

Tahoe Living: Housing and Community Revitalization Workgroup

Workgroup Meeting #2
Wednesday, November 4, 2020
9:30 AM to 12:30 PM
Via Zoom

Meeting Notes

IN ATTENDANCE

Working Group Members

Claudia Andersen

Parasol Tahoe Community Foundation

Elizabeth Balmin

Sierra Community House

Sam Booth

Douglas County | Planning Manager

Stacy Caldwell

Mountain Housing Council
Tahoe Truckee Community Foundation

Pat Davison

Contractors' Association of Tahoe Truckee

Jean Diaz

St. Joseph Community Land Trust | Executive Director

Gavin Feiger

League to Save Lake Tahoe

Brendan Ferry

TRPA Advisory Planning Commission | Chair
El Dorado County Planning | Deputy Director

Cindy Gustafson

TRPA Regional Plan Implementation Committee
Placer County Board of Supervisors

Chase Janvrin

Tahoe Prosperity Center | Project Manager

Meea Kang

Related California | Affordable Housing Developer

Jim Lawrence

TRPA Local Government and Housing Committee
Nevada Dept. of Conservation and Natural Resources

Heather Lunsford

Carrara Nevada / Nevada Realtors

Sue Novasel

TRPA Local Government and Housing Committee
El Dorado County Board of Supervisors

Shawna Purvines

Placer County | Principal Planner

Candace Stowell

City of South Lake Tahoe | Planner

Jessica Wackenhut

California Tahoe Conservancy

Eric Young

TRPA Advisory Planning Commission
Washoe County | Senior Planner

Working Group Alternates and Ad Hoc

Chad Downey

Provision Properties

John Falk

Tahoe Sierra Board of Realtors | Legislative Advocate

C.J. Freeland

El Dorado County

John Hitchcock

City of South Lake Tahoe | Planning Manager

Bill Roby

El Dorado Community Foundation

Natalie Yanish

Contractors' Association of Tahoe Truckee |
South Shore Representative

Other Attendees

Rebecca Bryson

Acadia Davis

Seana Doherty

Town of Truckee

John Friedrich

City of South Lake Tahoe Councilmember-elect

Marie Murphy

MJD Development / Boatworks at Tahoe

Alex Padilla

CalTrans

Kimberly Peterson

Tahoe Coalition for the Homeless

Cheyenne Purrington

Tahoe Coalition for the Homeless

Amanda Ross

Tahoe Home Connection

Emily Setzer

Placer County

Zach Thomas

Tahoe Transportation District | Housing Planner

TRPA Staff

Alyssa Bettinger

TRPA | Long Range Planner

Michael Conger

TRPA | Long Range Planner

Karen Fink

TRPA | Housing Program Manager

John Hester

TRPA | Chief Operating Officer

SUMMARY OF KEY TAKEAWAYS

I. LOCAL JURISDICTION/DEVELOPER REPORTS

- In September and October, TRPA met with the five local jurisdictions and two local developers to hear about their priorities and how TRPA efforts could best support their actions to deliver housing. A variety of actions were identified and TRPA organized key actions into the eight general categories below.
 1. ADUs/Small Homes
 2. Mixed Use Residential
 3. Tourist/Commercial Conversions to Residential
 4. Land Donations
 5. Density
 6. Permitting/Streamlining
 7. Coverage
 8. Fees

Those TRPA met with added additional detail to this agenda topic.

Meea Kang (local affordable multi-family developer)

- Permitting: TRPA needs to remove barriers that are preventing workforce housing on the California side of the basin. California's SB 35 streamlines permitting for housing. Right now, El Dorado, Placer and the City cannot take advantage of these laws because of TRPA's overriding

- requirements. Recommends thinking about aligning with CA state law to circumvent “NIMBY problems” like parking.
- Permitting/Fees: Need subsidy for workforce (multi-family) housing. The current lack of subsidy offered in the Basin, either from a local government or a redevelopment agency, contributes to the larger homes that are built because they will appreciate in value.
 - Density: Density, height, parking and coverage should be considered together. It is difficult to get more density if you cannot increase height or reduce parking or coverage requirements.
 - Coverage: When building a mixed-use project, you can only transfer hard coverage. There is very little hard coverage to be found. You have to find coverage to transfer and the types of coverage varies in cost and is a significant barrier. Finding it, transferring it in, and the cost are all concerns.
 - Other: Workforce housing is necessary to meet VMT targets.

Candace Stowell (City of South Lake Tahoe)

- Tourist/Commercial Conversions to Residential: There is a lot of interest in converting older hotel/motels to residential. Converting from tourist to residential, a property owner can't keep non-conforming density. The result would be substantially less units. Tear-down/rebuild for tourist would be able to keep non-conforming density. Allowing non-conforming density for tourist-to-residential conversions could be a big incentive for tourist property owners.
- Permitting/Fees: Smaller developers need incentives and removal of barriers as well. Most development is with smaller developers who don't seek tax credits, etc.
- Permitting: Streamlining is extremely important. Bonus units require so many hearings and notices which opens up uncertainty for projects.

Shawna Purvines (Placer County)

- Fees: Recommends a revised fee structure due to cost of conversion.

Chad Downey (Local smaller unit, market rate developer)

- Subsidies/Incentives: Transferring in development rights from other properties was difficult and time consuming. Additionally, financing is near impossible if using bonus units. Banks concerned with deed restrictions and it's difficult to agree to a requirement in perpetuity.
- Permitting: Timelines can be too long with noticing requirements and hearings.

Sam Booth (Douglas County)

- County-wide, affordable housing allows developers to get around growth management allocations (2 percent growth cap). However, this is not used much, as there is a large pool of allocations.
- Douglas County is trying to lay groundwork through county master plan update. Finalizing goals, policies, action items. Several regarding housing – increasing opportunities for different populations (e.g. elderly).
- The political environment in the County is very sensitive to subsidizing or using tax credits for affordable housing. Several policies were removed from the master plan.

Eric Young (Washoe County)

- Biggest challenge in Incline/Crystal Bay is the overwhelming wealth in the area has made it difficult to build anything besides high-end single-family homes.
- Washoe County established a housing trust fund but are still working on how to fund and disperse funds.
- Lending is such an important factor of the development process. Should include lenders in this type of discussion. Ideas and incentives are great, but lenders may be hesitant.

Brendan Ferry (El Dorado County)

- Permitting: El Dorado County would like to be able to follow CA state law within the Basin. Challenge with development rights, coverage, density, etc.
- ADUs: The county lacks land zoned for multi-family in the basin as it's more rural in character. For this reason, the county is primarily interested in ADUs.
- Permitting: Bonus unit flexibility is also important. The half-mile from transit requirement is a challenge as El Dorado County doesn't have much transit. At this time, the county can't use these bonus units.
- Permitting: Long allocation waiting list. Vacation home rental building seems to have increased in response to the City's Measure T. Allocations are going toward vacation homes.
- Land Donation: Making land available for low-cost housing.

II. Categorizing Actions

TRPA proposed categorizing the various actions heard from local governments and developers into two categories: 1. Land use actions, and 2. Policy actions. Moving forward, TRPA will focus on one land use and one policy action at the same time.

- Land use type actions are (in order of priority):
 1. ADUs / small homes
 2. Mixed-use residential
 3. Tourist / commercial conversions to residential
 4. Incentivizing land donations
- Policy actions are (in order of priority):
 1. Density
 2. Permitting/streamlining
 3. Coverage
 4. Fees

III. Evaluation Criteria

In order to help prioritize which actions should be focused on in the near term, TRPA used three criteria to evaluate the action categories listed above. These include:

1. Which actions best complement the work of local governments and developers.

2. The cost reduction and resulting levels of affordability for local residents.
3. The number of units that could potentially result from the implementation of each action.

IV. Summary of Additional Actions

During the discussion Working Group attendees identified the following additional actions:

- Local funding source to help subsidize local development
- Need for a regional entity
- Focus on all fees charged to developments – suggested this be a higher priority
- System for managing deed restrictions
- ADUs and coverage should be focused on together
- Need for incentivizing existing housing stock to become affordable for locals
- Prevailing wage is a barrier
- Financing barriers

V. Next Steps

TRPA will organize the additional identified actions into the existing framework where possible and identify actions that may be more appropriate for other groups to take on. TRPA will present this to the Local Government and Housing Committee and TRPA Governing Board for input before reconvening the group in February. In the interim, TRPA will reach out with next steps in preparation for the next meeting. The main framework of prioritized actions TRPA proposes to bring forward to the Local Government and Housing Committee and Governing Board, with timelines, are:

Land Use Action	Policy Action	Timeframe
ADUs/Small Homes	Density	Near Term
Mixed Use Residential	Permitting	Medium Term
Tourist/Commercial Conversion to Residential Land Donations	Coverage Fees	Long Term

The near-term timeframe is anticipated to be 3-6 months, beginning in February 2021.

VI. Adjournment