



**MEMORANDUM**  
**COUNTY EXECUTIVE OFFICE - TAHOE DIVISION**  
**ADMINISTRATION**  
County of Placer

**TO:** Honorable Board of Supervisors **DATE:** June 24, 2025  
**FROM:** Daniel Chatigny, County Executive Officer  
**BY:** Stephanie Holloway, Deputy County Executive Officer  
**SUBJECT:** North Lake Tahoe Economic History, Incentives and Progress

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**ACTION REQUESTED**

1. Receive a presentation on the history of Placer County investments and incentives in North Lake Tahoe since 2012 to support economic vitality and environmentally beneficial redevelopment.

**BACKGROUND**

From the adoption of the revised Regional Plan in 2012 by the Tahoe Regional Planning Agency, Placer County and other local partners have focused on the need for both public and private reinvestment to sustain and improve both the environmental and local economy. Below is a summary of key actions and milestones which is helpful to share where we are today on progress to overall regional goals.

**Tahoe Regional Planning Agency Regional Plan (2012)**

It was determined by the TRPA that the lake's ecosystem was suffering due to the lack of redevelopment of Basin parcels and buildings. This was due to outdated, and in some cases non-existent, Best Management Practices (BMP's) of the building inventory. One example of this lack of BMP reinvestment was the lack of sediment capture controls that caused issues with Lake health and clarity. In 2012, the TRPA revised restrictions to alleviate negative impacts. To reduce some regulatory barriers to environmental redevelopment, they established economic incentives to redevelop in mixed-use town centers and encouraged Tahoe Basin jurisdictions to create their own area plans that aligned with the overall Regional Plan.

**Tourism Master Plan (2015)**

The 2015 North Lake Tahoe Tourism Master Plan (2015 Tourism Master Plan) lays out a framework of tourism investment strategies that can work in concert to continue to transform North Lake Tahoe into a national and international destination. The purpose of the 2015 Tourism Master Plan is to provide a roadmap for Transient Occupancy Tax (TOT) investment within North Lake Tahoe in order to improve the tourism experience.

**Tahoe Basin Area Plan (2012 - 2017)**

This plan included a comprehensive Area Plan update, extensive town center (Kings Beach and Tahoe City) revitalization planning by way of charettes and community engagement events, and

transportation improvement analysis and project planning. The Area Plan satisfies California's comprehensive long-term general plan requirements, and serves as the General Plan for the Tahoe Basin portion of Placer County.

**Kings Beach Commercial Core Improvement Project (2017)** - The Kings Beach Commercial Core Improvement Project (KBCCIP) is a \$50 million initiative which transformed a 1.1-mile stretch of State Route 28 through Kings Beach, in scenic North Lake Tahoe, with roadway, sidewalk, lighting, landscaping, and water quality improvements. The project was designed to create a vibrant, pedestrian-friendly commercial center in the heart of Kings Beach. Ongoing maintenance of the project infrastructure is funded through formation of a Benefit Assessment District.

### **Economic Studies (2015, 2020)**

Placer County Lake Tahoe Basin has seen little private investment, with no new hotel developed for over five decades. This, along with other factors such as the declining full-time population, has fueled a stagnant local economy and created high levels of business vacancy and commercial property blight.

In 2015, Placer County retained Economic & Planning Systems, Inc. (EPS) and Joe DeCredico Studio (JDeS) to analyze the economic health of the Tahoe City and Kings Beach town centers, identify reasons for the lack of private investment, and recommend policy actions for environmental and economic revitalization. The EPS report described North Lake Tahoe's development climate as having "prohibitive project economics," primarily because few projects have the resources to simultaneously acquire tourist accommodation units (TAUs), pay upfront costs, and absorb the cost of any other needed commodities like coverage and commercial floor area (CFA). When combined with a lengthy, subjective approval process, the risk of development increases significantly, further discouraging development.

#### **Solution Recommendations:**

- ✓ Acquire and bank TAUs
- ✓ Updating public infrastructure to attract new tourist accommodation
- ✓ Modernize parking policies to align with current mixed-use development in CA
- ✓ Create incentives targeted toward redevelopment in town centers
- ✓ Utilize Transient Occupancy Tax (TOT) revenue to fund development incentives
- ✓ Actively pursuing federal grants and public-private partnerships to support sustainable development.
- Improve its land development process:
  - Creating a memorandum of understanding (MOU) to synchronize timelines, clarify agency responsibilities, and establish a collaborative review process.
  - Launch a pilot approval program with the TRPA and other agencies to fast-track the entitlement process for catalyst projects.
  - Designate expert management staff member to facilitate large-scale projects

- ☐ Establish new funding mechanisms such as an Enhanced Infrastructure Financing District (EIFD) to raise funds for structured parking and infrastructure improvements

In 2020, Bay Area Economics was hired to conduct a more in-depth analysis of “development-related economic forces and barriers to investment in both town centers and village centers of the Tahoe Basin Area Plan”, aiming to pinpoint government actions that could attract investment and support the region’s economic sustainability needs. The report concluded that substantial public incentives are needed to encourage development that contributes to long-term economic and environmental sustainability.

A notable component of the report was its feasibility study, which modeled several development prototypes: mixed-use multifamily over retail spaces, for-sale residential condominiums, hotel, and condotels. The findings at the time concluded that for-sale condominiums were the only independent financially feasible prototype of those studied. Limited-service hotels were determined to be infeasible due to high cost, modest occupancy rates and average daily room rates. However, combining for-sale condominium and hotel prototype, the product becomes more feasible and facilitates higher occupancy. Due to the lack of high-quality lodging examples in the Basin, the consultant strongly recommended that the County incentivize mixed-use buildings and full-service hotels in town centers, which could serve as catalyst projects to increase tourism and demand for local businesses.

### **North Lake Tahoe Economic Development Incentive Program (2016, 2021)**

The Placer County North Lake Tahoe Economic Development Incentive Program was first approved by the Placer County Board of Supervisors in May 2016. The program was established to support environmentally and economically sustainable redevelopment in the North Lake Tahoe Basin, aligning with the goals outlined in the Placer County Tahoe Basin Area Plan. The program targets revitalization of Town Centers, particularly Kings Beach and Tahoe City, to address environmental concerns—such as sediment pollution in Lake Tahoe—and to foster economic development through job creation, increased full-time residency, and improved walkability and aesthetics.

The 2015 report by Economic and Planning Systems (EPS) and the 2020 analysis by Bay Area Economics (BAE) emphasize the need for environmentally beneficial redevelopment to protect the lake and improve regional quality of life. The BAE report recommended that Placer County expand its North Lake Tahoe Economic Development Incentive Program (NLTEDIP) to reduce financial barriers for high-cost hospitality and mixed-use projects.

Key recommendations include:

- Utilizing all County-banked development rights, such as Tourist Accommodation Units (TAUs), Commercial Floor Area, Residential Allocations, Coverage, and Density.
- Creating a Transient Occupancy Tax (TOT) Rebate Incentive.

- Extending support beyond Town Centers to Village Centers with existing lodging, including areas like Carnelian Bay, Tahoe Vista, and Tahoma, many of which contain aging properties from the 1950s–60s.

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A central goal of the program is to provide predictability in costs, process, and project timelines, complementing broader County initiatives to streamline approvals and ensure clarity around available incentives.

Based on the “**BAE Urban Economics Report (2020)**,” it was recommended that the County revise the North Lake Tahoe Economic Development Incentive Program to spur new or renovated lodging projects. The County amended the program to include a TOT rebate for newly constructed or renovated lodging projects and further refined it in February 2021 to incorporate feedback from hotel developers. It should be noted that several large-scale private projects have been initiated, each of whom said they were inspired at some level due to the county investments and programs, and with each at different stages of the processing and/or business cycle. The most notable projects are a) Tahoe City Lodge, b) 39N in Kings Beach, c) Boatworks in Tahoe City, and d) Evo Hotel Tahoe City.

### **Envision Tahoe (2022)**

The Envision Tahoe Prosperity Playbook is a strategic plan, spearheaded by the Tahoe Prosperity Center, to lead economic recovery and resilience in the Tahoe Basin after the impacts of the Caldor Fire and COVID-19 pandemic which highlighted the region’s heavy reliance on tourism. This effort stressed the importance of securing workforce housing and providing regional transportation and mobility options to support local businesses. Due to heightened regulations, combined with zoning constraints, and high land costs, developers are discouraged from building small, more affordable housing units. As a result, developers tend to prioritize construction of high-end homes to maximize returns. Transportation funding to support the vision for alternative transportation in the future continues to have a direct connection to economic vitality for the region. With a \$1 billion funding gap for transportation improvements to achieve the Regional Transportation Plan, there needs to be innovative ways to increase funding for this plan. New funding through user fees, added federal, state, local and private are needed to fill the gap. Our partners at TRPA and the Tahoe Transportation District (TTD) assist in continuing conversation with collective legislature action.

### **Placer County Area Plan Implementation Report (2023)**

Placer County is implementing the Tahoe Regional Planning Agency Plan (TRPA) and Tahoe Basin Area Plan (TBAP) to meet the regional goals Tahoe. The Area Plan Implementation Report of 2023 focuses on the efforts made by Placer County toward the transportation, mobility, and housing issues discussed above.

Transportation and Mobility:

- 1) Class 1 Trails (FY 2021-2023)
- 2) Micro Transit Services (FY 2021-2023)
- 3) TART (Tahoe-Truckee Area Regional Transit)
- 4) Traffic Mitigation and Pedestrian Safety (FY 2021-2023)
- 5) Winter Trail Operations (FY 2021-2023)
- 6) Park-and-Ride Service (FY 2021-2023)

Workforce Housing:

- 1) Workforce Housing Preservation (2021 – present)
- 2) Lease to Locals Program
- 3) Launchpad Housing Incentive Program (2025)
- 4) Short-Term Rental (STR) Program
- 5) Potential New Housing Units: Dollar Creek Crossing, which features affordable housing units, Eastern Gateway Property in Kings Beach which could include units of workforce rentals.

**FISCAL IMPACT**

There is no fiscal impact to the General Fund

**ATTACHMENTS**

Attachment A – North Lake Tahoe Economic White Paper - FINAL

## North Lake Tahoe Economic White Paper

5/27/25 - FINAL

### Background

During the 1950s and 1960s rapid development was happening throughout the Lake Tahoe region. This spurred conversations on protecting the lake's unique ecosystem, recognizing the risk of irreversible environmental damage if regulations were not put in place. In 1969, the Tahoe Regional Planning Agency (TRPA) was established to protect and preserve the ecosystem of the Lake Tahoe Basin. The TRPA implemented a Regional Plan in 1987 that protected environmental resources through regulations such as land use restrictions and development rights. The TRPA implemented regulations limiting new development that ultimately resulted in unintended effects to the environment and economic wellbeing of the Tahoe Basin. It was determined by the TRPA that Lake Tahoe's ecosystem was suffering due to the lack of redevelopment of parcels and buildings. This was due to outdated, and in some cases non-existent, Best Management Practices (BMP's) of the building inventory. One example of this lack of BMP reinvestment was the lack of sediment capture controls that caused issues with Lake health and clarity.

### TRPA and Placer County (2012 – 2017)

In 2012, the TRPA revised restrictions to alleviate the effects and reduce certain regulatory barriers to environmentally beneficial redevelopment. These changes to redevelop opportunities in mixed-use town centers were memorialized in the 2012 Regional Plan update. TRPA also encouraged Tahoe Basin jurisdictions to create local Area Plans that aligned with the overall Regional Plan which would guide land use decisions for projects.

In the Placer County portion of the Tahoe Basin, the town centers that had historically seen the most tourism are Kings Beach and Tahoe City. Since the creation of the TRPA's strict development regulations, these town centers have seen little private redevelopment, with no new hotel developed for over five decades. This lack of private reinvestment, along with other factors such as the declining full-time population, has fueled a stagnant local economy and created high levels of business vacancy and commercial property blight.

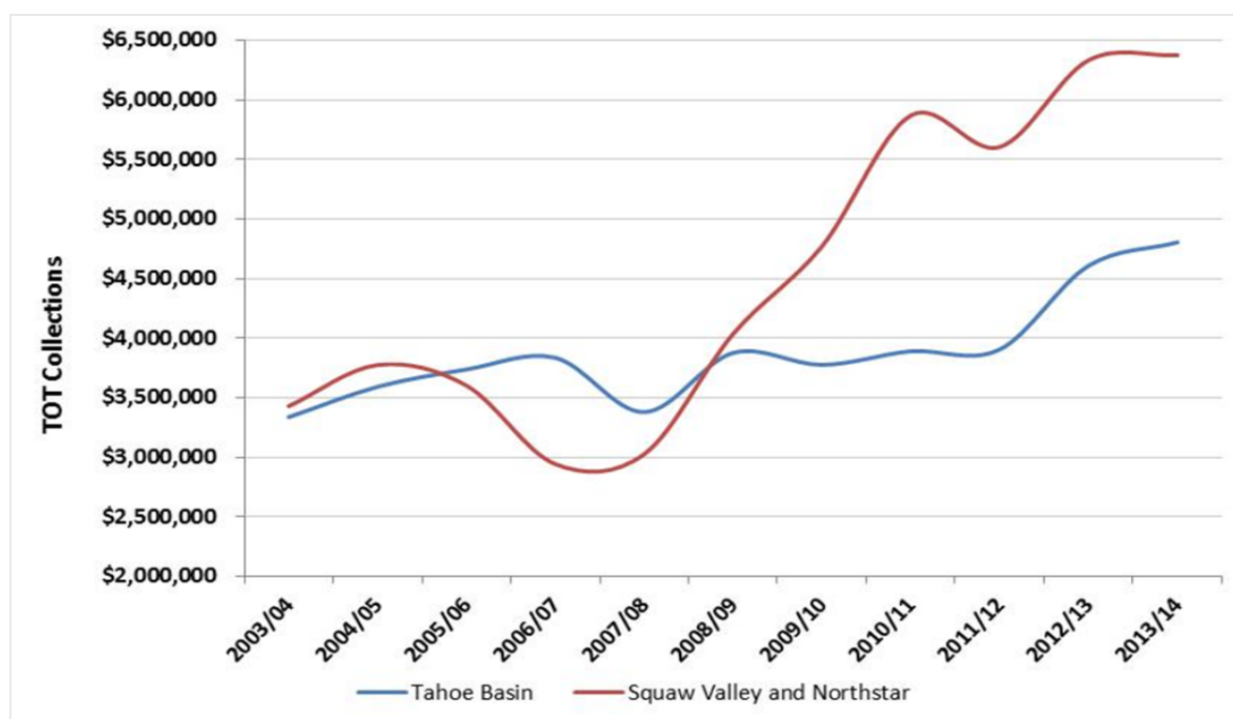
Beginning in 2012 with approval in 2017, Placer County initiated a multi-pronged plan to capitalize and align with the TRPA Regional Plan update of 2012. The Placer Tahoe Basin Area Plan update was a multi-year several million-dollar endeavor. This plan included a comprehensive Area Plan update, extensive town center (Kings Beach and Tahoe City) revitalization planning by way of charettes and community engagement events, and transportation improvement analysis and project planning, just to name a few.

Around the same time, Placer County initiated the Kings Beach Commercial Core Improvement Project (KBCCIP) on State Route 28; yet another example of Placer County's commitment to the Tahoe Basin environmental and economic revitalization. Completed in 2017, the Kings Beach Commercial Core Improvement Project (KBCCIP) is a \$50 million initiative which transformed a 1.1-mile stretch of State Route 28 through Kings Beach, in scenic North Lake Tahoe, with

roadway, sidewalk, lighting, landscaping, and water quality improvements. The project was designed to create a vibrant, pedestrian-friendly commercial center in the heart of Kings Beach

There are many indicators of the shift in investment and economic impacts in Tahoe over the years. According to the economic studies conducted in 2015, the lack of private investment flattened the tourism market share of the once thriving lakeside North Lake Tahoe and diverted tourism revenue away from North Lake Tahoe town centers to neighboring communities, as shown in **Figure 1** below.

**Figure 1:** Time series comparing Tahoe Basin TOT collections with that of nearby communities. TOT revenue provides insight into key performance metrics like total rooms, occupancy rate, and overall visitation.



### EPS and JDeS Report (2015)

Determined to make thoughtful and meaningful changes, Placer County retained Economic & Planning Systems, Inc. (EPS) and Joe DeCredico Studio (JDeS) in 2015 to analyze the economic health of the Tahoe City and Kings Beach town centers, identify reasons for the lack of private investment, and to recommend policy actions for environmental and economic revitalization. This report helped inform the North Lake Tahoe Economic Development Incentive Program, aimed at creating viable and sustainable town centers. Their work included more than a year of study, community meetings, and multiple public presentations to the Board of Supervisors to review the findings and make recommendations. This work occurred in parallel with the Tahoe Basin Area Plan update and its many community engagement events and hearings. The 2015 EPS report identified several key barriers to development for North Lake Tahoe's town centers, including County and TRPA policies that misalign, lack of coordination and information

sharing among Tahoe agencies, an unclear and costly project approval process, and high development costs driven by Tahoe Basin development regulations such as limited building seasons, high cost of labor and materials, and development rights requirements. The project approval process was estimated to take four to five years but has often taken even longer, as observed over the past 10-15 years. This lengthy timeline discourages development due to entitlement and economic unpredictability. Tahoe's unique environment and strict regulations mean developers face high costs related to land acquisition, regulatory compliance, and environmental fees. The report described North Lake Tahoe's development climate as having "prohibitive project economics," primarily because few projects have the resources to simultaneously acquire tourist accommodation units (TAUs), pay upfront costs, and absorb the cost of any other needed commodities like coverage and commercial floor area (CFA). When combined with a lengthy, subjective approval process, the risk of development increases significantly, further discouraging development. The disconnect between Placer County, the TRPA, the North Tahoe Fire District, public utilities districts, and community and activist organizations contributes to the prolonged approval timeline.

Lastly, the report noted that North Lake Tahoe's parking policies did not align with current California practices in mixed-use centers. However, at the time of the report, the County had initiated a parking reform as part of the Tahoe Area Plan implementation. Structured parking is a financial challenge to higher density development projects. The report stated that many of the development-related economic barriers could be addressed through strategic policy and process improvements.

To encourage substantial economic investment in the region, they suggested Placer County streamline and improve its land development process, acquire and bank TAUs, and modernize parking policies to align with current mixed-use development standards of California. Updating public infrastructure will also be critical in attracting new tourist accommodation and expanding full-time residential uses. To address these challenges, the EPS and JDeS report recommended reducing regulatory barriers by creating incentives targeted toward redevelopment in town centers. This includes utilizing Transient Occupancy Tax (TOT) revenue to fund development incentives, establishing an Enhanced Infrastructure Financing District (EIFD) to raise funds for structured parking and infrastructure improvements, and actively pursuing federal grants and public-private partnerships to support sustainable development.

To streamline the development process, the report recommends the County create a multi-agency map highlighting timelines, fees, and approvals, with the oversight of a designated expert staff member to oversee large-scale projects. To reduce redundancy and conflicting conditions, the TRPA, Placer County, and other Tahoe jurisdiction agencies would benefit from creating a memorandum of understanding (MOU) to synchronize timelines, clarify agency responsibilities, and establish a collaborative review process. Lastly, the report recommended launching a pilot approval program with the TRPA and other agencies to fast-track the entitlement process for catalyst projects. Without policy changes, the region will continue to experience limited private investment, making it difficult to achieve its economic and environmental goals.

Based on the findings of the EPS 2015 report, Placer County created the North Lake Tahoe Economic Development Incentive Program targeting redevelopment in the Tahoe City and



Kings Beach Town Centers. This program was approved by the Placer County Board of Supervisors in 2016, focusing on TAU banking and implementation for new and redeveloped accommodations.

### **BAE Urban Economics Report (2020)**

In 2020, Placer County determined it was not yet seeing the private investment response hoped for by the incentive program and retained BAE Urban Economics to conduct a more in-depth analysis of “development-related economic forces and barriers to investment in both Town Centers and Village Centers of the Tahoe Basin,” aiming to pinpoint government actions that could attract investment and support the region’s economic sustainability needs. The findings of this report helped inform amendments to the North Lake Tahoe Economic Development Incentive Program. The report analyzed development trends, regulatory barriers, the financial feasibility of potential projects, and recommendations for the County to consider.

The study identified high cost to development as a key barrier to private investment, reinforcing the findings of the EPS 2015 report. The high costs associated with acquiring land, preparing sites for development, and meeting regulatory requirements deter investors. While the County proved successful in acquiring and banking TAUs and other development rights to use as incentives, the report stated this success was insufficient to fully offset the high development costs. Limited availability of vacant land and high labor and material costs (which account for approximately 50-70% of total development costs) further increase the financial burden.

A key takeaway from the report is the significant impact of aging infrastructure on project feasibility. Many public utility systems in the North Lake Tahoe region, particularly water and sewer, are outdated and lack the capacity to support new development. As a result, developers often bear substantial and unexpected infrastructure upgrade costs, adding to already high project expenses and making projects infeasible. The report concluded that substantial public incentives are needed to encourage development that contributes to long-term economic and environmental sustainability.

Navigating the entitlement and permitting process remains a significant challenge due to overlapping jurisdictions, including Placer County, the TRPA, utility districts, and the Fire District. This report noted that little progress had been made by the County to increase predictability and shorten the entitlement and permitting process, an important recommendation given by the EPS 2015 report. Developers reported that the process remained time-consuming, unclear, and unpredictable, citing a lack of transparency around timelines, approvals, and costs, which adds significant risk to projects. This risk causes developers to favor less risky markets or invest in project types with more predictable returns, such as luxury homes or condominiums.

Developers must also navigate several regulatory requirements that reduce project feasibility. While the Placer County Tahoe Basin Area Plan allows greater density and height in town Centers, it also requires specific building and site design standards, minimum parking requirements, and land coverage limits. While these are important for protecting environmental and scenic quality, their combined effect constrains development potential on many sites.

The Tahoe Basin’s investment environment is further weakened by aging lodging stock, a shrinking permanent population, and reduced local demand. A large portion of the housing stock is used seasonally, and there is a lack of affordable workforce housing. As a result, many

visitors, and even the local workforce, stay outside the Basin or use short-term rentals, reducing demand for traditional hotels and retail development.

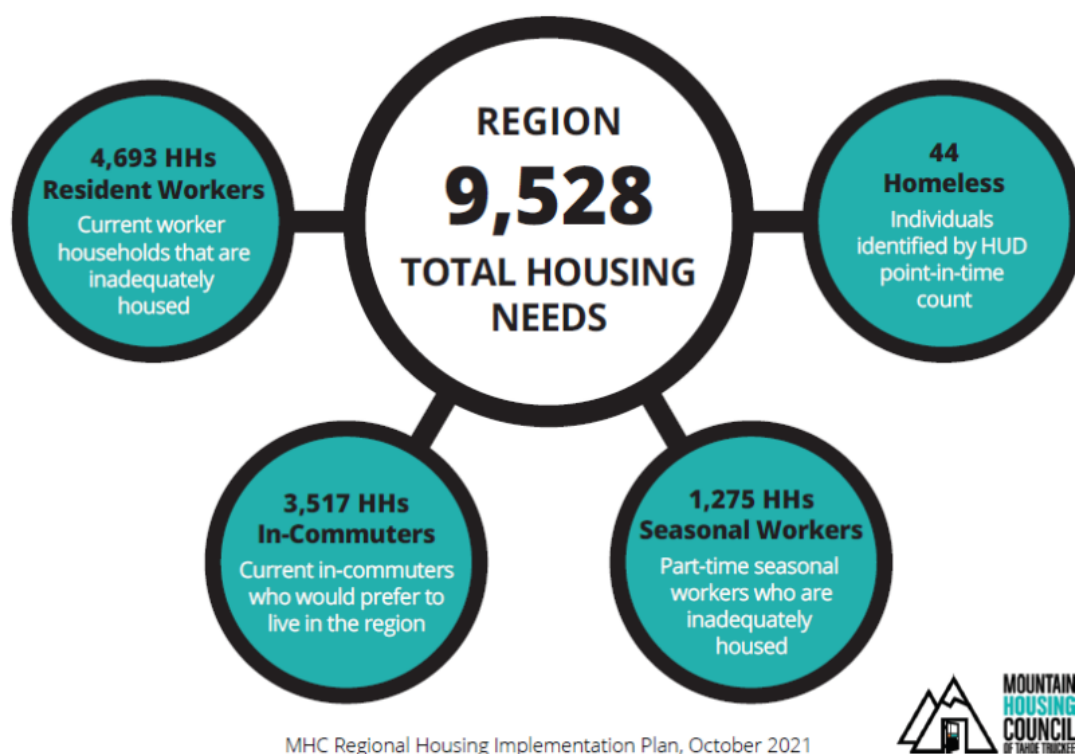
One of the most notable components of the report was its feasibility study, which modeled several development prototypes: mixed-use multifamily over retail spaces, for-sale residential condominiums, hotel, and condotels. The analysis showed that the only project type financially feasible under the economic conditions at the time was for-sale residential condominiums, based on yield-on-cost (YOC) metrics. While condominium development was determined to be feasible, these units would primarily function as vacation homes rather than address local housing needs. This is because the level of rent needed to make them viable development projects would be unlikely to be affordable for the local community, deepening the region's shortage of affordable housing. The report concluded that insufficient local workforce incomes combined with high development costs make the construction of apartments financially infeasible without substantial intervention. Additionally, limited-service hotel development was determined to be infeasible due to high costs, modest occupancy rates, and average daily room rates. However, combining condominium development with hotel development could improve the feasibility of condotel projects with the right governmental support.

The report recommended increasing incentives to encourage private investment and sustainable growth in the Town Centers. It suggested modifying the North Lake Tahoe Economic Development Incentive Program to provide even greater financial support to development projects, recognizing the unique nature of developing in the Tahoe region which makes many projects economically infeasible. The report recommended establishing a transient occupancy tax rebate to address project feasibility gaps. The rebate would be structured as a percentage of the TOT generated by the project for a predetermined term. Additionally, the report recommended the County streamline regulatory processes and improve access to information about mitigations and impact fees to reduce uncertainty and investor risk, aligning with the findings of the EPS 2015 report. Due to the lack of high-quality lodging examples in the Basin, they strongly recommended that the County incentivize mixed-use buildings and full-service hotels in Town Centers, which could serve as catalyst projects to increase tourism and demand for local businesses. This development pattern would support more walkable, vibrant Town Centers aligned with the region's economic and environmental sustainability goals. Lastly, the report recommended that the County take a lead role in coordinating and funding infrastructure upgrades, in partnership with utility districts, to alleviate financial burden and encourage private investment. In summary, the report emphasized that increasing financial incentives, making regulatory changes, and investing in public infrastructure are essential strategies for attracting private investment and promoting long-term economic sustainability.

### **Envision Tahoe (2022)**

Finalized in June 2022, the Envision Tahoe Prosperity Playbook is a strategic plan to lead economic recovery and resilience in the Tahoe Basin, with a focus on economic diversification. The impacts of Caldor Fire and COVID-19 pandemic highlighted the region's heavy reliance on tourism. These disruptions resulted in "millions in financial losses, shuttered businesses, lost jobs, and families pressed to move out" of the region. The Tahoe-Truckee area has increasingly become a place where it is difficult to find housing, maintain stable employment, raise a family, and sustain a thriving community due to its identity as a tourist location. Envision Tahoe is a shared vision encouraging economic diversification to reduce reliance on tourism, expand

workforce housing and job opportunities, and address infrastructure challenges like housing and transportation, ultimately leading to long-term economic and community resilience. To achieve economic vitality, the Tahoe region must secure more workforce housing to support local businesses and improve employee retention. Over the past decade, housing inventory in Tahoe only increased by 1%, mostly in the form of expensive, large homes purchased by secondary homeowners rather than by the local workforce. This trend is largely driven by Tahoe's strict environmental regulations, enforced by the TRPA, which limit development growth in the Tahoe Basin. These regulations, combined with zoning constraints, lead to high land costs and discourage developers from building small, more affordable housing units. As a result, developers tend to prioritize construction of high-end homes to maximize returns. The COVID-19 pandemic further exacerbated the housing crisis, as the rise of remote work increased demand for homes in the Tahoe region, driving up housing prices and reducing rental availability. According to the Tahoe Prosperity Center (TPC) and the Mountain Housing Council (MHC), it is estimated that Tahoe needs an additional 14,000 workforce housing units, with 9,528 of those units on the North Shore, to meet demand, though the likelihood of meeting this need is unlikely or even impossible (1,2,3). **Figure 2** below shows the breakdown of the housing needs for the North Shore region, put together by the Mountain Housing Council (1).



**Figure 2:** North Shore regional housing needs to preserve the local workforce, broken down into 4 categories that total to 9,528 units.

The Envision Tahoe Prosperity Playbook proposes several regulatory and funding strategies that could increase workforce housing. Implementing inclusionary zoning would require a percentage of new developments to provide affordable units or contribute to an affordable

housing fund. The playbook proposes sliding-scale fees based on square footage of the home along with zoning reforms that can encourage construction of smaller, more affordable homes. Other funding methods include expansion of local housing trust funds through utilizing a vacancy property tax (VPT), implementation of in-lieu fees, and creating a basin entry fee. Lastly, the plan promotes public-private partnerships to encourage large employers to invest in workforce housing, using Vail Resorts as a well-functioning example.

The Envision Tahoe Prosperity Playbook highlights another major issue experienced by the region, which is transportation and mobility constraints. There is a disconnect between Tahoe's rural roads and its urban demand. The region primarily has two-lane mountain roads that are not equipped to handle the high volume of traffic from visitors and commuters. To put the issue into perspective, Tahoe is only one-third the size of Yosemite National Park yet sees three times the visitation. Tahoe experiences declining quality of life, tourism experience, and business efficiency due to poor transportation. There are an estimated 15 million visitors to the region annually with an expected 25% increase by 2035, meaning traffic congestion will only get worse. Expanding road infrastructure is not feasible due to environmental and land-use constraints from the TRPA that protect sensitive natural ecosystems and water quality of the lake. Thus, Tahoe must focus on alternative transportation solutions.

Increasing investment in public transit and infrastructure is the focus of Envision Tahoe's solution to the traffic congestion in the region. The playbook discusses a \$3.4 billion Regional Transportation Plan (RTP) to promote non-auto trips, reduce vehicle miles traveled, increase safety, and improve alternative transportation modes such as public transportation, walking, and biking. With a \$1 billion funding gap for transportation improvements to achieve the RTP, there needs to be innovative ways to increase funding for this plan. ONE TAHOE is an initiative created by the Tahoe Transportation District (TTD) that explored 28 funding options to close the funding gap. They determined that there should be two user fees: an entry fee, or cordon fee, for cars entering the Tahoe Basin and a resident user fee to fund public transport. The funding options discussed could generate \$24 million annually but require collective legislature action across all jurisdictions around the basin. Another key funding strategy discussed was the 7-7-7-method where federal, state, and local/private sources each contribute \$7 million annually to fund significant transportation projects. Implementing these recommendations will help improve tourism experience, which Tahoe relies on heavily for its tax base, and support Tahoe's goals of economic vitality, resilience, and environmental sustainability.

### **2023 Placer County Area Plan Implementation Report**

This report highlighted achievements made by Placer County in implementing the Tahoe Regional Planning Agency Plan (TRPA) and Tahoe Basin Area Plan (TBAP) to meet the regional goals Tahoe. This paper will focus on the efforts made by Placer County toward the transportation, mobility, and housing issues discussed above.

Placer County has used various resources to implement solutions for the Tahoe region's transportation and mobility issues. These documents include the Tahoe Basin Regional Transportation Plan, Placer County Resort Triangle Transportation Plan, North Lake Tahoe Tourism Master Plan, North Lake Tahoe Transportation Demand Management Plan, and the Transient Occupancy Tax Investments Policy. The County has prioritized improvements to transportation and mobility throughout the basin, focusing on connections between town centers, ski resorts, and neighboring areas like Truckee to address both local needs and regional challenges.

It should be noted that today, as we discuss all the work done by the County with significant community engagement and support, in addition to the environmental, transportation, and economic investments made by Placer County, several large-scale private projects have been initiated, each of whom said they were inspired at some level due to the county investments and programs, and with each at different stages of the processing and/or business cycle. The most notable projects are a) Tahoe City Lodge, b) 39N in Kings Beach, c) Boatworks in Tahoe City, and d) Evo Campus Tahoe City. All have a hotel or accommodation component that aligns with the recommendations from the many studies, reports, programs, and public meetings that have occurred.

### **Transportation and Mobility Efforts**

- 1) Class 1 Trails (FY 2021-2023); \$6.48M allocated to construction of paved trails including the Resort Triangle Trail which will connect Tahoe City, Kings Beach, and Truckee.
- 2) Micro Transit Services (FY 2021-2023); providing on-demand shuttle service connecting to key areas such as Town Centers, Dollar Hill, and Tahoe Vista for a total of \$4.4M. This includes enhanced weekend services in the peak season from the Resort Triangle to Town Centers.
- 3) TART (Tahoe-Truckee Area Regional Transit); operation and maintenance of 14 buses using a \$12M budget. With this \$12M allocation, TART has improved its ability to expand routes, increase hours of operation, and implement the "Free to the Rider" system all to create a highly functional regional transit system that encourages less motor vehicle travel in the region.
- 4) Traffic Mitigation and Pedestrian Safety (FY 2021-2023); \$390,000 was allocated for pedestrian crossing guards to improve pedestrian safety at heavily trafficked crossing. This program was also aimed at reducing traffic congestion in those heavily trafficked areas.
- 5) Winter Trail Operations (FY 2021-2023); snow removal from paved trails to allow for recreation and "multi-modal" transportation year around.
- 6) Park-and-Ride Service (FY 2021-2023); \$185,000 allocated to promote use of public transport, especially during peak seasons. The aim of the program is to reduce vehicle miles traveled (VMT) by concentrating person trips.

### **Workforce Housing Efforts**

- 1) Workforce Housing Preservation; Since 2021, \$1M has been invested to increase and aid in homeownership opportunities for the local workforce. At the time of this report, seven deed-restricted homes had been purchased under the program to ensure opportunities for the local workforce to own or rent homes in the East County. The county maintains a qualified list of applicants for the growth of this program.
- 2) Lease to Locals Program; This program financially incentivizes homeowners to rent their homes to the local workforce to encourage long-term rentals without the need to expand the existing housing stock. As of Summer 2023, 34 properties participated in the program to house 79 people.
- 3) Short-Term Rental (STR) Program; Updates to the STR program went into effect March 2022 including: a maximum cap of allowed permits to 3,900, TOT certification requirement for all STR properties, and a limit of one STR per multifamily property. All

these changes were made to preserve and/or maintain housing supply and attainable housing pricing for the local workforce.

- 4) Notable achievements of the County's efforts include the workforce housing project Dollar Creek Crossing, which features around 150 units, and 39 N in Kings Beach that will be a mixed-use development to include 76 units of workforce rentals.

### **Town Center Reinvestment and Incentives**

As discussed in the section of this paper "**BAE Urban Economics Report (2020)**," it was recommended that the County revise the North Lake Tahoe Economic Development Incentive Program to spur new or renovated lodging projects. The County amended the program to include a TOT rebate for newly constructed or renovated lodging projects and further refined it in February 2021 to incorporate feedback from hotel developers.

### **References**

1. South Shore Region Housing Needs and Opportunities, pp. 115
2. Tahoe-Truckee Regional Housing Implementation Plan, Executive Summary, pp. 7
3. Washoe Tahoe Local Employee Needs and Opportunities, pp. 62