

1.13.3 Environmental Improvement Subelement *(formerly Financing Subelement)*

The Financing Subelement of the 1987 Regional Plan provided for the creation of new revenue sources, the phasing of expenditures to meet performance targets, and coordination of financing programs with other agencies. It was primarily related to funding to aid implementation of the Capital Improvement Program (CIP).

Much of Financing's content within the Goals and Policies and the Code was established to offset the environmental impacts related to future growth. However, there remains a considerable amount of environmental degradation that is a result of development and use patterns predating the 1987 Regional Plan. The Environmental Improvement Program (EIP) was developed in conjunction with the 1997 Lake Tahoe Presidential Forum to address outdated development and use patterns, the continuing environmental degradation being caused by them, and past environmental degradation. Since 1997, the EIP has effectively replaced the CIP.

The EIP is a large, cooperative effort among federal, state, local, and private entities in the Tahoe Basin to preserve, restore, and enhance the unique natural and human environment of the Region. It is aimed at addressing preexisting environmental degradation and advancing compliance with the Tahoe Regional Planning Compact and attainment of Environmental Threshold Carrying Capacities (Thresholds). It is a primary implementation strategy for TRPA. By defining restoration needs for attaining and maintaining environmental goals through substantial investment of resources, the EIP increases the pace of Threshold attainment.

Although Code Chapter 31, Environmental Improvement Program, was created following the establishment of the EIP, corresponding goals and policies have not been updated and refer to the CIP. There are four goals and eleven policies of the existing Finance Subelement. The first of these goals and its two associated policies identify the need to develop revenue sources to implement CIP projects. The second goal and associated policies emphasize prioritization of projects and the coordination of implementation efforts. The last two goals and associated policies focus on meeting the identified performance targets for dissolved inorganic nitrogen, Stream Environment Zone (SEZ) restoration, and reduction of VMT and nitrogen oxide(s) emissions.

Because the CIP has been superseded by the EIP, all Alternatives (including the "no action" Alternative) propose modifications to the goals and policies that are currently in need of revision to achieve consistency with the EIP.

Chapter 31 of the Code of Ordinances describes the EIP and sets forth policy to guide updating the EIP Project List and Finance Plan. The Project List is found in the master list of projects, EIP Volume 2. After initial adoption of the list by the Governing Board, projects are placed on the list at the Executive Director's discretion based affirmative findings that the project will contribute to the attainment and/or maintenance of the Thresholds. Project implementers from the federal, state, local, and private sectors can propose projects for inclusion on the project list, which qualifies them for EIP-specific funding. Projects on the list are implemented as funding becomes available.

Alternative 1—Continuation of Existing Regional Plan

Summary

Alternative 1, the “No Action” Alternative, assumes the continuation of the goals, policies, regulations, and programs of the 1987 Regional Plan with minor modifications to acknowledge the existence of the EIP. The updated EIP, adopted by the Governing Board in July 2009, would remain in effect and unchanged. Although the EIP represents a 10-year vision of restoration needs and costs, the Program would be ongoing throughout the 20-year life of the Regional Plan. Program strategies and priorities would be informed by 5-year Threshold evaluations.

The EIP focuses on achieving cross-Threshold benefits. Its six program areas are:

- Watersheds, Habitat and Water Quality;
- Forest Management
- Air Quality and Transportation;
- Recreation and Scenic resources;
- Applied Science and
- Program Assistance and Operations

These programs provide management direction for priority project development, establish measurable goals, contain 10-year funding needs assessments, and guide science efforts. The EIP allows for ongoing revisions to program goals and is capable of integrating new information generated from project implementation monitoring and associated program effectiveness research.

Goals and Policies

Because the Finance Subelement’s goals and policies have not been updated since 1987 and still reference the CIP, they must be updated under Alternative 1. Because this is the “no action” Alternative, however, the amendment of these goals and policies would merely reflect the EIP’s existence and remove CIP references.

Implementation Measures

There would be no new Implementation Measures proposed under Alternative 1. EIP projects would continue to be implemented as available funding allows.

Alternative 2

Summary

Under this Alternative, the EIP program will remain unchanged from Alternative 1. However, a new Environmental Improvement Subelement would be created, containing all relevant goals and policies associated with the EIP. Goals and polices requiring consultation with EIP partner agencies, the identification of project implementation funding sources, achievement of performance targets, and program accomplishment and financial reporting will be included in the new Subelement.

Additional goals addressing transportation implementation, climate change considerations, public education, and adaptive management will also be included. One new implementation measure is proposed to revise Code to mandate documentation of required elements of the EIP program. An implementation measure related to the development of a revenue source for funding the local share of the EIP is found in the Institutional and Performance Review and Implementation Scheduling Subelements.

Goals and Policies

The proposed Environmental Improvement Subelement incorporates the Financing Subelement's Goals and Policies from the 1987 Regional Plan. These policies will be updated to include a focus on the EIP as opposed to the CIP (which was limited to water and air quality capital project financing and implementation).

The EIP's goals and policies under Alternatives 2, 3, and 4 are the same. The differences between the Alternatives are found in the implementation measures proposed that set forth options for financing the local share of the EIP. These measures are found in the Institutional and Performance Review and Implementation Scheduling Subelements²⁵.

One new goal requires the consultation with EIP partner agencies in the development of the EIP and the five-year list of projects. Five associated policies are proposed that require the EIP to be managed as an implementation strategy of the Regional Plan and establishes the following required components of the EIP:

- descriptions of the six program areas;
- program targets or expected accomplishments;
- 10-year funding needs;
- a 5-year list of priority projects to be updated annually; and
- EIP partner consultation.

An existing goal requiring TRPA to provide funds to carry out the CIP and other programs of the Regional Plan would be modified to indicate that the Agency will assist in the identification and development of funding sources to implement programs and capital improvements. The change recognizes that many entities play a role in developing funding sources. Three policies under this goal will require that a finance plan be developed for the EIP, that TRPA develop and carry out financial programs to assist in the implementation of the EIP, and that the costs of the financial programs be equitably distributed among governmental entities and user groups.

An additional goal and two modified existing policies will require coordination among responsible agencies in the development of revenue programs and the application of regional revenue sources to high-priority EIP projects.

An existing goal and concerning the achievement of performance measures for dissolved inorganic nitrogen and restoration of SEZs will be amended to include the requirement that all EIP performance measures be achieved and validated through

²⁵ In Alternative 2, an Implementation Measure is proposed that requires a local revenue source be in place within the first five years of the Regional Plan Update to provide funds to implement the local share of the EIP. It allows for commercial allocations to be distributed within the first five years but disallows additional distributions after five years unless a revenue source is in place.

monitoring and evaluation. Two policies set forth the responsibilities of federal, state, local, and private property owners in implementing and following the priorities of the EIP.

A similar goal requires the CIP to meet the transportation system performance targets for vehicle miles traveled and emissions of oxides of nitrogen. This goal will be updated to recognize the need to meet the desired conditions and goals contained in the Regional Transportation Plan (RTP). Two associated policies will be updated to reference the RTP and the EIP as opposed to the CIP.

The EIP will also address global climate change and with the aim of reducing greenhouse gas (GHG) emissions. The following policies will support this goal:

- The EIP will identify resource management activities that contribute to the reduction of GHGs and track reductions annually.
- The EIP will develop an adaptation strategy to ensure projects are designed to be effective over the long term in a changing climate.
- The best available science will be employed to design EIP projects adaptive to climate change and to better account for carbon sequestration in vegetation management projects.

The development of a system for tracking progress of the EIP is also proposed as a new goal. Two policies will require project implementers and funding entities to report financial expenditures and program accomplishments annually and that reporting utilize consistent methodology.

Incorporating the latest information generated through monitoring and research is proposed as a new goal, with a supporting policy requiring that project effectiveness and status and trend monitoring be incorporated into the EIP. A second supporting policy proposes the development of a system for ensuring the results of EIP science efforts inform the capital project development and implementation component of the EIP.

The importance of educating the public about the EIP program and accomplishments is contained in a new proposed goal. Two policies encourage the development of legislative briefing packets and providing assistance to EIP partners in gaining support for legislative agendas and local initiatives.

Implementation Measures

Alternative 2 would include the following new measure to implement the new environmental improvement policies described above:

- Amend Code Chapter 31 to specify the required programmatic elements of the EIP.

Alternative 3

Summary

Under this Alternative, the EIP would remain unchanged from Alternative 2. The only difference is that the strategy for funding the local share of the EIP would involve an EIP implementation fee associated with each new square foot of commercial floor area.

Goals and Policies

Even though Alternative 3 is the “status quo” Alternative, the goals and policies would be updated like in Alternative 2, so that the Regional Plan Update acknowledges the EIP. The difference between Alternative 3 and the other Alternatives would lie in the strategy to generate partial funding for the local share of the EIP through EIP implementation fees associated with allocations for new commercial floor area. This approach would reduce the amount of funding that would need to be generated through a local revenue generation program proposed in Alternative 2. It would provide for a clear and predictable link between making progress toward Threshold attainment and providing for additional growth and development.

Implementation Measures

The Implementation Measure in Alternative 2 will also apply to Alternative 3. The funding measure cited above will be contained in the Institutional and Performance Review and Implementation Scheduling Subelements²⁶.

Alternative 4

Summary

Under this Alternative, the EIP would remain unchanged from Alternative 2. The only difference is that the Implementation Measures related to EIP funding strategies (which are contained in the Institutional and Performance Review and Implementation Scheduling Subelements) differ from those in the other alternatives.

Goals and Policies

The goals and policies under Alternative 4 would be the same as those proposed for Alternative 2.

Implementation Measures

The Implementation Measure in Alternative 2 will also apply to Alternative 4, with the following exceptions bulleted below. The funding measures proposed in Alternative 4 for the EIP, like in other Alternatives, reside in the Institutional and Performance Review and Implementation Scheduling Subelements²⁷.

²⁶ Under Alternative 3, Chapter 33 would be amended to mandate that a fee be collected for each new square foot of CFA allocated, and that these funds would be used toward EIP implementation. The funds would be considered local revenue and made available to the local governments as fees are collected in the respective jurisdictions. The project proponent would not be required to construct environmental improvements above and beyond those required for mitigation purposes. This is in contrast to Alternative 2, which would rely on new development projects to construct significant environmental improvement above and beyond those required for mitigation purposes.

²⁷ Under Alternative 4, Implementation Measures related to capital regional revenue generation would be eliminated, and funding for EIP would be primarily a federal, state, and private responsibility. Local jurisdictions would focus available resource on operation and maintaining EIP projects over the long term to maintain their effectiveness. Area-wide treatment systems would need to be fully constructed before allocation of new development or allowance of transfers

- Allow a higher portion of local revenues (e.g. mitigation fees) to be used for O & M activities for EIP projects.
- Support local and regional efforts to develop maintenance districts for the purpose of operating maintaining capital improvements associated with the EIP.

of existing development. This is in contrast to Alternative 2, which would rely on new development projects to construct significant environmental improvements above and beyond those required for mitigation purposes.