

**TRPA
APC
PACKETS**

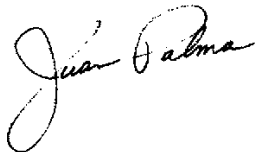
**APRIL
2002**

PR

TAHOE REGIONAL PLANNING AGENCY
ADVISORY PLANNING COMMISSION
NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Advisory Planning Commission of the Tahoe Regional Planning Agency will conduct its regular meeting at 9:30 a.m. on April 10, 2002, at the North Tahoe Conference Center, Kings Beach, California. The agenda for the meeting is attached hereto and made a part of this notice.

April 1, 2002



Juan Palma
Executive Director

This agenda has been posted at the TRPA office and at the following locations: Zephyr Cove and Stateline, Nevada post offices, and South Lake Tahoe Library and AI Tahoe, California post office. The agenda has also been posted at the North Tahoe Conference Center in Kings Beach, the Incline Village GID office, and the North Lake Tahoe Chamber of Commerce.

TAHOE REGIONAL PLANNING AGENCY
ADVISORY PLANNING COMMISSION

North Tahoe Conference Center
Kings Beach, California

April 10, 2002
9:30 a.m.

All items on this agenda are action items unless otherwise noted.

AGENDA

- I. CALL TO ORDER AND DETERMINATION OF QUORUM
- II. APPROVAL OF AGENDA
- III. PUBLIC INTEREST COMMENTS (No Action)

Any member of the public wishing to address the Advisory Planning Commission on any agenda item not listed as a Public Hearing or a Planning Matter item, or on any other issue, may do so at this time. However, public comment on Public Hearing and Planning Matter items will be taken at the time those agenda items are heard.

NOTE: THE ADVISORY PLANNING COMMISSION IS PROHIBITED BY LAW FROM TAKING IMMEDIATE ACTION ON, OR DISCUSSING ISSUES RAISED BY THE PUBLIC THAT ARE NOT LISTED ON THIS AGENDA.

IV. APPROVAL OF MINUTES

- A. February 2002 **Page 1**

V. PUBLIC HEARINGS

- A. Proposed Memorandum of Understanding with Lukins Brothers Water Company, Inc. **Page 27**
- B. Proposed Environmental Threshold Amendments (Resolution 82-11) Resulting from the 2001 Threshold Evaluation. **Page 35**
- C. Proposed Code of Ordinances, Plan Area Statements, Community Plans, Goals and Policies and Other Amendments Resulting from the 2001 Threshold Evaluation. **Page 45**
- D. Addition of Code Sections 52.3.K and 54.6.A (5)&(6) Buoy Identification Program. **Page 93**

VI. REPORTS

A. Executive Director

1. Report on Governing Board Actions Relative
To APC Recommendations

B. Legal Counsel

C. APC Members

VII. ADJOURNMENT

TRPA
ADVISORY PLANNING COMMISSION

Horizon Casino Resort Hotel
U.S. Highway 50, Stateline, Nevada

March 13, 2002
9:30 a.m.

MEETING MINUTES

I. CALL TO ORDER AND DETERMINATION OF QUORUM

Called to order at 9:34 am

Members Present: Alice Baldrica, Larry Lohman, Gary Marchio, Kevin Cole, Bill Combs, Joe Oden, Robert Jepsen, Lauri Kemper (arrived late), Eva Krause, Robert McDowell, Lee Plemel, Leo Poppoff, Alan Tolhurst

Members Absent: Randy Lane, Mimi Moss, Ron McIntyre, Tom Porta, Gary Honcoop

II. APPROVAL OF AGENDA

Ms. Baldrica explained items V.A. and V.B. have been combined by staff.

MOVED Gary Marchio

SECOND Eva Krause

MOTION CARRIES

III. PUBLIC INTEREST COMMENTS (No Action)

There were no public interest comments.

IV. APPROVAL OF MINUTES

A. December 2001

Alice Baldrica noted a change needed to be made on Page 15 making the wording at the top of the page read "National Register of Historic Places."

Kevin Cole noted a change needed on Page 16 in the paragraph credit to him. The paragraph is convoluted. "Proposed" probably needs to read "concerned".

MOVED Alan Tolhurst

SECOND Leo Poppoff

MOTION CARRIES

B. January 2002

MOVED Gary Marchio

SECOND Lauri Kemper

MOTION CARRIES

C. February 2002

Kevin Cole advised that the "Members Present / Absent" section was left blank and needs to be added.

MOVED Leo Poppoff
SECOND Eva Krause
Lauri Kemper abstained because she was not at the meeting.
MOTION CARRIES

Ms. Baldrice took a moment to convey the loss of Paul Morgan, an APC member.

V. PLANNING MATTERS

- A. & B. Comments on 2001 Threshold Evaluation Report and Workshop on 2001 Threshold Evaluation Recommended Action Items (to be considered for final action in April)
- a. Residential Unit Allocations, 2003-2006;
 - b. Commercial Floor Area Allocations;
 - c. Tourist Accommodation Bonus Unit Allocations;
 - d. Residential Bonus Unit Program Amendments
 - e. Water Quality Amendments;
 - f. Air Quality Mitigation Fee Amendment
 - g. Vegetation Threshold Amendments to TRPA Plant Community and Species Listings;
 - h. Vegetation/Soils Protection Amendment;
 - i. BMP Implementation Amendments;
 - j. Scenic Amendments

Gabby Barrett, Long Range Planning Division, passed out a letter from Dan Siegel, California Attorney General's Office. Mr. Barrett reviewed the 130+ recommendations summarized in Appendix B of the Report (see enclosure in packet) and discussed the Environmental Assessment (see Attachment A of agenda item V. A.).

Lauri Kemper asked if the shaded recommendations are the ones that are actually being recommended for implementation or if all of them are. Mr. Barrett answered the shading is provided to illustrate a lot of water quality items are coming in December. It sounds as if there are a lot of things happening but there are certain key periods when a group of issues will be brought up to try to do at once. Ms. Kemper asked if when looking at the whole table, staff is recommending that all of these things be done on this time schedule. She asked if the resources are available for that. The questions are valid and staff will review this to see what is realistic. Mr. Barrett added that LRPD will be retreating to discuss this and lay all the options out to see if they work with their work program, schedules, budget, etc. He thought they would error on the side of getting it done. Over time some of these items will be determined to not be relevant and for some, funding may not be obtained.

Leo Poppoff requested that larger print be used.

Mr. Barrett discussed the commercial floor area (CFA) allocations. The proposal is to, upon the effective date of the ordinance, distribute 10,000 square feet CFA per

jurisdiction for CP reloads (50,000 square feet total), per Code subparagraph 33.3.D (1)(b), determined by money spent on EIP within the jurisdiction between 1/1/02 through 9/1/04. The allocation will be distributed as part of the Performance Review Process in 2004. It is being proposed that 100,000 square feet CFA be assigned for Special Projects, and would be released per Code subparagraph 33.3.D (3). To be eligible for a Special Project allocation, the project must contain mitigation above and beyond project mitigation requirements. All Special projects shall include an EIP project that addresses a Threshold standard found to be in non-attainment in the 2001 Threshold Evaluation. The distribution will be done as part of the Performance Review Process in 2002.

Mr. Barrett explained Tourist Accommodation Unit (TAU) Allocations For 2003 to 2006. He explained that the assignment and distribution of the remaining 200 units shall be limited to special projects (in accordance with Code subparagraph 33.3.D(3) and shall only be permitted when matched by transfers of existing units from sensitive lands that have been restored.

Mr. Barrett described the Residential Bonus Unit Program Amendments. Since 1987 there have been several plan areas that have used all of their original residential bonus unit allocations and have needed Plan Area Statement amendments to transfer bonus unit allocations in from other plan areas. There have been several plan areas that have not had the opportunity to use any of their bonus unit allocations, as well as other plan areas that may have been able to take advantage of bonus unit allocations if they had been given the multi-residential incentive program special designation in 1987.

In an effort to adapt to changing multi-residential development needs in the Tahoe basin, and to continue encouraging affordable housing development in the Region, staff recommended that all bonus units be removed from individual plan areas and be placed into one common bonus unit pool. This pool will eliminate the need to amend PAS's, saving both staff and applicant time as well as enabling staff to efficiently track the use of residential bonus units.

In addition to other elements of the Regional Plan, the following Plan Area Statements/ Community Plans must be amended: 001A, 002, 009B, 002, 028, 032, 036, 037, 041, 044, 045, 046, 048, 054, 072, 073, 074, 076, 077, 089A, 092, 093, 098, 102, 105, 110, 111 and 114.

Mr. Barrett reviewed the Water Quality Amendments. First, the JTU - NTU Change Amendment included all the existing equipment used to monitor turbidity measurements in Nephelometric Turbidity Units (NTU), which is a more appropriate unit for the range of turbidity seen in Lake Tahoe and associated monitoring. A bookkeeping amendment will be made to the Conservation section of Goals and Policies and Code of Ordinances Chapter 81. The amendment will reflect the use of NTUs as the unit of measure for all turbidity monitoring (the littoral turbidity indicator was changed to NTU in 1992, but the appropriate changes were not made in the referenced sections of the Regional Plan).

Second, he reviewed the Water Quality Mitigation Fee increase. The purpose of Chapter 82 of the TRPA Code is to implement the Goals and Polices, Goal #4, Policy 1, Development and Implementation Priorities Subelement, which states that: "...new residential, commercial, and public projects shall completely offset their water quality impacts by either implementing off-site erosion and runoff control projects, or contributing to a fund established by TRPA for implementation of off-site erosion and

runoff control projects." In order to allow such funds to maintain balance with project costs, TRPA has periodically adjusted water quality mitigation fees to reflect current costs of offsetting the off-site impacts of new development. The timing of the water quality mitigation fee adjustment has been concurrent with the last two Threshold evaluations. A formula has been established for mitigation of new coverage on a square foot basis, plus a 15% easement acquisition factor, multiplied by project implementation and maintenance cost, and distributed over the existing coverage in the Tahoe Basin (divided by the agreed 1997 existing coverage in square feet). The current fee is \$1.34/ square foot and the proposed fee is \$1.54/ square foot.

Mr. Barrett reviewed the proposed Air Quality Mitigation Fee Amendment. Mitigation of development impacts is often financed through impact fees imposed at the time of project approval. The traffic mitigation program currently utilized by TRPA (Code Chapter 93) is similar to the traffic mitigation programs of many other jurisdictions. These jurisdictions have determined that public monies are not adequate to fund transportation improvements needed to offset the impacts of additional development and that additional development should pay for a fair share of these improvements. In summary, additional development must offset its transportation and air quality impacts. In general, when a fee is assessed, the fee is calculated by estimating the cost of needed improvements, and dividing all or part of that cost among anticipated new development projects. The most efficient way to determine the cost for offsetting growth is to use an averaging method. In this method, the costs of necessary improvements are totaled, and the cost is then allocated among the new projects by some consistent unit applicable to all development.

The cost of offsetting growth can be calculated in at least three ways. These different ways are based on an estimate of cost to implement improvement projects, but vary by the averaging time used. The air quality mitigation fee was updated using a five-year averaging method. The TRPA Environmental Improvement Program (EIP) estimates that, from FY 2002 through 2006, approximately \$94.0 million will be needed to implement the Mass Transit, Bicycle and Pedestrian projects on the EIP project list for transportation and air quality projects.

By the year 2006, internal daily vehicle trips will increase by 19,963, with region-wide vehicle trips increasing to 303,747. Vehicle trips internal to the Region will increase by 7.03 percent from 2002-2006. Using an averaging method, growth should pay for 6.572 percent of \$94.0 million, or \$6.180 million.

The most consistent unit to use for allocating the cost of growth is the daily vehicle trip (DVT). Unlike CFA or other measures of development, vehicle trips apply equally to all development. The estimate using the above cost scenario is a cost of growth equal to \$6,180,000 and the cost of the daily vehicle trip is approximately \$300.00.

Mr. Barrett discussed the application of the fee. Each DVT has two trip ends. One end is a production; the other end is an attraction. The "beds" account for the productions (houses, hotel/motel rooms, campgrounds, etc.) because they produce a vehicle trip. Commercial business, and recreation areas attract vehicle trips.

The fee associated with each DVT should be divided between the production and attraction trip ends. This fee may be divided equally, or it can be weighted toward either production or attraction trip end. Since 1987, TRPA has weighted the production end of a vehicle trip at 90 percent, and the attraction end of the trip at 10 percent. Based on the

\$300/DVTE fee and rounding the fees for the production and attraction ends, the new fee schedule would be Commercial Trips equaling \$30.00 per DVTE and Residential / Production Trips equaling \$270.00 per DVTE. The current fee for commercial and attraction trips would increase from \$25 to \$30/DVTE, and the mitigation fee for new residential type units would increase from \$2,400 per unit to \$2,700 per unit.

Mr. Barrett reviewed the Vegetation Threshold Amendments to the TRPA Plant Community and Species Listings. The Lake Tahoe Watershed Assessment (USDA 2000) provided a wealth of new knowledge for biological resources within the Region. The critical habitat areas were evaluated along with sensitive plant species. It is clear that the four proposed communities are of sufficient scientific and ecological value to warrant inclusion as a Threshold plant community. Staff proposed the following communities be listed as Threshold Plant Communities, thereby offering all of the protections the Regional Plan may offer; 1) Taylor Creek Marsh (USFS); 2) Pope Marsh (USFS); 3) Upper Truckee Marsh (CTC); and 4) Hell Hole (USFS). All of these communities are found on public land.

The Lake Tahoe Watershed Assessment considered the status of the twelve most rare species in detail. From this assessment it is recommended that Galena Rockcress (*Arabis Rigidissima* v. *Demota*) be added as a Threshold species. All of the known populations are found on USFS lands in the north shore.

Mr. Barrett discussed the Vegetation/Soils Protection Amendment. During construction, the protection of soil and vegetation is critical to minimizing the impact of the project to water quality and the environment. Current guidelines for protective fencing are not clear during the project review phase and are difficult to enforce during construction. This increases the time to resolve permitting issues, and leads to inconsistent enforcement. The benefits of codifying soil and vegetation protection are; 1) Protection of water quality; 2) Reduction of erosion; 3) Streamlining by clear design requirements; 4) Streamlining by consistent enforcement; 5) Reduction in creation of hazardous conditions; 6) Protection of scenic quality; and 7) Protection of vegetation.

Because of unexpected impacts to soil and vegetation during construction, Code changes for construction related soil and vegetation protection is recommended in the 2001 Threshold Evaluation. There is confusion about the requirements by builders and designers. The codification of these protection measures, such as protective fencing, will likely facilitate project review and allow for a clear and consistent basis for enforcement.

The proposed changes for vegetation and soil protection include setting the standard for location of protective fencing, the type of fencing, and function of the fencing. These code changes will occur in Chapter 30 and Chapter 65 of the TRPA Code of Ordinances. In general, the standard for the location of fencing is at the edge of the project disturbance envelope or the drip line of a tree. The type of fencing proposed is metal wire fencing with metal posts. For every code standard there is flexibility built into the language to account for unique situations that could be encountered.

Mr. Barrett explained the BMP Implementation Amendments. To date, TRPA's actions to retrofit existing development have been focused on a public education and instructional outreach program aimed at increasing BMP implementation on private residential, commercial, and public service properties in the Lake Tahoe Basin. This program has been very effective in achieving compliance among responsive members of the community. However, some property owners with significant erosion problems have

not responded to this approach. Therefore a segment of the population will need "regulatory-based encouragement" (i.e., enforcement action) for the BMP Retrofit Program to achieve basin-wide success. The compliance deadline for parcels located within Priority One watersheds has passed (October 15, 2000) and TRPA must now engage an administrative process to enforce the BMP regulations to the non-responsive property owners.

TRPA's current enforcement procedures are set forth in Article IX of the Rules of Procedure. The necessary steps to bring forward an enforcement action include: Issuance of Correction Notice to property owner; Cease and Desist Order; Notice of Violation and Violation Report; Preparation of a Hearing Summary for Governing Board; Show Cause Hearing – Board Action; Imposition of offer of settlement by the Board; and Civil Court Proceedings. This procedure is time-consuming and not necessarily nimble. Staff will not likely devote the resources necessary to enforce the BMP regulations using the existing enforcement structure. Given the large volume and relatively straightforward nature of BMP violations, staff believes that an abridged procedure should be enacted to enable their processing and resolution in an efficient and timely manner. Any proposal must fit within the confines of the Tahoe Regional Planning Compact ("Compact") and ensure that alleged violators are provided due process. Staff is proposing to amend Article IX of the TRPA Rules of Procedures ("Rules") to set forth a streamlined mechanism for processing violations of Chapter 25 of the TRPA Code. This approach delegates the ability to assess offers of settlement for BMP violations to the Executive Director based on a Governing Board approved penalty matrix/schedule. The proposal will further delegate the authority to initiate litigation if payment is not forthcoming and/or the property is not brought into compliance to Agency Counsel. Although prior Governing Board authorization will not be required, the Board will be notified of any BMP enforcement actions by the Executive Director or Agency Counsel pursuant to the proposed amendment to Article IX.

For processing and resolving violations of Chapter 25 of the TRPA Code, the following enforcement procedure is proposed: 1) Properties identified by the Executive Director to be out of compliance with the BMP Retrofit Program, as outlined in Subsection 25.3 of the TRPA Code of Ordinances, shall be served a Notice of Failure to Implement BMPs ("Notice"). The Notice shall include, at a minimum, a statement of facts supporting TRPA's initial determination that the subject property is out of compliance; 2) The property owner shall have 30 days to file a Response to the Notice. The Response shall include, at a minimum, a statement reacting to the facts contained in the Notice and any circumstances that may mitigate or excuse the alleged failure to comply. If the property owner has completely installed the prescribed Best Management Practices in compliance with Chapter 25 of the TRPA Code of Ordinances prior to the end of this 30-day period, no monetary penalties will be sought for this violation; 3) Based on the Notice and Response, the Executive Director will make a determination as to whether a violation of the BMP Retrofit Program has or has not occurred on the subject property. If the Response is not filed in a timely manner, the Executive Director will make this determination based only on the Notice; 4) Once a determination has been made, the property owner will be informed and an Offer of Settlement of BMP Violation ("Offer") will be made. Every Offer will contain a monetary amount based on a Board-approved penalty matrix to be paid within 30 days. Every Offer will also require the

submission of a TRPA-approved BMP Retrofit Plan within 30 days. The BMP Retrofit Plan submitted may either be a BMP prescription completed by TRPA staff or a BMP Plan which was designed by a registered engineer and approved by TRPA. Property owners shall not be given the option of non-compliance with Chapter 25 of the TRPA Code; 5) If the monetary amount and/or Retrofit Plan requested in the Offer is not received in a timely manner, Agency Counsel may initiate litigation pursuant to Article VI of the Compact seeking the civil penalties and injunctive relief requesting compliance with the BMP Retrofit Program; 6) The Governing Board shall be informed of any actions taken by the Executive Director or Agency Counsel at the next scheduled Board meeting.

A streamlined enforcement procedure, such as that outlined in this memorandum, is essential to the continued success of the BMP Retrofit Program. Based on the input of the Advisory Planning Commission, staff hopes to bring amendments of the TRPA Code and Rules to the Advisory Planning Commission and Governing Board in April 2002. The goal is to have these procedures operational for the 2002 field season.

Gary Marchio asked if the community plan reload is scheduled to occur in 2004. Mr. Barrett answered that it was. This due to the Performance Review committee's meeting schedule of every 2 years. The thinking is to set this plan out, make some progress and then in a year or two, see how it has been done. Then it is distributed. This could be done this spring based on the progress done up to today. Mr. Marchio asked whose choice that was. Mr. Barrett answered that it was staff's and APC's decision together.

Larry Benoit discussed the residential unit allocations from 2003-2006. For 2002, TRPA is distributing 300 residential allocations for additional development. Starting in 2003 and continuing through 2006 the proposal is to reduce allocations to 225 per year with provisions to increase the allocations to a maximum of 300 per year based on performance criteria and the Performance Review Process. The additional allocations will be linked to BMP retrofit progress, EIP implementation progress, permit compliance and other options. As per the Performance Review Process, the allocation distribution numbers will be established in the fall of 2002 for years 2003 and 2004. The allocations for 2005 and 2006 will be established in the fall of 2004. An attachment to the packet detailed these.

Kevin Cole asked if, out of the adjustment factors, you need four out of the six? Mr. Benoit answered that was correct in order to get to the maximum allocations. Each jurisdiction is going to have to get 4 out of the 6 to get their maximum? Mr. Benoit answered yes. Mr. Cole responded that would mean within 4 years for the City of South Lake Tahoe. Mr. Benoit responded that the City could reach it's maximum, by the time of this fall's Performance Review committee, by meeting four of the options. That maximum number would be the allocations for the next two years. The way it is being proposed, the allocations for the City then would be 45.

Mr. Cole asked Mr. Benoit to clarify this point. Mr. Benoit pointed back to the slides and explained that if every jurisdiction meets four of the six alternatives then the max allocations will be available. If that happens again in 2004 then the same would be true. Mr. Cole stated that he supposed that was remotely possible. The BMP

implementation is not something that is going to be achieved right away because there has not been a strong effort to do it and the requirement to have that happen is up to 2006. Therefore, the general public has not paid a lot of attention until now.

Mr. Cole continued with the fact that in the City of South Lake Tahoe, what is being discussed is 7,679 parcels. He pointed out that Mr. Benoit had made the comment that they didn't know which parcels need BMP implementation but 80% of them do. Does this mean that the jurisdiction can pick which 80%? Mr. Benoit answered that is where the BMP team comes in. He stated that Mr. Lohman had made the suggestion that when the County is doing a site visit, they may be able to alert the owner that a BMP evaluation needs to be done.

Mr. Cole concluded that it seemed to him, in order for the BMP retrofit to happen, every property owner will have to be contacted directly and be given a site-specific list of improvements. He doesn't know what needs to be done on his properties with a couple of exceptions. Is someone going to go around and evaluate every single parcel and give specific instructions? Mr. Benoit responded that one year a self-evaluation was sent to homeowners. Mr. Cole stated he remembered these but it wasn't given to every parcel owner and he did not think it was specific enough. Mr. Benoit deferred to Elizabeth Harrison. Ms. Harrison responded that the erosion control team has been working with NRCS and Conservation Districts to do site specific evaluations. It is also anticipated that the TRPA will have a field crew this summer that will assist staff with doing evaluations. There is a brochure that gives a brief overview to homeowners. In addition, they are going out to talk to individual owners. This has been very successful. Mr. Cole asked if she meant every property owner. Ms. Harrison responded that she did. Carl Hasty added that that effort takes an army. It is a challenge and Matt Graham and Elizabeth Harrison have done a wonderful job creating one. He added that another challenge faced, is that BMP implementation steps taken by a property owner are met with complaints by neighbors. Local Governments have a difficult time informing neighbors along the way and working with them through the process. Therefore, some funding is going to local conservation districts to aid in this process.

Gary Marchio clarified that if a jurisdiction comes up with a program of education and cooperation regarding erosion control projects, that may be sufficient to get the maximum number of bonus points this fall. Mr. Benoit agreed.

Leo Poppoff questioned the basis for the plan. His understanding is that the incentive for people to do BMP's and suffer an EIP project in their neighborhood is so their neighbor's parcels can be developed. That is not an incentive. Incentives are needed but this is the wrong one. Mr. Hasty explained that this is a point but is a narrow perspective. It can be a disincentive for some but it is up to everyone to educate property owners as to what the real need is for the implementation of BMP's. There may not be enough of an incentive yet but the opportunities to add them are broad. Mr. Benoit stated that the incentive is not targeted toward the individual but rather the jurisdiction. Ms. Harrison added that the team is grant funded and there may be free labor and materials provided as a result of that funding for the individual property owners. In addition, materials may be provided at cost as an incentive through the conservation districts. Mr. Poppoff commented that that program needs a lot more support. Mr. Hasty agreed. He stated that the greatest

incentive for homeowners has been the tremendous amount of state and federal dollars to deal with the road issues associated with the homes without burdening the property owners with the costs for that work.

Gary Marchio asked about the requirement of one implementation of a public EIP project. Mr. Benoit answered that this is old information and was seen as too low of a target. It was recently discussed that an alternative to a five year CIP list for water quality would be to have a five year EIP list to look at that as a basis for determining what that actual test should be. There were some difficulties doing it in the Threshold Review. In the past there was a dollar amount. There is discrepancy between the local jurisdictions in regard to dollar amounts. This may be a better way to test. Mr. Hasty added that by looking at this test to recognize what is going on would be beneficial to the jurisdictions and EIP implementation as well.

Mr. Marchio asked if the 34 adjusted base (in the City of South Lake Tahoe) minus the 10% would go to the bonus pool including the 10%. Mr. Benoit answered it would and then the jurisdiction would get the benefit in the next two year allocation. If you hold out the 10%, say for multi-family, you get the benefit for your allocation base for the following two years. Mr. Barrett asked if Mr. Marchio was asking about the 10% set aside for sensitive lots. Mr. Marchio said he was. Mr. Barrett explained that those lots would either be dealt with by the local jurisdiction or TRPA. If they are not picked up, they go into the regular system by summer time. Mr. Marchio then clarified that in theory, the 34 would be minus 10%. Mr. Barrett said that would depend how they are handed out. If, for example, they get handed to a sensitive lot, they get transferred to a regular lot and they get built. Therefore, initially, they have to be given up to get built. If they don't get handed out as a sensitive lot, then it goes back to the pool. You don't lose it.

Larry Lohman commented that in his jurisdiction, they have been losing those lots. The lots have not been distributed and have gone into the allocation pool. If TRPA does not distribute that 10%, they go to the pool and the local jurisdictions have not had the option to pick those up. Mr. Benoit deferred to Paul Nielsen. Mr. Nielsen explained that since 1997 the rules were changed to establish the residential allocation pool. The determination was made, at that time, that unused allocations that are not transferred from a sensitive lot to a local parcel go into the allocation pool. This is correct. Maybe this issue needs to be revisited by the Performance Review Committee.

Gary Marchio asked if the jurisdictions would lose some of the base allocations. The chart shown is misleading to local jurisdictions. That needs to be clarified. Alice Baldrice asked if it would be worthwhile for the representatives from Local Government, present today, to get together with Mr. Benoit during the break. Mr. Benoit answered that in terms of what is represented, it is the maximum of the allocations and doesn't deal with the 10% below IPES parcels. Mr. Barrett interjected that he thought that a meeting of the Performance Review can be called before some of the local planners here and they can get into some of the details. He was not aware of the 10% item and to him it is fixable. The local planners here have more experience than some of the staff and with

them, he thought they could try to resolve it at the break or have a meeting over the next week or two.

John Marshall commented that he thought the 10% program had significant reasons for existing and a meeting shouldn't just be what is going to be done about it, but more about how to maintain opportunities for below-the-line parcel owners while, at the same time addressing the jurisdictions' concerns that historically none of those allocations are being used. It would be worthwhile to determine if there is some way to maintain the opportunities for below-the-line parcels while not having the cut occur, in order for jurisdictions to maintain their allocations.

Bill Combs stated if the idea is that the column on the left is the base and what can be done can get you over to the right hand column, you have to add the 10% on to get you there.

Mr. Combs also commented that one of the staff suggested, at a workshop, to take the approach of using the existing pre-assigned allocation numbers and putting all unused allocations into a multi-family pool, to be restricted to only multi-family use. That was voted on. He voted for it and thought it was a good approach. Apparently it has fallen to the wayside and would like to know why. Mr. Benoit answered that that approach does not work for all of the jurisdictions. Mr. Combs wanted to know about the jurisdictions it does work for. Gabby Barrett answered that the idea was not necessarily representative of the whole basin but who was at North Shore that day. The ideas most used, were the ones that had over 17 or so votes (by dot) and some of those are what have been incorporated here. The one that Mr. Combs is speaking about did not get that many votes. If APC feels they need something like this it can be looked into.

Mr. Combs concluded with a comment on item 2 A, EIP Implementation Program. He thought it was inappropriate if the qualification is the number of projects and you get the same amount of credit for a \$50,000 project as you would a \$5,000,000 project.

Alan Tolhurst stated that in fact the allocation process only determines when someone is going to build his or her house. If it is going to be built, the only question is what year.

Mr. Tolhurst further commented that the list given in the packet is different then the list presented. His issue with the list overall is that there is vagueness just like with the affordable housing issue. That issue was very contentious. All the criteria need to be objectified in order to determine how allocations are received. Mr. Benoit commented that this is difficult because there is such a large need. To have a restriction on the details of the implementation, limits the ways in which the issue is dealt with. Mr. Hasty agreed that it does need to be looked at. Mr. Barrett agreed as well and explained that not all of these items are detailed because their goal today was to be informative.

Larry Lohman responded to Mr. Combs' earlier comments saying that for El Dorado County, the multi-family pool does not work. 99.9% of their activity is single-family dwellings. They don't oppose the general zoning but their general plan is tied up in court and the option to address that issue does not exist. Mr. Combs answered that his