

STAFF REPORT

Date: May 17, 2023

To: TRPA Regional Plan Implementation Committee

From: TRPA Staff

Subject: Informational Presentation on Proposed Amendments to the Tourist Core Area Plan

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Summary and Staff Recommendation:

The City of South Lake Tahoe (the City) will provide an overview of the proposed amendments to the Tourist Core Area Plan (TCAP). This item is for informational purposes and no action is required. Staff has not reviewed the proposed amendments for conformance with the Regional Plan and Code of Ordinances. Staff requests comments from the Regional Plan Implementation Committee (RPIC) before beginning the hearing process for final consideration of the area plan amendment by the City Council and TRPA.

This item is for informational purposes and no action is required.

Project Description/Background:

Since the 2012 Regional Plan Update, TRPA has encouraged local jurisdictions to develop area plans to replace the former local planning documents: plan area statements and community plans. Area plans are collaborative documents which become a component of both the Regional Plan and the local jurisdiction's general or master plan. Area plans enable TRPA to focus on regional issues and empower local jurisdictions to define and manage their own local land use.

Originally adopted by the TRPA Governing Board in 2013, the TCAP is one of two area plans within the City. The plan encompasses the Stateline and Ski Run area of South Lake Tahoe, which is the main tourist hub and has traditionally had the highest concentration of services and density within the City. The proposed amendments focus on changes to facilitate workforce housing development, economic development and activation of town centers, and increased transportation opportunities within the area plan boundary. The scope of amendments range from updating language to be consistent with recently amended TRPA and state regulations, and City goals, to increasing housing opportunities and community equity in appropriate areas. The City intends to consider the policy amendments listed below. More details on each of these policies can be found in Attachment A.

*Policy amendments under consideration (presented below in categories and in more detail within Attachment A):*

- **Residential density:** Increase residential density to 60 units per acre in town centers, paired with a minimum density of 8 units per acre.
- **Streamlined permitting:** Streamline permitting for affordable housing projects.

- **Design standards:** Implement design standards for residential projects, ADUs and new commercial construction or major commercial façade improvements.
- **Permissible uses:** Update permissible uses to encourage employee, senior, and affordable housing.
- **Parking:** Reduce parking requirements where feasible.
- **Area Plan boundary:** Amend the area plan boundary to include three underutilized parcels that could benefit from incorporation into the area plan.
- **Zoning change:** Rezone one parcel from recreation to tourist center mixed use to accommodate higher density housing opportunities.
- Other miscellaneous cleanup

City staff held a stakeholder meeting on February 1, 2023. A summary of comments from the meeting can be found in Attachment B. The conceptual amendments were then presented to the City Planning Commission on February 23, 2023. The amendments await a formal hearing from the City Council, as well as TRPA Advisory Planning Commission, RPIC, and Governing Board.

Based on RPIC’s direction, the City will work with TRPA staff to further develop the amendment package before bringing it back to RPIC and the Advisory Planning Commission for recommendation before the Governing Board makes a final determination on the proposed amendments. Local governments are encouraged to propose amendments unique to their jurisdiction provided they conform with the Regional Plan and Code of Ordinances. At this point in the process, TRPA staff has not reviewed any of the proposed changes for conformance with the Regional Plan and Code of Ordinances. Should there be inconsistencies that have regional implications (i.e., beyond the jurisdiction proposing the amendments) staff will recommend those proposals not be approved when the amendments come through the formal adoption process.

Environmental Review:

City staff are currently preparing an IEC and CEQA analysis for the amendment package.

Regional Plan Compliance:

The proposed area plan amendment will be reviewed for conformance to the Regional Plan and environmental thresholds by the Advisory Planning Commission (APC) and RPIC. Recommendations of the APC and RPIC will then be considered by the Governing Board in determining whether to find the area plan amendment in conformance with the Regional Plan.

Contact Information:

For questions regarding this agenda item, please contact Alyssa Bettinger, Senior Planner, at (775) 589-5301 or [abettinger@trpa.gov](mailto:abettinger@trpa.gov).

Attachments:

- A. 2023 Tourist Core Area Plan Amendments Project Description
- B. Tourist Core Area Plan Stakeholder Workshop Participant Feedback

Attachment A  
2023 Tourist Core Area Plan Amendments Project Description



## 2023 Tourist Core Area Plan Amendments *Project Description*

The City of South Lake Tahoe intends to amend the Tourist Core Area Plan (TCAP) and submit a formal area plan amendment application to TRPA in the near future. The purpose of the amendments range from general improvements and a need for greater consistency with recently amended TRPA regulations, state regulations, and City goals, to increasing housing opportunities and community equity in appropriate areas. Summarized below are the more significant policy and regulatory amendments that the City intends to pursue.

### LAND USE, COMMUNITY DESIGN AND HOUSING

#### Residential Density

In order to improve the effectiveness of Housing policies and achievement of Housing goals within the adopted TCAP, the City is pursuing increasing allowed density and setting minimum density standards for multifamily developments in and around town centers as follows:

- A maximum density of 60 units per acre for multi-family residential development, based on the commodity conversion rate of 1:1.5 between TAUs and RUUs, and currently allowed density for tourist accommodation units at 40 units per acre. The current multifamily dwelling density maximums are lower than Tourist Accommodation allowable densities, despite the TRPA determination that TAUs have larger environmental impacts with respect to Vehicle Miles Traveled and carrying capacity of the Tahoe Basin. The current densities allowed for multi-family residential development do not allow for affordable housing projects to be eligible and competitive for grants and financing available through state and federal programs, resulting in development of low density, large market rate units. The City is also proposing to establish a minimum density of eight units per acre for multi-family projects, consistent with the City's General Plan. Allowing higher densities for multifamily developments and requiring a minimum density, without changing coverage and height limitations is intended to increase opportunities to develop affordable housing and drive private developments to smaller and higher density market rate units. These changes will provide more opportunity for much needed housing in areas close to amenities, allow more concentration of development within Town Centers and increase feasibility of housing, infill and environmental redevelopment projects in these areas .
- Allowing density bonus referenced in TRPA Code of Ordinances 31.4.1 be applicable to all properties where multi-family residential is an allowed use, including properties within Area Plans.
- Required housing mitigation for any reduction in density from existing conditions.

These changes are directed by Programs 2-8 and 1-4 of the City's General Plan Housing Element and anticipated to be under review by the state Housing and Community Development Department with expected implementation by December 2023.

## Mixed-use Development

The City proposes to create incentives that encourage production of housing in areas where residential use is appropriate to the setting and where mixed-use projects could address job and housing needs. The incentives would include alternative parking requirements and streamlined permitting.

This change is directed by Program 1-1 of the City's General Plan Housing Element and anticipated to be under review by the state Housing and Community Development Department with expected implementation by December 2023.

## Housing Accommodations

Reasonable Accommodations for Persons with Disabilities: To provide individuals, family members, caregivers, and/or anyone acting on behalf of the person with disabilities reasonable accommodation in rules, policies, practices, and procedures that may be necessary to ensure equal access to housing as feasible the city proposes to establish criteria for residential projects that would allow for modification of the TCAP standards. These modifications would address any needs for accommodation by persons with disabilities for additional land coverage for necessary site improvements beyond the additional land coverage allowances for Americans with Disabilities Act (ADA) improvements in Chapter 30 of the TRPA Code of Ordinances.

Employee and Workforce Housing: To comply with the State Employee Housing Act the City will allow employee housing in the same locations as multi-family and multi-person residential projects (see "Permissible Uses" description below) and clarify employee housing does not need to be developed by the specific employer.

Residential Care Facilities: For consistency with California State Law, the City will specify that residential care facilities (group homes) of all sizes are allowed by right in all residential districts (see "Permissible Uses" description below).

These changes are directed by Programs 4-1, 4-2, 2-2 and 1-6 of the City's General Plan Housing Element and anticipated to be under review by the state Housing and Community Development Department with expected implementation by December 2023.

## Consistency with California State Law

AB-68: Allows accessory dwelling units as part of multi- and single- family residential properties. Clarify ADUs are subject to the South Lake Tahoe City Code. Define and clarify the difference between an accessory dwelling unit and TRPAs secondary units.

AB-682: Shared housing or co-living projects are eligible for density bonuses when a number of units are low or very low income. Update permitted uses and definitions to include shared housing or co-living and identify where they are allowed and when density bonus can be used.

## Permissible Uses

The City will reevaluate Appendix C's Table 1, Permitted Uses By Land Use District, and Table 2, List of Primary Uses and Use Definitions, and consider the following adjustments:

- The City is proposing that where one of the following is currently allowed, all shall be allowed uses: *multiple-family dwelling*, *multi-person dwelling*, and *employee housing*.
- Define residential care facilities (group homes) and allowed by right in all residential districts.
- Define shared housing or co-living projects in compliance with AB-682 and shall be allowed where the following uses are allowed: *multiple-family dwelling*, *multi-person dwelling*, and *employee housing*.
- Incorporate employee housing into the definitions of multi-family dwelling and multi-person dwelling.
- Identify where legal nonconforming uses exist and consider if these uses should be allowed.
- Clarify use definitions; for example, indoor sauna, spa, and hottub facilities are currently included in the use description for both *Amusements & Recreation* and *Personal Services*.
- Designate between large and small *Amusement & Recreation* uses. Currently the use category has no distinction for facilities of different sizes or capacities. The City is considering adding clarifying language such as what is included in *Privately owned assembly and entertainment*, which specifies the use is for facilities with a capacity of greater than 300 people.
- Include eating and drinking as an allowed use in TSC-MU rather than a special use.

## Traffic and Circulation

*Parking*: The City will be proposing alternative parking standards in an effort to decrease the need for parking infrastructure and continue to allow more flexible parking standards and shared parking for mixed-use and other housing projects. This will be implemented through one or more of the following:

- Encouraging rental housing developers to unbundle parking and rent parking spaces separately from the units.
- Allowing housing developers to pay an in-lieu fee to support public transportation access to the project site in-lieu of some of the parking requirements.
- Decrease in parking requirements for qualifying projects located within a distance of a transportation hub.
- Creating objective standards for variances to the established parking standards.

These changes are directed by Program 1-3 of the City's General Plan Housing Element and anticipated to be under review by the state Housing and Community Development Department with expected implementation by December 2023.

*Complete Streets*: Staff will review and update complete street policies and maps to match implementation feasibility including the following:

- Update “Proposed Improvements Section” with short list of projects originally identified that have been completed and a new list of Implementation Projects.
- Update Figures and implementation projects for consistency with the TRPA Active Transportation Plan.
- Establish a policy for complete street connections between TCAP and Lake Tahoe.

Pedestrian and Bicycle Infrastructure: Staff will review and update project requirements for pedestrian and bicycle infrastructure including:

- Update policies and standards to clarify requirements for sidewalk and trail maintenance/snow removal.
- Policy requiring frontage improvements consisting of sidewalk, drainage, and lighting improvements with new construction, additions of floor area, or significant remodels involving site work, unless waived by the Public Works Director.
- Policy requiring off-site sidewalk connections to existing sidewalk. Establish a value of off-site (beyond frontage) improvements and/or contribution to transit that would trigger an allowed automatic reduction in parking requirement. Further reduction in parking requirement would require permanent deed restriction regarding parking management.

## **REVITALIZATION AND ECONOMIC DEVELOPMENT**

### **Commercial Floor Area and Outdoor Dining**

The City would like to reduce barriers associated with establishing outdoor dining in appropriate areas. Although outdoor seating is currently not considered Commercial Floor Area (CFA), outdoor dining is. Outdoor dining and seating provide opportunities to create more active streetscapes but are distinguished from indoor seating by their less intensive use due to seasonal weather in the Tahoe Region. The City is proposing to exempt outdoor dining areas from CFA requirements similar to the current application of the regulation to outdoor seating.

### **Advertising for Accessory Uses**

The City is proposing to amend sign regulations to allow independent signage for accessory uses. No changes to the maximum sign area or number of signs allowed for a property are proposed.

### **Electric Vehicle Charging Stations & Sustainable Infrastructure**

A goal of the City of South Lake Tahoe is to remove barriers to sustainable infrastructure and achieve compliance with AB 1236 which requires ministerial permitting for EV charging stations and limits the ability to deny a permit to specific findings of adverse impact to public health or safety. Coverage has been a limiting factor where developments wish to install electric vehicle charging stations. Exempting EV charging infrastructure from counting towards coverage would allow for increased access to charging stations. Mitigation measures

such as retiring coverage elsewhere in the watershed or allowing a percentage over maximum coverage for EV charging stations to be transferred to the site will be explored.

### **CFA Policy Clarification**

Add a CFA policy clarifying that certain areas of recreation based primary commercial uses are exempt from CFA allocation. Examples include:

- The area of play in an indoor tennis court
- The area of water in an indoor swimming pool,
- The area for skating in an indoor roller- or ice-skating rink
- The area dedicated to a climbing wall/climbing wall pit in a climbing gym
- The play area of a miniature golf course

## **DEVELOPMENT AND DESIGN STANDARDS**

### **Residential Standards and Review**

The development and design standards generally do not differentiate between commercial and residential uses. These project types are often substantially different in form and design as they serve different purposes. Staff will be establishing different residential standards throughout the design standards, primarily by referring to the City Code Section 6.85 for Residential Development and Design Standards. These standards were adopted in compliance with California SB 35 and SB 330.

Currently, affordable housing projects require a higher level of decision maker consideration than market rate housing projects (TRPA Code Section 2.2). Proposed amendments would include new criteria for residential project review levels that treat affordable housing equal to market rate housing, exempting residential projects up to three units and residential projects that comply with objective development and design standards from discretionary and public hearing procedures.

### **Objective Design Standards (Commercial)**

The current design standards address site design, building orientation and design, pedestrian access, bicycle parking, landscaping, lighting, signage, parking, driveway and loading spaces. However, project aesthetic and visual quality is provided by the City's Design Guidelines. The Guidelines currently provide a visual tool to guide project applicants on how to meet the required design standards in a manner that meets the desired aesthetic of the community. As part of Area Plan amendments staff will look to incorporate the concepts created in the Design Guidelines into objective standards to ensure that all projects meet the visual quality the City and TRPA is striving for. The objective standards may include, but would not be limited to, restricting the percent of stucco used, requiring minimum number of authorized materials, and requiring architectural features such as overhead canopies or brackets and overhangs. Staff will also be reviewing and updating established design standards if they do not sufficiently work toward addressing the Area Plan and General Plan goals and policies such as bicycle parking and pedestrian access.

### **Commercial Roof Pitch Requirements**



Currently the Area Plan only allows for a roof slope of 5:12 to 12:12. Staff will be proposing criteria that allows for deviation from this standard when specific standards or findings can be made. Staff will also assess other aspects of height and roof standards to see what allowed flexibility can be added. The goal of this amendment would be to provide additional architectural opportunity for properties where the lots size, location, orientation, or use is restricted by the current standards.

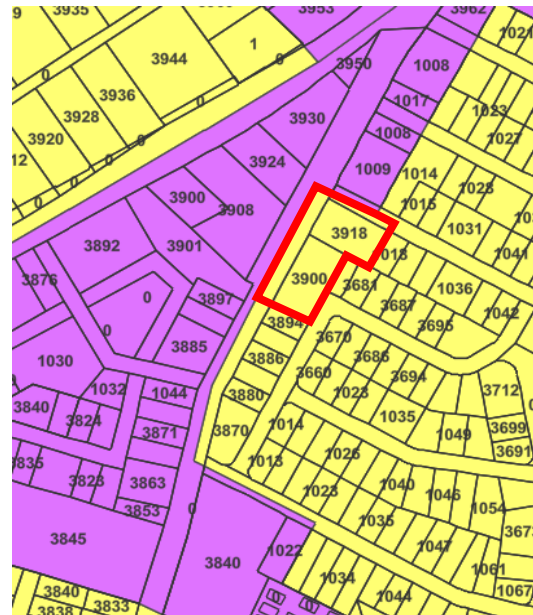
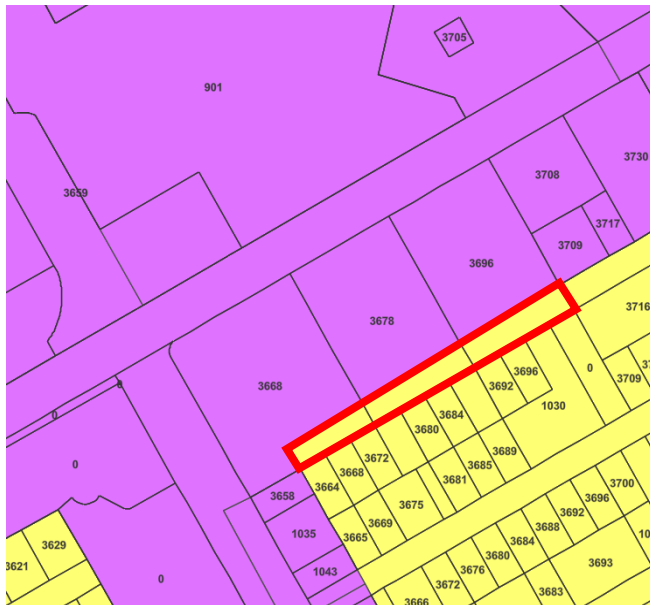
## Signage

Currently the Area Plan does not allow for the advertising of accessory uses. Staff is proposing to update the signage criteria to allow for accessory uses to have signage if they are within the allocated Base Reference Budget. The inclusion of accessory use signage will not increase the overall allowable signage in the area but will allow for business to advertise the diverse uses they offer. Additionally, throughout the signage requirements staff will be adding/modifying the text language to provide clarity where needed.

## GENERAL IMPROVEMENTS

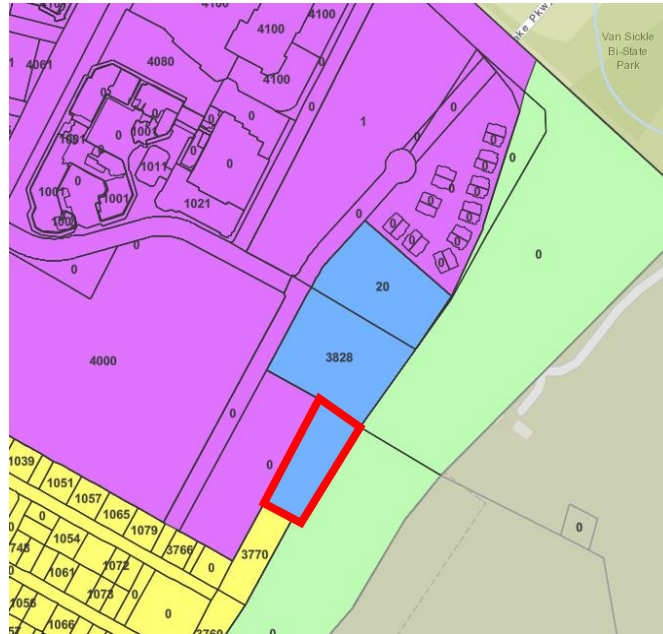
### Area Plan Boundary Expansion Opportunities

Area Plans provide a unique opportunity for development. As part of the amendment process staff will be assessing parcels which boarder the area plan to see if underutilize properties may benefit from incorporation into the area plan. Areas currently being assessed for incorporation are shown below in red:



## Zoning Changes

As part of the Area Plan amendment, staff will be processing a zoning amendment application to rezoning the area identified in red below from recreation to tourist center mixed use to accommodate higher density housing opportunities.



## Green Incentive Program Updates

The city will be reviewing the green building incentives to ensure the current incentive are still feasible and identifying previous measures which are now required rather than optional based on California Building Code updates and city ordinances. Staff will also look to incorporate new policies and certification programs that have been implemented or seen success since the plans initial adoption.

## Code Corrections and Consistency

General improvements that will be made to TCAP include correcting City Code and TRPA Code references and incorporating amendments implemented by TRPA through Ordinance 2021-01.

During the City's public outreach and public review processes additional amendments may be identified for consideration. City staff will work closely with TRPA staff to ensure continuity and open communication throughout the process.

Attachment B  
Tourist Core Area Plan Stakeholder Workshop Participant Feedback

# Stakeholder Workshop

## Tourist Core Area Plan: 2023 Updates

Participant Feedback – Wednesday, February 1, 2023

### Increasing Housing Opportunities: Density

- General consensus that a minimum density requirement would make sense
- Potential impacts to parking needs are concerning; however, support for development incentives/alternatives and increase in alternative transportation options increases support
- Increase in density also creates an increased opportunity for Vacation Home Rental and potential for those properties to act similar to hotels
- Concerns around affordability of these potential housing units for local residents
- Question regarding how coverage plays a part in constructing increased density; discussion around how area plans provide additional opportunity under TRPA regulation
- Should be an overall increase in vertical parking configurations
- Current disconnect in the park once theory; it isn't used because there isn't sufficient transportation options (e.g., frequent transit)
- Lake Link proving an encouraging model, but not enough. Should be expanded to other parts of the City
- Parking issues will require a cultural shift
- Mammoth trolley as a good example for the City; several fixed route services that cross paths so several points to be picked up nearby with varying times so never a long wait; it is easy, affordable and has an app that gives route updates/times
- Increased density supported with good transportation availability
- TTD funding from the City could be used for more programs similar to Lake Link
- Explore requirements for mixed income projects
- Inclusionary housing
- Public frequently expresses concerns about additional high end and unaffordable housing in this area
- Preserving recreational zones/areas (e.g., Van Sickle Bi-State Park)

### Increasing Housing Opportunities: Permissible Uses

- Clarification of "Employee Housing" definition and use
- Special Use Permit for employee housing seems like an undue burden, housing should be allowed
- Ensure preservation of open space/recreation
- Employee housing allowed in recreation seems unusual and needs to be clear who the developer is of the employee housing; employee housing for individuals who work for the open space makes sense but not for another area of town; should be relatively limited ability to develop employee housing in recreation zoned areas

### Increasing Housing Opportunities: Boundary Changes

- Current Area Plan boundary is unusual, further boundary changes should be explored to create a more intuitive boundary; especially around Pioneer Trail and leading to Heavenly Ski Resort CA Base Lodge
- Opinion that neighborhood off of Moss Rd. should not be incorporated into the TCAP area

### Activating Town Centers: Outdoor Dining

- Expand for more outdoor dining opportunities which can be used year round
- Can have significant impacts to parking and other businesses in certain locations; effective transportation option is key

### Activating Town Centers: Permissible Uses

- Eating and drinking should be an allowed use throughout the Area Plan
- Provide flexibility for amusement and recreation uses so not all need Special Use Permits; some of the uses within the definition make sense, others large scale uses may need special attention
- Smaller business types should be “Allowed Use”
- Create improvements to public art standards

### Increasing Transportation Opportunities: Infrastructure

- Implement a transit system similar to the design of the Mammoth Lake Trolley, extending to the Y
- Improve bus transit system efficiency similar to the North Shore (TART)
- Improve fixed transit routes to destinations
- Shifting investment to improving transit system
- Proposed a change of transit agency (remove TTD)
- Promote bike/walk access, businesses to maintain snow removal
- Potential for a pay-in system for snow removal to lift burden on property owners
- Improve/encourage/accommodate public transportation to minimize parking issues
- Provide more transportation options/contributions
- Need for reliable bus transit times

### Increasing Transportation Opportunities: Parking

- Expanding parking in Ski Run area (Vail/Heavenly Ski Resort)
- Enforcing a time limit for parking (e.g., 2 hour minimum)
- Density increase could have an impact on parking enforcement
- Propose a parking hub or central parking areas, especially for day visitors/single destination
- Improve bus system connections
- Need to accommodate for recreational toys/items and families with gear
- Manage boat trailer parking
- Parking enforcement on Lake Pkwy
- Manage snow storage
- Expand parking garages for Heavenly Village and Ski Run
- Recommend Vail to provide a designated parking garage/hub at Cal Base Lodge
- Address community needs vs. landlord opinion for residential parking
- Provide more parking spaces and zones for electric bikes and scooters
- Parking garage management (e.g., signage showing where spaces are full or open)