

TAHOE REGIONAL PLANNING AGENCY
LOCAL GOVERNMENT AND HOUSING COMMITTEE

Via GoToWebinar

June 9, 2021

Meeting Minutes

I. CALL TO ORDER AND DETERMINATION OF QUORUM

Chair Ms. Novasel called the meeting to order at 1:30 pm.

Members present: Ms. Aldean, Ms. Faustinos, Ms. Gustafson, Ms. Hill, Mr. Lawrence, Mr. Rice, Ms. Novasel, Mr. Friedrich

II. APPROVAL OF AGENDA

Ms. Novasel deemed the agenda approved as posted.

III. PLANNING MATTERS

- A. "Basic" Housing Code Amendment Package: 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) Code Clean-Up: Potential Residential Units of Use and Bonus Unit Pools, including amendments to Chapters 51 and 52.

Ms. Fink presented on a draft housing code amendment package that has come out of recommendations from the Tahoe Living Working Group. She'd like the committees input today and direction on this package. This initial package removes barriers to the provision of affordable housing and to better implement Regional Plan goals. It's based on what they've heard are the most obvious barriers to providing affordable housing in areas where the analysis shows that TRPA can have the biggest impact. The package includes 3 main recommendations supported by the Working Group. They include changes to TRPA's Code of Ordinances, TRPA's Rules of Procedure, and 3 area plans related to 1) Bonus Unit Boundary, 2) Non-Conforming Tourist Density and 3) Accessory Dwelling Units (ADUs).

The first recommendation is to modify the Bonus Unit Boundary. The Bonus Unit Boundary is where they want to incentivize development and encourage transit supported densities. The second recommendation is to allow Non-Conforming Tourist Density to be used for residential density on-site. This is the first recommendation to increase residential densities at the Code level that's been brought forward since the Regional Plan was approved in 2012. The second recommendation is to allow more flexibility for Accessory Dwelling Units (ADUs) and to encourage allowing for this smaller housing type more widely.

The draft code amendments are geared towards supporting three goals. First, they help the achievement of the Regional Plan goals of having walkable town centers and walkable neighbors. Second, they help Local Jurisdictions meet their Regional Housing Needs Assessment

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requirements and the housing needs that are built into their housing elements. In the case of the California jurisdictions the Regional Housing Needs Assessment requirements are also baked into the TRPA Regional Plan as part of the Sustainable Communities strategy (SCS). These local targets that are identified in the SCS don't capture the full housing need so the regional need has been described more completely in a couple of Housing Needs Assessments that were completed by the Tahoe Prosperity Center who completed a South Shore Housing Needs Assessment and then Tahoe-Truckee Community Foundation completed a North Shore-Truckee Housing Needs Assessment. Placer County built on that to understand the specific housing need in the Tahoe area. The Working Group is also focusing on identifying strategies to meet the larger Regional housing need. As an update on those housing needs, the Tahoe-Truckee Community Foundation is currently updating the North Shore-Truckee Housing Needs Assessment since the last one was conducted in 2016. The Tahoe Prosperity Center is working with Washoe County and partners in Washoe County to create a Housing Needs Assessment for the Tahoe Basin portion of Washoe County which should be available in a few months.

There are other goals in the Regional Transportation Plan (RTP) and Regional Plan that this package supports as well such as supporting economic vitality, increasing transit frequency, and encouraging moderate-income housing in suitable locations. These recommendations that are being presented today are fully within the growth caps that were analyzed in the Regional Plan. These do not change the growth caps or the overall amount of growth anticipated for the region.

The Tahoe Living: Housing and Community Revitalization Working Group has been meeting since August 202. The TRPA Governing Board designated this Working Group as a committee of the TRPA Advisory Planning Commission (APC) with the chair of the APC as the chair of this working group, Brenden Ferry. In January of this year, this committee and the Governing Board approved this set of actions for the Working Group to focus on. The package being presented today is the result of the work on the near-term actions – ADUs, Small homes, and density. Several of the members of this committee also sit on the Working Group as well as the representatives of the local jurisdictions. Staff thanks everyone involved for their time and input. To give a sense of the timing for each of the action steps: near-term, medium-term, and long-term, they anticipated that the near-term actions would take between 3-6 months to bring forward to the Governing Board for recommendations. They anticipated that the medium-term actions would take an additional 6-12 months and the long-term actions another 1-2 years after that. The Working Group landed on these actions and this prioritization from TRPA's analysis of which actions were likely to result in the most cost reduction per unit or actual units on the ground. In addition, TRPA staff had in-depth, one-on-one meetings with local jurisdiction staff to understand which TRPA actions could best support and leverage actions that they [local jurisdictions] were already working on in their housing elements. What was heard through the conversations with the local governments was that even though the Regional Plan envision sufficient workforce housing units in close proximity to transit, tourist and second homes are easier to get approved than workforce housing projects which still face additional hurdles. These actions attempt to establish that balance between getting a residential or workforce unit on the ground vs. a tourist or second home. Finally, this package focuses on the near-term actions but the presentation today is not everything staff anticipates bringing forward to the Governing Board relating to ADUs and density. Staff heard from the working group that there are more incentives that could be built into better support these two action items. Since those incentives could take additional time to develop, staff wanted to maintain momentum on these recommendations.

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The Housing Cost Analysis Tool was one of the tools used to analyze the potential actions and their cost-reduction impacts. This tool helps staff understand how housing costs change based on the different actions and how that relates to affordability for local residents. Each of the 3 columns [displayed on the slide] shows the costs that go into building three different types of housing. The tool shows that stand alone, single-family homes are the most expensive to build when compared to moderate and high density multi-family units.

The Local Government and Housing Committee hosted a workshop on Missing Middle Housing by Opticos Design in January. The code amendments being presented today align with some of the concepts presented in that workshop which many committee members attended. The main takeaway was to keep an eye out for how the layering of different land use regulations can preclude housing types that are affordable for middle-income families. The amendments being brought forward are focused on encouraging a diversity of housing types and sizes. Staff looked into TRPA regulations and found that with those regulations combined with market pressures actually encouraged people to maximize the size of single-family homes rather than building smaller, multi-family units. For example, in a common scenario that results from the TRPA Code, single-family homes in neighborhoods are incentivized to be as large as 4,500 sq. feet. The amendments being brought forward increase the options of what property owners can do and put in place regulations that encourage homes in a variety of sizes.

The first recommendation is to modify the bonus-unit boundary to conform to several recent planning efforts. The bonus-unit boundary is an area in which you can build a residential unit, using a bonus-unit in place of a development right, for free. In exchange for that bonus unit the home needs to be deed-restricted for affordable, moderate, or achievable income housing. The bonus-unit boundary concept was first introduced in 2018 through the Development Rights Strategic Initiative. As part of the density action item, the Working Group spent some time thinking about where development should be incentivized and which locations could be considered “walkable.” The group noted that some of the other planning efforts have identified slightly different areas for incentivizing development and that the bonus-unit boundary doesn’t fully conform to all of those areas. The three planning efforts are the RTP, which includes areas next to transit and community priority zones which align with some of the multi-family neighborhoods. The second planning effort is the 2012 Regional Plan which identified town centers as areas where development should be incentivized. The third planning effort is the areas that were identified with an allowed land use of multi-family in the plan area statements and some area plans. In those areas there is already quite a bit of affordable housing. Overall, conforming the boundary to other planning efforts added about 15% to the total geography of the boundary. Staff has also completed the initial environmental analysis for this change and the expanded boundary corresponds closely to the low VMT (Vehicle Miles Travelled) traffic analysis zones that were analyzed in the recent VMT threshold change. Incentivizing development within this boundary would be consistent with achieving the new VMT Threshold.

The next recommended Code change is to allow non-conforming Tourist Density to be used on-site for residential development. The re-development of tourist to residential is dis-incentivized currently. Tahoe has quite a few older motels that are becoming dilapidated and many of which have a higher density of units because they were constructed in the 1960s and 1970s before the Regional Plan was approved. The TRPA Regional Plan envisioned redevelopment of these older properties potentially into mixed-use or residential however, when these redevelopment projects come forward, they aren’t redeveloped residential. An example of how the current system works is presented in the staff report and is as follows. Owners of an existing hotel in the Stateline area that was built prior to the approval of the Regional Plan wanted to redevelop to

residential. The motel had 17 tourist accommodation units (TAUs) on a little less than 1/3 of an acre which is over the allowable densities even for tourist units. Under the current TRPA code, all of the tourist units could be grandfathered in under a redevelopment proposal if they are redeveloped as new tourist units but not if they're redeveloped as new residential units. Because the TRPA residential densities are so much lower than allowable tourist densities or some of the existing non-conforming tourist densities, this 17 unit motel could only convert to 6 residential units on-site. The proposal is to allow the converted non-conforming tourist density to be used for multi-family residential development on site as long as multi-family is an allowed use in that location. The proposed code would allow for the 17 units [in this example] to remain on site and be redeveloped as residential. Through conversions that are allowed through TRPA's Development Rights Strategic Initiative there would be some additional multi-family development rights that would be created that would be above the 17 residential units that would be allowed under redevelopment. These additional development rights could be banked on site or transferred off. Staff completed the environmental analysis for this change as well and identified that because the conversion of TAUs to residential was already evaluated in the Development Rights Strategic Initiative and because these conversions would only be allowed in multi-family areas and within the new bonus-unit boundary, that this change would also support achieving the new VMT threshold and stays within existing growth caps.

The third recommended Code change is related to Accessory Dwelling Units (ADUs). This proposal continues the theme of finding ways to make it easier to build a diversity of housing types including housing types that are the right size to be affordable to local residents and workforce by trying to remove barriers that impede this kind of development comparative to other kinds [of development]. ADUs are a housing unit that is accessory to a larger, existing home. They can be detached, attached, or repurposed existing space such as blocking off a bedroom and adding an exterior door. This repurposed space is known as a junior ADU. TRPA's current regulations don't go very far in encouraging this workforce housing type. Currently, TRPA Code only allows for ADUs on parcels > 1 acre which are fairly limited in number. On average, parcel sizes are smaller the closer they are to town centers and transit than they are further away. Staff wants to shift focus and incentives to allow this workforce housing type more widely and then have ADUs support goals of having walkable town centers and neighborhoods. This proposal, combined with the incentives in the proposed bonus-unit boundary does that. Where ADUs are allowed, they're only allowed 1 per parcel and because allowing ADUs as an accessory use is as an exception not the rule, they require special noticing to neighbors unlike other expansions of single-family uses. Based on the general consensus of the Working Group, staff is proposing to lift the 1-acre parcel size limit so ADUs would be allowed on any residential parcel. Furthermore, staff proposes allowing up to two ADUs per parcel which would allow homeowners 1 junior ADU and one other ADU. Finally, because ADUs would be an allowed use on all residential parcels, similar to other accessory uses, they wouldn't require special noticing to neighbors.

Local jurisdictions can make their own codes related to ADUs more restrictive. Additionally, the actual design of any ADU would need to comply with local design standards. Some of the existing regulations at the local level are:

- 1) Douglas County and Washoe county have codified TRPA's restriction that ADUs only be allowed on parcels greater than 1 acre in the Tahoe Basin. Unless and until those counties change *their* code, where ADUs are allowed in those counties would not change based on this proposal. There are opportunities to revise that in the area plan process.

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- 2) On the California side, each of the California jurisdictions has either already passed or is in the process of passing their own ADU regulations that reflect the California law. Based on this, in the California counties, ADUs would be allowed on all residential parcels and there would be no rentals of < 30 days allowed. There are also existing size limitations.

As noted in the packet for today's meeting, staff is bringing forward the area plan amendments that are needed for those CA jurisdictions to be able to implement their own ADU codes in their area plans. Staff is currently in the process of completing the environmental analysis for this proposal, in particular modeling it with the transportation model. Staff expects this proposal will also be consistent with the VMT threshold because it emphasizes development within the bonus-unit boundary and provides more workforce housing that can reduce commuting into the Basin. If, upon completion of the analysis, staff finds that it is increasing VMT, the final proposal may be modified.

There is additional working group feedback that hasn't been incorporated into this near-term recommendation package. In general, there is strong support from the working group for moving the recommendation as is forward to maintain momentum but many working group members wanted the proposal to go further. There were two key areas where working group members wanted to see additional incentives for ADUs related to coverage and development rights neither of which are included in this proposal. If someone wants to build a new, detached ADU, they need to have the available, allowable coverage on their parcel. Since about 2/3 of residential parcels [in the basin] don't have any available coverage left, detached ADUs would be limited to about 1/3 of current parcels without changes to coverage regulations. Some ideas from the Working Group related to coverage were potentially relaxing coverage regulations for ADUs in places where there are area-wide BMPs or looking at some standards similar to those that incentive affordable housing in town centers where TRPA has raised the amount of allowable coverage. Coverage, however, as an action item was already identified as one of the medium-term priority actions so staff is planning on continuing to look at incentives related to ADUs and cover in the medium-term actions. Related to development, the Working Group was concerned that ADUs are generally pretty small – usually a studio, sometimes a one-bedroom, and maximally a two-bedroom unit and having that small of a unit use up a whole development right which can go for a 3-4 bedroom, may not be an incentive. There is precedent for having different development ratios for different types of units. The Development Right Strategic Initiative established that single-family units and tourist units could convert to multi-family at a ratio of 1:1.5. Staff appreciates that input and the need to look at these additional incentives and plans to look at development rights in the action item looking at the TRPA permitting process.

This month, staff gave an informational presentation to the Advisory Planning Commission (APC) this morning in addition to seeking input and direction from this committee. Staff will be giving an information presentation to TRPA's Regional Plan Implementation Committee later this month. After completion of the environmental analysis, staff anticipates bringing the completed package to the Governing Board, APC, and RPIC for final recommendations for approval in July or August 2021.

Committee Comments & Questions

Mr. Friedrich said he's eager for the full package to come to the Governing Board in July. Mr. Friedrich asks when the code changes would go into effect?

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Mr. Marshall answers that Code changes go into effect 60-days after adoption and staff is hoping to coordinate any needed local area plan amendments so that the changes are contemporaneous or even slightly before the board adoption in order to avoid a “double-stacked” timeline.

Mr. Friedrich asks if the amendments to the area plan slow things down could those come subsequent to the approval for residential areas outside of the area plans?

Mr. Marshall responds that they could. TRPA is trying to navigate some oddities of the code so it would be significantly helpful to get any area plan amendments done ahead of time but because the City’s amendments would be part of the Regional Plan, that would go into effect immediately.

Ms. Fink asks to clarify that the portions of the City [of South Lake Tahoe] and the county that are outside of area plans would go into effect 60-days after Governing Board approval of the code changes.

Mr. Marshall confirms that the Code changes take 60 days to go into effect. Regional Plan changes which include Area Plan changes, go into effect immediately. Regardless, the wait is 60 days but if the area plan changes can get done within that time period, there’s no additional delay to put the effective Code changes into action.

Mr. Friedrich asks for the scenario in which all area plan changes are not completed within the 60-day wait period, could changes be de-coupled?

Mr. Marshall agrees they could be de-coupled but since the Area Plan is the priority document, it [code changes] wouldn’t be effective until the Area Plan is changed.

Mr. Friedrich asks if this is the case for the whole housing code package or just areas within the area plan?

Mr. Marshall responds he doesn’t believe that the area plans speak specially to those sections [of action items] so if there’s not something in conflict then you don’t need to change the area plan to have a code change become effective after 60 days. The problem with ADUs is that the area plans duplicate the > 1 acre requirement for second units. In order to remove that to allow the code changes to take place, that has to be done in the area plans. But it would go into effect immediately as a Regional Plan change upon approval. Geographically, if there’s not an area plan that’s applicable then the code change goes into effect after 60 days as long as the rest of City requirements are consistent.

Mr. Friedrich states that regardless of whether the area plan has been amended to conform, for the non-area plan residential areas, this [code change] package would go into effect 60 days after approval by the Governing Board.

Mr. Marshall agrees and states that most of the Code sections being discussed really have to do with most of Mr. Friedrich’s multi-family areas which are in most of your area plans.

Ms. Novasel calls on Ms. Faustinos who comments that she appreciates the straightforward presentation of this complex issue. She states that she hopes that the issues of coverage and development rights gain traction quickly because she sees them as urgent issues for folks who

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are looking for substantive changes in those areas. She appreciates all the work that has gone into this package and all of the cooperation between the jurisdictions.

Ms. Novasel calls on Ms. Aldean who asks how the recommendation of conversion of non-conforming tourist density is different from an extended-stay motel? The units will be relatively small, assuming local ordinance requires that they contain certain amenities but extended-stay hotels are as she understands, any stay between 30 and 180 days with kitchen/cooking facilities incorporated into the footprint of the unit. She assumes these units wouldn't be "condinium-ized" and sold but rather rentals.

Ms. Fink answers that this would allow a hotel/motel owner to rip down the existing structure and redevelop it into apartments. The extended stay motel units is potentially something that would take place within an existing older motel or isn't something that a property owner would want to redevelop into.

Ms. Aldean responds that she's not sure because extended-stay motels are substituting for apartments in a lot of jurisdictions. Hotels or motels that used to be rented on a nightly basis are now converting to the extended-stay and are very controversial in a lot of jurisdictions because of maintenance issues. She asks, without onsite management, a lot of these facilities will fall into disrepair and become a community blight which she thinks needs to be avoided at all costs. There are many innovative things being done in connection with these changes to be tarnished by a few bad actors. She's raised this issue at a previous meeting but to the extent that TRPA can encourage or require that these units be overseen by a professional management company, Ms. Aldean thinks that needs to be done.

Ms. Fink replies that this provides an additional option to redevelopment that isn't available now. In a way it's similar to making it an option to have a vacant parcel be developed into a multi-family such as the Sugar Pine project. This is looking at providing an option for redevelopment on a project that's already developed as TAUs that may want to take those down. Ms. Fink agrees that the concerns about property management and meeting health & safety codes definitely still need to apply just as they do for new development on a vacant parcel.

Ms. Aldean states that she doesn't see there being a substantial difference between merely upgrading an existing facility and converting this into an extended stay project. Many of the requirements in terms of accessories that need to be incorporated into these units are really quite similar. Most motel units are single rooms and converting that into a really livable unit is problematic. She concedes they can leave that to the imagination of the developer.

Ms. Aldean asks with respect to the ADUs, is there any idea if with the elimination of the requirement that the eligible parcels be > 1 acre, do we know how many parcels in the Tahoe Basin would be eligible from a coverage standpoint to accommodate an ADU.

Ms. Fink states that staff has completed that analysis. There are about 9,000 parcels that would have enough coverage to build a detached ADU. Any property could repurpose an existing room to turn it into a junior ADU or, depending on the structure of the house, they could build a 2nd-story ADU as a structure over the garage.

Ms. Aldean assumes that importing coverage to accommodate perhaps a larger footprint is not prohibited?

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Ms. Fink states that this package is not changing the coverage regulations so just like if someone today wanted to add a room to an existing home, they need to have the allowable coverage. The ADU requirement is the same so if their coverage is already maxed out, they could not build a detached ADU.

Ms. Aldean asks if someone could import additional coverage if they're over-covered?

Ms. Fink responds that that is correct.

Ms. Aldean asks, with respect to the idea of perhaps diverting some of the bonus-units from affordable to moderate and achievable, one of the big incentives to making these changes is not only to accommodate people working in the service industry and therefore require affordable housing but also to accommodate firefighters and police officers and teachers. Ms. Aldean understands that there's been more interest in affordable housing rather than moderate and achievable but, has staff done an assessment of whether or not these changes will accommodate the needs of professionals who live and work in the Basin or would like to live in the Basin but can't afford to?

Ms. Fink responds that this is a proposed code change that wasn't a part of the presentation – bonus-units that are in the moderate or achievable pool could be used for deed-restricted affordable or achievable housing. Ms. Fink doesn't think the moderate or achievable housing need is being met; no affordable housing need is being met right now. The greatest need is in the lower affordability category but there is a need for moderate and achievable as well. One of the things that this proposal attempts to do is to provide different options for naturally affordable housing so the reliance on bonus-units is the only way to provide affordable housing. In part the ADU proposal does that, in part the non-conforming tourist density does that because they provide different options for people to build smaller units and make those more affordable. One of the reasons that the moderate and achievable pools were set aside so that there were enough units available but most of the demand so far has been for affordable. There is an ongoing need for affordable as well which is why it's proposed to allow moderate/achievable units to be used for both.

Ms. Aldean asks if any are being reserved or are all 404 unused bonus units in the moderate-achievable pool to be used for affordable housing? Ms. Aldean thinks that there needs to be caution around that.

Ms. Fink states that the proposal doesn't include reserving any units for moderate and achievable that aren't already reserved for moderate and achievable. There are a few projects coming forward that have asked for the reservation of achievable bonus-units but there hasn't been any reservation of units that aren't specifically tied to projects.

Ms. Aldean states that there are currently 404 bonus-units in that pool unreserved.

Ms. Fink confirms this is the case and that there's about 1400 left after Sugar Pine but many of those have been reserved for projects coming down the pipeline.

Ms. Aldean asks how long is the reservation?

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Ms. Fink answers that since there are remaining bonus-units available staff is currently reserving them indefinitely but at the point that bonus units are running out, staff would have to consider a time limit, potentially about 3 years.

Ms. Aldean thinks there needs to be some performance requirement because tying up those units indefinitely just discourages other applicants from stepping forward and proposing projects.

Ms. Aldean states that, similar to a comment expressed when the committee was reviewing the affordable housing project in South Lake Tahoe, she thinks TRPA needs to do an inventory of the occupants of these units. She's fearful that word will get out that Tahoe has affordable housing units and people may be coming in from outside the area, they may not be part of the local workforce, and may be shutting out people who are in dire need of affordable housing units. She knows that there's a problem with discrimination and that the developer for the South Tahoe project may be shutting out people who are in dire need of affordable housing units. She understands that the developer was intending to reach out to local businesses and be proactive, but she thinks TRPA needs to be mindful of who these people are and where they're coming from because it defeats the purpose of developing affordable housing units for Tahoe's workforce if they're being consumed by people outside of the Basin.

Ms. Fink states that this issue was brought to the Working Group and members of the working group were concerned about that as well. Staff started looking at the definition of achievable to address that issue of really limiting these units to either local residents who make below a certain income or if they're above a certain income that they're actually working here. The mountain housing council decided to look in depth at that as well so they're putting together a focus group to look at incorporate workforce elements into the "Achievable" definition. Staff will track that and potentially incorporate what they come up with into TRPA's definition.

Ms. Novasel agrees that the concern about ensuring that local residents can get into these units is important. She states that there are deed-restrictions in the area of Aspen where they require that you show your residency in the area before you qualify.

Ms. Hill agreed that it's really important to ensure that the units are rented to people living and working in Incline and don't become another short-term rental option. Perhaps that's a local governance issue. She asks, since Washoe County did just adopt their Tahoe Area Plan, would that redevelopment of TAU to residential incentives would that be incorporated quickly as well or would further changes need to be made?

Ms. Fink responds that staff can look specifically at the Washoe County area plan but she believes it would be automatically incorporated because the treatment of non-conforming density is only listed in TRPA code. Staff has not noticed specifically the area plan get into how to treat non-confirming density.

Ms. Hill states that constituents that the ADU issue needs to be vetted a bit more in Incline Village and Crystal Bay before Washoe County makes a change to their area plan on that. In particular, the county is working on the affordable housing study with the Tahoe Prosperity Center and Ms. Hill is interested to hear if ADUs would make a difference for workforce housing or if they'd make even more of an issue where they're still permitting STRs. With the assumption that the ADU allowance on any parcel is passed, would the local jurisdictions look at only incorporating that within the bonus-unit boundary?

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Ms. Fink responds that the local jurisdictions could set their own parcel-size or location restrictions.

Ms. Hill wonders if any other communities around the lake are putting restrictions on ADUs to prevent them from becoming STRs or that they need to be deed-restricted for housing needs in the community?

Ms. Fink responds that the California jurisdictions have stipulated that the ADUs cannot be used as short-term rentals and that's in compliance with California state-wide requirements.

Ms. Novasel and Ms. Gustafson confirm that that restriction is in place in El Dorado and Placer counties respectively.

Mr. Marshall states that there are comments and questions are being entered into the GoToWebinar Question box and he asks that members of the public could please ask those questions at the time for public comment because all questions need to be asked on the record for answers.

Public Comment

Eric Young from Washoe County comments that the new Washoe County Tahoe Area plan will not need to be updated in order to take advantage of the proposed non-conforming TAU code changes. Of the changes presented today, the only thing that would need to be amended would be the change in parcel size for accessory dwellings and of course as the commissioner noted that's something that requires further discussion for Washoe County. In order to take advantage of the other opportunity of converting non-conforming TAUs to residential, Washoe County does not need to amend their area plan.

Mr. Rice states that in Douglas County they don't have the same ordinances or mandates that the California jurisdictions have. He asks if anyone [TRPA Staff] has approached Douglas County's planning commission to brief them on these code changes? Mr. Rice is concerned that the planning commission is not aware of these proposals.

Ms. Fink responds that TRPA could schedule something with the Douglas County Planning Commission.

Mr. Marshall reminds Mr. Rice that a member of the Douglas County Planning Commission is also on the TRPA APC so they heard this presentation this morning. TRPA or Mr. Rice can coordinate with them to see if they'd like something like this brought to their planning commission.

Ms. Novasel continues with public comment.

John Falk urges the Local Government and Housing Committee to get behind these proposed Code changes. Everyone recognizes that this isn't the end; it's just the beginning. There's still a lot of heavy lifting left to be done to perfect, not just these sections presented today, but a number of other ones that will be dealt with in the intermediate and long term. This is a reasonable start and he believes it's quite fair and balanced because it doesn't make anyone completely happy which seems to be striking that balance. While there are sections that he would like to see more liberal and other sections that don't bother him, as he said to the

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Working Group, the momentum on this now, we don't want to lose. Therefore, it's very important that all the signals that are sent up the chain of command to the Governing Board to echo that same sentiment. That what is being proposed is a fair and worthy start.

Patrick Taylor asks in regard to the committee members questions regarding tenants and ensuring that they are local workers. Is there something in the deed-restrictions that would prevent current owners and future owners if they wanted to sell to someone outside the achievable range or another landlord to make sure the units continue to be rented to local, workforce members?

Ms. Novasel responds that all public questions will be answered after the close of the public comment period.

Mr. Taylor continues that it's easy for the developer/owner/manager to screen potential tenants to make sure that they are a local worker and qualify for the achievable housing unit. It's easier to identify where a potential renter works and not let someone from out of town move in.

Brandy Brown comments that she's a South Lake Tahoe resident. She'd like to see included in these discussions and apologizes to Ms. Fink if it is in the proposal already, some sort of determination that movable tiny-homes be an option for an ADU on property.

Kathy Julian, an Incline Village resident, echoes the concern that Ms. Hill made about ADUs being used for STRs. She sees a potential problem if Washoe County adjusts the area plan that they remove the parcel size restriction but don't include the 30-day minimum on rentals that the California jurisdictions have in place. In a sense, that would simply mean that the inventory for short-term housing would be bolstered which doesn't accomplish the worthy goal of creating workforce housing through ADUs which she completely supports. She asks how many parcels fall into the ADU allowable category in Incline Village and Crystal Bay if these code changes take place?

Brenden Ferry, chair of the APC, comments that the APC did hear this item this morning and had very good member engagement and discussion on the importance of workforce housing in the basin. There was very strong support for these amendments. He wanted to let the committee know that there was good discussion and full support from the APC on these amendments.

Sharon Carrigan has her hand raised but her audio is not connected. Staff is attempting to reach her to have her reconnect her audio. Ms. Novasel requests that they hear another comment while Ms. Carrigan attempts to get on audio.

Ms. Novasel proposes to answer the public questions while they wait for Ms. Carrigan to reconnect. Mr. Marshall agrees this is appropriate.

Ms. Fink responds that the restriction on ensuring achievable, workforce tenants is something staff is looking into and will potentially bring back in further changes.

Ms. Fink responds to the question about movable tiny-homes. Many jurisdictions have started to look at movable tiny-homes as a low cost type of ADU or housing in other locations. Staff would like more information and Ms. Brown has sent in information about how other jurisdictions are handling this. Staff needs to forward some of this information to the Working

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group to determine if it fits into the existing actions and whether they could consider it within the existing matrix.

Mr. Marshall also states that this is one of the design-criteria that's really more in control of local governments and less within TRPA or state law control. Local jurisdictions have to ensure that they're in compliance with California or Nevada law.

Mr. Friedrich follows up wondering if it's possible for a local jurisdiction to amend their ADU ordinance to allow mobile tiny-homes that fit within this housing code amendment package and TRPA coverage requirements etc. as an ADU that happened to be on a trailer, would that be allowed?

Mr. Marshall states generally yes but TRPA would need to look into the Code Use category for mobile home parks to make certain that if a lot of tiny homes are built on rolling chassis that that would not trigger having to look at whether the use is being changed to a mobile home park.

Mr. Hester states that if the home is on a chassis or movable...becomes unintelligible.

Ms. Novasel states that what she thinks John Hester said was that if the tiny home were on a movable chassis, it would be up to the local jurisdictions to work on.

Ms. Fink responds to Ms. Julian's questions regarding how many available parcels there are < 1 acre for ADUs in Washoe County. Ms. Fink does not know the number off the top of her head but will find out and email it to her.

Ms. Hill requests that email as well. Ms. Fink agreed.

Sharon Carrigan represents the South Tahoe Association of Realtors and expresses thanks and gratitude for all the work that staff, the working group, and the Local Government and Housing committee has done. They encourage as few restrictions as are feasible in order to continue with the protections and goals that are already in place for the TRPA. For the ADUs specifically, they're hearing from homeowners that their intent to build detached or junior ADUs are as rental units that would be for a single person or a couple for workforce housing. This won't solve the units but could be low hanging fruit that could create some new long term rental units for folks with the benefit of having a caretaker on the property. Related to the bonus-unit pool, how many have already been used? Is there a way to make this program adaptive at all in terms of whether it's meeting goals and use of those bonus units to create housing for folks.

Ms. Novasel closes public comment period.

Ms. Fink responds to Ms. Carrigan's question that recently a lot of bonus units have been assigned to projects that have come in for approval such as the Sugar Pine Village project. She can send out the exact numbers, and they may be in the staff report, but she believes that about 600 bonus-units have been used and there are about 1000 left but many of them are reserved for projects that are in the pipeline. Recently there's been a lot of interest to use the bonus-units which shows that the incentives are aligning so that people can use them but that does mean they're getting used up.

LOCAL GOVERNMENT AND HOUSING COMMITTEE

June 9, 2021

Committee Deliberation & Recommendation

Ms. Aldean requests staff again to look into putting some kind of time limit on the reservations for the bonus units.

Ms. Aldean made a motion to direct staff to finalize the code language and environmental analysis for the "Basic" Housing Package and bring the proposed amendments to the Regional Plan Implementation Committee for a recommendation for approval.

Ayes: Ms. Aldean, Mr. Friedrich, Ms. Gustafson, Ms. Hill, Mr. Lawrence, Mr. Rice, Ms. Faustinos, Ms. Novasel.

Motion carried.

IV. COMMITTEE MEMBER REPORTS

None.

V. PUBLIC INTEREST COMMENTS

None.

VI. ADJOURNMENT

Ms. Hill moved to adjourn.

Chair Novasel adjourned the meeting at 2:53 p.m.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "K. Hangeland". The signature is written in a cursive, flowing style.

Katherine Hangeland
Senior Management Assistant