

Date: October 21, 2020

To: Regional Plan Implementation Committee

From: TRPA Staff

Subject: Upcoming Item: Tahoe Valley Area Plan Amendment Related to Sugar Pine Village

This memo is to inform the Committee members of the upcoming amendment to the Tahoe Valley Area Plan to facilitate the Sugar Pine Village affordable housing project in South Lake Tahoe.

The California Tahoe Conservancy (CTC) recently selected Related California and the St. Joseph Community Land Trust to develop a project on CTC asset lands near “the Y” in South Lake Tahoe. This site is one of several state-owned sites designated by Governor Newsom as part of an executive order to promote affordable housing on surplus lands. The development, to be known as Sugar Pine Village, will consist of a total of 248 deed-restricted affordable housing units on two parcels in the Tahoe Valley Area Plan. The project will also include various public service uses such as a childcare center and non-profit social service agencies oriented toward the needs of the residents.

Over the last few months, the developers have been working with TRPA and the City of South Lake Tahoe on preliminary design concepts. As a result of this effort, the developers have identified several impediments that need to be overcome to make this project viable. These include:

- Roof pitch standards, which are not feasible under the allowable height of 42 feet.
- Design standards for development along corners, which were intended for commercial rather than residential uses.
- Parking standards, which require more parking than parking studies indicate is necessary.
- Treatment of the project as “mixed-use,” which precludes transferring in soft and potential coverage.

To address these issues, TRPA will be coming forward with a package of amendments to the Tahoe Valley Area Plan (TVAP). Typically, area plans are initiated by the local jurisdiction. Timing is rather condensed, as the project must receive all entitlements by January 2021 to be competitive for tax credits and grants. Under the Governor’s executive order, groundbreaking on the project must be within two years of selecting the developers.

In this case, the City does not need to amend its General Plan to accommodate the requested modifications that this project is seeking. Under California’s Density Bonus Law and Senate Bill 35, local jurisdictions are obligated to offer affordable housing developers zoning concessions to complete their projects. No similar provisions are available in TRPA’s Code of Ordinances. Accordingly, the City of South Lake Tahoe has requested that TRPA take action on the TVAP without the City first taking action.

Staff is now working with the developers and the City of South Lake Tahoe on the scope of the amendment. At this time, we anticipate that the TVAP amendment will include the following provisions:

- Reduction of the minimum required roof pitch from 5:12 to 3:12;
- Specifying that certain development standards (e.g. corner build and 45-degree corner angle) are not applicable to residential development;
- Allowing adjustment to parking standards at a ministerial level if supported by a parking study; and
- Clarification to coverage transfer provisions to allow projects that are primarily residential to utilize residential transfer provisions for soft and potential coverage.

We expect to bring the proposed TVAP amendments to the Regional Plan Implementation Committee for a recommendation in December. To meet the condensed schedule, we are requesting Committee members individually contact staff with any questions or preliminary feedback on the proposed amendment. This will allow for any necessary modifications to be made before the amendment is brought before the RPIC for a recommendation.

For questions regarding this item, please contact Karen Fink, Housing Program Coordinator, at kfink@trpa.org, Michael Conger, Senior Planner, at mconger@trpa.org, or John Hester, Chief Operating Officer, at jhester@trpa.org.