 | 0 | 3 | 4 | 4 |
| Residential Projects ² | 0 | 0 | 0 | 0 | 0 | 0 |
| Commercial Projects ² | 1** | 0 | 0 | 0 | 1 | 0 |
| Recreation/Public Service Projects ² | 0 | 0 | 0 | 0 | 0 | 1 |
| Environmental Improvement Construction Projects | 0 | 0 | 0 | 0 | 1 | 0 |
| Shorezone/Lakezone Projects ² | 0 | 0 | 0 | 0 | 0 | 0 |
| Grading Projects | 0 | 0 | 0 | 0 | 1 | 0 |
| Verification and Banking ³ | 0 | 3 | 0 | 2 | 1 | 2 |
| Development Rights Transfers and Conversions | 0 | 0 | 0 | 0 | 0 | 0 |
| Other ⁴ | 0 | 3 | 0 | 1 | 0 | 1 |

* Notes and Sources are shown under Table 1.

** This was for a commercial change of use in an existing building.

Area Plan highlights:

- The California Department of Transportation (CalTrans) constructed a roundabout at US Highway 50 and State Route 89 in Meyers. El Dorado County is planning to construct a second roundabout at US Highway 50 and Pioneer Trail.
- El Dorado County began construction on the San Bernardino Class 1 Bike Path. The pathway will cross the Upper Truckee River and includes access to Washoe Meadows State Park, Tahoe Paradise Park, and Meyers Elementary School.
- El Dorado County is in the design and permitting phase of the Apache Avenue Pedestrian Safety and Connectivity Project.
- El Dorado County constructed a new Department of Transportation Equipment Storage Building on Shakori Way.
- El Dorado County completed Phases I and II of the Meyers Stream Environment Zone/Erosion Control Project.



San Bernardino Bikeway Bridge

WASHOE COUNTY - TAHOE AREA PLAN

During 2022, 287 project applications were submitted to TRPA within the geographic area of the Washoe County Tahoe Area Plan. TRPA currently reviews all project applications within the Washoe County portion of the Tahoe Basin.

Table 6: Permit Activity within the Geographic Area of the Washoe County Tahoe Area Plan, Calendar Year 2020-2022

| | 2020 | | 2021 | | 2022 | |
|---|----------|------------|----------|------------|----------|------------|
| | WC | TRPA | WC | TRPA | WC | TRPA |
| Applications Received¹ | 0 | 252 | 0 | 282 | 0 | 287 |
| Residential Projects ² | 0 | 106 | 0 | 110 | 0 | 106 |
| Commercial Projects ² | 0 | 0 | 0 | 4 | 0 | 4 |
| Recreation/Public Service Projects ² | 0 | 3 | 0 | 8 | 0 | 11 |
| Environmental Improvement Construction Projects | 0 | 2 | 0 | 0 | 0 | 2 |
| Shorezone/Lakezone Projects ² | 0 | 7 | 0 | 16 | 0 | 17 |
| Grading Projects | 0 | 11 | 0 | 10 | 0 | 11 |
| Verification and Banking ³ | 0 | 97 | 0 | 101 | 0 | 85 |
| Development Rights Transfers and Conversions | 0 | 1 | 0 | 6 | 0 | 5 |
| Other ⁴ | 0 | 25 | 0 | 27 | 0 | 46 |

* Notes and Sources are shown under Table 1.

Area Plan highlights:

- TRPA approved Nine 47 Tahoe, a mixed-use complex that includes 40 residential units, at the corner of Tahoe and Southwood Blvd. A request to subdivide the units into condominiums is still pending.
- TRPA approved a new warehouse/office space project on the old Spitsen Lumber site.
- The owners of the Cal Neva Lodge & Casino are planning to commence construction on interior upgrades that were started several years ago but were never completed. The new owners are in the preliminary design phase for additional improvements that will focus on the exterior of the building and the rest of the site.
- If approved by Washoe County and TRPA, construction of the Waldorff Astoria may commence in 2024 on the Tahoe Biltmore Lodge & Casino property. Except for demolition of the main Casino building, demolition of the other structures is complete.
- The Incline High School Improvements Project, an addition to the existing High School, as well as redevelopment of the existing track and field facilities, is underway.
- Site work has started for a new natural grocery shop. It is replacing three legacy commercial buildings. This is one of the first projects to take advantage of additional redevelopment incentives that were adopted under the Washoe County Tahoe Area Plan.



Rendering of Natural Grocers

ANNUAL REVIEW AND AUDIT

RESIDENTIAL AUDIT FINDINGS

In 2022, TRPA completed residential project review and code compliance audits for each jurisdiction (City of South Lake Tahoe, Douglas County, El Dorado County, Placer County, and Washoe County) in the Tahoe Basin, as required by TRPA Code of Ordinances, Section 50.5.2.E:

Distribution and Administration of Residential Allocations. The purpose of these audits is to (1) ensure residential projects reviewed and inspected by Memorandum of Understanding (MOU) partners on behalf of TRPA comply with the TRPA Code and Rules of Procedure, (2) identify project review training and education opportunities for MOU partners, and (3) provide the Performance Review Committee¹ with a summary of MOU performance for the distribution of residential allocations. The vast majority of permits reviewed and issued by local jurisdictions on behalf of TRPA under an MOU in the Tahoe Region fall under the residential category. As shown in Table 7 (below), all five local jurisdictions received a score of 90% percent or greater on project review and compliance in 2022.

| Table 7: 2022 MOU Residential Project & Compliance Review Audits | | | |
|---|-----------------------|-------------------|----------------|
| Jurisdiction | Project Review | Compliance | Average |
| City of South Lake Tahoe | 96 | 92.4 | 94.2 |
| Douglas County | 95.5 | 94.55 | 95.03 |
| El Dorado County | 94 | 97.95 | 95.98 |
| Placer County | 94.5 | 91.9 | 93.2 |
| Washoe County | 93 | 96.8 | 94.9 |

TRPA staff also completed a project review audit for projects permitted by the City of South Lake Tahoe within adopted area plans in 2022, as required by TRPA Code of Ordinances, Section 13.8.3: *Annual Review*. The annual area plan audit includes projects reviewed by local jurisdictions in area plans that are not covered in the annual single-family residential audit, such as commercial, tourist, public service, or multi-family housing projects. During the audit, TRPA found that the City of South Lake Tahoe approved four projects in the Tourist Core Area Plan and reviewed only one Qualified Exempt Activity within the Tahoe Valley Area Plan. Placer County and El Dorado County did not review or approve any projects within their area plans that required an additional audit by TRPA. Pursuant to TRPA Code, Section 13.8.4: *Effect of Annual Review; Annual Report*, the Governing Board may certify, conditionally certify, or revoke part or all of an MOU associated with an area plan based on an audit.

CITY OF SOUTH LAKE TAHOE AUDIT FINDINGS AND RECOMMENDATIONS

During this year's audit, TRPA staff found once again that the projects being implemented in the City area plans are helping to further the Goals and Policies of the Regional Plan and that delegation of permitting is working. TRPA also found that procedural improvements, including providing training, attending Development Review Team meetings to provide input on projects early on in the process, and having MOU Liaison meetings has improved coordination between the City and TRPA. Overall, TRPA has found that City staff is dedicated to working with TRPA to ensure successful implementation of the MOU. **Based on the audit results and recommended**

¹ The Performance Review Committee, comprised of staff from each participating local jurisdiction and TRPA, is tasked with providing a recommendation on the proposed distribution of residential allocations to the Governing Board every two years.

procedural improvements, TRPA staff recommends, pursuant to TRPA Code, Section 13.8.4: *Effect of Annual Review; Annual Report*, that the Governing Board recertify the City's MOU.

PLACER COUNTY AUDIT FINDINGS AND RECOMMENDATIONS

During a review of projects reviewed and issued by Placer County on behalf of TRPA, TRPA found the vast majority of projects reviewed and issued by Placer County were residential (Phase I of MOU). The new activities taken on by Placer County (Phase II of MOU) include land coverage and use verifications, qualified exempt activities, and signs. Placer County has chosen not to take on commercial, tourist or public service projects at this time (Phase III of MOU). Following a review of projects issued by Placer County in 2022, TRPA staff found that the projects reviewed and approved by Placer County were in the residential category and already covered in the residential audit. As a result, no additional audits were required. Placer County does an excellent job of coordinating with TRPA on the permitting of projects. **As a result, TRPA staff recommends, pursuant to TRPA Code, Section 13.8.4: *Effect of Annual Review; Annual Report*, that the Governing Board recertify Placer County's MOU.**

EL DORADO COUNTY AUDIT FINDINGS AND RECOMMENDATIONS

Under the El Dorado County delegation MOU that covers the Meyers Area Plan and future area plans, as well as the rest of El Dorado County in the Tahoe Region, adopted by the Governing Board in 2018, the County reviews and issues residential permits (Phase I of MOU) on behalf of TRPA. The new activities taken on by El Dorado County (Phase II of MOU) includes use verifications, qualified exempt activities, signs, and temporary activities. El Dorado County has chosen not to take on commercial, tourist or public service projects at this time (Phase III of MOU). Since the County did not approve any projects outside of residential projects that required an audit, no additional audits beyond the residential audit were completed. Similar to other MOU partners, TRPA staff has found that El Dorado County does an excellent job of coordinating with TRPA on the permitting of projects and ensuring training provided by TRPA is well attended. **As a result, TRPA staff recommends, pursuant to TRPA Code, Section 13.8.4: *Effect of Annual Review; Annual Report*, that the Governing Board recertify El Dorado County's MOU.**

MOUs are available at: www.trpa.gov/where-to-apply-for-a-permit.

TMDL LOAD REDUCTION AND FOUR-YEAR RECERTIFICATION

The California Lahontan Regional Water Quality Control Board (Water Board) and Nevada Division of Environmental Protection (NDEP), together with Total Maximum Daily Load (TMDL) management agencies, administer the Lake Tahoe TMDL Program. The program is a long-term process that guides efforts to restore Lake Tahoe's clarity to depths of nearly 100 feet. To meet this goal, the program aims to reduce fine sediment particles by 65 percent; total nitrogen loads by 10 percent; and total phosphorous loads by 35 percent. To ensure area plans are in conformance with the Lake Tahoe TMDL, TRPA Code, Section 13.8.5: *Four-Year Recertification*, requires TRPA use catchment data and all reports to inform the four-year area plan recertification. The last four-year recertification was in 2021. The Lake Tahoe TMDL Program

2023 Performance Report summarizes TMDL Program accomplishments through 2022 and found that all local jurisdictions were meeting or exceeding their credit targets for 2022 (see below). The Report is available at: laketahoeinfo.org.



Source: Lake Tahoe TMDL Program 2023 Performance Report

PROCESS IMPROVEMENTS

This section includes recommended process improvements.

PERMITTING IMPROVEMENTS

In 2022, the Governing Board endorsed a TRPA Permitting Improvements Action Plan. The Action Plan outlines a strategy and work program to improve TRPA's permitting system. The Action Plan was developed to address challenges the agency has faced in recent years, including the COVID-19 Pandemic requiring a shift to remote work, a multi-year real-estate boom, increasingly complicated project applications, funding limitations, and an influx of applications following the approval of new ordinances. The process improvements and code amendments focused on the following priority topics:

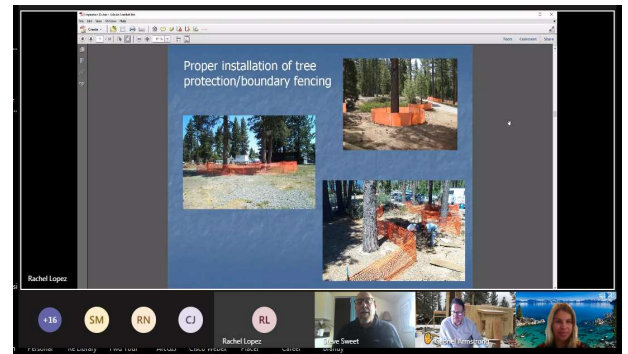
- Establish more efficient, consistent, and predictable application review processes.
- Simplify and shorten review processes for minor applications and sequential approvals.
- Update code standards that are difficult to interpret, do not add value, or are unduly cumbersome.
- Prioritize public communication and customer services.

- Expand tools for staff development and training.
- Maintain adequate and dependable funding to support quality application reviews.

In the fall of 2023, the Governing Board approved changes to the Code of Ordinances and Rules of Procedure as part of the Permitting Improvement Program – Phase I. TRPA developed the recommended changes with input from the local jurisdictions. TRPA plans to move forward with additional phases of the Permitting Improvement Program. Information on the Program is available on trpa.gov.

TRAINING

In 2023, TRPA provided training to MOU Partners on a wide range of topics, including Project Review, Best Management Practices, Land Coverage, Development Rights, Defensible Space, Inspections, and the Permitting Improvement Program. Since this training has proven to be extremely beneficial, TRPA staff plans to provide additional training next year.



Virtual Permit Review Training

HOUSING

In 2020, TRPA formed the Tahoe Living: Housing and Community Revitalization Working Group. This committee, made up of members from local agencies and organizations, housing developers, and community members, has and continues to develop policy recommendations to address critical housing issues and further the availability of affordable, moderate-income, and achievable workforce housing. In 2023, proposed Phase 2 Housing Amendments were developed by the Working Group and were presented to the Regional Planning Committee. The proposed amendments are being presented to the Governing Board in December. Information on the Working Group is available on trpa.gov.

SHORT TERM RENTAL NEIGHBORHOOD COMPATIBILITY

In 2004, TRPA updated the definition of Single-Family Dwelling and Multiple-Family Dwelling to recognize the rental of a residence as an allowed use provided that the jurisdiction in which they were located established neighborhood compatibility requirements as defined in TRPA Code. TRPA Code, Section 90.2, defines local government neighborhood compatibility requirements as:

Requirements implemented and enforced by a local government through a cooperative agreement with TRPA that regulate vacation rentals to ensure neighborhood compatibility. Such requirements include, but are not limited to, mitigating the potential adverse impacts related to refuse/garbage, parking, occupancy, noise, lighting, and signage.

In 2019, in response to concerns raised by the public about the management of short-term rentals (STRs), TRPA's Local Government and Housing Committee convened a Short-Term Rental Neighborhood Compatibility Working Group that developed STR Neighborhood Compatibility Guidelines and a Code amendment to make STR neighborhood compatibility a third criterion of the Performance Review System for the distribution of residential allocations. The Guidelines were developed to provide local jurisdictions a range of options and flexibility in implementing and achieving STR neighborhood compatibility. The Guidelines include locational, operational, and enforcement criteria. TRPA maintains information developed by the STR Neighborhood Compatibility Working Group at: <https://www.trpa.gov/short-term-rental-neighborhood-compatibility/>.

In 2023, the Performance Review Committee, a Committee comprised of staff from each local jurisdiction and TRPA, reviewed the Performance Review System results and found that all of the local jurisdictions in the Tahoe Basin have adopted STR (or Vacation Home Rental, or VHR) ordinances that address noise, occupancy, parking, refuse, defensible space, and public health and safety. All the local jurisdictions have also established STR/VHR enforcement programs. All the local jurisdictions have addressed the location criterion, with the exception of Washoe County. Under the locational criterion, a local jurisdiction must demonstrate that STRs are being located consistent with Regional Plan Land Use Goals and Policies, including directing STRs towards Town Centers, tourist lodging and/or commercial areas, major non-auto dependent transportation corridors and/or near tourist-oriented regional recreational amenities; addressing residential compatibility issues such as the over saturation ("clustering") of STRs and the construction of large STRs in residential neighborhoods; and supporting Regional Plan Transportation Goals and Policies, including directing STRs to areas where alternative transportation options (shared-use paths, bike lanes/routes, and public transit) are available.

In 2023, El Dorado County, Douglas County, Placer County, and Washoe County continued to gather public input on local STR/VHR programs through public meetings, public workshops, and working groups and refine local programs. The City of South Lake Tahoe continued to enforce Measure T, which was a citizen-initiated ballot measure that was approved in 2018 that required the phase-out of all VHR permits in residential areas and multi-family properties.

In 2025, TRPA will once again convene the Performance Review Committee to review local STR neighborhood compatibility programs.

DESIRED OUTCOME

Overall, the desired outcome is that TRPA and local jurisdictions work together to develop and implement area plans and strategic priorities that accelerate environmental threshold gain, realize the Goals and Policies of the Regional Plan, and streamline permitting through the implementation of permit delegation MOUs.

ACTION ITEMS

The following Action Items have been identified to improve the local government coordination process:

- 1.1 Continue to work with local jurisdictions to accelerate environmental threshold gain through the development and implementation of area plans;
- 1.2 Continue to work with local jurisdictions on implementing delegation MOUs associated with adopted area plans to streamline permit processing;
- 1.3 Work with local jurisdictions on integrating permit data into Lake Tahoe Info; and
- 1.4 Streamline the TRPA permitting process through implementation of the Permitting Improvements Action Plan.

Exhibit 1

Adopted Area Plans

