



Development Services Department

August 3, 2022

Karen Fink, Housing Program Manager/Housing Ombudsperson
Tahoe Regional Planning Agency
P.O. Box 5310
Stateline, NV 89449

Re: REAP 2.0 Initial Input

Thank you for the opportunity to provide input regarding the use of Regional Early Action Planning Grant formula funds (REAP 2.0) that have been made available to Metropolitan Planning Organizations (MPOs) to further the objectives outlined in the REAP 2.0 final guidelines.

As a recipient of both Local Early Action Planning (LEAP) and REAP funds, the City of South Lake Tahoe has found these funds extremely useful in accelerating meaningful planning efforts to ensure real progress can continue with the City's overall housing workplan. The relative small size of the REAP grants, compared to other housing funding sources, makes it a right fit to use for a focused planning effort.

It is for this reason the City recommends that the funds be used to further all necessary environmental and threshold analysis associated with both Phase 2A and 2B of the Medium-Term (Phase 2 – Current Phase) of the TRPA five-year housing work plan. The tasks associated with this phase have been vetted multiple times and have received broad support from the Tahoe Living Working Group. Furthermore, the Governing Board provided staff direction to proceed with work outlined in the Medium-Term action items at its July 27, 2022 meeting.

City staff strongly believes that using the REAP 2.0 funds in this fashion will allow for the acceleration of work that can have a meaningful impact on housing production, affirmatively further fair housing and reduce VMT, all of which are REAP 2.0 objectives. This can be done while also protecting the environment and maintaining consistency with Regional Plan goals.

Again, thank you for this opportunity for inter-agency collaboration. As always, City staff is available to further discuss this issue at any time.

Sincerely,

Zach Thomas
Housing Manager

August 3, 2022

Tahoe Regional Planning Agency
Governing Board
128 Market St., Stateline, NV 89410
Submitted via email

Re: Tahoe Living direction and REAP funding projects and metrics

Dear TRPA staff and Governing Board,

Thank you for the opportunity to comment on the direction of TRPA's Tahoe Living Program and State of California's Regional Early Action Planning (REAP) 2.0 Program funding priorities. The REAP Program funding for housing and VMT reduction planning and implementation is a one-time opportunity for TRPA to address barriers and identify policy and program solutions to affordable housing development across the Tahoe Region while protecting the environment.

The League is dedicated to protecting and restoring the environmental health, sustainability and scenic beauty of the Lake Tahoe Basin. In connection with our mission, we advocate for the creation and implementation of sound, environmentally protective policies through regional land use and planning efforts. The League has been the only environmental group actively and continuously participating in the Tahoe Living workgroup, as well as the efforts leading up to its formation over the last few years, and we have been an active and engaged stakeholder. It has been great working with all of the stakeholders and TRPA staff, including Karen and Alyssa, and our feedback and input has largely been heard to date.

Overall, the League wants to support environmentally protective affordable housing. Our concerns as detailed below have been consistent regarding affordable housing development - TRPA needs to look at the environmental consequences from any potential changes in coverage, development rights, and transportation impacts - which may directly and indirectly impact Lake Tahoe's natural environment. Addressing housing issues at Lake Tahoe is a top priority, but any effort to improve housing must also ensure that we are protecting the environment and not having a significant long-term impact on our natural resources.

Coverage and Parking

The League would explore data and analysis-based solutions to address coverage as a barrier to affordable housing development, as long as parking challenges and alternative opportunities are analyzed and considered in a similar level of detail to mitigate any potential environmental impacts.

Coverage requirements have and will continue to be critical in addressing lake clarity decline. The effectiveness of changes to coverage regulations made in the 2012 Regional Plan Update (RPU) need to be assessed in a detailed and quantitative analysis in terms of the coverage regulations impact on lake clarity. Looking forward, the environmental implications of coverage changes to threshold attainment as well as possible implications to the RPU performance measures, benchmarks, and goals and policies also need to be analyzed. Decisions about coverage requirements should not be made until the impact of coverage changes on the environmental goals and objectives is analyzed. Parking challenges and opportunities (such as

shared parking, unbundling parking and rent, Basin-wide parking minimums, etc.) must be analyzed in a similar level of detail. For any analysis, coverage and parking need to be considered both independently and in tandem (e.g. slight increase in coverage allowances in the bonus unit boundary area along with reduced parking minimums). Once this analysis is conducted, stakeholders and agency partners can have an informed discussion about making more changes to coverage regulations.

Development Rights

As advocates for the protection and improvement of Lake Tahoe water quality as well as supporters of the RPU, the League would like TRPA to use the REAP funding to study Residential Units of Use (RUU), Tourist Accommodation Units (TAU) and Commercial Floor Area (CFA), and not just focus on RUU. The study should analyze the effects to-date of the conversion ratios established through the Development Rights Initiative – including impacts from incentivizing affordable housing development. The study should also address barriers to affordable housing such as the conversion of CFA to market rate multifamily residential and vacation rentals. Additionally, the League has concerns over vacation rentals considered as an allowable residential use and the impact on the RPU projections, performance measures, benchmarks, and goals and policies. The REAP-funded study must also include an analysis of the environmental impacts and RPU implications of vacation rentals as a residential use.

Metrics

In addition to the metrics included in TRPA staff's July 11, 2022 memo "Overview of TRPA's "Tahoe Housing Catalyst" application to the California REAP) 2.0 Program," the League recommends including:

- Environmental impacts - Impacts from housing development on water quality and quantity, air quality, soils, climate change, and transportation and sustainable communities from the specific potential Code and policy changes.
- Regional Plan implications - Impacts on performance measures, benchmarks, and goals and policies contained in the Regional Plan.

A detailed analysis of the above metrics is necessary to evaluate the environmental impact and implications to the RPU from potential changes to TRPA Code and RPU goals and policies.

With the analysis and metrics outlined above, the League looks forward to continuing to be an engaged and solutions-focused partner in the Tahoe Living Workgroup and related efforts to encourage environmentally protective affordable housing development.

Sincerely,



Gavin Feiger
Senior Land Use Policy Advocate
On behalf of the League to Save Lake Tahoe

Karen Fink

From: Jean Diaz <jeandiaz@saintjosephclt.org>
Sent: Wednesday, August 3, 2022 9:27 AM
To: Karen Fink; Lyn Barnett
Subject: Re: Final REAP 2.0 Grant Guidelines for Housing, Infill and VMT reduction released; Reminder Request for Input on Tahoe Program

Hello Karen. Here are my initial thoughts on the REAP 2.0 Grant program. It is always welcome to have a potential new source of revenue for affordable housing projects, especially for housing that has been lacking significant funding such as moderate income ownership projects and programs. The challenge is to develop the funding program that will not be so burdensome administratively or not come with costs to the grantee that outweigh the benefits of the funding. A project like the Kateri Village Project that we just proposed to the City of South Lake Tahoe would be an excellent candidate for these funds:

- Kateri Village would create from 20 to 25 permanently affordable moderate-income ownership homes (goal is 50% of the units affordable at or below 100% of AMI, 50% at 120% of AMI)
- public transportation is immediately available at the site
- it is in a town center and within walking distance to major employment centers
- optimally there would be streamlined conditions that would not significantly increase costs of the project/program to the grantee
 - perhaps if the funds were authorized for predevelopment expenses such as environmental, architectural, engineering, fees and permits and not related to construction (which may cause the project to be classified as a "public project" and the increased costs associated with that) the funds would be most efficient.

Please let me know if you have any questions or if I can provide more details at this stage of TRPA's development of the grant program.

Jean Diaz

On Thu, Jul 28, 2022 at 4:39 PM Karen Fink <kfink@trpa.gov> wrote:

Dear Housing and Transportation Partners,

The final guidelines for the Regional Early Action Planning Grants of 2021 (REAP 2.0), for which the TRPA is the eligible entity as the region's Metropolitan Planning Organization, have been released. Please see a link to the funding guidance below and also attached. The major change from the draft guidance is that the program is entirely funded with California State General funds, rather than federal Coronavirus Recovery funds, therefore, there is more flexibility in how the funds can be spent.

I have updated our Tahoe Housing Catalyst Program description with that new information (attached). We have extended the deadline slightly for receiving your initial, high-level input on program priorities and evaluation metrics and ask for your response by **Wednesday, August 3**. You may use the form at: <https://arcg.is/155aqz>, or send us a letter.

Response to July 11, 2022 Memo - Online Form

Agency or Organization Name Placer County

Project/Program Contact Name Emily Setzer

Proposed Project/Program Name North Tahoe housing initiatives

Brief Description of Proposed Project/Program

1) The proposed TBAP amendments that would allow multifamily by right (no use permit) in certain zone districts if deed restricted achievable. REAP could be used to streamline and expedite multifamily where allowed by right to reduce entitlement and construction costs with TRPA creating a way for multifamily projects to bypass Hearings Officer/Governing Board review. 2) Changing the definition of achievable to local worker/removing income restrictions would be key to pencil. 3) Placer is also interested in incentivizing infill development through financial (grant) incentives, using TOT, to property owners who construct single room occupancy units, ADUs, duplexes, and triplexes where allowed by right. TRPA's ability to provide free additional coverage would likely be key to accomplishing this goal. 4) TRPA could also work with Placer to rezone certain publicly owned properties to allow MF. NTPUD and TTUSD own properties adjacent to existing development (infill) and want to construct MF.

Nexus with REAP 2.0 Objectives

The four proposals above would allow local workers to live in the region, thereby reducing VMT. It would benefit potentially hundreds of households. All four proposals target infill development and provide a mix of implementation and planning activities. Because these sites are scattered throughout North Tahoe and would include a range of housing types and sizes, they would provide geographic and diverse equity.

Planned Public Outreach

The TBAP amendments will undergo required public outreach through the CEQA/TRPA process, including outreach to the NTRAC and business associations. All other projects/programs would undergo outreach to our stakeholder groups, business associations, chambers, etc.

Do you have comments or suggestions for the overall "Tahoe Housing Catalyst Program" described in the July 11 memo?

We thank TRPA for working on this effort!

Preferred metrics

Number of new housing units allowed by right (can also support RHNA), number of new units constructed.

INPUT ON JULY 11, 2022 MEMO
OVERALL PROGRAM
PHONE CALLS AND IN-PERSON MEETINGS
FROM THOSE WHO DID NOT ALSO SEND LETTERS

Brendan Ferry, Deputy Director
Tahoe Planning & Stormwater Division, El Dorado County
Phone call on 7/22

Also supportive of using it to further Tahoe Living goals. County doesn't have much staff to work on this stuff. There might be a bigger county effort, would have to figure out how to charge some of that work to the Tahoe portion if use TMPO REAP for this. Could use funding maybe for some initiatives that don't have much staffing or funding.

Mentioned:

- Pulling the PRUUs off the IPES parcels that the County owns that aren't going to get built on, so they can be banked and used for ADUs.

Bill Martinez, Executive Director, Family Resource Center
Phone call on 8/1/2022

Section 8 homes are raising rents, not even sure if they can do that. Price going up and renters can't afford it.

Putting the money directly into something like Sugar Pine Village would be good – see new housing on the ground. Also, there needs to be attention so that people at the lowest income levels know about the new opportunity.

Changing code is important, as long as the people that are affected know about it, and can apply to get in the queue.

Cash would help people – Assistance through Tahoe Magic, for instance.

Numerous families have left the Basin permanently, because landlords started raising rents. Have moved to Gardnerville, Los Angeles, Las Vegas, or places where they have family.

Family Resource Center has a list of 200 families that need assistance – some need food, some need rent.

Suggest getting in touch with schools – when they are back in session, they may have other ideas.

Elizabeth Balmin

Director Legal Assistance, Crisis Intervention, and Family Advocacy, Sierra Community House

Phone call on 8/5/2022

Sierra Community House helps people who are victims of domestic violence, sexual assault, for the region.

They spend about \$100,000 a year on rental assistance, and they always run out before the end of the year. People need first and last months rent, they don't have enough saved up for this. Older owners that have been renting to locals die and the home goes to a younger family member, who wants to sell or raise the rent. Every day she gets a call from someone whose rent is going up.

They could probably use about \$150,000 in rental assistance each year in the Tahoe part of Placer County, based on this year's numbers (the need goes up every year, of course, as prices go up). They had about \$75,000 available this year for Tahoe, need \$75,000 more in rental assistance.

The Number 1 need is more units.

Even with federally subsidized housing, like Truckee Artists' Loft, there were problems with the units only being affordable to people with very low incomes. People in our region get paid too much to meet the federal income limits, but not enough to afford other housing. For instance, SCH had a federal re-housing grant but they had to give it back because not enough people qualified!

Also, people moved into the units that required more services than the community was prepared for. There is a social worker that comes up once a month from Sacramento, this is not enough. Also, they have had a hard time keeping maintenance people, so that impacts maintenance of the units.

Also, there needs to be more awareness among visitors, second homeowners of the challenges people are facing. Ways they can support the community. If there was more awareness, she believes they would contribute directly to philanthropic endeavors. We need to have a way to engage these people.

Frank Gerdeman, Director, Advance and Jerry Bindel, General Manager of Forest Suites Resort
Meeting September 20, 2022

Project idea: Pro forma for redevelopment or reconstruction of existing motel properties, while keeping the land ownership the same. What is the capital investment needed to keep the rent at an affordable point? I.e., In addition to doing the financial feasibility analysis for new builds, greenfield development, consider doing it for retrofitting existing hotels to convert them to housing, without changing the land ownership. The focus is on underutilized assets, that are at perhaps 30% capacity. For the HIT grant, it could work well to have an incubator project or pilot project to weave through the process and find the pain points. Jerry knows hotel/motel owners that would be willing to share their costs/pro formas.

What kind of deed-restrictions are feasible, possible, affordable?

Explore, how do you make redevelopment feasible? Explore who could bear the cost of capital, if the owners don't pay. Needs state and federal funding.

Prepare the basket of steps for the developer. Here are the steps, here are the fees, etc. So it's easy for the developer.

Stop segregating buildings by income. Move toward a mixed-income model.

While employees still live in Reno, have employers pay for them to take the Reno Airporter, so that we could increase the frequency of that service.

We are one of the last resort communities that has a bed base here.

Washoe Tribe of Nevada and California

Robert Beltramo, Washoe Tribal Planning Director

Kenneth Cruz, Director, Roads Department

Martin Montgomery, Executive Director, Washoe Housing Authority

Jeannie Byassee, Grants Manager

Meeting September 26, 2022

In Alpine County, overcrowding is an issue. Need more duplex, triplexes, fourplexes. Older homes, needing rehab. Water heaters and weatherization are needs. Utility, and emergency requests. Homeless prevention.

They had an emergency rental program, but that ended when federal funding ended.

Definitely a need to house the workers that work at Meek's Bay resort.

Using RVs has been an effective way to house people quickly, particularly during the Tamarack Fire.

On the west side of 88 there are a couple of parcels that could possibly be opportunities for housing.

Washoe people frequent Tahoe or live there, but they are getting pushed out by the high costs. Would be good to have a specific program that could be directed toward Washoe people in Tahoe, to help them keep their presence in the Tahoe basin. Housing vouchers for tribal members would be helpful. If it was through HUD Section 8, there would be money for maintenance. Any programs to increase the supply of affordable housing though would also help the tribe.

Tribal members are often underserved.

Provision of services within the Basin, like providers who accept MediCal, would help lower transportation costs for households and Washoe people living in the basin.

Also promoting biking, more climate-friendly transportation, reduces costs.

Converting motels into little apartments.