



STAFF REPORT

Date: October 19, 2022

To: TRPA Operations and Governance Committee

From: TRPA Staff

Subject: Informational Item from the California Tahoe Conservancy on Land Bank Acquisitions

Summary:

In November 2022, the California Tahoe Conservancy (CTC) land bank program, Tahoe Livable Communities, is expected to request a release of excess coverage mitigation funds from the Tahoe Regional Planning Agency (TRPA) per the mutually adopted Memorandum of Understanding between the agencies. TRPA and CTC staff will provide an overview of the land bank and excess coverage mitigation programs, and the future use of the requested funds as a presentation to the Operations and Governance Committee of the TRPA Governing Board. This item is informational only. No action is requested of the committee at this time.

Background:

Since the 1987 Lake Tahoe Regional Plan, local land banks in California and Nevada have played a crucial role in mitigating the environmental impacts associated with the urbanization of the Lake Tahoe Basin. These partners continue to help meet local land use goals today by land and development right acquisition, the transfer of development rights, permanent retirement of land coverage, and sensitive land restoration.

As part of their Memorandum of Understanding with TRPA, the land banks receive excess coverage mitigation (ECM) fees paid by project applicants to mitigate legally existing “grandfathered” coverage amounts. Property owners or project proponents with “excess coverage” must mitigate a portion through any of the following excess coverage mitigation program options (or combinations thereof) including reducing and restoring coverage on-site, offsite on their own, or payment of an ECM Fee in lieu of immediate coverage reduction. The majority of project applicants pay the ECM fee for continued use of the grandfathered coverage on their properties. The land banks receive ECM fee disbursements from TRPA to retire potential coverage or restore existing coverage in sensitive areas. The land bank MOU governs the use of the ECM fee.

This continued partnership between TRPA and the land banks is a key mechanism to meet the goals and policies of the Regional Plan and accelerate threshold attainment by transferring aging development from sensitive areas into more walkable, bikeable, and transit-oriented town centers.

The California Tahoe Conservancy's land bank program, Tahoe Livable Communities, seeks to achieve goals related directly to the Regional Plan, which incentivize environmental redevelopment in pursuit of threshold attainment, such as:

- Modify the distribution of development after 2012 compared to the distribution in 2012;
- Increase the annual average number of development rights transferred to town centers from sensitive and remote land compared to the annual average prior to 2012;
- Accelerate the removal rate of existing non-residential development rights on sensitive lands;
- Improve housing availability for residents and workers;
- Increase percentage of all trips using non-automobile modes of travel (transit, bicycle, pedestrian);
- Decrease automobile vehicle miles travelled per capita (excluding through trips)
- Accelerate pedestrian and bicycle improvements; and
- Increase the rate of redevelopment.

On an annual basis, TRPA staff and CTC staff work together to set priorities for land acquisition and sensitive lands restoration that align with both the Lake Tahoe Regional Plan and California Statewide planning goals. The agreed-upon priorities then become criteria for planning, acquisition, and disposition decisions that support the Regional Plan and environmentally beneficial redevelopment, such as those listed above. Additionally, the MOU establishes monitoring, reporting, and tracking of the land bank activities and environmental improvement projects.

Potential Request for Release of Excess Coverage Mitigation (ECM) Funds:

In November 2022, the California Tahoe Conservancy (CTC) land bank program, Tahoe Livable Communities, is expected to request a release of excess coverage mitigation funds from the Tahoe Regional Planning Agency (TRPA) per the mutually adopted Memorandum of Understanding between the agencies. As of September 2022, the current balance of excess coverage mitigation funds held by TRPA for the California land bank was \$3,732,281.83. The potential funding request will likely be \$3.5 million.

The funds are expected to help facilitate the acquisition and site stabilization of the 27-acre South Lake Tahoe Motel 6 site within a prime stream environment zone and stream restoration area. The site currently contains 143 tourist accommodation units, 4,450 square feet of commercial floor area, and 150,400 square feet of sensitive Class 1B existing land coverage.¹ The project has the potential to make significant advancements in Regional Plan performance measures, environmental thresholds, and Regional Plan and area plan goals. TRPA has been providing staff level support in an advisory capacity including availability and use of mitigation funds and future use of banked development rights and coverage.

The ECM funds, if requested and released, are expected to be matched by other state funding sources.

¹ Approximate figures pending TRPA Land Capability and Development Rights Verification.

Contact Information

If you have any questions regarding this item please contact Jennifer Self at jself@trpa.gov or (775) 589-5261.

Attachment:

- A. Location Map

Attachment A

Location Map

