

## Tahoe Livable Communities Program Update

The California Tahoe Conservancy (Conservancy) launched the Tahoe Livable Communities (TLC) Program in 2014 to implement the Sustainable Communities and Climate Protection Act of 2008 (Senate Bill 375) and the Lake Tahoe Regional Plan, which includes protecting the Lake's famed clarity and water quality. The goals of the TLC program are to:

1. Acquire and restore aging developed properties on environmentally sensitive lands, and retire or transfer the development rights to town centers;
2. Sell, lease, or exchange vacant Conservancy land in town centers to support housing, multi-modal transportation, and economic development; and
3. Acquire the remaining private properties in several of Lake Tahoe's roadless subdivisions to remove the threat of development.

The program achieved several notable outcomes in the last five years. The Conservancy acquired ten developed or roadless subdivision properties, restored the environmentally sensitive portions of those developed properties, and banked the development rights for housing and other infill development projects in town centers. The Conservancy sold banked development rights for several sustainable communities projects. These projects include the new Tahoe City Lodge, and the remodeling of an aging, shuttered motel into a new housing development in Kings Beach. Additionally, the Board designated 17 of the Conservancy's parcels in town centers as "asset lands" to support housing and compact sustainable development that is consistent with local area or town center plans. Two of these asset land parcels will house Sugar Pine Village, a 248-unit affordable multi-family development near the South Lake Tahoe "Y" highway intersection. This project was approved by the Tahoe Regional Planning Agency (TRPA) and the City of South Lake Tahoe (City) in January 2021.

## Program Status

Since the Conservancy's March 2021 Board meeting, staff initiated and coordinated the following items for the TLC Program. With these ongoing efforts and accomplishments, the Conservancy is delivering on its Strategic Plan Goal 4 (Foster Basinwide Climate Change Adaptation and Sustainable Communities).

**Environmental Planner:** In March 2021, the Conservancy began recruiting to fill an Environmental Planner position in the TLC Program. The position will handle a full range of TLC tasks with a primary focus on assisting with operations of the Conservancy Land

Bank. Additionally, the position will assist with land acquisitions and transfers, and provide program administration. The position is expected to be filled in summer 2021.

## 1. Conservancy Acquisitions and Land Bank

### **Property Acquisitions**

The Conservancy budgeted \$6.9 million to advance its property acquisition goals. The Board approved a total of three acquisitions in 2020: two roadless subdivision parcels, one in El Dorado County and one in Placer County; and one developed parcel on sensitive land in the City (2130 Lake Tahoe Boulevard, formerly Urgent Care). All of these transactions have closed. Staff is completing negotiations on an additional acquisition in El Dorado County, which is included in the June 2021 Board Agenda as Item 2e for consideration. If approved, staff expects to close escrow in summer 2021.

Staff recently initiated appraisals and title review on two other parcels: one parcel on sensitive land in the City and one parcel in a roadless subdivision in Placer County. If staff determines there are willing sellers at appraised value on the two parcels, staff will bring the proposed acquisitions to the Board for authorization at a future meeting.

### **Conservancy Land Bank**

The Conservancy continues to bank and transfer development rights and land coverage for affordable housing, town center, and other projects in the City and El Dorado and Placer Counties. Over the past several months, Conservancy staff began receiving applications for land coverage for new piers. The TRPA releases new pier allocations every other year as a part of the 2018 TRPA Shoreline Plan. Staff is working with a consultant to conduct the necessary environmental review.

In addition, staff is coordinating a potential land bank transaction for a proposed achievable housing project in Placer County, located at 3160 North Lake Boulevard, between Tahoe City and Kings Beach. The proposed achievable housing project will provide permanent workforce housing, but the developer needs additional land coverage to make the project viable. A Conservancy parcel abuts the project site. Staff are evaluating a permanent deed restriction on the Conservancy parcel and the sale of coverage to assist the project.

## 2. Conservancy Asset Lands and Related Local Initiatives

### **Conservancy Asset Lands Status**

In March 2014, the Conservancy Board identified 17 asset lands in three urbanized areas (the City, Kings Beach, and Meyers) that could support compact sustainable development and would be consistent with the local area or town center plans. As described in the Conservancy Land Transfer Guidelines, the Conservancy will consider

selling parcels only when those parcels are not needed to achieve Conservancy conservation or recreation goals, or when state ownership is no longer necessary to achieve the goals of the original acquisition. In addition, Board authorizations are required to ensure sufficient public input and review of any potential private sales of the parcels.

The Board authorized staff to conduct due diligence activities for six asset lands in the City (March 2014 and September 2016 authorizations), two asset lands in Kings Beach (June 2019 authorization), and nine asset lands in Meyers (August 2019 authorization). Conservancy staff developed project requirements for each asset land. The project requirements address how potential redevelopment could meet the goals of the community and the relevant local area plan, including potential housing and commercial development, active transportation facilities, and protecting environmental resources. Conservancy staff developed the project requirements with input from local agencies and the Board.

## **Asset Lands in the City (Attachment 2)**

- **833 Emerald Bay Road, Assessment Number (AN) 023-171-009**  
The Conservancy remains in discussion with Dinsmore Sierra, LLC regarding potential development of tiny housing on this site.
- **2070 Lake Tahoe Boulevard, ANs 023-381-001 and 023-231-003**  
The Conservancy executed an exclusive negotiating agreement in December 2019 with 2070 LTB, LLC for mixed-use development, including housing and commercial uses, on this site. 2070 LTB, LLC is in the process of submitting a project application to the City and the TRPA, and then will conduct the necessary environmental review. The Conservancy continues to work with the City and the developer to align the mixed-use development project with the City's Tahoe Valley Stormwater and Greenbelt Improvement Project.
- **1860 Lake Tahoe Boulevard (AN 032-291-028) and 1029 Tata Lane (AN 032-291-031)**  
The developers for the Sugar Pine Village Project, Related California (Related) and St. Joseph Community Land Trust, are applying for and obtaining the financing needed to complete the project. The TRPA approved the Sugar Pine Village project, the largest affordable housing project in the history of the Lake Tahoe Basin (248 units), in January 2021. Related is building Sugar Pine Village on state-owned land, fulfilling Governor Gavin Newsom's Executive Order N-06-19 that required the California Department of General Services (DGS) and the California Department of Housing and Community Development (HCD) to identify and prioritize excess state-owned property, and pursue sustainable, innovative, and cost-effective housing projects. In 2019, the DGS selected two Conservancy asset land parcels for what would later become the Sugar Pine Village Project at

the South Tahoe “Y”: 1860 Lake Tahoe Boulevard and 1029 Tata Lane. In 2020, the Conservancy transferred jurisdiction of these two asset lands to the DGS and HCD, allowing them to execute a ground lease with the developers.

### **Asset Lands in the Kings Beach Area Plan (Attachment 3)**

- **8608 North Lake Boulevard (AN 090-134-056) and 8644 Speckled Avenue (AN 090-094-022)**

In June 2019, the Board authorized staff to conduct due diligence activities on the Kings Beach asset lands. In April 2020, Conservancy staff entered into an exclusive negotiating agreement concerning 8608 North Lake Boulevard with Brockway North, LLC, an adjacent landowner. Brockway North, LLC is pursuing a mixed-use project that includes offsite workforce-housing. Conservancy staff expects Brockway North, LLC to submit the project application in summer 2021.

Conservancy staff continues to discuss future options with Placer County concerning 8644 Speckled Avenue.

### **Asset Lands in the Meyers Area Plan (Attachment 4)**

- **ANs: 034-331-015 (3131 U.S. Highway 50), 034-311-023 (3121 U.S. Highway 50), 034-300-025 (no address), 034-300-026 (no address), 034-300-027 (no address), 034-300-028 (no address), 035-261-004 (no address), 035-261-005 (961 Pomo Street), and 035-261-006 (945 Pomo Street)**

In August 2019, the Board authorized staff to conduct due diligence activities on the Meyers asset lands. Following discussions between the Conservancy and local and state agencies, the TRPA and Tahoe Resource Conservation District continue to coordinate with El Dorado County and to determine the feasibility of a boat inspection station and other public benefits, including potential workforce housing, on four of the parcels.

### **Local Initiatives**

- **South Shore Housing Action Plan (Action Plan)**

The Conservancy is part of the Tahoe Housing Partnership and is helping to implement the Action Plan. The Conservancy is committed to the partnership framework described in the Action Plan, recognizing that no single entity can solve the south shore region’s housing crisis. The Conservancy will work towards the overall goal of improving the quality, variety, and availability of dwellings that those who live and work in the region can afford to purchase or rent. More information on the Action Plan can be found on the Tahoe Prosperity Center’s website at <https://tahoeprosperity.org/housing-study/>.

- **TRPA’s Tahoe Living: Housing and Community Revitalization Working Group (Working Group).**

Conservancy staff participates in the TRPA’s Tahoe Living: Working Group. The Working Group supports the South Shore Housing Action Plan and the Mountain Housing Council Regional Action Plan, which covers the north shore. In November 2020 and April 2021, the Working Group recommended priority actions, including potential code changes for Accessory Dwelling Units and density.

### **List of Attachments**

Attachment 1 – City Asset Lands Map

Attachment 2 – Kings Beach Asset Lands Map

Attachment 3 – Meyers Asset Lands Map

### **Conservancy Staff Contact**

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