Caltrans makes headway on EDC highways

Crews use a break in storms to work on Highway 50 by Bridal Veil falls. Photo/Caltrasn

Caltrans is making progress on highways in El Dorado County that have been impacted by Mother Nature.

Highway 89 around Emerald Bay was close to reopening, but then a large slide fell at Vikingsholm with snow and debris as high as 20 feet. Even so, crews hope to have the highway open today.

A section of Highway 193 on the West Slope has been opened to one-way traffic. The highway had been closed since Feb. 21 from the junction of Highway 49 in Placerville to Rock Creek Road after mudslides and slope erosion from massive saturation did damage to the northbound lane.

The slipout will require a long-term closure of several months while a retaining wall is designed and constructed. In the meantime, this area of the highway will be restricted to signalized one-way traffic controls.

Highway 50 remains open in each direction at Bridal Veil Falls while emergency work continues on a major slipout that destroyed the No. 2 westbound lane and also impacted the No. 1 lane. Work there is also expected to take several months for the design and construction of a new retaining wall to stabilize the slope.

Existing homes in U.S. selling at fast pace

By Associated Press

Americans shrugged off rising mortgage rates and bought existing homes in January at the fastest pace since 2007.

Home sales rose 3.3 percent in January from December to a seasonally adjusted annual rate of 5.69 million, the National Association of Realtors said Wednesday.

Steady job gains, modest pay raises and rising consumer confidence are spurring healthy home buying even as borrowing costs have risen since last fall. Some potential buyers may be accelerating their home purchases to get ahead of any further increases in mortgage rates.

Buyers are snapping up homes, with the typical house for sale remaining on the market for just 50 days, compared with 64 days a year ago. Strong demand is pushing up median home prices, which jumped 7.1 percent from a year earlier to $228,900.

Mortgage rates have climbed since the presidential election.

Investors are anticipating tax cuts, deregulation and infrastructure spending will accelerate growth and push up inflation. That has caused investors to cut back on their bond holdings, pushing up yields.

The average rate for a 30-year fixed mortgage was 4.15 percent last week, according to mortgage buyer Freddie Mac. While that has dipped since earlier this month, it is much higher than last year's average rate of 3.65 percent.

By some measures, the housing market has fully recovered from the bust that began in 2006. Yet its newfound health is creating its own set of challenges.

The number of homes for sale remains unusually low, forcing buyers to bid up prices, especially in sought-after cities such as San Francisco, Seattle and Nashville.

Just 1.69 million homes were on the market nationwide in January, near the lowest level since records began in 1999.

Last year, low mortgage rates helped offset rising home prices. Yet now both are rising, which could hamstring sales in the coming months.

The strength in sales should lift growth going forward, as new homeowners purchase furniture, buy appliances and spend more on landscaping and outdoor equipment.

Home sales also tend to spur renovations, which helps to update aging properties and generates additional construction work for the broader economy.

New research released Wednesday by the contractor site BuildZoom found that homes in metro Atlanta were roughly three times more likely to undergo renovations a year after being purchased than a typical property would. In Los Angeles, renovations are 4.6 times more likely a year after the sale, a pattern that gets repeated in other metro areas.

The findings suggest that the upfront costs of housing can be significantly greater because of needed renovations after a period of weak sales, BuildZoom chief economist Issi Romem said in the analysis.

Why it’s so wet in California

So much snow has Heavenly extending its ski season to the end of April. Photo Copyright 2017 Carolyn E. Wright

By Paul Rogers, San Jose Mercury News

Why is it raining so much this year in California. In a typical year, California has between 10 to 15 “atmospheric river” storms — the fire hoses that rampage in from Hawaii and account for up to 50 percent of the state's annual rainfall – and nearly all of its floods. But since the rainy season began on Oct. 1, there already have been 30. And there are two months of winter to go.

"We are well beyond double what is normal," said Marty Ralph, director of the Center for Western Weather and Water Extremes at UC San Diego.

Ralph, one of the nation's experts on atmospheric rivers – which are often called Pineapple Express storms when they come from the tropics – calculated the big boost in atmospheric river storms last week for the state Department of Water Resources. He found that from Oct. 1 to Feb. 16, there was an average of one atmospheric river storm every 4.6 days that made landfall in California. Nine of them were of strong or extreme strength.

Read the whole story

Snowboarder found unresponsive in tree well

A 43-year-old Connecticut man died Feb. 23 while snowboarding at Northstar.

The name of the victim has not been released.

He was skiing on advanced terrain, according to resort officials.

Other skiers found the man in a tree well and summoned help. Attempts to revive him were unsuccessful.

— Lake Tahoe News staff report

Murder suspect apprehended in S. Lake Tahoe

Jesse Wells

A fugitive wanted in the killing of a pot farmer in Mendocino County was arrested in South Lake Tahoe on Friday afternoon.

Jesse Cole Wells, 32, was found living on Conestoga Avenue. He is originally from New York.

Wells is one of eight suspects in the Nov. 11 killing of 35-year-old Jeffrey Quinn Settler.

He was arrested without incident at 4:15pm Feb. 24.

— Lake Tahoe News staff report

Liberty may have all power restored Friday night

Just as Liberty Utilities makes progress on restoring power, another problem occurs.

The newest outage is affecting about 300 customers in the Martis Valley Road area of Truckee. A tree fell on primary and secondary lines. Power should be back by Friday evening.

The Floriston line has been rebuilt and power restored.

At River Road/Silver Creek/Fir Grags/Highway 89: Progress today; power should return by this evening.

Sudan Road (Tahoe Vista/Carnelian Bay): Crews continue to dig out vaults looking for the problem, but have determined it is not a transformer issue so power could be restored by this evening.

Nev. bill would raise funding for problem gambling

By Sean Whaley, Las Vegas Review-Journal

CARSON CITY – A bill that would significantly increase the amount of funding available to address problem gambling in Nevada saw no opposition Wednesday during a Senate committee hearing.

Senate Bill 120 would increase funding from the approximately $1.8 million in fiscal year 2018 in Gov. Brian Sandoval’s proposed 2017-19 budget to as much as $2.8 million a year.

Anthony Cabot, a member of the Advisory Committee on Problem Gambling, said the current revenue comes from a $2 fee on slot machines. But the number of machines has been declining, reducing the amount of money available for the program.

Read the whole story

Heller: Town hall can't have booing

By Seth A. Richardson, Reno Gazette-Journal

Sen. Dean Heller and Rep. Mark Amodei didn't mean to have a town hall meeting on Wednesday during a Carson City event, but it quickly turned into one.

What was slated as a routine luncheon in front of the Carson City Chamber of Commerce with the two Republicans quickly turned into an impromptu forum. Protesters, who had to pay the admission price to get in, quickly started yelling, "Town hall meeting!" wanting Heller and Amodei to schedule in-district meetings for constituents. A group could also be heard from outside the event.

Groups have been putting pressure on Heller – as well as other Republicans nationwide – to hold town halls. Several have, often getting shouted out of their own meeting over policies proposed by Republican President Trump.

Read the whole story

$2 mil. allocated for upgrades in Placer County

Placer County Board of Supervisors voted this week to fund 14 projects in the Lake Tahoe area.

The $2 million comes from transient occupancy tax revenues.

The projects are:

· Truckee River Trail restoration: This project will strengthen and improve various reaches of the Truckee River Trail between 64-acres Park and the entrance of Squaw Valley Resort.

· Kings Beach roundabout art: The Tahoe Public Art Project supports the creation and installation of artwork in the Kings Beach roundabouts.

· Historic Schilling Ski Lodge development planning: This project supports the reconstruction of the historic West Shore Schilling Lodge for use as a cross country ski lodge.

· Martis Valley/Northstar trail segments design and construction: This project supports the creation of a paved, multipurpose recreation trail connecting the Northstar Village to the town of Truckee and ultimately the Tahoe basin, as well as existing paved and unpaved trails along its route.

· North Lake Tahoe mountain bike trail wayfinding signage: This project will create various signage and informational kiosks for trailheads and trail intersections in North Lake Tahoe. Printed maps will also be produced to better guide the region’s trail users.

· Bike and transit user website upgrade: This project will upgrade North Lake Tahoe’s regional transit website to integrate an interactive map highlighting all Tahoe Truckee Area Regional Transit routes and the North Lake Tahoe paved trail network.

· Historic Donner Summit gateway visitor kiosk: This project supports site preparation and construction of the Historic Donner Summit welcome sign and visitor kiosk.

· Northstar directional wayfinding sign: This project supports the purchase and installation of a wayfinding sign on Highway 267 between Kings Beach and Truckee at the bottom of Northstar Drive to assist visitors leaving the resort.

· Northstar programmable message boards: This project supports the design and installation of two programmable message boards to assist with wayfinding and communication of community information. The first message board will be permanently located at the roundabout on Northstar Drive at Castle Peak parking lot entrance and Ridgeline Drive. The second message board is a portable system that will be moved to direct traffic and provide information to visitors.

· Memorial Overland Emigrant Trail: This project will help recreate a section of the Overland Emigrant Trail between Donner Memorial State Park and Kingvale, connecting existing trails and trailheads and to help share the history and ecology of the area.

· Kings Beach roundabout at Highway 267: This project will convert the stoplight intersection at highways 28 and 267 in Kings Beach to a roundabout to alleviate traffic and improve pedestrian mobility, safety and efficiency in the area.

· Northstar TART passenger shelter: This project supports the construction of a passenger shelter at the TART bus stop at the Northstar Village transit center, which does not currently have a shelter. The project will also add lighting and a Nextbus digital passenger information display to the bus stop.

· Speedboat Beach public access improvement plan: This project will assist with the construction of a permanent restroom building to replace portable restrooms, replace the aging wooden access stairway with a metal or concrete stairway, improve traction on a portion of the existing access ramp and provide wayfinding, regulatory and interpretive signage along the access route between Harbor Avenue and Speedboat Beach.

Squaw Valley Olympic Ski Museum planning: This project supports environmental document preparation, architectural design, planning for museum displays and community outreach for the proposed Squaw Valley Olympic Ski Museum.

Housing play books don't have all the answers

Publisher's note: ***This is one in a series of stories about affordable housing in the Lake Tahoe-Truckee region. All articles may be accessed via the home page under Special Projects, 2017 Affordable Housing.***

By Joann Eisenbrandt

Reviewing South Lake Tahoe's housing elements chronologically is like taking a close-up look at the city in a mirror every few years. Sometimes, the changes are positive, other times, not so much. As the city has aged, some wrinkles have just gotten deeper and deeper. One of the most prominent of these is the continued inability of low- and middle-income residents to find quality, affordable housing in the same location where they work.

As far back as 1988, the affordable housing shortfall for the city's lowest wage earners was already evident. The 1988 housing element was an update of its 1980 predecessor. It found that due to constraints outside the city's control, "… there has not been much progress toward solving the housing problems which exist in the city." It called the housing supply situation "critical"—a term still being used to describe it in 2017.

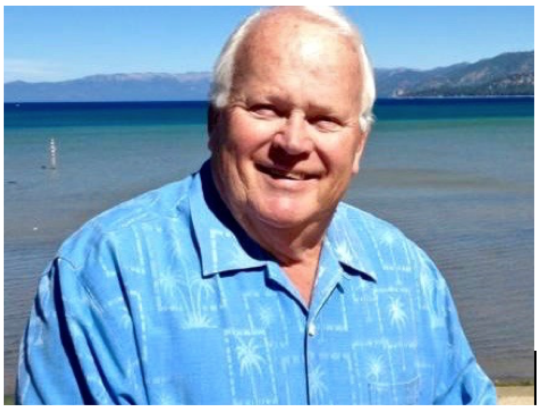
The issues it identified are the same ones that subsequent housing elements have focused on. Of the city's 13,891 housing units, only 9,385 were available to permanent residents. City planners noted that, "More and more homeowners are converting their homes into vacation rentals because of the profit gain involved. This process is fast reducing potential rental stock for local permanent residents." In 1987, there were approximately 1,028 registered vacation rentals within the City of South Lake Tahoe. This was a 37 percent increase over the previous five years.

The condition of the city's housing stock was declining. Over half of the city's housing units were more than 20 years old. Rents and home prices were rising. "A serious overpayment situation (in relation to income) exists among renter and owner households," the document stated. Impacts were greatest on the elderly, the unemployed and "low-wage casino and service employees." "Overpayment" was defined as housing that exceeded 25 percent of total income.

Only two subsidized housing projects existed, Chateau Bijou and Sierra Gardens, but the demand for more was already clearly there. Both had a zero vacancy rate and a waiting period of six to eight months. Sixty-one percent of city residents rented rather than owned. The city housed many residents who worked across the state line. Casinos were expanding, and, “This situation has increased the burden on the Nevada counties to bear their fair share of housing for the employees which the gaming industry produces.”

Redevelopment was just in its formative stages. It had its own affordable housing requirements and was expected to help with the affordable housing issue. However, the lawsuits over the TRPA Regional Plan had not yet been resolved and the sewer plant was at capacity. There would be no more residential allocations from TRPA until it was expanded.

The housing element looked to the Renaissance 90 Committee, a public/private city-directed partnership, to provide updated information on city issues, including affordable housing. It was just one of many studies conducted by the city, hired consultants or community groups dealing with the affordable housing issue over the years.



“We have to look at existing rules and work together with TRPA.”

-- South Lake Tahoe City Councilman Tom Davis

Where the rubber hits the road

In their 2012 Housing Element Update Guidance document, the California Department of Housing and Community Development (HCD), says, “An effective housing element provides the necessary conditions to support the development and the preservation of an adequate supply of housing, including housing affordable to seniors, families and workers.”

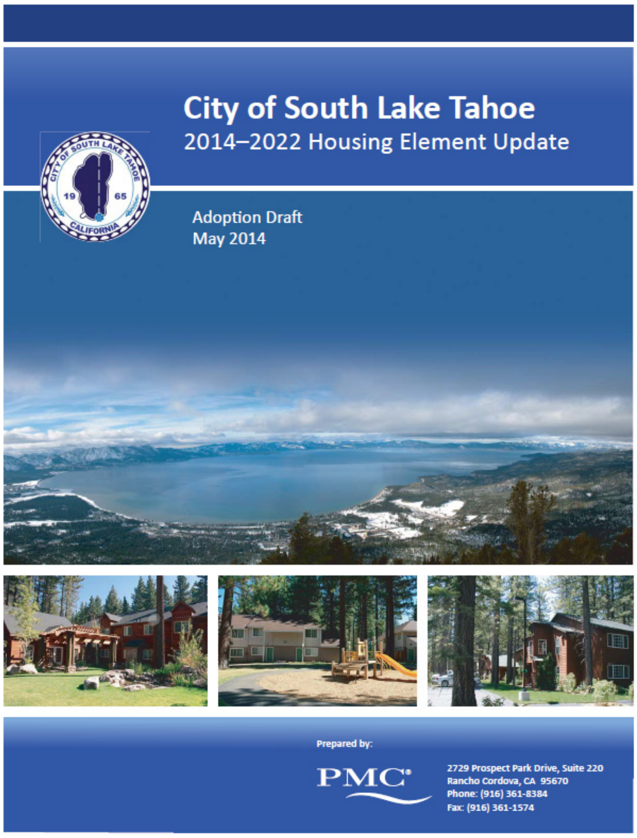
Kevin Fabino has been the city’s Development Services Director since May 2016. He told *Lake Tahoe News*, “I would really caution the community about using the housing element as a document to base future housing decisions on. It is a requirement of law. It doesn’t really address what’s going on in our community.” He adds, “The purpose of the housing element is to identify what the need is, and that comes from the Sacramento Area Council of Governments. That’s not the city’s perception of what the real need may be. The housing element makes that very clear. It’s our obligation to show that we can fulfill that obligation. But there are really two things going on: what the housing element requires and what’s really going on in our world.”

Fabino calls the Regional Housing Needs Allocation numbers that the Sacramento Area Council of Governments gets from the state, “an exercise in theory, not practicality.” He points to the fact that in the 2008 housing element, the city was required to provide 18 housing units dispersed between very low-, extremely-low and moderate-income levels. “What was actually produced in that timeframe was 50 units. Did the 50 units provided satisfy the real need in the community? No.” He hopes that in the future there is a, “more articulate conversation about those levels.”

Beyond this, there remain the constraints to the construction or rehabilitation of affordable housing outside the city’s control. *Lake Tahoe News* asked all five city councilmembers for their views on how well the city has implemented its housing element. Only Councilmembers Tom Davis and Wendy David responded.

“We need multi-family homes. We need TRPA to loosen up,” Davis said of the regulatory constraints. “We need to focus on where the need is greatest. We need to know how much land is actually available. We have to look at existing rules and work together with TRPA.” Davis pointed to South Tahoe Public Utility District’s reduction in sewer hook-up costs and suggested that if all the agencies in the basin reduced their fees for a trial four-year period and TRPA “backed away” on land coverage, deed-restricted affordable housing would have enough financial incentives to be attractive to developers. But, he concluded, “It’s going to be a long journey.”

David believes the city has been “active and proactive in several ways regarding housing, noting that 350 affordable housing units have been built. She said the city is addressing substandard housing issues in the motels where many residents live. “Are these the preferred living quarters for our residents?” she asked. “No. But if people are going to live there, we have an obligation to have codes that address their needs.” David is referring to the Single Room Occupancy Ordinance and program. More than 40 motels are currently signed up for the program which sets standards and provides for inspections. She believes the city needs to continue to, “be cognizant of our community, their voices and experiences as well as our housing availability and the impact it has on us socially and economically.”



A legal and philosophical document

California law requires jurisdictions create long-range general plans that look several decades into the future and outline how that particular area is going to develop and change. The housing element is one of the seven mandated parts of such local general plans.

While a housing element is a technical response to the state's mandate, it is also a vital part of that jurisdiction's vision of what it is and what it hopes to be in the future. As the California Department of Housing and Community Development (HCD) explains, "While the housing element must address specific state statutory requirements, including the local jurisdictions' fair share of the regional housing need, it is ultimately a local plan and should reflect the vision and priorities of the community."

The legal dimension

Cities are required by the state to meet their "fair share" of the projected regional housing need. State housing policy relies on individual jurisdictions to plan effectively to meet this need. HCD reviews housing elements and then certifies them for compliance with state housing regulations.

This share of regional housing is a numerical calculation broken down by income level from very low to above moderate. The Sacramento Area Council of Governments (SACOG) calculates overall housing needs in a six-county region, including South Lake Tahoe, through a detailed statistical process using information from the California Department of Finance and other sources. It then tells each jurisdiction precisely how many housing units for each income level they must plan for over the span of their current housing element. This is called the Regional Housing Needs Allocation (RHNA).

Jurisdictions must update their housing elements periodically to show they are meeting these requirements. Income categories, as defined by state law are: very low income (less than 50 percent of median family income (MFI); low income (50 to 80 percent MFI); moderate income (80 to 120 percent MFI); and above moderate income (above 120 percent MFI). The city must show it can provide sufficient land and zoning capacity to meet projected housing unit needs in each of these income categories.

There is one important distinction. While the city must show it has the land capacity for these units to be built, it is not responsible for their actual construction. South Lake Tahoe’s current housing element was updated in May 2014 and covers the planning period of Jan. 1, 2013, through Oct. 31, 2021. The RHNA, the total number of housing units the city has to plan to accommodate, is 336; 155 are for affordable to moderate-income households and below, including 27 extremely-low income units, 27 very-low income units, 38 low-income units and 63 moderate-income units. Also included are 181 above-moderate income units.

The philosophical side

The statistical side of housing elements shows how actual circumstances “on the ground” are changing, either for the better or for the worse. But there is that other component of housing elements that tells what the city’s housing priorities are and what, in an ideal world, it plans to do to see them become reality.

“Adequate housing is essential to the viability of the community and its residents,” the city’s 1988 housing element affirmed. “Each and every individual, regardless of race, creed, color, sex, age, handicap, or income, should have the opportunity to have access to adequate housing. The city will support and encourage adequate housing in the community.”

In its September 2003 housing element, the city said it would, “Place high importance on preservation of a local community in South Lake Tahoe rather than just having a resort area of part-time second homes. Provide housing options so that people who work in the community can choose to live here and preserve the ability for children to afford housing in the community where they grow up.”

This ability of residents of low- and moderate-incomes to continue to live in South Lake Tahoe has become an issue of greater and greater concern and discussion as the years have progressed.

Affordable housing stock in South Lake Tahoe is lacking. Photo/LTN

The guts of the matter

Each housing element has the same basic parts. It reviews the immediately prior one to see what has worked and what hasn't—what policies have been implemented and what goals have been reached. It then does a Needs Assessment to get an accurate picture of current housing needs. This includes an inventory of existing housing stock and its condition and the demographics of the city's residents. It does a resource inventory that shows what land is available for residential construction, what public services are available and what city, state, county and federal housing programs and funding mechanisms exist. These analyses generates table after table of statistics measuring things like the percentage of rental- versus owner-occupied dwellings, the age and ethnic breakdown of residents, median incomes, residents' employment by industry, median housing sales prices, and the parcel size and distribution of land.

It also looks at the current constraints on the city's ability to meet its affordable housing numbers. These factors include governmental constraints such as city, county, state or Tahoe

Regional Planning Agency land use regulations and fees, as well as non-governmental constraints such as changes in the national economy, the real estate market, prevailing wage scales, and the physical and topographical challenges of Lake Tahoe itself.

A look in the mirror

The November 1992 housing element noted that to reach its goal of providing affordable housing for low- and moderate-income residents, the city had set aside 30 percent of the residential allocations it received from TRPA in 1990 and 1991 for multi-family housing. From these 55 allocations, five moderate-income duplexes and one triplex were constructed but, "to this date there have been no affordable housing projects completed." It found that since 1975, environmental restrictions had precluded construction of multi-family housing and raised development costs so high that predominantly upper-income housing had been built.

It also found that, "South Lake Tahoe has never had an articulated housing policy." The failure to meet its affordable housing goals and objectives was partly because the city had no one individual or department dedicated to housing issues. The recent hiring of a housing coordinator was expected to help.

It also contained a blizzard of technical analyses, statistics and tables. The average home price had risen from $87,000 in 1980 to $133,603 in 1992, according to Board of Realtors' statistics. Thirty-two percent of homeowners and 49 percent of renters were still "overpaying" for housing, now defined as total housing costs over 30 percent of total income. The only subsidized housing in the city was still at Chateau Bijou and Sierra Gardens. Overcrowding in existing units continued to be a problem as was an increase in illegal housing units.

It discussed homelessness and the growing use of low-end motel rooms as affordable housing. This was born from the difference between perceptions of Tahoe as a summer and winter paradise and the realities of living there. Many, it said, "… arrive with guaranteed jobs at the casinos, but are surprised at the high cost of rents compared to the low wages they receive." Unable to afford upfront rental and utility deposits, they look to motel rooms as an alternative. However, in summer when rents are raised or the focus is on tourists, many are left homeless.

Vacation home rentals have been a documented concern in the city for years. Photo/LTN

More déjà vu views

The city's housing element was subsequently updated in 1999, 2003, and 2008. The "philosophical environment" continued to play a big role in how much affordable housing was actually created. The city's 1999 General Plan, of which the housing element was a part, felt it was important to, "provide the background from which the General Plan was developed." It did this by beginning with excerpts from TRPA's 1996 evaluation of the Tahoe basin. "The Tahoe Region was once a place of inestimable beauty … the progress of modern life has diminished the unique values that make the Tahoe region so extraordinary … ironically, the millions who enjoy the area simultaneously endanger it with their very presence."

The 2003 housing element pointed to the growing trend of local low- and middle-income employees buying homes or renting in the Carson Valley and commuting. This could lead to two things. "The community could become more economically divided, with affluent and working poor residents but a shrinking middle class." And the possibility that, "… within 10 years most people who work in South Lake Tahoe will not be living here."

At the time of the city's 2008 housing element update, TRPA was in the process of updating its own Regional Plan. The city was involved in this process and, "continuously voiced the need to balance the housing needs of local residents with the need to protect and improve the clarity of Lake Tahoe."

Many workers still resided in older motel rooms; approximately 1,290 housing units were being used as vacation rentals; 62 percent of the estimated 12,000 employees in the Tahoe basin portion of Douglas County lived in South Lake Tahoe. The city was still predominantly white at 75.7 percent, but this was a significant drop from 92.2 percent in 1988. Young families continued to move down the hill. This led to declining school enrollment and the closure of Al Tahoe Elementary and Meyers Elementary schools in 2004. Fifty-seven percent of occupied housing units were rentals.

There were still no homeless shelters in the city. "Most of the current homeless population," the city found, "is often using motel rooms or camping for their permanent residence." Governmental services for the homeless in South Lake Tahoe were provided by El Dorado County. The only affordable housing development for seniors was Tahoe Senior Plaza.

The relatively new term, "workforce housing" had emerged. The 2008 housing element defined it as housing affordable to working households who don't qualify for publicly subsidized housing but also can't afford market-rate housing in the community. Middle-income members of the community like police officers, teachers, firefighters and nurses were also experiencing housing issues. The 2007 median home price in South Lake Tahoe was $425,000, but their "affordability" range was closer to $200,000. Many chose commuting from the Carson Valley or beyond.

The housing element today

The 2014 document finds the same "general disparity" between wages and the cost of housing in South Lake Tahoe. Renters occupy 61.1 percent of housing units. Rents continue to increase as does overcrowding in multi-unit rental complexes. South Lake Tahoe continues "to bear the brunt" of housing other jurisdictions' low-income employees. Only a "limited number" of the area's largest service-industry employers offer housing or housing assistance to their seasonal or permanent employees.

The housing element includes information from TRPA's 1997 "Affordable Housing Needs Assessment Final 'Fair Share' Report." It was created to addresses the general assumption that some jurisdictions at the lake housed employees that worked elsewhere. TRPA's housing sub-element encouraged local governments to, "assume their fair share of the responsibility to provide lower and very low income housing," but never quantified what that was.

The “Fair Share” report states that, “… each jurisdiction should assume responsibility for all of its low and very low income households created by their employment opportunities.” After data gathering and statistical analysis, it divided jurisdictions’ “fair shares” this way: South Lake Tahoe, 33 percent; Douglas County, 36 percent; El Dorado County, 2 percent; Placer County 11 percent; and Washoe County, 18 percent. It was a suggestion, not a mandate like the state’s RHNA numbers. It recognized that land availability and costs, environmental constraints and the real estate market would affect how realistic its projections were.

“There is a vast need for affordable housing independent of the fair share issue,” it acknowledged. “Unfortunately, at this time, more impediments seem to exist than incentives.” It also recognized that TRPA’s own regulations on land use, coverage, height restrictions and density limits were part of the impediments. “Each of these hinders, to some extent, affordable housing construction due to increased costs of projects.”

The 2014 housing element also discusses the phenomenon of “hot bedding. “This is where people working different shifts live in the same weekly motel room, but at different times of the day. Of motel living, the housing element says, “However, for many motel residents, motel living is a lifestyle choice. These residents may prefer to live in motels because of amenities such as maid service and the ease of paying a single bill each month.”

It notes that TRPA completed the update to its Regional Plan in 2012 and made changes affecting affordable housing by allowing mixed-use development, permitting 70 percent coverage in town and regional centers, and allowing transfer bonuses for residential transfers into town or regional centers. It also allowed jurisdictions to complete area plans to replace existing community plans and plan area statements. Still, the maximum densities allowed leave the city with, “limited sites where development at densities conducive to feasible housing projects can occur.”

Additionally, the dissolution of redevelopment agencies by Gov. Jerry Brown in 2011 eliminated this funding mechanism for future affordable housing and infrastructure development.

An increase in TRPA housing allocations, it finds, “does not necessarily correlate with ensuring that housing will be available to local residents of all income levels to purchase or rent.” It found that the Tahoe basin had, “an ample supply of housing stock—plenty to serve the regional population” but it was being used inefficiently.

One example is the use of motel rooms as affordable housing. “While some people allege that vacation home rentals ‘cut into’ the demand and market for motel rooms … many of the motels providing housing for some area residents would never appeal to the visitor market without substantial rehabilitation/investment.” At their 2014 level of use, vacation rentals were, “not considered by the City Council to be a constraint to providing, maintaining, and improving housing for people of all income levels in South Lake Tahoe.”

The city has recently made changes to its Vacation Rental Ordinance to increase enforcement and prohibit the future use of multi-unit complexes as vacation rentals. It is currently conducting a study to determine the citywide effects of vacation rentals.

The 2014 housing element also found that the mandated RHNA housing numbers are, “not an accurate assessment of the actual needs of the city’s residents by income group.” SACOG’s methodology is based on assumptions true in other jurisdictions, but not true for the Tahoe basin. The allocation, “underestimates the actual needs of city residents.”

The elephant in the housing element

The city's 2014 housing element explains, "Development is a costly venture in the Lake Tahoe Basin." There are the city's own land use regulations and fees, but on top of that is the additional layer of TRPA regulations. The effect of these regulations has been a topic of concern in all the city's housing elements.

Tom Lotshaw, TRPA spokesman, told *Lake Tahoe News*, "First, we don't think it's a matter of TRPA's code and regulations being superior or inferior to the local governments and their housing elements. TRPA code is more regionally oriented in comparison to the details offered in the local government code. TRPA code and regulations are trying to facilitate implementation of the local governments' housing elements, along with meeting TRPA's many other objectives, such as environmental conservation and restoration and protection of the lake …. "

Lotshaw added that over time TRPA has "created various incentives for affordable and moderate workforce housing to help local governments meet needs identified in their housing elements." The housing chapter in TRPA's 2012 Regional Plan urges the use of area plans like the Tahoe Valley Area Plan. He listed some of TRPA's incentives including no residential allocation needed for affordable housing projects, no-cost bonus units available for multi-family affordable housing projects, and a 25 percent increase in allowable density for multi-family affordable housing projects.

TRPA's current strategic initiative on development rights will, "look at improving policies associated with development rights and evaluate different alternatives for their ability to support a range of housing opportunities and workforce housing …." They are also working on a "welcome mat" initiative to streamline the permitting process. Lotshaw added that many of the available TRPA housing incentives are "only rarely being used. That suggests there are more systematic obstacles affecting the construction of affordable housing at

Lake Tahoe."

The million-dollar question

Fabino commended TRPA for looking at the development rights issue but felt it wasn't the only thing at play here. When asked by *Lake Tahoe News* why the affordable housing issue in South Lake Tahoe remains unsolved today, he responded, "That's the million-dollar question." Answering it, he believes, requires a realization of the central role the marketplace plays. "When we are talking about creating affordable housing we come back to the same fundamental question that we have to ask when attracting businesses or industry here. It always comes back to the cost. It's all about driving the market."