




Informational Update on Commodities Scoping for the 2015 Priority Setting Workshop

Local Government Committee
Regional Plan Implementation Committee
March 25, 2015

February RPIC Direction

1. Prepare recommendations for 2 pilot programs, including refinement of the conversion ratio:
 1. Conversion between Commercial Floor Area (CFA) and Tourist Accommodation Unit (TAU) bonus units used as the incentive for transfers of existing development out of sensitive land into designated Centers.
 - Enable conversions of existing development between CFA and TAU.
2. Prepare a recommendation regarding the use of the 200,000 sq. ft. of CFA (2012 RPU).



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45 TAHOE REGIONAL PLANNING AGENCY
YEARS OF PROGRESS

Background


- TDR purpose – accelerate sensitive land restoration
- Bonus unit incentives – small tourist bonus unit supply
- Potential solution – bonus unit conversions (Pilot 1)



Before

After


Photo credit: CTC


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YEARS OF PROGRESS


Background

- As adopted, no incentives for non-sensitive transfers resulting in threshold gain, including Scenic Threshold
- Potential solution – existing development conversions (Pilot 2)







Requested Action




Provide Input on the proposed pilot programs and possible future priority project.







Pilot Program 1

Conversions between CFA and Tourist Bonus Units





- Objectives
 - Ensure adequate Bonus Unit Pool
- Benefits
 - Replenish tourist bonus unit supply
 - Incentivize restoration of SEZs and Sensitive lands
 - Support re/development in Centers
 - Maintain consistency with 2012 RPU
 - Ability to tier from 2012 EIS Analysis

Pilot Program 1

Conversions between CFA and Tourist Bonus Units



- **Conceptual Program Provisions:**
 - Program limited to 3 yrs.
 - Conversion Ratio: 454 sq. ft. CFA to 1 TAU
 - Conversion Cap: Limited to conv. of up to 80,000 sq. ft. of the 160,347 sq. ft. of CFA remaining, or 61 of 122 TAUs, or any combination thereof.
 - Reservations: Up to 2 years (must complete restoration), posted security through growing period & issuance of bonus units

Pilot Program 2

Conversions of Existing Development for Redevelopment (CFA : TAU)



- **Objectives**
 - Enable conversions of existing development between CFA and TAU
- **Benefits**
 - Promote scenic (and other) threshold gains
 - Promote restoration
 - Concentrate development in Centers
 - May reduce VMT
 - May facilitate TMDL implementation
 - Promotes energy efficient building design

Pilot Program 2

Conversions of Existing Development for Redevelopment, CFA : TAU



- Conceptual Program Provisions:
 - Program limited to 3 yrs.
 - Conversion Ratio: 454 sq. ft. CFA to 1 TAU
 - Transfers from non-sensitive lands eligible for bonus units at transfer ratio of 1:1.5 units*
 - * Project applicants required to demonstrate environmental benefits
 - Conversion Cap: Limited to conv. of up to 80,000 sq. ft. of the 160,347 sq. ft. of CFA remaining, or 61 of 122 TAUs, or any combination thereof.



Pilot 1 and Pilot 2: Transfer Ratios

| | Transfer of Existing Development to Centers (Adopted, 2012 RPU) | Pilot 1: Conversion of Units within TRPA Bonus Unit Pool | Pilot 2: Conversion of Existing Development to Centers |
|--|--|--|--|
| Sending Parcel | Transfer Ratio | | |
| SEZ | 1:3 | As Adopted | As Adopted |
| Other Sensitive Lands | 1:2 | As Adopted | As Adopted |
| Non-Sensitive Lands | 1:1 | As Adopted | 1:1 / 1:1.5* |
| Conversions | Conversion Ratio | | |
| CFA:TAU / TAU:CFA Bonus Unit Conversions | N/A | 454 sq. ft. CFA: 1 TAU | 454 sq. ft. CFA: 1 TAU* |
| CFA:TAU / TAU:CFA Existing Development Conversions | As adopted, 2012 RPU allows TAU→CFA conversions at 1 sq. ft. : 1 sq. ft. | As Adopted | 454 sq. ft. CFA: 1 TAU |

*Project must demonstrate threshold gain, energy efficient building construction, and/or accelerated implementation of the Regional Plan and Code of Ordinances.

Conversion Ratio Update

Conversion Ratio Background

- TDR purpose – accelerate sensitive land restoration & create ped. friendly centers
- Bonus units incentives – small tourist bonus unit supply
- Potential solution – bonus unit conversions between commodities






Photo credit: CTC






Transfer of Dev. Incentives

TABLE 51.5.3-1: TRANSFER OF EXISTING DEVELOPMENT TO CENTERS

Step 1: Determine applicable transfer ratio based on sending parcel.

| Sending Parcel | Transfer Ratio |
|-----------------------|----------------|
| SEZ | 1:3 |
| Other Sensitive Lands | 1:2 |

Highest for transfers from SEZs (1:3)



SEZ

→

Development removed & site restored

1 tourist unit dev. on the ground

+

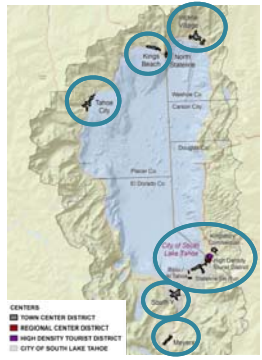
1 tourist bonus unit "paper"


1 tourist bonus unit "paper"


=

3 total units in center

Centers









Conversion Ratio Method

Goal: Avoid unintended environmental impacts by using a conversion ratio that reflects the relative environmental impact between CFA & TAU units

- Preliminary Ratio based on average trip generation:
1 TAU = 368 sf of CFA

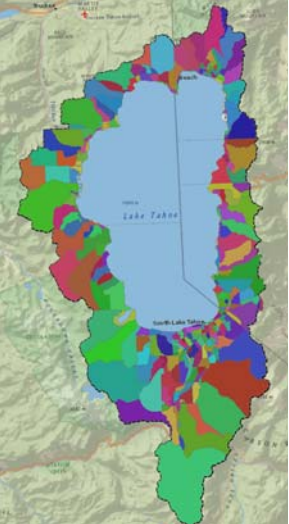
- Potential update Analyses:
 1. Trip length data
 2. Trip generation weighted by Tahoe businesses







Analysis of Trip Length

- Data on avg. trip lengths in TAZs
- Limitations:
 - Uses multi-purpose trips
 - Does not include in-zone travel
- Project scenario examination resulted in wide range: 109 to 407 CFA per TAU
- Could not be translated to a standard ratio that could be equitably applied across the region









Analysis of Data to Derive Trip Generation Weighting



| Tahoe Businesses, Data Assessment | | |
|-----------------------------------|--|---|
| Data Options | Infogroup Business Data | Assessor Parcel Use |
| Number and Types of Businesses | Extensive Detail, greater number of businesses recognized | Heavily generalized, far less establishments recognized |
| Data Quality/Limitations | Superior | Moderate, Fails to recognize jointly located businesses |
| Conversion Ratio | 1 TAU = 454 sf of CFA | 1 TAU = 372 sf of CFA |

*Ratios were weighted by estimated number and mix of businesses and tourist accommodation facilities within the Tahoe Region.

Ratio Comparison



| Description | February 2015 Ratio (no weighting) | Revised Ratios (weighted by estimated number & mix of businesses in Tahoe) | |
|---|--|---|---|
| | Conversion Ratio 1: Average Trip Generation | <u>Conversion Ratio 2: Infogroup Businesses, Staff Recommended Ratio</u> | Conversion Ratio 3: Parcel Land Use Assessor Data |
| Trips per 1000 GFA of CFA | 62.5 | 43.22 | 57.69 |
| Trips per 1 TAU (1 room) | 9.81 | 8.63 | 9.43 |
| Trips per 1 TAU (incorporates Occupancy of 44%) | 23 | 19.61 | 21.44 |
| Formula | $62.5/1000 = 23/X$ | $43.21/1000 = 19.61/X$ | $57.7/1000 = 21.44/X$ |
| Results | 1 TAU = 368 sf of CFA | <u>1 TAU = 454 sf of CFA</u> | 1 TAU = 372 sf of CFA |



Updated Recommendation

- Allow CFA - TAU bonus unit conversions on application-by-application basis through pilots
- Develop an environmentally neutral conversion ratio for pilots by:
 - Using business data that weights trip generation values based on the estimated amount & mix of businesses within the Tahoe Region

Recommended Ratio: 1 TAU = 454 sf CFA *(vice versa)*






Future Priority Setting: Long-Term Commodities Issues



Commodity System Issues and Potential Approaches *Identified to be Addressed as a Future Priority Project*

| CATEGORY | ISSUE | POTENTIAL APPROACHES |
|---|--|--|
| Administrative (to the extent that addressing these issues will not result in any Code amendments, staff will move forward immediately) | Ambiguity exists for mixed land capability parcels (e.g., partially sensitive) | <u>Mixed Land Capability Ratings</u> 1.1 Clarify process in the Code that recognizes mixed land capability ratings on one parcel |
| | Building permit acquisition process is lengthy | <u>Streamline Administrative Processing</u> |
| | Permit processing costs lower financial return on investment for developers and discourage re/development | 1.2 Revise and coordinate regional and local commodity acquisition and transfer processes to reduce time and eliminate the need for sequential processing |
| | Sequential processing (County or City and TRPA) of commodities discourages re/development | <u>Bonus Unit Reservations</u> 1.3 Evaluate reservation process options through Pilot Programs |
| Jurisdictional Distribution | Uneven distribution of commodities across/within jurisdictions (e.g., too many TAUs in the City of South Lake Tahoe, not enough TAUs in Placer County) | <u>Conversion Ratios</u> 2.1 Allow public entities to use the pilot program conversion ratios within adopted Area Plans (note: may include on-site conversions) for jurisdictions' own commodity pools. <u>Access to RPU CFA Pool</u> 2.2 If TRPA uses all CFA and TAUs in 1987 pool, allow use of the additional 200,000 sf of CFA <u>Update Code of Ordinances</u> 2.3 Update the Code to allow conversions from CFA to Residential or TAU (both absent from the adopted Code; see Section 50.10) |
| | Jurisdictions may have areas designated as a high priority for redevelopment such as mixed use pedestrian and transit oriented development | <u>Sending and Receiving Areas for Transfers</u> 2.4 Designate sub-town center "receiving areas" for transfers as part of Area Plans 2.5 Designate "sending areas" and "receiving areas" for transfers as part of Area Plans |
| New Approach | Current commodities system discourages redevelopment and environmental restoration | <u>Renovate Current CFA and TAU Commodities System</u> 3.1 Re-conceive function of CFA and TAUs within the Region; consider replacing with new system to encourage achievement of goals and objectives of RPU (leave Residential allocations as-is) |



Long-Term Commodities Issues



1. Administrative
2. Jurisdictional Distribution
3. New Approach



Additional Comments

To provide additional input regarding this item,
please contact us:

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Questions, Discussion, and Requested Action

Provide Input:
Proposed Pilot Programs and Possible future priority setting

