

# REGIONAL PLAN INITIATIVE

EXECUTIVE SUMMARY - March 19, 2010

Environmental redevelopment will stimulate new economic activity which will generate revenues for environmental improvement and grow the local economy



## State of the Tahoe Basin Educational Briefing: A Snapshot of the Environment, Economy, and Community

By RPI with Regional Planning Partners

The Regional Plan Initiative (RPI) is a multi-stakeholder public-private collaborative effort. Its purpose is to better inform decision-making regarding the linkage between the Regional Plan Update, Environmental Improvement Program goals, and the economy of the Lake Tahoe Basin.

The RPI group was assembled in January 2009 by the North Lake Tahoe and Lake Tahoe South Shore Chambers of Commerce with encouragement from the TRPA. The work of the RPI group focused on water quality and SEZ restoration, more efficient land use, and improvements to community design, scenic resources, and mobility in Tahoe's town and tourist centers.

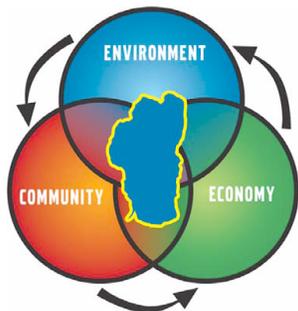
Over 40 Stakeholders donated their time to the process over the past 18 months to discuss issues facing the basin, identify opportunities for change and to specifically address the idea of improving the feasibility of green infrastructure investments and redevelopment to accelerate environmental improvement. A team of experts was also assembled to assist with the project.

The RPI's findings deal with the obstacles and potential opportunities facing project proponents when they propose environmental redevelopment projects.

There are five (5) documents associated with this education briefing:

- 1) Final Report of Sustainability Measures: Lake Tahoe Watershed, Nevada & California
- 2) Tahoe Redevelopment Case Study: Feasibility Analysis
- 3) City of South Lake Tahoe Mikasa Site/ Alternative 2 (July 17, 2009 Memorandum)
- 4) Lake Tahoe EIP 2010-2020: An Economic Analysis of Private Source Stormwater BMP Expenditures on Redevelopment Projects
- 5) Final Letter Report, Load Reduction Planning Tool: Lake Tahoe Watershed, Nevada & California

This fact sheet is an executive summary that highlights current challenges, needed changes to policies/regulations, and recommended actions. This document is to be inserted into the RPU fact book to memorialize this briefing.



## State of the Tahoe Basin Educational Briefing

The group agreed that priority restoration should be focused on identified total maximum daily load (TMDL) hotspots and urban upland areas within our community plans that contribute much of the fine sediment. Coordinated and well planned environmental redevelopment with district solutions will help to restore and regenerate these degraded watersheds and communities.

The new TMDL requirements will fall on local government who currently have minimal tools for implementation. These studies represent the critical first step in outlining a proactive approach focused on collaboration and public private partnerships.

Some of the Themes that the RPI group came up with were:

Recognize the basin is approaching buildout and the need to make better and more efficient use of resources and infrastructure including: roads, schools, facilities, neighborhoods, and housing stock.

Financing green infrastructure and environmental redevelopment will require creativity and new partnerships. Other regions are also struggling to pay for their green infrastructure. The RPI group recognized that the TMDL needs a percentage of the costs paid by the private sector.

The business community wants to assist the basin agencies in better understanding how to improve the feasibility of environmental redevelopment and needed green infrastructure investment to accelerate basin environmental improvement.

Changes will be required in regulations and codes to facilitate the financial feasibility of environmental improvements .

The reports highlight a variety of basin-wide recommendations to move forward including:

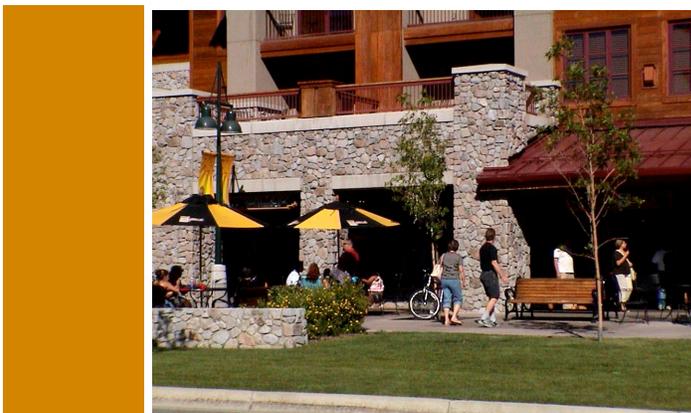
- Focus on resilient neighborhoods/districts and institutions
- Focus economic development through neighborhood, district and main street reinvestment by creating walkable places with improved mobility options
- Focus on improving quality of life for residents while improving the visitor experience through Geo-tourism
- Make the basin more attractive for families by creating high quality, affordable communities through good design
- Utilize the existing partnerships and implementation structures in the basin and build on their capacity for management. These include TIF, BID, landscape and lighting districts, redevelopment, and similar strategies.

### RPI and the RPU moving towards implementation

**OVERALL OBJECTIVE: to accelerate attainment of thresholds through environmental redevelopment**

**In order to implement these ideas the basin agencies, jurisdictions and private sector will need to focus on the following will five key approaches:**

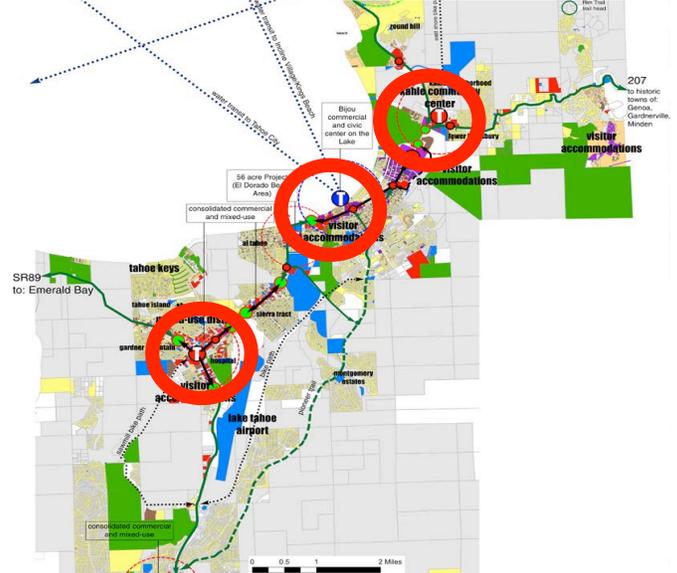
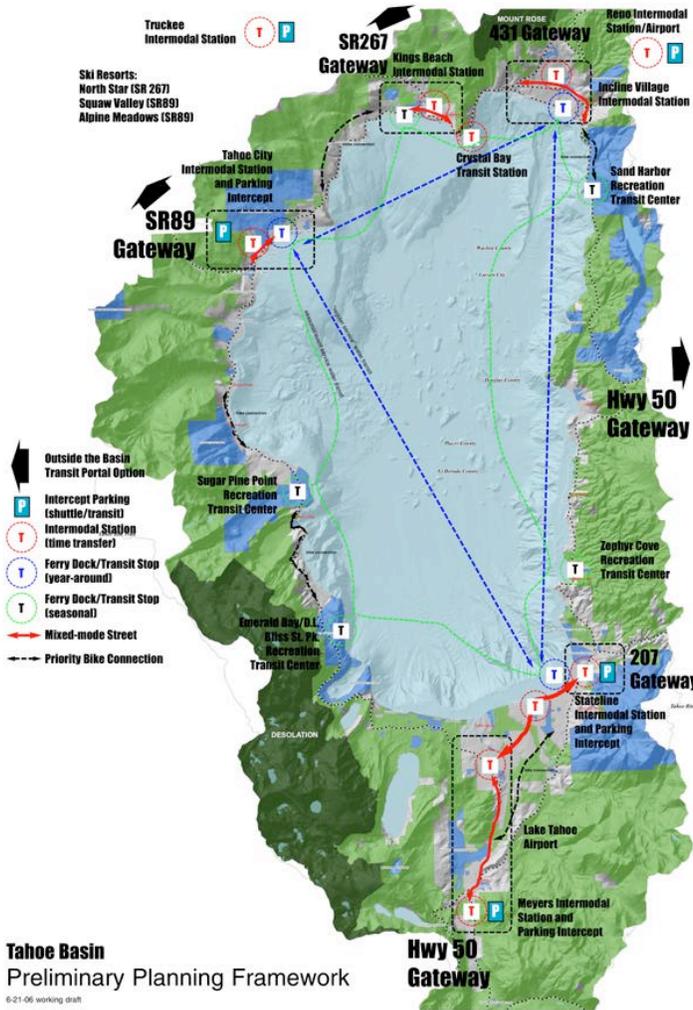
- Proactive approach to environmental improvement through collaborative solutions
- Use incentives to reward good design
- Create district approaches to redevelopment + regeneration
- Leverage private and public investment
- Local place based implementation



# Water Quality and Community Improvements: Solutions Focus

“Develop scalable solutions and focus on TMDL hotspots and urban water quality improvements.”

RPI Stakeholder



## Environmental Redevelopment Recommendations

Up to 72% of the fine sediment is from our **community plan areas**. We need to prioritize our efforts and develop scalable solutions and focus on TMDL hotspots and urban water quality improvements with a continued focus on:

- Planning for area wide water quality solutions
- Reconfiguring the land use pattern to make efficient and effective use of covered areas
- Creating storm water management zones (master plans)
- Designing storm water solutions that respond to the context
- Planning for integrated transportation/parking/land use solutions

- Coordinate PTOD implementation and management with a streamlined process for district PTOD redevelopment
- Create local affordable housing implementation organization
- Provide regional housing incentives and assistance
- Improve local redevelopment assistance
- Coordinate district green Infrastructure Investment
- Establish partnerships for funding/project Implementation
- Establish fee reductions in priority redevelopment areas
- Create financial incentives for district storm water treatment
- Build a public allocation pool for special project assistance (free TAU's)

# Report of Sustainability Measures: Lake Tahoe Watershed, Nevada and California

Final Report of Sustainability Measures  
Lake Tahoe Watershed, Nevada & California

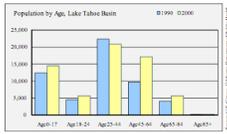


Figure 1. Population totals by Age in the Lake Tahoe Basin- 1990 and 2000.

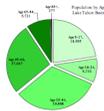


Figure 2. Population distribution by age in the Lake Tahoe Basin.



February 2010

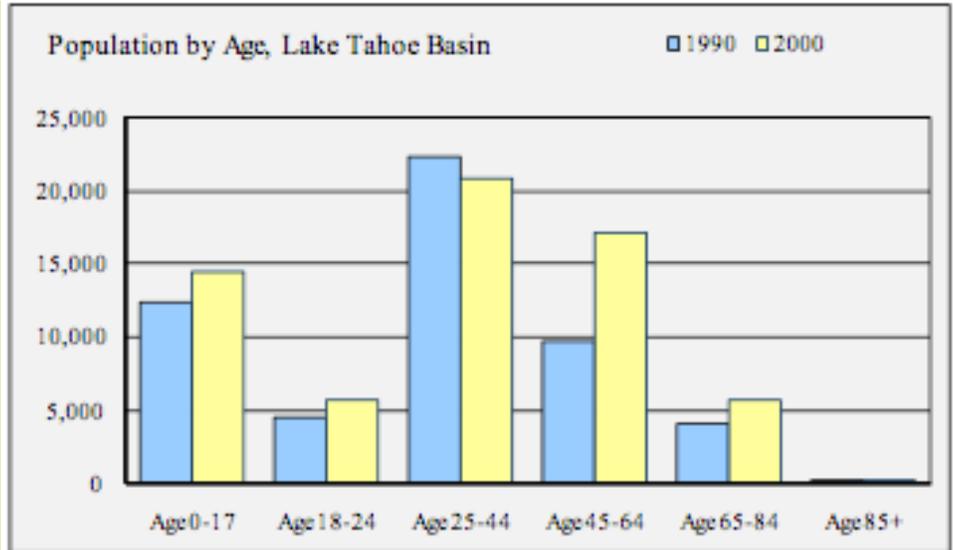
## Challenges + Opportunities

Overall the basin population has declined by approx. 10,000 residents in the past decade

Families and school age population are decreasing in the basin, impacting schools, social services and the local tax base

Ethnic diversity is increasing in the basin, particularly in Kings Beach, Tahoe Vista and South Lake Tahoe

Housing prices are expected to continue to rise in the region, leading to continued and even more acute shortages of affordable housing for a wide range of residents



Source: U.S. Census, California Department of Public Health

Figure 1. Population totals by Age in the Lake Tahoe Basin- 1990 and 2000.

The Lake Tahoe Watershed Sustainability Measures Project was initiated in the fall of 2006 by a broad consortium of community interests, including representatives of business, social services, education, health care, public safety, public services and government. The primary conveners whom provided leadership during this effort were the North Lake Tahoe Chamber of Commerce and the Lake Tahoe South Shore Chamber of Commerce. The Truckee Tahoe Community Foundation (TTCF) acted as the local fiscal agent and signatory to an interagency agreement with the U.S. Army Corps of Engineers (Sacramento) which provided project funding and retained and managed the project contractors.

The Report displays current and historic data up to a period of 20 years for each of 14 sustainability measures, including eight community and six economic measures. Based

on the data and trends, the report also identifies policy linkages and provides policy recommendations.

Working together for sustainable economic development is identified in all local government general and economic development plans; a coordinated framework for implementation is missing

Revitalize commercial districts with a focus on PTOD to improve mobility and increase transit ridership

## City of South Lake Tahoe: Project Financial Feasibility Report - Mikasa Site, Alternative 2

By Keyser Marston Associates

In 2009, the City of South Lake Tahoe funded a feasibility analysis of proposed development/redevelopment at the Mikasa Gateway site, a 3.3 acre parcel at the South Lake Tahoe “Wye.” This report further documents the challenges and provides additional information to policy makers regarding project financial feasibility under current regulations and codes. The report was prepared under contract with the City by Keyser Marston Associates, a firm that specializes in advising public and private real estate development.

### Challenges + Recommendations

This report further documents the challenge of commercial district revitalization in the context of existing codes and regulations

Incentives should be restructured to be true incentives – not an additional financial burden on project development

The South “wye” has been identified by the City as a priority redevelopment area

### Load Reduction Planning Tool: Lake Tahoe Watershed, California & Nevada

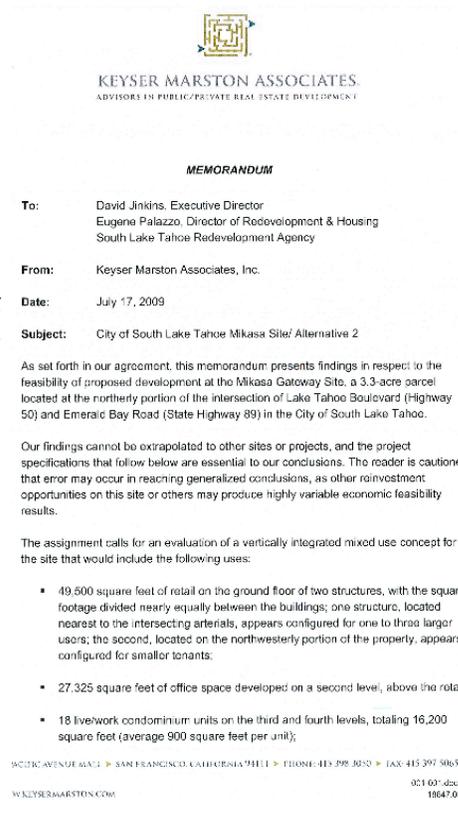
This report presents the development and case study implementation of a new Load Reduction Planning Tool (LRPT) for use in the Lake Tahoe Watershed. The LRPT provides a methodology for early planning phase estimation of the change in water quality pollutant loading associated with land use changes, including redevelopment.

### Challenges + Opportunities

A methodology and scalable tool to assist with the early design and planning stage of water quality improvements from redevelopment

This tool could be used for individual or multiple parcels and is adaptable to a district approach

The tool assists in planning routes for overland flows important during the site planning and design phase



Memo Report  
Financial  
Challenges of  
Environmental  
Redevelopment

The LRPT is scalable in application and can be used at the individual or multiple assessors’ parcel scale. The LRPT fills a heretofore empty niche in the Tahoe Basin’s ability to objectively estimate water quality effects from certain land development proposals.

The U.S. Army Corps of Engineers (Sacramento District) provided funding and retained and managed the contractor for this project. A number of technical subject matter experts, individuals and stakeholders involved in the RPI collaboration provided information, input and guidance in the preparation of this report.

### Final Letter Report Load Reduction Planning Tool Lake Tahoe Watershed, Nevada & California



US Army Corps  
of Engineers  
  
Huffman &  
Carpenter, Inc  
  
2ND Nature

## Tahoe Redevelopment Case Study: Feasibility Analysis

### Revitalization and Reinvestment Opportunities; Regulation and Code Analysis and Recommendations

By RPI and RPP

This report presents a summary of the analysis of the financial feasibility of revitalization and redevelopment projects to determine the financial impact that current regulations and incentives have on the feasibility of such projects in the Lake Tahoe Basin. For the purposes of this effort, the analysis was developed as an update of the previous financial feasibility analysis prepared for two case studies in the Lake Tahoe Basin developed during the Tahoe Place-Based Planning process, a component of PATHWAY 2007 and the Regional Plan Update. This updated report is intended to help better understand the projected financial feasibility of the subject case studies and challenges facing commercial and residential (including mixed use) opportunities in the urbanized areas of the Lake Tahoe Basin. The report summarizes existing conditions and the potential benefits of implementing the subject case study projects. Also examined are conclusions from the financial analysis, including policy, project considerations and recommendations.

A variety of individuals were among those consulted and provided input and guidance in the preparation of this report. Private sector funding was organized by the Lake Tahoe South Shore Chamber of Commerce and the North Lake Tahoe Chamber of Commerce; public sector funding was contributed by the Tahoe Regional Planning Agency. There are both policy and regulatory recommendations from the feasibility analysis. These were created for staff consideration as part of the Regional Plan Update that would improve project implementation and the state of the basin. Site Design including height and density is often a moving target, developers need more predictability. Developers understand and are willing to invest in environmental improvement for the Basin, but they require a ROI of 20% to justify their investment and risk.

### Challenges of Redevelopment

- High Development Costs
- Lack of Adequate Net Project Value
- Factors to help Financial Feasibility
  - Predictable and context based density and height
  - Design walkable places and managed parking
  - Coordinated district green infrastructure investment
  - Create new partnerships to fill financial gap



### Tahoe Redevelopment Case Study: Feasibility Analysis

Revitalization and Reinvestment Opportunities  
Regulation and Code Analysis  
and Recommendations

Prepared for:

Tahoe Regional Planning Agency

In Collaboration with:

The Regional Plan Initiative

Prepared by:

Darin Dinsmore, Regional Planning Partners  
Andy Plescia, A. Plescia & Company

Financial Pro-formas prepared in Collaboration with  
C.R. Russell

March 8, 2010

Regional Planning Partners  
[darin@darindinsmore.com](mailto:darin@darindinsmore.com)  
RPP #3650



### Policy Recommendations

- Establish tools for successful redevelopment
- Allocate incentives based on location and environmental benefits
- Establish transfer of commodities based on square footage
- Develop detailed corridor plan for PTOD
- Create new mixed use zones

### Regulatory Recommendations

- Create Shared, Reduced & Maximum Parking Requirements
- Create Focused TDR Receiving Areas

**Environmental redevelopment is not feasible without both regulatory changes and new financial partnerships**

# Tahoe Redevelopment Case Study: On-site and Off-site District Storm Water Management Solutions

There are two unique approaches to district storm water management in the case studies 1) the South Lake Tahoe Example treats its own storm water on-site and also runoff from the surrounding blocks as part of a larger district solution, 2) Kings Beach uses an off site solution across the street.

**Adopt an ecosystem based approach understanding that everything is connected to everything else**

**Don't focus on simple solutions - solutions that accelerate attainment of environmental thresholds are complex**

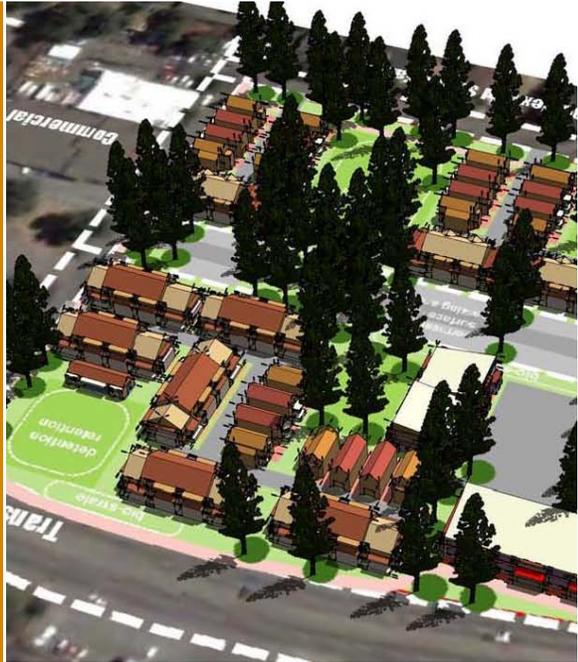
**Consider a systems approach to Environmental Redevelopment**

**South Lake Tahoe District Solution**

The proximity of this site to the lake reinforces the importance of effective water quality control.

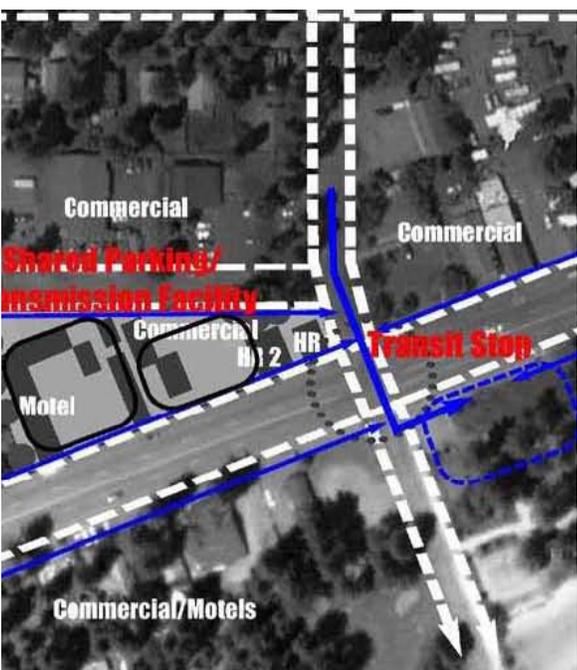
Both retention/detention facilities are indicated. Collection and transmission facilities siting would benefit from the LRPT.

A multiple parcel, district approach represents a more efficient way to implement TMDL and water quality improvements



**Kings Beach District Solution**

The facility would require significant collaboration between local government, CTC, TRPA, and multiple property owners.



# Lake Tahoe EIP 2010-2020:

## An Economic Analysis Private Source Stormwater BMP Expenditures on Redevelopment Projects

By Tetra Tech with US Army Corps of Engineers

FINAL

Lake Tahoe EIP 2010-2020: An Economic Analysis of Private Source Stormwater BMP Expenditures on Redevelopment Projects



March 2010

### Challenges + Opportunities

Status quo redevelopment conditions will not result in attainment of the EIP II target for private sector stormwater BMP

There is potential for both financial and environmental cost in the delay of BMP implementation from redevelopment

Table 14. Current and Necessary Future Redevelopment Trends Compared, 2010 - 2020

Current vs. Necessary Future Redevelopment Trends	BMP %				
	Min (3%)	Low (3.5%)	Med (5.25%)	High (7%)	Max (10%)
<b>Status Quo</b>					
# Projects	5	5	5	5	5
Acres Redeveloped	71.5	71.5	71.5	71.5	71.5
Redevelopment Spending (\$1000)	\$1,130,000	\$1,130,000	\$1,130,000	\$1,130,000	\$1,130,000
BMP Spending (\$1000)	\$33,900	\$39,600	\$59,300	\$79,100	\$113,000
% Target Attainment	20%	23%	35%	47%	66%
<b>Necessary Future</b>					
# Projects	25	21	14	10	7
Acres Redeveloped	357.5	300.3	200.2	143.0	100.1
Redevelopment Spending (\$1000)	\$5,670,000	\$4,860,000	\$3,240,000	\$2,430,000	\$1,700,000
BMP Spending (\$1000)	\$170,100	\$170,100	\$170,100	\$170,100	\$170,000
% Target Attainment	100%	100%	100%	100%	100%

This analysis investigated the relationship between private sector funded water quality improvements as indicated in the updated EIP, the relationship of urban core redevelopment to water quality improvement, the pace of current redevelopment, and the rate of redevelopment required to meet EIP targets under the Regional Plan Update. The analysis recognizes that since the TMDL identified that the greatest impact to deterioration of water quality was the urban upland area (urban core or commercial core districts), redevelopment is the major private sector funding vehicle that will address the problem at its source.

The updated EIP identifies an unfunded need, or target, of approximately \$650 million for stormwater management to improve water quality. Out of the total, approximately \$205 million is expected to be sourced from the private sector. This analysis assumed that 85% of the private sector investment, would derive from redevelopment projects and activities. The

analysis then estimated the range of incremental percentage of redevelopment cost that accrued to water quality improvements, examined project scales and redevelopment trends, and performed a sensitivity analysis as a quality control check. Results of the analysis suggest that status quo redevelopment conditions will not result in attainment of the updated EIP funding target. Furthermore, there is a potential for both a financial and environmental cost with delays in decision-making.

The U.S. Army Corps of Engineers (Sacramento District) provided funding and retained and managed the contractor for this project. A number of individuals and stakeholder representatives involved in the RPI collaboration provided information, input and guidance in the preparation of this report.



Subwatershed  
Planning + TMDL  
Implementation

**A Tahoe EcoDistrict Approach:**  
Implementing TMDL  
Creating Energy  
Efficient, High  
Performing  
Neighborhoods



**Imagine a District**  
designed to  
accommodate all of  
these systems:  
Wastewater  
Storm water  
District and  
Renewable Energy  
(source SERA)

## EcoDistricts: High Performing Neighborhoods

By Darin Dinsmore

EcoDistricts are distinct neighborhoods that are highly energy and resource efficient. They capture, manage, and reuse a majority of energy, water, and waste on site; they enhance human health and wellbeing. The EcoDistrict approach provides a comprehensive framework for project planning, implementation, and management for both environmental and community improvement.

By reinvesting in high priority redevelopment areas and TMDL hotspots with district and neighborhood scale coordination and design, there is an opportunity to further reduce fine sediment and improve the clarity of Lake Tahoe. EcoDistricts will help achieve the Tahoe Region's greenhouse gas emissions reduction target (per SB 375), meet our water clarity/environmental goals and Thresholds, and reposition the region as a leader in sustainable development.

Lake Tahoe Community College leaders are already seeking funding to address district and renewable energy solutions at a district scale.

The EcoDistrict approach will help the Tahoe Basin increase its livability and prosperity, reach its water quality and lake clarity Thresholds, reduce its ecological footprint, and improve human and ecological health. EcoDistricts are focused around four core areas: buildings and infrastructure, water quality, transportation, and community connectivity.

The approach can be applied to:

**New Redevelopment & Infill:** Projects are master planned to exceed current standards and performance metrics (building on the Community Enhancement Program (CEP) and special projects programs).

**Existing Neighborhoods:** Strategic investment in existing neighborhoods, districts, and streets to improve their overall performance.



**Green  
Streets  
Example**