



STAFF REPORT

Date: June 18, 2024

To: TRPA Governing Board

From: TRPA Staff

Subject: Consideration and Possible Approval of Proposed Amendments to the Tourist Core Area Plan

Staff Recommendation:

TRPA staff requests that the Governing Board review the materials provided in this packet for conformance with the Regional Plan and recommend approval of the proposed Tourist Core Area Plan (TCAP) amendments.

Required Motions:

To recommend approval of the proposed amendments, the Governing Board must make the following motions, based on this staff report and materials provided within this packet:

- 1) A motion to approve of the required findings, including a finding of no significant effect, for adoption of the proposed Tourist Core Area Plan amendments and as provided in Attachment D.
- 2) A motion to adopt Ordinance 2024-___, amending Ordinance 2022-02, as previously amended, to amend the Tourist Core Area Plan to include the additions and revisions as provided in Attachment B.

In order for the motions to pass, an affirmative vote of a majority of the quorum is required.

Amendment Summary:

The TRPA Governing Board adopted the Tourist Core Area Plan (TCAP) in 2013. This amendment proposes to change the zoning of a 1.29-acre portion of Assessor's Parcel Number (APN) 029-441-024 (formerly APNs 029-240-011 and 029-441-004) that is located behind the Raley's grocery store adjacent to Heavenly Village. APN 029-441-004 was the site of the Colony Inn hotel that has since been removed and the development rights banked for future use or transfer. In June 2021, the two subject parcels (APNs formerly 029-240-011 and 029-441-004) were legally consolidated into a single parcel and are now designated as APN 029-441-024. The amendment area includes the area that was formerly APN 029-240-011. As a result of the consolidation, the combined parcel is located in two different TCAP zoning districts with different permissible uses. The former Colony Inn parcel (formerly APN 029-441-004) is located within the Tourist Core Area Plan's Tourist Center Mixed Use district which allows multi-family residential use, while the adjacent parcel and amendment area (formerly APN 029-240-011) is located within the area plan's Recreation district, which allows employee housing as the only residential use, as well as other recreation uses including cross-country ski courses, day-use areas, group facilities, etc.

The proposed amendments, as provided in this packet, would rezone the amendment area (formerly 029-240-011) from Recreation to Tourist Center Mixed Use within the local area plan (TCAP).

The proposed amendments were initiated by HVR Acquisitions with an application to the City. The City previously approved a four-unit multi-family project on the former Colony Inn property (APN 029-441-004). If the area plan amendment is approved, the applicant (HVR Acquisitions) wishes to expand the multi-family housing development project to the adjacent parcel (formerly 029-240-011). The current Recreation district allows single family development as a special use and employee housing as an allowed use at 15 units per acre but does not allow multi-family development. The amendment would expand the boundary of the Tourist Center Mixed Use District, allowing multi-family residential on this parcel at a density of 25 units per acre.

The proposed amendments apply to the City's TCAP. **There are no proposed amendments to the Regional Plan's land use designations or boundaries or to existing Town Center boundaries. The entire amendment area is currently included within the regional land use "tourist" designation and within the existing Stateline/Ski Run Town Center.** The specific changes (i.e. language) proposed by these amendments are included in Attachment B.

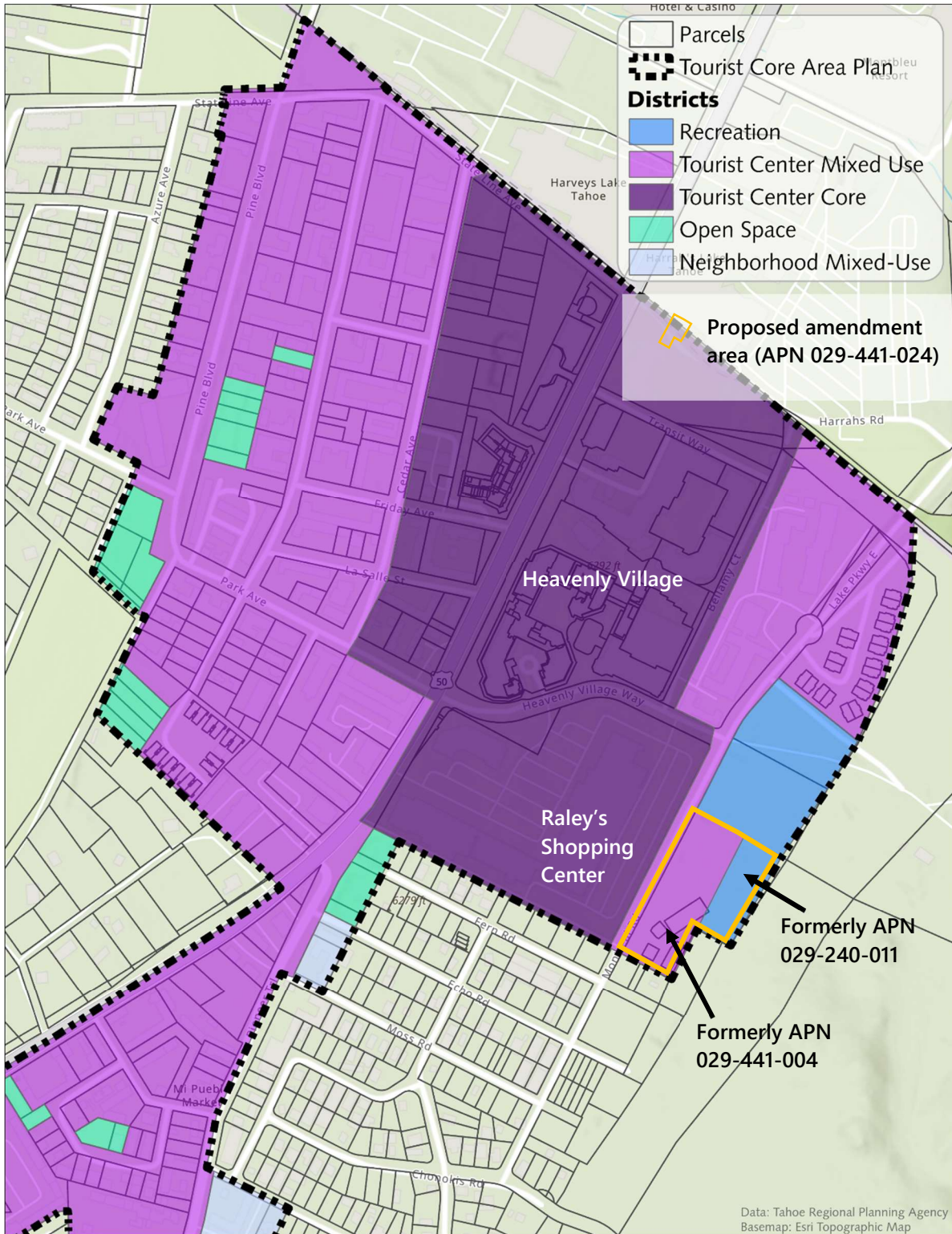
Deed Restriction

Former APN 029-441-004 is the site of the former Colony Inn hotel that was demolished in 2008, and the tourist accommodation units (TAUs) were banked on the parcel at that time. In 2016, forty TAUs were transferred off of the parcel to the Boulder Bay site in Washoe County. As applied, the deed restriction allows future development of the Class 5 land but not the SEZ portion of the parcel.

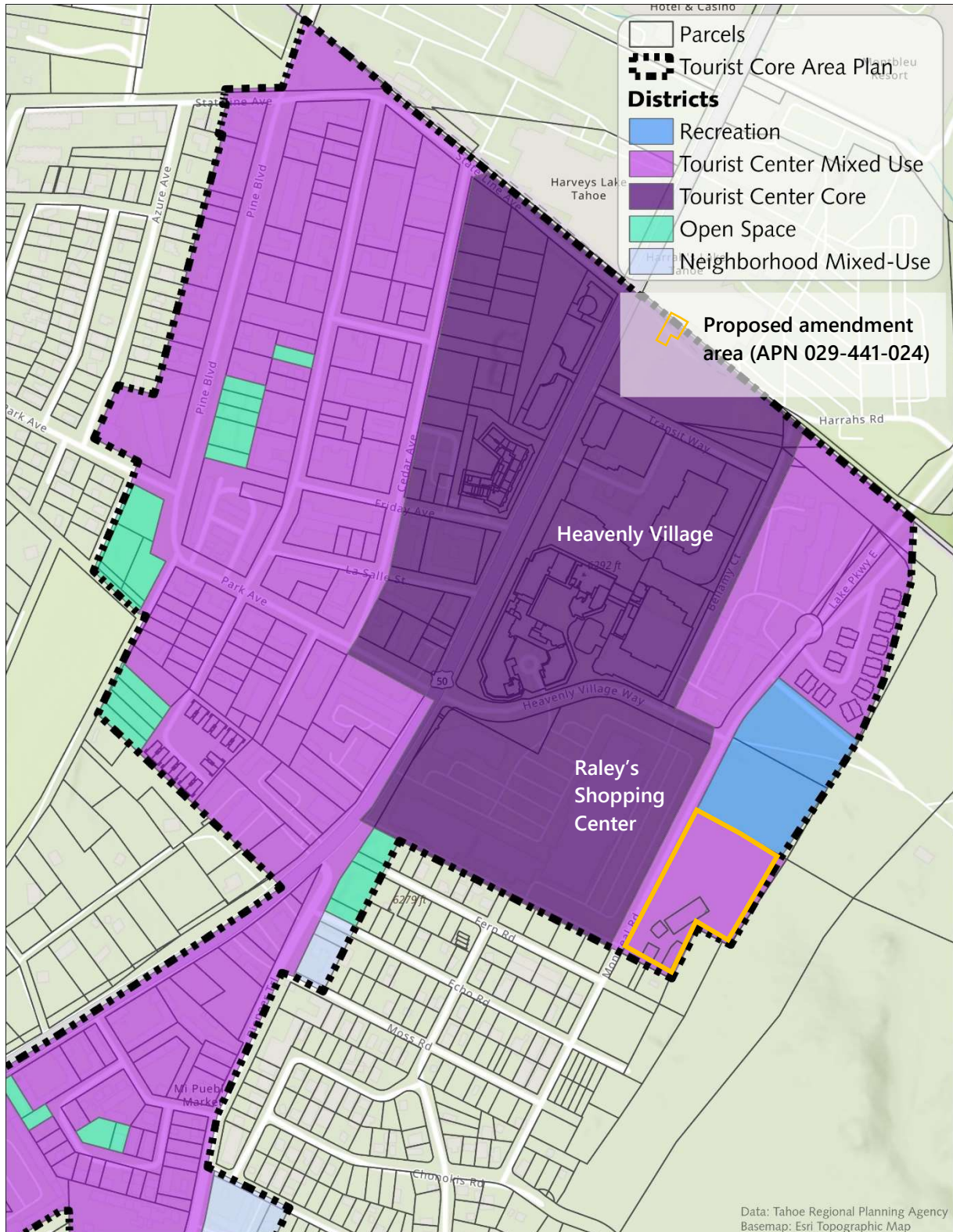
Previous Regional Plan Committee Input:

The proposed amendment was heard by the RPC in July 2022, where the Committee decided not to take action on the item due to several concerns about impacts to the adjacent stream environment zone (SEZ), the lack of deed restricted housing, and low density in a town center. Since the 2022 meeting and as a result of RPC input, the provision that limited allowable density to four units per acre was removed from the proposed amendment. The parcel adjacent to the entrance of Van Sickle Bi-State Park (APN 029-240-011) was also removed from the proposed amendment area. The project itself has been revised to include additional units, two of which will be deed restricted achievable, and the project applicant has an active application (ERSP2023-1029) with TRPA to restore the SEZ. All development on this parcel will take place on the high-capability portion of the property, and not in the SEZ per TRPA Code of Ordinances Section 30.4.1.C.3.

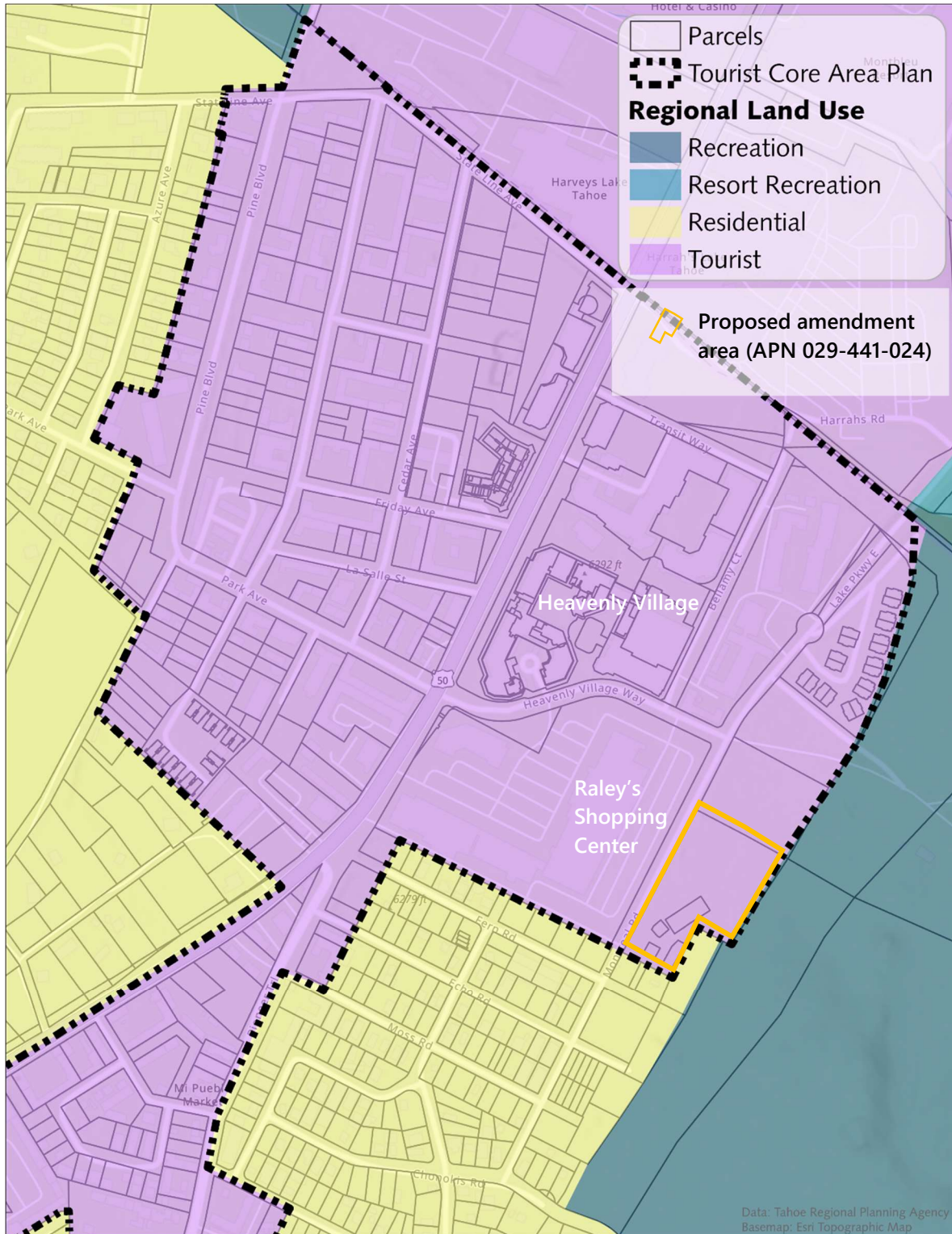
Existing Tourist Core Area Plan Districts (amendment area shown in yellow)



Proposed Tourist Core Area Plan Districts (amendment area shown in yellow)



Existing TRPA Regional Plan Land Use Designations and Town Center Boundaries (amendment area shown in yellow)



Environmental Review and Regional Plan Conformance:

The City of South Lake Tahoe staff and the applicant prepared the attached Initial Environmental Checklist (IEC), required findings, and Finding of No Significant Effect (FONSE) pursuant to TRPA Code of Ordinances Section 3.3 and Chapter 4 for the proposed amendments. The draft environmental document provides an analysis of potential environmental impacts of the amendment package. The IEC has been reviewed by TRPA staff. The analysis demonstrates that the proposed amendments either have no impact or less than significant impacts in all areas. The IEC, findings, and FONSE are provided as Attachments C and D.

The City of South Lake Tahoe staff and the applicant prepared the attached Compliance Measures evaluation (Attachment E) pursuant to TRPA Code Section 4.4 and found the amendments will not negatively impact a TRPA adopted threshold indicator or compliance measure. The checklist has been reviewed by TRPA staff.

The City of South Lake Tahoe staff and the applicant completed an Area Plan Finding of Conformity Checklist (Attachment F) pursuant to Chapter 13 of the TRPA Code of Ordinance. The checklist has been reviewed by TRPA staff.

The proposed amendment is consistent with the Regional Plan. The Plan, under Chapter 2, Land Use, states the following goals and policies, listed below:

- **Land Use Policy 1.2** – Redeveloping Existing Town Centers is a high priority
- **Land Use Policy 3.3** - Development is Preferred in and directed towards centers
- **Housing Goal 1** – Promote housing opportunities for full-time and seasonal residents as well as workers employed within the region.

Committee Recommendation/Discussion:

The City Council approved the amendment to the TCAP at their April 23, 2024, meeting. The Advisory Planning Commission (APC) recommended approval of the amendment on May 8, 2024, and the Regional Plan Committee (RPC) subsequently recommended approval of the amendment on May 29, 2024.

Contact Information:

For questions regarding this item, please contact Alyssa Bettinger, Senior Planner, at (775) 589-5301 or abettinger@trpa.gov. To submit a written public comment, email publiccomment@trpa.gov with the appropriate agenda item in the subject line. Written comments received by 4 p.m. the day before a scheduled public meeting will be distributed and posted to the TRPA website before the meeting begins. TRPA does not guarantee written comments received after 4 p.m. the day before a meeting will be distributed and posted in time for the meeting.

Attachments:

- A. City Staff Summary
- B. TRPA Adopting Ordinance 2024-__
 - Exhibit 1: Proposed Amendments to the Tourist Core Area Plan, Table 1: Permitted Uses by Land Use District
- C. [Initial Environmental Checklist \(IEC\)](#) (Link)
 - [Exhibit 1: Mitigated Negative Declaration/Response to Comments](#) (Link)

- D. Required Findings/Rationale and Finding of No Significant Effect (FONSE)
- E. [Compliance Measures Evaluation](#) (Link)
- F. [Area Plan Finding of Conformity Checklist](#) (Link)

Attachment A
City Staff Summary



City of South Lake Tahoe Report to Governing Board

Meeting Date: June 26, 2024

Title: Tourist Core Area Plan/Specific Plan Amendments

Location: Tourist Core Area Plan Mixed-Use District, APN 029-441-024

Responsible Staff Members: John Hitchcock, Planning Manager (530) 542-7472

Background:

The TCAP was originally adopted by the City of South Lake Tahoe on October 14, 2013, and by the TRPA Governing Board on November 11, 2013, and has since been amended to modify land use and plan boundaries. The plan provides land use guidance for future development and redevelopment and addresses land use regulations, development and design standards, transportation, recreation, public service, and environmental improvements for the area. It encourages general improvement and enhancement for the built environment and provides a framework to change the existing conditions into opportunities for redevelopment with a focus on achieving environmental improvements, encouraging a mixed-use land use pattern that includes high-density tourist accommodation and residential uses, commercial, public facilities, public spaces and opportunities for housing in close proximity to job centers. The TCAP is the center of tourist services and recreation access in the city and has traditionally been the area with the highest concentration of services and density.

HVR Acquisitions LLC (HVR) submitted a development application in 2019 to the City of South Lake Tahoe, proposing an amendment to the Tourist Core Area Plan/Specific Plan. HVR proposed to amend the existing zoning for two parcels, APNs 029-240-011 & 029-441-003, from Recreation (Rec) to Tourist Center Mixed-Use (TSC-MU). The amendment would expand the boundary of the TSC-MU district, allowing additional land uses (multi-family, tourist accommodation, commercial and public services uses) that are not allowed in the Recreation district and would allow additional heights up to 56 feet from 36 feet and increase density to 25 units an acre.). HVR's intent in pursuing the amendment is to develop multi-residential units on APN 029-441-004, which is already zoned TSC-MUC, and on the two subject parcels that are affected by this amendment.

After conducting a public workshop on the proposed amendment and receiving comments from the public, the League to Save Lake Tahoe, the California Tahoe Conservancy, and the Nevada Division of State Parks, the applicant amended the proposal in response to concerns. Discussion and analysis of the original proposal and revised amendment and its potential impacts are provided below in the Issue and Discussion section.

Issue and Discussion: The subject parcels total 5.05 acres currently in the Recreation District (APNs 029-240-011 and 029-441-003). The Recreation district allows for a variety of recreation uses, such as dispersed recreation and parks. Permissible uses in this district are primarily

related to recreation uses and include cross-country ski courses, day-use areas, group facilities, riding and hiking trails, rural sports, snowmobile courses, employee housing at 15 units per acre, and single-family dwellings (a caretaker residence). Height within the Recreation district is capped at 36 feet, but like all other districts in the Tourist Core Area Plan, a maximum of 70 percent coverage is allowed on high capability lands.

The subject parcels were previously zoned tourist accommodation (see Attachment 02, PAS 089B – California South Stateline Resort Area, but were rezoned to recreation when the Stateline/Ski Run Community Plan was adopted in 1994. Under PAS 089B, prior to 1994, multi-family and single-family dwellings were permitted with a special use permit. When the Tourist Core Area Plan was adopted to replace the Stateline/Ski Run Community Plan, the Recreation district designation and permissible uses were carried over into the Tourist Core Area Plan.

Since the adoption of the community plan, the properties have been held in private ownership, and there have not been any proposals or discussions to develop the properties with recreation-type uses. It is likely that the properties were not developed because of existing site constraints and parcel size. TRPA completed a land capability verification for the subject parcels and has verified a stream environment zone (SEZ) on both parcels. In total, approximately 46% of the parcels are designated SEZ and are not developable (see Figure 3 and Figure 4). Any development would be limited to the high capability portion located to the southwestern portion of APN 029-240-011 and the northeastern portion of 029-441-003, which is adjacent to Van Sickle State Park.

Figure 3 – APN 029-240-011 Land Capability Verification

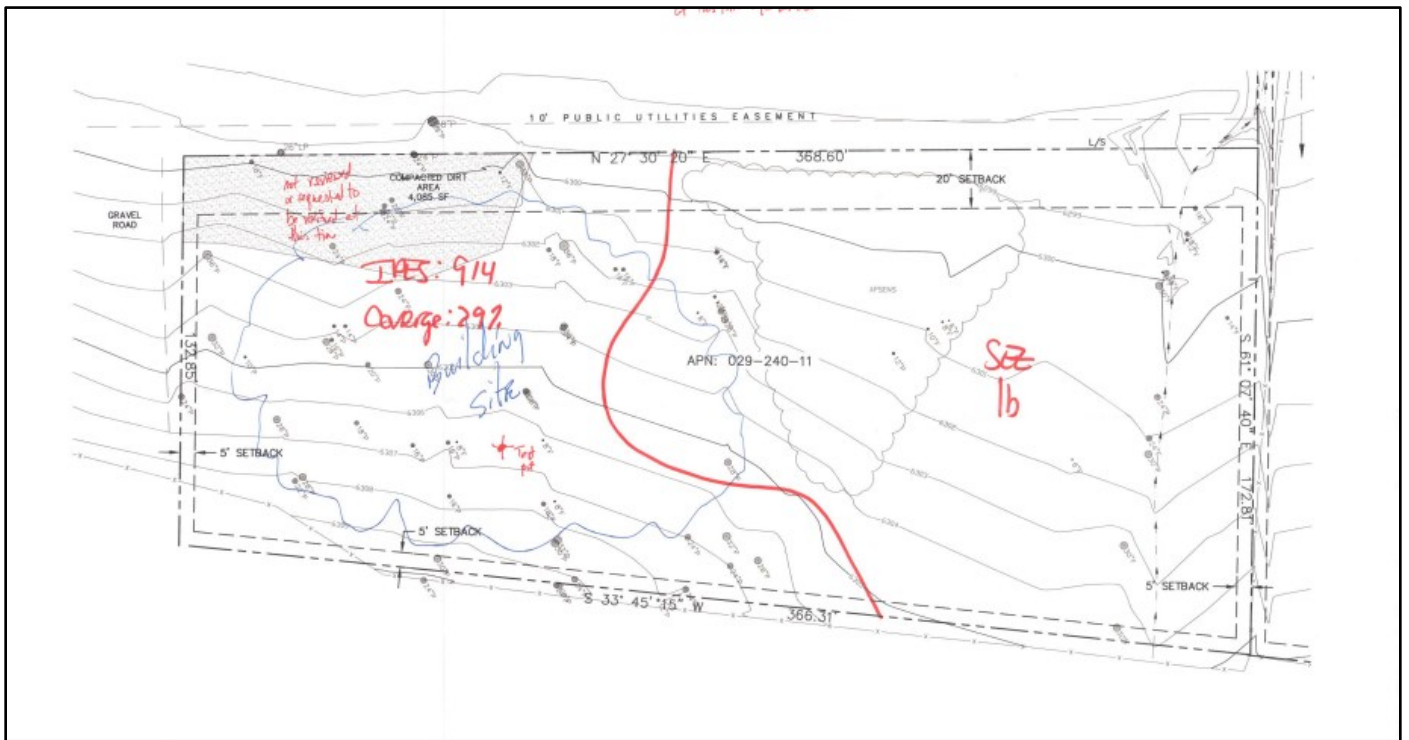
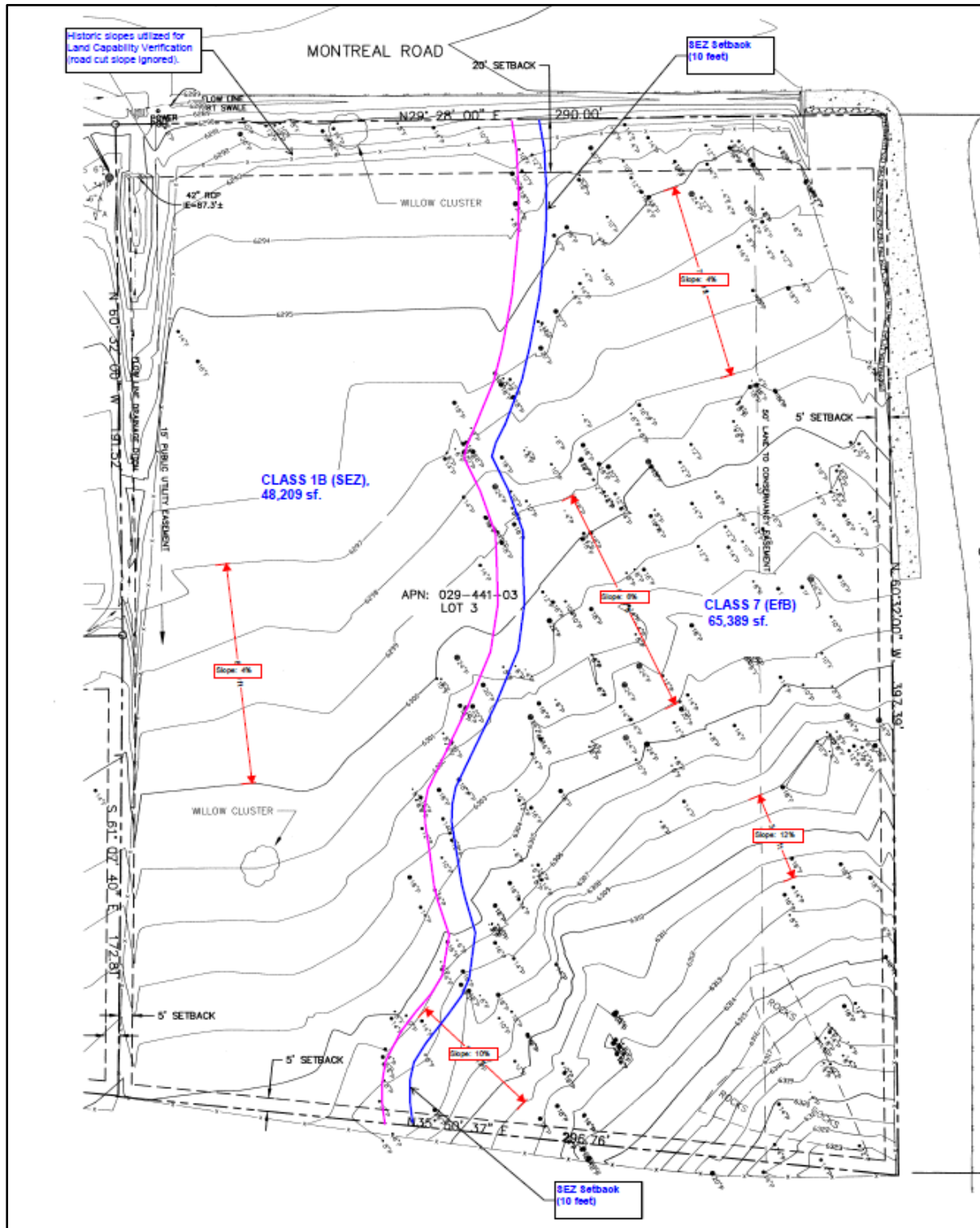


Figure 4 – APN 029-441-003 Land Capability Verification



Prior to

preparing an Initial Study to evaluate the impacts of the proposed amendment, the City, in

coordination with the applicant, conducted an online public scoping meeting on November 12, 2020, to take public comment on the proposed amendment and the scope of the environmental analysis. The meeting was attended by members of the public and staff members from the League to Save Lake Tahoe, the California Tahoe Conservancy, and the Nevada Division of State Parks. Commenters expressed concerns that the proposed amendment would impact the adjacent SEZ and its potential for quality habitat, result in management issues extending beyond the private development, encroachment, storage of equipment on public lands, change to the recreation character of the area resulting in scenic impacts, wildfire impacts, and creating parking issues at Van Sickle State Park.

Scenic

The developable portion of the subject parcel is approximately 540 feet from Van Sickle State Park and is well screened with mature vegetation located along the southern boundary of the Van Sickle Park property line and the adjacent parcel (see Figure 5). Any future potential project would also be required to implement the design standards of the Tourist Core Area Plan, which requires a mountain architectural aesthetic that incorporates building articulation, fenestration, pitched roofs, use of earthtone colors, natural and natural appearing materials, and onsite landscape to ensure development complements its natural setting. Incorporating the adopted design standards would reduce any potential scenic impacts or impacts to existing scenic views located onsite or offsite.

Encroachment

To reduce any potential encroachment on public lands, the SEZ, or degrade habitat, and restrict the storage of personal property on adjacent public lands, any future potential project will include a visually permeable perimeter fencing along the SEZ setback line. The fence will reduce any potential encroachment on the SEZ or on adjacent public lands.

Parking

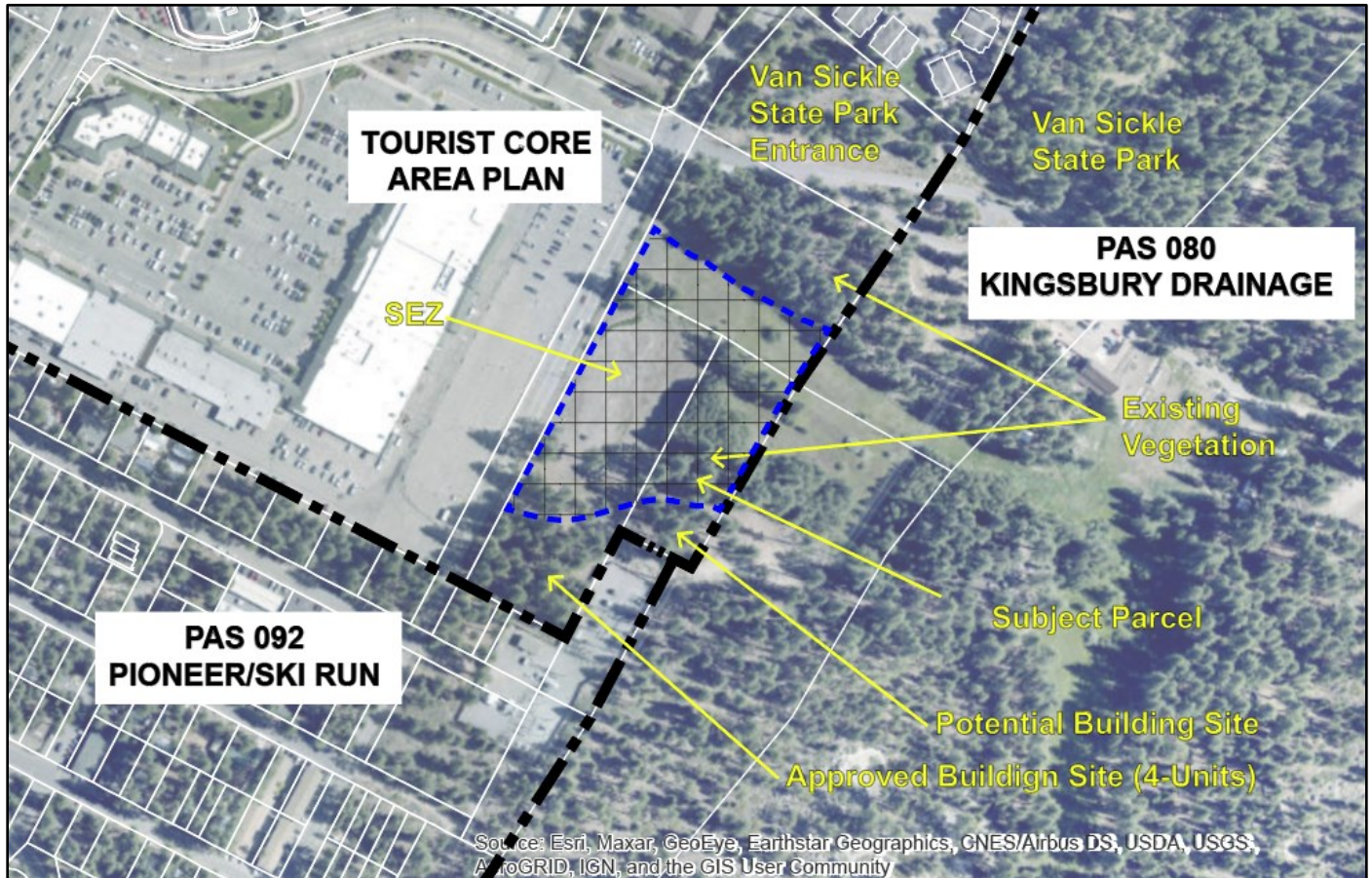
Concerns were expressed by the California Tahoe Conservancy that limited parking at Van Sickle State Park would be used by private individuals in any future residential project, thereby excluding the public from parking at the park. The City parking standards require all project types, including residential, to provide adequate onsite parking to serve the residents and guests. Any potential future projects would be required to meet the City parking standards. Moreover, due to the proximity of the entrance of Van Sickle State Park to the subject parcel, it is unlikely any future residents or guests would utilize parking at the park. As noted by CTC staff, Van Sickle Park was purposely designed to encourage pedestrian access by limiting parking and providing recreation access to a highly urbanized south shore area via existing sidewalks and paths.

Fire Risk

Concerns were also raised about the proposed amendment increasing fire risk by pushing development into the Wildland-Urban Interface Zone. It should be noted that the Recreation District already allows development, and all development, regardless of its zoning district, is

required to use materials, systems and/or assemblies in the exterior design and construction that meet California Building Code 7A requirements for construction in the Wildland-Urban Interface Zone. All potential projects are also required to meet appropriate setback requirements for defensible space and must be approved by the City Fire Inspector.

Figure 5 – Subject Parcel in Relation to Van Sickle State Park



Revised Project Description and Proposed Amendment

As a result of comments received during the scoping meeting and subsequent discussions with California Tahoe Conservancy staff, the proposed amendment was amended to address these concerns. The project description was revised to remove the parcel adjacent to Van Sickle State Park from the proposal (APN029-441-003). This parcel would remain zoned as recreation.

Subsequently, the remaining subject recreation parcel (APN 029-240-011) was merged with APN 029-441-004, which is located in the TSC-MU district, to create APN 029-441-024. However, the merge did not affect the area plan boundary, and a portion of the new merged parcel is still zoned Recreation and is the subject area of this proposed amendment (see Figure 6).

In response to concerns related to a change in recreation character and potential scenic impacts, the proposed amendment was also revised to add policies to the TSC-MU district that are

specifically applicable to the subject parcel. These policies would limit the use of this parcel to residential, linear public facilities, recreation, resource management, and open space uses (tourist, commercial, and most general public service land uses would be prohibited). In addition, the density was proposed to be capped at four dwelling units an acre.

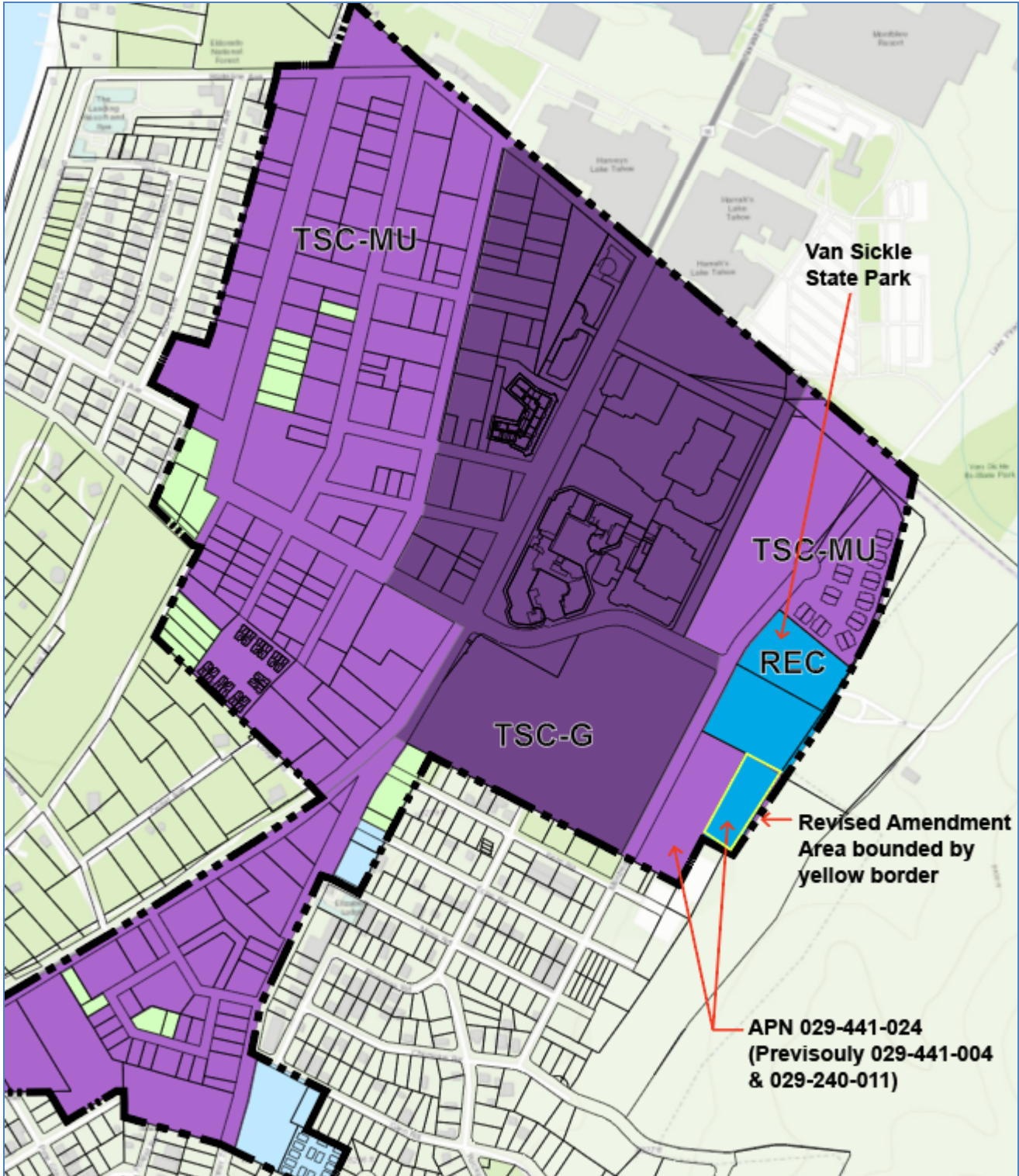
In addition to the change in the project description, the privately initiated area plan amendment was incorporated into the staff-initiated Tourist Core Area Plan Amendment to streamline the amendment process.

2024 Project Description and Proposed Amendment

On June 6, 2023, staff presented the Tourist Core Area Plan Amendment to the City Council. During deliberation, the City Council questioned the proposed reduction in density and commented that the density should be higher considering the parcel is located in a designated Town Center. In addition to supporting higher density on the parcel, the Council directed staff to remove the privately initiated area plan amendment from the staff-initiated Tourist Core Area Plan Amendment and process the amendment separately on its own merit.

As a result of the City Council comments related to density, the applicant has revised the project description to remove the density limitation of four dwelling units an acre. All other aspects of the proposal would remain the same, including limiting residential and linear public facilities, recreation, resource management, and open space uses on the parcel. If the amendment is successful, the Tourist Core Area Plan density standard would potentially allow up to 32 additional residential units. In addition, the applicant has also revised the project description to commit to deed restricting two residential units in any potential future project to TRPA-designated "achievable units."

Figure 6 – Revised Amendment Area



Initial Study

To evaluate the potential environmental impacts of the proposed amendment, Hauge Brueck Associates prepared an Initial Study/Mitigated Negative Declaration (IS/MND) pursuant to the California Environmental Quality Act (CEQA). The IS/MND analyzes the project's potential to result in significant environmental impacts. Areas of analysis include aesthetics, agriculture and forestry, air quality, biological resources, cultural resources, geology and soils, greenhouse gas emissions, hazards and hazardous materials, hydrology and water quality, land use planning, mineral resources, noise, population and housing, public services, recreation, transportation and traffic, utility and services systems, and additional mandatory findings of significance related to potential cumulative impacts. The analysis concluded that the proposed project could potentially have impacts in the following resource areas: public services and recreation.

The IS/MND concluded that the proposed amendment could potentially impact parking demand at full build-out if the amendment were successfully adopted. The IS/MND includes Mitigation Measure TRAN-1, which requires the property owner to enter into an agreement for offsite parking or submit a parking analysis that supports a reduction in the parking demand ratio.

Tribal Consultation

Pursuant to state law, the City has completed the requirements for consultation with Native American tribes under Assembly Bill 52 and the California Environmental Quality Act (CEQA) Guidelines. Consultation letters were sent on December 14, 2020 to the Lone Band of Miwok Indians, the Shingle Springs Band of Miwok Indians, the United Auburn Indian Community, and the Washoe Tribe of California and Nevada. The City did not receive a request for consultation on the proposed area plan amendment.

Public Comment Period and Public Noticing

The IS/MND has been sent, along with a Notice of Completion, to the California State Clearinghouse for distribution to state and regional agencies for review. The IS/MND has also been available at City offices (1052 Tata Lane) and online at <https://www.cityofslt.us/DocumentCenter/View/14967/Tourist-Core-Area-Plan-Amendment-PDF>. The 30-day comment period begins on January 19, 2024, and ends on February 26, 2024.

A Notice of Availability and Notice of Intent, advertising the review period was published in the Tahoe Daily Tribune on January 26, 2024, and mailed to affected property owners on January 30, 2024. The Planning Commission conducted a duly noted public hearing on February 22, 2024, to take public comment on the proposed amendments and the Initial Study/Mitigated Negative Declaration.

On March 21, 2024, the proposed amendments and the Initial Study/Mitigated Negative Declaration was considered by the Planning Commission. The Planning Commission received a presentation from staff and the applicant's representative, took public comment, voted 3-0 to pass a resolution adopting the Initial Study/Mitigated Negative Declaration, and recommended the City Council adopt the Tourist Core Area Plan Amendments. The City Council voted to approve the amendments on April 23, 2024.

Environmental Considerations:

California Environmental Quality Act

See "Issue and Discussion" section above.

Financial Implications:

None

Policy Implications:

City of South Lake Tahoe General Plan

The following goals and policies are applicable to the proposed amendment.

The subject parcel is currently designated as Tourist Center in the City General Plan. The Tourist Center, land use designation, is defined as follows:

This designation provides for a mixture of uses, including tourist accommodation, commercial, intensive recreation, high-density residential, and mixed-use residential. This designation is applied to areas that are currently developed as commercial/visitor centers, have excess land coverage, where vertical mixed-use projects are appropriate and are near commercial, employment, transit, and public services.

The Land Use and Community Design Element of the General Plan includes the following goals and policies to encourage development, redevelopment, and upgrades to existing development.

Goal LU-2 : To focus future commercial, multi-family residential, tourist, civic, and social gathering space development in community plan area in order to maximize incentives and create transit-, bicycle-, and pedestrian-oriented places that serve the needs of both residents and visitors.

Policy LU-2.2: Community Plan Preparation, Adoption, and Implementation

The City shall periodically update and implement the four Community Plans as a way to focus development commodities and revitalization efforts.

Policy 1-7: The City shall direct high-density residential development to sites located within walking distance of public transit and services. The City shall consider minimum density requirements in these areas.

The proposed amendment is generally consistent with the goals and policies listed above in that the amendment would potentially direct high-density residential uses within a designated Town Center and is within proximity of commercial, recreation, employment, transit and public service uses.

Tourist Core Area Plan

The Tourist Core Area Plan was adopted by the City "to establish a framework that will achieve redevelopment and reinvestment in properties, on the ground environmental improvement, enhancement of the built environment...and increased access to recreation opportunities." The proposed amendments would rezone the subject parcel to TSC-MUC and would potentially allow for residential development beyond the one caretaker unit or employee housing that is currently allowed. The proposed amendment is consistent with the Tourist Core Area Plan Town Center and TSC-MU designation, which encourages the diversification of land uses within close proximity to employment centers, services, recreation and transit.

While the TCAP currently shows the amendment area in the Recreation District it is also included in the TCAP Town Center Overlay and included in the Transfer of Development Rights Receiving Area. The amendment is, therefore, also internally consistent with the TCAP.

TRPA Regional Plan

The TRPA Conceptual Regional Land Use Map (https://www.trpa.gov/wp-content/uploads/documents/archive/2/FinalAdoptedRegionalPlanMaps_amended1-2-2018.pdf) identifies the amendment area as "Tourist" land use and within a "Town Center" district. Town Centers are targeted for redevelopment in a manner that improves environmental conditions, creates a more sustainable and less auto-dependent development pattern, and provides economic opportunities in the Region. The amendment is, therefore, consistent with the TRPA Regional Plan. Specifically, the amendment is compatible with TRPA Land Use Policies LU-1.1 and LU-1.2 as well as Community Design Policy LU-2.1

A precedent exists for rezoning recreation properties to allow for residential and tourist accommodation uses. These include an amendment in the 1990s to Plan Area Statement 070 to permit tourist accommodation uses within the existing Edgewood Tahoe Golf Course and the 2012 TRPA Regional Plan creation of a Resort Recreation District for Edgewood Company's "mountain parcel" and the Heavenly Ski Resort California base lodge area. These amendments allow for multi-family development and tourist accommodation uses on formerly zoned recreation properties close to employment centers, services, recreation, and transit.

Attachment B
TRPA Adopting Ordinance 2024-__

TAHOE REGIONAL PLANNING AGENCY
ORDINANCE 2024-__

AN AMENDMENT TO ORDINANCE NO. 2022-02 TO ADOPT
TOURIST CORE AREA PLAN AMENDMENTS

The Governing Board of the Tahoe Regional Planning Agency (TRPA) does ordain as follows:

Section 1.00 Findings

- 1.10 It is desirable to amend TRPA Ordinance 2022-02 by amending the Tourist Core Area Plan to further implement the Regional Plan pursuant to Article VI (a) and other applicable provisions of the Tahoe Regional Planning Compact.
- 1.20 The Tourist Core Area Plan amendments were the subject of an Initial Environmental Checklist (IEC), which was processed in accordance with Chapter 3: *Environmental Documentation* of the TRPA Code of Ordinances and Article VI of the Rules of Procedure. The Tourist Core Area Plan amendments have been determined not to have a significant effect on the environment and are therefore exempt from the requirement of an Environmental Impact Statement (EIS) pursuant to Article VII of the Compact.
- 1.30 The Advisory Planning Commission (APC) and the Governing Board have each conducted a noticed public hearing on the proposed Tourist Core Area Plan amendments. The APC has recommended Governing Board adoption of the necessary findings and adopting ordinance. At these hearings, oral testimony and documentary evidence were received and considered.
- 1.40 The Governing Board finds that the Tourist Core Area Plan amendments adopted hereby will continue to implement the Regional Plan, as amended, in a manner that achieves and maintains the adopted environmental threshold carrying capacities as required by Article V(c) of the Compact.
- 1.50 Prior to the adoption of these amendments, the Governing Board made the findings required by TRPA Code of Ordinances Section 4.5, and Article V(g) of the Compact.
- 1.60 Each of the foregoing findings is supported by substantial evidence in the record.

Section 2.00 TRPA Code of Ordinances Amendments

Ordinance 2022-02, as previously amended, is hereby amended by amending the Tourist Core Area Plan as set forth in Exhibit 1.

Section 3.00 Interpretation and Severability

The provisions of this ordinance amending the TRPA Code of Ordinances adopted hereby shall be liberally construed to affect their purposes. If any section, clause, provision or portion thereof is declared unconstitutional or invalid by a court of competent jurisdiction, the remainder of this ordinance and the amendments to the Regional Plan Package shall not be affected thereby. For this purpose, the provisions of this ordinance and the amendments to the Regional Plan Package are hereby declared respectively severable.

Section 4.00 Effective Date

The provisions of this ordinance amending the Tourist Core Area Plan shall become effective on adoption.

PASSED AND ADOPTED by the Tahoe Regional Planning Agency Governing Board at a regular meeting held on _____, 2024, by the following vote:

Ayes:

Nays:

Abstentions:

Absent:

Cindy Gustafson, Chair
Tahoe Regional Planning Agency
Governing Board

Attachment B
Exhibit 1

Proposed Amendments to the Tourist Core Area Plan, Table 1: Permitted Uses by Land Use District

Resolution 2024-048

**Adopted by the City of South Lake Tahoe
City Council**

April 23, 2024

Adopting the Tourist Core Area Plan/Specific Plan Amendments and Initial Study/Mitigated Negative Declaration

BACKGROUND

- A. The Tourist Core Area Plan/Specific Plan was adopted by the City of South Lake Tahoe City Council on October 15, 2013 (Ordinance 2013-1060).
- B. The City received an application from HVR Acquisitions to amend the Tourist Core Area Plan to rezone a portion of APN 029-441-024 to Tourist Center Mixed-Use District and limit uses to residential, liner public facilities, recreation, resource management, and open space uses.
- C. In accordance with the California Environmental Quality Act (CEQA) Guidelines Section 15070, the City of South Lake has prepared an Initial Study/Negative Declaration for the Tourist Core Area Plan/Specific Plan Amendments in compliance with CEQA.
- D. In accordance with Government Code Section 65352, the City prepared a Notice of Availability and Notice of Intent to adopt an Initial Study/Mitigated Negative Declaration for the proposed Tourist Core Area Plan/Specific Plan Amendments and circulated the Initial Study/Mitigated Negative Declaration for public comment between January 19, 2024, and February 26, 2024.
- E. Pursuant to California Government Code Section 65453, a specific plan may be prepared and adopted by resolution or by ordinance and may be amended as often as deemed necessary by the legislative body.
- F. The City of South Lake Tahoe Planning Commission, at a duly noticed public hearing held on March 21, 2024, considered the proposed amendments and found that 1) the Initial Study/Mitigated Negative Declaration reflects the City's independent judgment and analysis, 2) that there is no substantial evidence that the proposed Tourist Core Area Plan/Specific Plan Amendments will have a

significant effect on the environment, and adopted the Tourist Core Area Plan/Specific Plan Amendments Initial Study/Mitigated Negative Declaration.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, BE IT RESOLVED,
that the City of South Lake Tahoe City Council:

1. Finds that the Initial Study/Mitigated Negative Declaration reflects the City's independent judgment and analysis.
2. Finds that there is no substantial evidence that the proposed Tourist Core Area Plan/Specific Plan Amendments will have a significant effect on the environment.
3. Finds the foregoing recitals are true and correct and made part of this resolution.
4. Adopts the Tourist Core Area Plan/Specific Plan Amendments as outlined in Exhibit 1 to this resolution.

Adopted by the City of South Lake Tahoe City Council on April 23, 2024, by the following vote:

Yes: Bass, Creegan, Wallace
No: Robbins
Absent: Friedrich


Cody Bass (Apr 25, 2024 14:13 PDT)
Cody Bass, Mayor

Date: 04/25/2024

Attest:


Susan Blankenship (Apr 24, 2024 11:03 PDT)
Susan Blankenship, City Clerk

The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the South Lake Tahoe City Council.

EXHIBIT 1 - EXISTING CONDITIONS

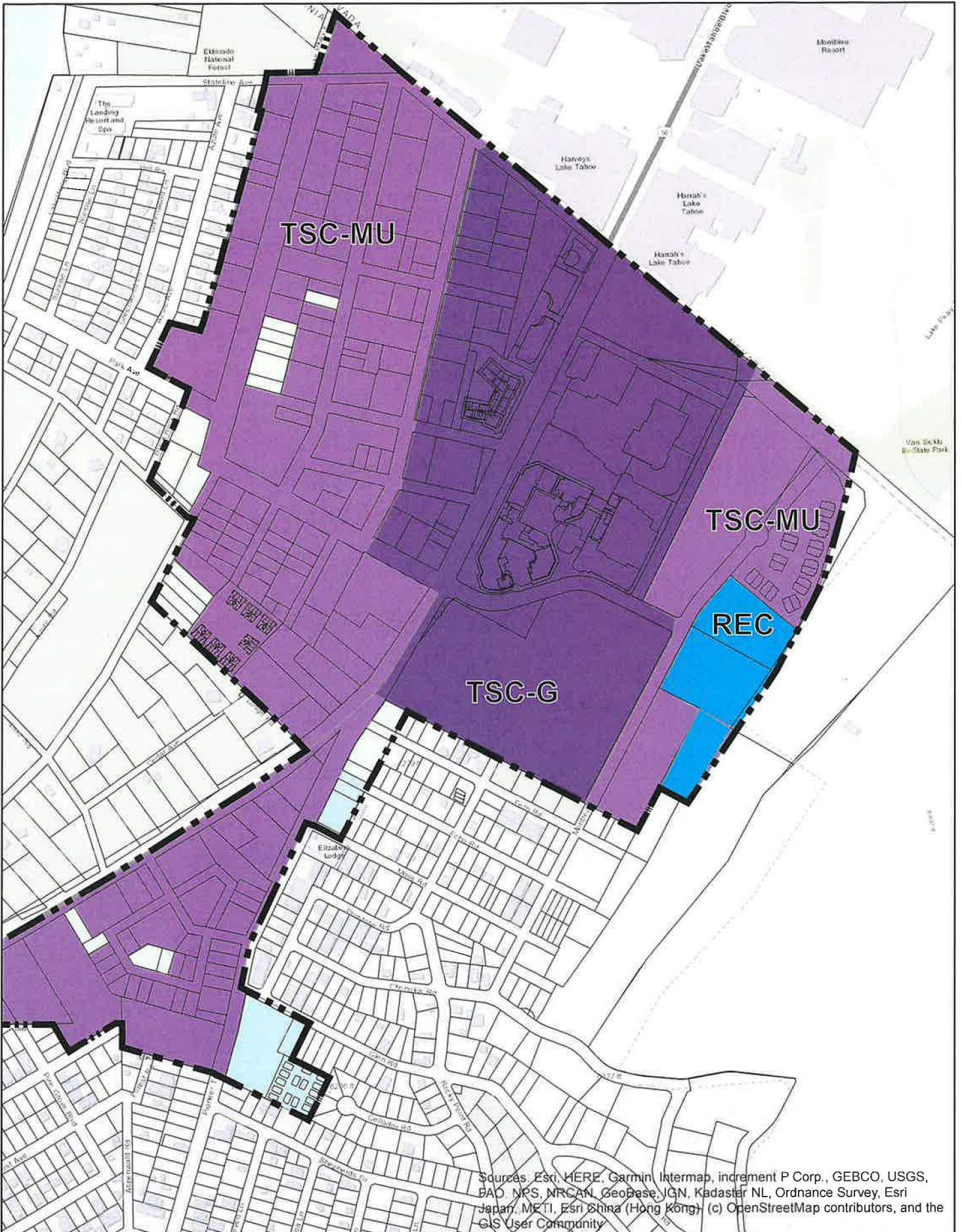
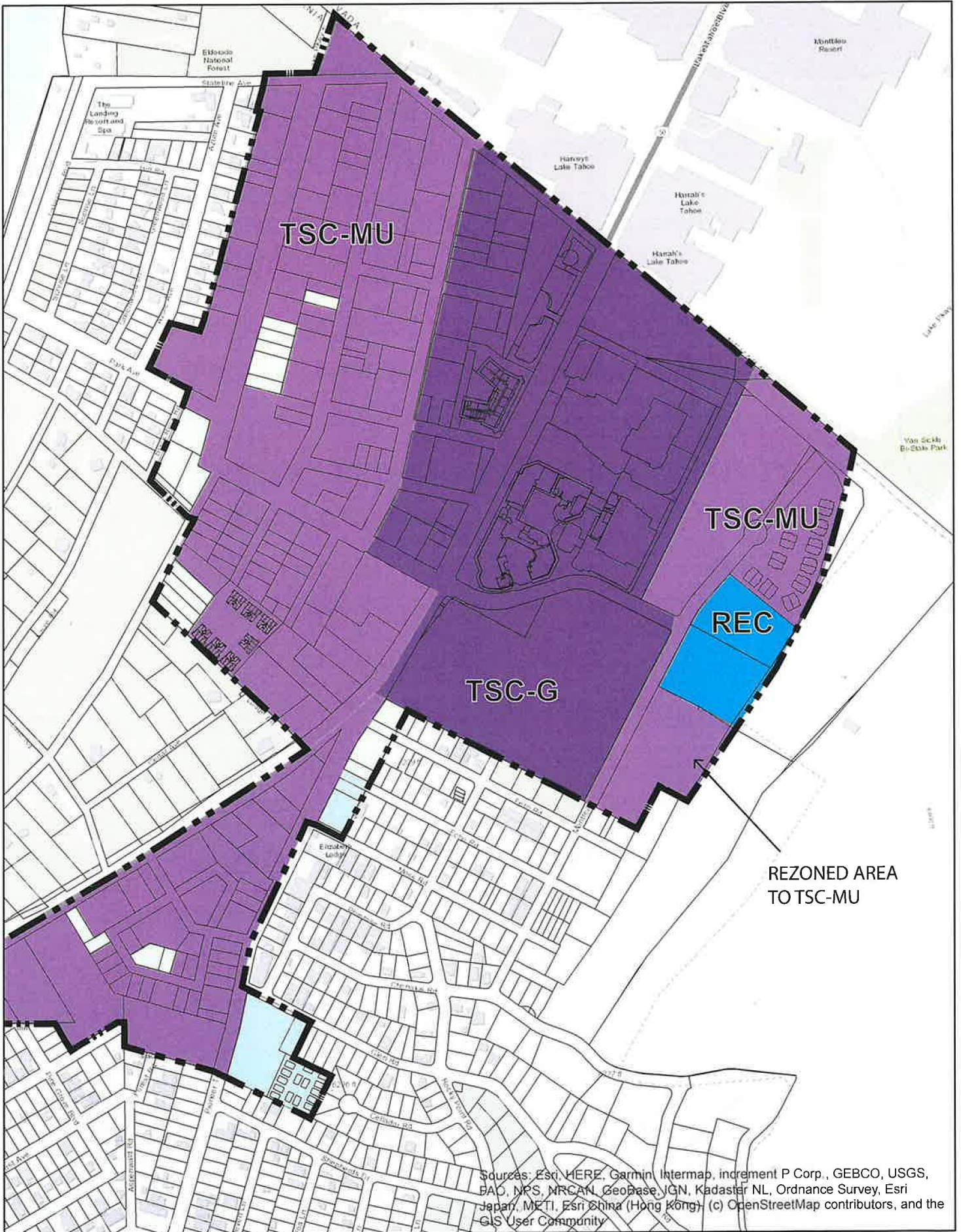


EXHIBIT 1 - PROPOSED CONDITIONS



Appendix C

Development and Design Standards

This section sets out the development standards, design standards and permissible uses for the land use districts in the Tourist Core Area Plan to achieve its desired urban form.

Applicability: All projects within the Tourist Core Area Plan shall meet the standards provided below. In addition, all projects are required to meet the Citywide Design Standards as well when applicable. Should a conflict occur between the Citywide standards and the Tourist Core Area Plan standards, the standards of this Area Plan shall apply. All regulations in the TRPA Code of Ordinances shall remain in effect unless superseded by the provisions of this Area Plan.

PERMISSIBLE USES

Table 1 lists the permitted primary land uses by district for the Tourist Core Area Plan and land use definitions are provided in Table 2. The regulations for the district are established by letter designations listed below. The designations apply strictly to the permissibility of land uses; applications for buildings or structures may require discretionary review. Uses not listed in the Table are prohibited.

(A) designates allowed uses subject to zoning compliance. An allowed use is one that can be established as the primary use of a building.

(S) designates uses that are permitted subject to approval of a Special Use Permit. A Special Use Permit requires discretionary approval by the City Planning Commission or Zoning Administrator following review and a determination that the nature of the proposed use, at the location proposed, is not detrimental to the public welfare or injurious to property or improvements in the neighborhood. To obtain a special use permit, the applicant must generally show that the contemplated use is compatible with the zoning ordinance and land use standards. Findings that such use would be essential or desirable to the public convenience or welfare, and will not impair the integrity and character of the zoned district or be detrimental to the public health, safety, morals or welfare are required.

(TRPA) designates uses that require TRPA review and permitting

(-) designates uses that are not permitted.

Proposed language is bolded and underlined

Tourist Core Area Plan

Table 1: PERMITTED USES BY LAND USE DISTRICT								
Permitted Uses Key: "A" – Allowed Use "S" – Special Use "T" – Temporary Use "TRPA" – TRPA Review Required "-" – Use Not Permitted	TSC-C	TSC-MU	TSC-MUC	TSC-NMX	TSC-G	TSC-G Special Area #1	REC	OS
RESIDENTIAL								
Domestic Animal Raising	-	-	-	-	-	-	S	-
Employee Housing	S	S	A	S	S	S	A	-
Multiple Family Dwelling	A	A	A	A	A	A	-	-
Multi-Person Dwelling	S	S	S	S	S	S	-	-
Single Family Dwelling (includes condominiums)	A8	A	A	A	A	A	S1	-
TOURIST ACCOMMODATION								
Bed & Breakfast Facilities	-	<u>A13</u>	A9	S	A	A	-	-
Hotel, Motel, Other Transient Dwelling Units	A	<u>A13</u>	A9	S	A	A	-	-
Time Sharing	A	<u>A13</u>	A9	S	S	A	-	-
RETAIL COMMERCIAL								
General Retail and Personal Services	A	<u>A13</u>	A9	S	A	A	-	-
Building Material & Hardware	S6	-	-	-	-	S	-	-
Nursery	-	-	A9	-	-	S	-	-
Outdoor Retail Sales	A	-	S9	-	-	S	-	-
Eating & Drinking Places	A	<u>S13</u>	A9	S	A	A	-	-
Service Stations ¹¹	S	<u>S13</u>	-	-	S	S	-	-
ENTERTAINMENT COMMERCIAL								
Amusement & Recreation	S	<u>S13</u>	-	-	-	A	-	-
Privately Owned Assembly and Entertainment	S	S	-	-	-	S	S	-
Outdoor Amusements	-	S	S	-	S	S	S	-
SERVICE COMMERCIAL								
Animal Husbandry Services	-	-	-	-	-	A	-	-
Business Support Services	A7	<u>S13</u>	S9	-	S	A	-	-
Health Care Services	A2,5	-	A9	-	A	A	-	-
Professional Offices	A3,4	<u>A13</u>	A9	A	A	A	-	-
Schools – Business & Vocational	S	-	S9	-	A	A	-	-
LIGHT INDUSTRIAL COMMERCIAL								
Small Scale Manufacturing	S	<u>S13</u>	S9	S	-	S12	-	-
Industrial Services ¹¹	-	-	-	-	-	S12	-	-
WHOLESALE/STORAGE COMMERCIAL								
Vehicle Storage & Parking ¹¹	S	<u>S13</u>	S9	S	S	S	-	-
Wholesale and Distribution	-	-	-	-	-	S12	-	-
GENERAL PUBLIC SERVICE								
Religious Assembly	-	S	S9	-	S	A	-	-
Cultural Facilities	S	<u>S13</u>	S9	-	S	A	-	-
Daycare Centers/Preschool	A	<u>A13</u>	A10	A	A	A	-	-
Government Offices	-	-	A9	-	-	S	-	-
Local Assembly & Entertainment	S	S	-	-	-	S	-	-
Local Public Health and Safety Facilities ¹¹	A	A	A	A	A	A	A	A

Table 1: PERMITTED USES BY LAND USE DISTRICT								
Permitted Uses Key: "A" – Allowed Use "S" – Special Use "T" – Temporary Use "TRPA" – TRPA Review Required "–" – Use Not Permitted	TSC-C	TSC-MU	TSC-MUC	TSC-NMX	TSC-G	TSC-G Special Area #1	REC	OS
Public Owned Assembly & Entertainment	S	S	-	-	-	-	S	-
Public Utility Centers ¹¹	-	S13	-	-	-	-	-	-
Social Service Organizations	-	-	A9	-	A	A	-	-
LINEAR PUBLIC FACILITIES								
Pipelines & Power Transmission	S	S	S	S	S	S	S	S
Transit Stations & Terminals	S	S	S	S	S	S	S	S
Transportation Routes	S	S	S	S	S	S	S	S
Transmission & Receiving Facilities	S	S	S	S	S	S	S	S
RECREATION								
Cross Country Ski Courses	-	-	-	-	-	-	S	-
Day Use Areas	A	A	A	A	A	A	A	A
Group Facilities	-	-	-	-	-	-	S	-
Outdoor Recreation Concessions	-	-	-	-	S	S	-	-
Participant Sport Facilities	S	-	-	-	-	-	-	-
Riding and Hiking Trails	-	-	-	-	-	S	S	-
Rural Sports	-	-	-	-	-	S	S	-
Snowmobile Courses	-	-	-	-	-	S	S	-
Visitor Information Centers	S	S	-	-	S	-	-	-
RESOURCE MANAGEMENT								
Forest and Timber Resource Management	A	A	A	A	A	A	A	A
Vegetation Resource Management	A	A	A	A	A	A	A	A
Water Quality Improvements and Watershed Management	A	A	A	A	A	A	A	A
Wildlife and Fisheries Resource Management	A	A	A	A	A	A	A	A
Range Management	-	-	-	-	-	-	A	-
OPEN SPACE								
Allowed in all areas of the Region	A	A	A	A	A	A	A	A
SHOREZONE								
(Tolerance Districts 1 and 4)								
Water Oriented Outdoor Recreation Concession	-	-	-	-	TRPA-A	TRPA-A	-	-
Beach Recreation	-	-	-	-	TRPA-A	TRPA-A	-	-
Water Borne Transit	-	-	-	-	TRPA-S	TRPA-S	-	-
Boat Launching Facilities	-	-	-	-	TRPA-S	TRPA-S	-	-
Tour Boat Operations	-	-	-	-	TRPA-S	TRPA-S	-	-
Safety and Navigation Devices	-	-	-	-	TRPA-A	TRPA-A	-	-
(Shorezone Tolerance District 4)								

Table 1: PERMITTED USES BY LAND USE DISTRICT								
Permitted Uses Key: "A" – Allowed Use "S" – Special Use "T" – Temporary Use "TRPA" – TRPA Review Required "-" – Use Not Permitted	TSC-C	TSC-MU	TSC-MUC	TSC-NMX	TSC-G	TSC-G Special Area #1	REC	OS
Marinas	-	-	-	-	TRPA-S	TRPA-S	-	-
Buoys	-	-	-	-	TRPA-A	TRPA-A	-	-
Piers	-	-	-	-	TRPA-S	TRPA-S	-	-
Fences	-	-	-	-	TRPA-S	TRPA-S	-	-
Boat Ramps	-	-	-	-	TRPA-S	TRPA-S	-	-
Floating Docks and Platforms	-	-	-	-	TRPA-S	TRPA-S	-	-
Shoreline Protective Devices	-	-	-	-	TRPA-S	TRPA-S	-	-
Water Intake Lines	-	-	-	-	TRPA-A	TRPA-A	-	-

Note: In the Regional Center all residential projects equal to or exceeding 100,000 square feet of new floor area or non-residential projects equal to or exceeding 80,000 square feet of new floor area require TRPA review and approval. In the Town Center all residential projects equal to or exceeding 50,000 square feet of new floor area or non-residential projects equal to or exceeding 40,000 square feet of new floor area require TRPA review and approval.

1. Caretaker Residence Only
2. All Health Care Services are allowed except emergency outpatient or urgent care facilities which shall only be considered along Heavenly Village Way, formerly Park Avenue.
3. Allow Realty Offices within the district and limit financial services to ATMs.
4. Allow consideration for placement of Realty Offices within the district, and only when operated in conjunction with approved Park Avenue Redevelopment fractional ownership tourist accommodation projects. Such use shall occupy no more than five percent (5%) of the commercial floor area with any project area within the district.
5. All Health Care Services uses permissible throughout special district; provided that any Health Care Services uses proposed to front on either side of US Highway 50 and/or the intersections of Heavenly Village Way (formerly Park Avenue) and Stateline Avenue are limited to second floor or higher. See TRPA Ordinance 2009-05 Exhibit 2 for specific limitation locations.
6. Outdoor storage and display is prohibited.
7. Shall not front on US Highway 50.
8. Condominiums only.
9. Use not permitted in Special Area #1, which comprises of APNs 028-081-02, 028-081-04 & 028-081-15.
10. Daycare center allowed as an accessory use.
11. Land use category is identified in TRPA Code Section 60.3 as a "possible contaminating activity." Triggering special requirements pursuant to TRPA Code Section 60.4 if located within a Source Water Protection Zone.
12. Use only allowed in connection with a retail commercial use where it will enhance the visitor experience and is limited in size to 30% of the associated retail space.
13. **Uses not permitted in APN 029-441-024**










Resolution 2024-048 Tourist Core Area Plan

Final Audit Report

2024-04-25

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Attachment C

[Initial Environmental Checklist \(IEC\)](#) (Link)

Attachment C

Exhibit 1

[Mitigated Negative Declaration/Response to Comments](#) (Link)

Attachment D
Required Findings/Rationale and Finding of No Significant Effect (FONSE)

ATTACHMENT D

REQUIRED FINDINGS FOR AMENDMENTS OF THE CITY OF SOUTH LAKE TAHOE'S TOURIST CORE AREA PLAN RECREATION PARCEL

This document contains required findings per Chapter 3, 4, and 13 of the TRPA Code of Ordinances for amendments to the City of South Lake Tahoe's Tourist Core Area Plan (TCAP):

Chapter 3 Findings: The following finding must be made prior to amending the TCAP:

1. Finding: The proposed amendments could not have a significant effect on the environment with the incorporation of mitigation and a mitigated finding of no significant effect shall be prepared in accordance with TRPA's Rules of Procedure.

Rationale: Based on the completed Initial Environmental Checklist/Mitigated Finding of No Significant Effect (IEC/FONSE), no significant environmental impacts have been identified as a result of the proposed amendments. The IEC was prepared to evaluate the potential environmental impacts of the amendments and tiers from and incorporates by reference specific analyses contained in the following environmental review documents:

- TRPA, *Regional Plan Update EIS*, certified by the TRPA Governing Board on December 12, 2012 (RPU EIS).
- TRPA, *Tourist Core Area Plan IEC/FONSE*, certified by the TRPA Governing Board on November 11, 2013 (TCAP IEC).
- City of South Lake Tahoe, *General Plan Update EIR*, certified by the City Council on May 17, 2011.
- TRPA/Tahoe Metropolitan Planning Organization (TMPO), *2020 Linking Tahoe: Regional Transportation Plan/Sustainable Communities Strategy IS/MND/IEC/FONSE*, certified by the TMPO Board and the TRPA Governing Board on April 2021 (RTP IS/IEC).

These program-level environmental documents include a regional and city-wide cumulative scale analysis and a framework of mitigation measures that provide a foundation for subsequent environmental review at an Area Plan level. Because the amendments are consistent with the Regional Plan, Regional Transportation Plan (RTP), and General Plan, which have approved program-level EISs/EIRs, the TCAP amendment is within the scope of these program-level EISs/EIRs.

The proposed project evaluated by the IEC are the amendments of the TCAP as summarized in this packet.

This IEC is tiered from the TRPA 2012 Regional Plan Update EIS in accordance with Section 6.12 of the TRPA Rules of Procedures. The 2012

RPU EIS is a Program EIS that was prepared pursuant to Article VI of TRPA Rules of Procedures (Environmental Impact Statements) and Chapter 3 (Environmental Documentation) of the TRPA Code of Ordinances. The 2012 Regional Plan Update (RPU) is a comprehensive land use plan that guides physical development within the Lake Tahoe Region through 2035. The 2012 RPU EIS analyzes full implementation of uses and physical development proposed under the 2012 RPU, and it identifies measures to mitigate the significant adverse program-level and cumulative impacts associated with that growth. The TCAP is an element of the growth that was anticipated in the 2012 RPU and evaluated in the 2012 RPU EIS. By tiering from the 2012 RPU EIS, this IEC relies on the 2012 RPU EIS for the following:

- a discussion of general background and setting information for environmental topic areas;
- overall growth-related issues;
- issues that were evaluated in sufficient detail in the 2012 RPU EIS for which there is no significant new information or change in circumstances that would require further analysis; and
- assessment of cumulative impacts.

This IEC evaluates the potential environmental impacts of the proposed amendments with respect to the 2012 RPU EIS to determine what level of additional environmental review, if any, is appropriate. As shown in the Determination in Section 5.3 of the IEC and based on the analysis contained in the IEC, it has been determined that the proposed project could have a significant effect on the environment, but due to the listed mitigation measures which have been added to the project (Measure PS-1: Fencing), could have no significant effect on the environment. Therefore, a Mitigated Finding of No Significant Effect will be prepared.

This IEC concludes that many potentially significant project impacts are addressed by the measures that have been adopted as part of the approval of the 2012 RPU. Therefore, those 2012 RPU EIS mitigation measures that are related to, and may reduce the impacts of, this project are identified in the IEC.

Nothing in this IEC in any way alters the obligations of the City or TRPA to implement the mitigation measures adopted as part of the RPU.

The proposed amendments include rezoning a parcel from Recreation to Tourist Center Mixed-Use and the addition of policies related to the restriction of land uses and density allowed on the rezoned parcel. These amendments, as described in this packet, will become part of the

Regional Plan and will replace existing plans for this geographical area within the City of South Lake Tahoe.

The IEC assessed potential impacts to the affected physical environment from the amendments to design standards in Appendix C of the TCAP. It also evaluated project specific environmental impacts of a proposed multi-family residential development should the amendments be adopted. Based on the review of the evidence, the analysis and conclusions in the IEC determined that the amendments will not have a significant impact on the environment not otherwise evaluated in the RPU EIS and TCAP IEC and potential significant impacts will be mitigated or addressed through implementation of Project specific mitigation (Measure PS-1: fencing around the proposed multi-family residential development), the RPU, RTP, and the City's General Plan.

Chapter 4 Findings: The following findings must be made prior to adopting the TCAP Amendments:

1. Finding: The proposed Area Plan Amendment is consistent with, and will not adversely affect implementation of the Regional Plan, including all applicable Goals and Policies, Community Plan/Plan Area Statements, the TRPA Code of Ordinances, and other TRPA plans and programs.

Rationale: Land Use Policy 4.6 of TRPA's Goals and Policies encourages the development of Area Plans that improve upon existing Plan Area Statements and Community Plans or other TRPA regulations in order to be responsive to the unique needs and opportunities of the various communities in the Tahoe Region. The amendments include all required elements identified in Land Use Policies 4.8, 4.9 and 4.10 as demonstrated in the Conformance Review Checklist.

The amendments were prepared in conformance with the substantive and procedural requirements of the Goals and Policies, as implemented through TRPA Code of Ordinances, Chapter 13, *Area Plans*. The TCAP is consistent with the Tahoe Regional Plan and TRPA Code of Ordinances, as shown in the Conformance Review Checklist and as demonstrated by the IEC. The proposed amendments include rezoning a parcel from Recreation to Tourist Center Mixed-Use.

Pursuant to Code Section 4.4.2, TRPA considers, as background for making the Section 4.4.1.A through C findings, the proposed project's effects on compliance measures (those implementation actions necessary to achieve and maintain thresholds), supplemental compliance measures (actions TRPA could implement if the compliance measures prove inadequate to achieve and maintain thresholds), the threshold indicators (adopted measurable physical phenomena that relate to the status of threshold attainment or maintenance), additional factors (indirect measures of threshold status, such as funding levels for Environmental Improvement Program (EIP) projects), and interim and target dates for threshold achievement. TRPA identifies and reports on threshold compliance measures, indicators, factors and targets in the Threshold Evaluation Reports prepared pursuant to TRPA Code of Ordinances, Chapter 16, *Regional Plan and Environmental Threshold Review*.

TRPA relies upon the project's accompanying environmental documentation, staff's professional analysis, and prior plan level documentation, including findings and EISs, to reach the fundamental conclusions regarding the project's consistency with the Regional Plan and thresholds. A project that is consistent with all aspects of the Regional Plan and that does not adversely affect any threshold is, by definition, consistent with compliance measures, indicators and targets. In order to increase its analytical transparency, TRPA has prepared worksheets related specifically to the 4.4.2 considerations, which set forth compliance measures and threshold indicators. Effects of the proposed project (here the amendments and subsequent multi-family residential development) on these items, if any, are identified and to the extent possible described. TRPA cannot identify some target dates, status and trend for some threshold indicators because of a lack of available information. TRPA may still determine whether the project will affect the 4.4.2 considerations (and ultimately consistency with the Regional Plan and impact on thresholds) based on the project's specific environmental impacts related to those threshold indicators.

Based on the IEC, the RPU EIS, the TCAP IEC, the RPU and RTP findings made by the TRPA Governing Board, and the Section 4.4.2 staff analysis, and using applicable measurement standards consistent with the available information, the amendments will not adversely affect applicable compliance and supplemental compliance measures, indicators, additional factors, and attainment of targets by the dates identified in the 2019 Threshold Evaluation. The TCAP incorporates and/or implements relevant compliance measures, and with the implementation of the measures with respect to development within the TCAP, the effects are not adverse, and with respect to some measures, are positive. (See Threshold Indicators and Compliance Measures Worksheets)

TRPA anticipates that implementation of the amendments will accelerate threshold gains by encouraging the redevelopment of an aging town center and as demonstrated below.

Section 4.4.2.B also requires TRPA to disclose the impact of the proposed project on

its cumulative accounting of units of use (e.g., residential allocations, commercial floor area). The TCAP Amendment does not affect the cumulative accounting of units of use as no additional residential, commercial, tourist, or recreation allocations are proposed or allocated as part of these amendments. For the subsequent multi-family residential development project proposed within the TCAP, existing banked units of use located within the project area would be utilized if approved.

Similarly, Section 4.4.2.C requires TRPA to confirm whether the proposed project is within the remaining capacity for development (e.g., water supply, sewage, etc.) identified in the environmental documentation for the Regional Plan. The amendments do not affect the amount of the remaining capacities available, identified and discussed in the RPU EIS. The TCAP does not allocate capacity or authorize any particular development. To the extent the amendments enable the use of redevelopment incentives, those incentives are within the scope of the incentives analyzed by the RPU EIS.

TRPA therefore finds that the amendments are consistent with and will not adversely affect implementation of the Regional Plan, including all applicable Goals and Policies, Community Plans, Plan Area Statements, the TRPA Code or Ordinances, and other TRPA plans and programs.

2. Finding: The proposed ordinance and rule amendments will not cause the environmental threshold carrying capacities to be exceeded.

Rationale: As demonstrated in the completed IEC, no significant environmental effects were identified as a result of the proposed amendments, and the IEC did not find any thresholds that would be adversely affected or exceeded. As found above, the Area Plan, as amended, is consistent with and will help to implement the Regional Plan.

TRPA reviewed the proposed amendment in conformance with the compliance measures and threshold indicators and found no adverse effects. TRPA anticipates that implementation of the TCAP will accelerate threshold gains as demonstrated below. Because the principal beneficial impacts of implementation of the TCAP depend upon the number and size of redevelopment projects, the specific extent and timing or rate of effects of the TCAP cannot be determined at this time. However, pursuant to Chapter 13 of the TRPA Code of Ordinances, TRPA will monitor all development projects within the TCAP through quarterly and annual reports. These reports will then be used to evaluate the status and trend of the threshold every four years.

The amendments do not affect the cumulative accounting of units of use as no additional residential, commercial, tourist or recreation allocations are proposed or allocated as part of this Regional Plan amendment. Any allocations used as a result of these amendments and the subsequent multi-family residential development would be taken from banked units of use currently available on the subject parcel (APN 029-441-024).

The amendments do not affect the amount of the remaining capacity available, as the remaining capacity for water supply, sewage collection and treatment, recreation and vehicle miles travelled have been identified and evaluated in the RPU EIS. No changes to the overall capacity are proposed in these amendments. TRPA therefore finds that the amendments will not cause the thresholds to be exceeded.

3. Finding: Wherever federal, state or local air and water quality standards applicable for the Region, the strictest standards shall be attained, maintained, or exceeded pursuant to Article V(d) of the Tahoe Regional Planning Compact.

Rationale: Based on the following: (1) TCAP Amendment IEC; (2) RPU EIS; (3) RTP EIR/EIS; and (4) 2019 Threshold Evaluation Report, adopted by the Governing Board, no applicable federal, state or local air and water quality standard will be exceeded by adoption of the amendments. The proposed amendments do not affect or change the Federal, State or local air and water quality standards applicable for the Region. Projects developed under the TCAP will meet the strictest applicable air quality standards and implement water quality improvements consistent with TRPA Best Management Practices (BMPs) requirements and the Lake Tahoe Total Maximum Daily Load (TMDL) and County's Pollutant Load Reduction Plan (PLRP). Federal, State, and local air and water quality standards remain applicable for all parcels in the TCAP, thus ensuring environmental standards will be achieved or maintained pursuant to the Bi-State Compact.

4. Finding: The Regional Plan and all of its elements, as amended, achieves and maintains the thresholds.

Rationale: **I. Introduction**

In 1980, Congress amended the Compact to accelerate the pace of environmental progress in the Tahoe Region by tasking TRPA with adopting a regional plan and implementing regulations that protect the unique national treasure that is Lake Tahoe. First, Article V(b) required that TRPA, in collaboration with Tahoe's other regulatory agencies, adopt "environmental threshold carrying capacities" ("thresholds" or "standards") establishing goals for a wide array of environmental criteria, including water quality, air quality, and wildlife. Second, Article V(c) directed TRPA to adopt a "regional plan" that "achieves and maintains" the thresholds, and to "continuously review and maintain" implementation of the plan.

The 1980 Compact inaugurated an era of establishing and enforcing rigorous

controls on new development. In 1982, TRPA adopted the necessary thresholds for the Tahoe Region. These thresholds are a mix of both long- and short-term goals for the Tahoe Region. The Region was “in attainment” of a number of these thresholds shortly after the adoption of the Regional Plan and remains in attainment today. Other thresholds address more intractable problems; for example, TRPA established numeric water quality standards that, even under best-case conditions, could not be attained for decades. *See, e.g., League to Save Lake Tahoe v. Tahoe Reg’l Planning Agency*, 739 F. Supp. 2d 1260, 1265 (E.D. Cal. 2010).

The second phase in this process was establishing a regional plan that, when implemented through rules and regulations, would ultimately “achieve and maintain” the thresholds over time. In 1987, following years of negotiation and litigation, TRPA adopted its Regional Plan. The 1987 Regional Plan employed a three-pronged approach to achieve and maintain the adopted environmental thresholds. First, the plan established a ceiling on development in Tahoe and restricted the placement, timing, and extent of new development. Second, the plan sought to prevent new harm to the environment as well as repair the environmental damage caused by existing development, particularly for projects that pre-dated TRPA’s existence (i.e., correcting the “sins of the past”); to this end, the plan created incentives to redevelop urbanized sites under more protective regulations and to transfer development out of sensitive areas that would then be restored. Third, TRPA adopted a capital investment program that was largely but not exclusively publicly funded to achieve and maintain thresholds by improving infrastructure and repairing environmental damage. In 1997, TRPA replaced this program with its “Environmental Improvement Program” (“EIP”). In subsequent years, TRPA generated investments of well over \$1 billion in public and private money to restore ecosystems and improve infrastructure under the EIP. Recent litigation confirmed that the Regional Plan as established in 1987 and subsequently amended over time will achieve and maintain the adopted environmental thresholds. *Sierra Club v. Tahoe Reg’l Planning Agency*, 916 F.Supp.2d 1098 (E.D. Cal. 2013) [Homewood litigation].

Regional Plan Update Process

Even though implementation of the 1987 Regional Plan would achieve and maintain the thresholds, in 2004 TRPA began public outreach and analysis of the latest science and monitoring results to identify priority areas in which the Regional Plan could be comprehensively strengthened to accelerate the rate of threshold attainment. TRPA’s policymakers realized that the challenges facing the Region differed from those confronting the agency when it adopted its original Regional Plan in 1987. Uncontrolled new growth that had been the primary threat decades earlier had been brought into check by the strict growth limitations in the 1987 Regional Plan. Today’s problems differed, resulting from the continuing deterioration and lack of upgrades to existing “legacy” development. In essence, to make the greatest environmental difference, the Tahoe Region needed to fix what was already in place. In addition, TRPA realized some existing land-use controls could be improved to remove barriers to redevelopment that would address

ongoing environmental degradation caused by sub-standard development constructed before TRPA had an adopted Regional Plan or even came into existence. Land use regulations and public and private investment remain essential to attaining the thresholds for Lake Tahoe.

Furthermore, TRPA recognized that the social and economic fabric of the Tahoe Region could not support the level of environmental investment needed. The economic foundation of gaming had fallen away, and the level of environmental investment needed could not be supported solely by an enclave of second homes for the wealthy. Businesses and the tourism sector were faltering. Affordable housing and year-round jobs were scarce. Local schools were closing, and unemployment was unusually high. In light of these realities, TRPA sponsored an ongoing outreach program to obtain input on how to advance TRPA's environmental goals. Between 2004 and 2010, TRPA conducted over 100 public meetings, workshops, and additional outreach. More than 5,000 people provided input regarding their "vision" for TRPA's updated Regional Plan. Based on this input, TRPA identified a number of priorities to be addressed by the updated Regional Plan, including:

1. Accelerating water quality restoration and other ecological benefits by supporting environmental redevelopment opportunities and EIP investments.
2. Changing land-use patterns by focusing development in compact, walkable communities with increased alternative transportation options.
3. Transitioning to more permitting by local governments to create "one-stop" and "one permit" for small to medium sized projects, where local government wanted to assume these duties.

On December 12, 2012, TRPA's nine-year effort culminated with the approval of the Regional Plan Update.

Regional Plan Update Amendments

The Regional Plan Update ("RPU") uses multiple strategies targeting environmental improvements to accelerate achieving and maintaining threshold standards in the Region. First, the RPU maintains both regulatory and implementation programs that have proven effective in protecting Lake Tahoe's environment. TRPA's regional growth control regulatory system, strict environmental development standards, and inter-agency partnerships for capital investment and implementation (e.g., EIP) remain in place.

Second, the RPU promotes sensitive land restoration, redevelopment, and increases the availability of multi-modal transportation facilities. The implementation of the RPU will facilitate transferring existing development from outlying, environmentally-sensitive areas into existing urbanized community centers. The RPU provides incentives so that private capital can be deployed to

speed this transformation.

Third, the RPU authorizes the Area Plan process for communities and land management agencies in the Tahoe Region in order to eliminate duplicative and unpredictable land use regulations that deterred improvement projects. Area Plans, created pursuant to Chapter 13 of the TRPA Code of Ordinances, also allows TRPA and local, state, federal, and tribal governments to expand the types of projects for which local, state, federal, and tribal governments apply TRPA rules to proposed projects within the Tahoe Region. After approval of an Area Plan by TRPA, this process allows a single government entity to review, permit, and inspect projects in their jurisdiction. All project approvals delegated to other government entities may be appealed to the TRPA for final decision. In addition, the performance of any government receiving delegated authority will be monitored quarterly and audited annually to ensure proper application of TRPA rules and regulations.

As noted above, a variety of strategies in the Regional Plan will work together to accelerate needed environmental gains in the categories where threshold benefits are most needed – water quality, restoration of sensitive lands, scenic quality advances in developed roadway units, and efforts to continue maintenance and attainment of air quality standards. Area Plans that include “Centers” play a key role in the Regional Plan’s overall strategy by activating environmental redevelopment incentives (e.g., increases in density and height) that also provide the receiving capacity for transfers of units from sensitive lands. The next section of this finding establishes how the City of South Lake Tahoe’s TCAP fulfills the role anticipated by the RPU and RTP and the expected threshold gain resulting from its implementation.

II. TCAP Amendments and Threshold Gain

The TCAP Amendments accelerate threshold gain including water quality restoration, scenic quality improvement, and other ecological benefits, by supporting environmental redevelopment opportunities and Environmental Improvement Program (EIP) investments. The amendments will help to accelerate environmental redevelopment within an existing town center by facilitating development of multi-family residential housing within close proximity to the commercial core. Locating multi-family residential and short term vacation rentals in walkable Town Center areas reduces VMT and traffic congestion. These redevelopment incentives are intended to increase the rate of redevelopment and will likewise increase the rate of threshold gain by accelerating the application of controls designed to enhance water quality, air quality, soil conservation, scenic quality and recreational improvements to projects that wouldn’t otherwise be redeveloped absent TCAP provisions.

The TCAP’s Development and Design Standards represent a significant step forward in enhancing the aesthetics of the built environment and will result in improvements to the scenic threshold as projects are approved and built. Redevelopment of existing Town Centers and the Regional Center is identified in

the Regional Plan as a high priority.

As described in more specific detail below, the amendments beneficially affects multiple threshold areas.

A. Water Quality

The 2019 Threshold Evaluation found that the trend in reduced lake clarity has been slowed. The continued improvement is a strong indication that the actions of partners in the Region are contributing to improved clarity and helping TRPA attain one of its signature goals.

An accelerated rate of redevelopment within the TCAP will result in accelerated water quality benefits. Each redevelopment project is required to comply with strict development standards including water quality Best Management Practices (“BMP”) and coverage mitigation requirements and will provide additional opportunities for implementing area wide water quality systems.

B. Air Quality

The 2019 Threshold Evaluation found that the majority of air quality standards are in attainment and observed change suggests that conditions are improving or stable. Actions implemented to improve air quality in the Lake Tahoe Region occur at the national, state, and regional scale. The U.S. Environmental Protection Agency and state agencies, such as the California Air Resources Board, have established vehicle tail-pipe emission standards and industrial air pollution standards. These actions have resulted in substantial reductions in the emissions of harmful pollutants at state-wide and national scales and likely have contributed to improvement in air quality at Lake Tahoe. At a regional scale, TRPA has established ordinances and policies to encourage alternative modes of transportation and to reduce vehicle idling by prohibiting the creation of new drive-through window establishments.

Facilitating projects within the approved Area Plans is an integral component in implementing regional air quality strategies and improvements at a community level. (TRPA Goals and Policies: Chapter 2, Land Use). Because the land use and transportation strategies identified in the TCAP lead to implementation of the Regional Plan, they directly contribute to achieving and maintaining the Air Quality threshold.

One of the main objectives of the TCAP is to encourage the redevelopment of the existing built environment and to provide access to recreational opportunities from walking and bike paths, as well as provide greater access to transit. Replacing older buildings with newer, more energy efficient buildings that take advantage of the City of South Lake Tahoe’s Green Building Program will also help to improve air quality and ensure the attainment of air quality standards.

TRPA’s 2020 *Regional Transportation Plan: Linking Tahoe (RTP)* includes an analysis of its conformity with the California State Implementation Plan to ensure that the

RTP remains consistent with State and local air quality planning work to achieve and/or maintain the national ambient air quality standards (NAAQS). The proposed amendment does not propose substantial changes to land use assumptions for mixed-use assigned to the amendment area and the TCAP would continue to promote higher density residential uses within one-quarter mile of transit, commercial, and public service uses, and therefore would not change the conformity determination by state regulators. The amendments would facilitate a subsequent multi-family residential development project that would place residential uses within one-quarter mile of services.

The TCAP boundaries include an existing Town Center and with existing transit routes and a multi-use shared path. This indicates that redevelopment is in the appropriate location to potentially generate the shorter trip lengths and reduce vehicle-miles traveled needed to meet the air quality goals of the Regional Plan and the City's General Plan.

C. Soil Conservation

The 2019 Threshold Evaluation found negligible change in the total impervious cover in the Region over the last five years and the majority of soil conservation standards in attainment. While the permitting process of partners has been effective in focusing development on less sensitive lands and encouraging removal of impervious cover from sensitive areas, there is still much work to be done. Plans for large scale SEZ restoration, recent improvements in the Development Rights program, and implementation of the Area Plans will continue to help achieve SEZ restoration goals.

Today, most if not all developed commercial and tourist properties exceed the 50 percent maximum land coverage allowed in the Area Plan. Several commercial properties within the subject area average 90% coverage. This indicates that future redevelopment would be required to implement excess land coverage mitigation. Furthermore, redevelopment permitting would require these properties to come into modern site design standards including landscaping, BMPs, setbacks, etc. These standards would likely result in the removal of existing land coverage for properties that are severely overcovered. The subsequent multi-family residential project would include excess land coverage mitigation if approved. Therefore, the amendments will help to accelerate threshold gain through soil conservation.

D. Scenic Quality

The 2019 Threshold Evaluation found that scenic gains were achieved in developed areas along roadways and scenic resources along the lake's shoreline, the areas most in need of additional scenic improvement. Overall, 93% of the evaluated scenic resource units met the threshold standard and no decline in scenic quality was documented in any indicator category.

The subject area is located near US Highway 50 Urban Roadway Scenic Corridor Unit #32 (Casino Area), which is not in attainment. However, the amendment area

is not visible from the US Highway 50 roadway unit, or scenic resource 32-1 which looks towards and over the amendment area to Heavenly Mountain Resort.

Future redevelopment within the subject area will not be allowed to degrade the shoreline scenic attainment. Redevelopment will be required to comply with the following TCAP Goals and Policies:

Goal NCR-1 Scenic Resources

To protect and enhance the visual connection between South Lake Tahoe and the Lake Tahoe Region’s scenic resources.

Policy NCR-1.1

Improve the visual quality of the built environment consistent with the general recommendations for site planning found in the TRPA Scenic Quality Improvement Program (SQIP) to attain threshold attainment for Scenic Roadway Units # 32, 33 and 45.

Policy NCR-1.2

Maintain Stream Environment Zone (SEZ) restoration sites and stormwater drainage basins as view corridors and scenic resources to relieve the strip commercial character along US 50 within the Tourist Core.

Policy NCR-1.3

Adopt siting and building design standards and guidelines to protect, improve, and enhance the scenic quality of the natural and built environment and take full advantage of scenic resources through site orientation, building setbacks, preservation of viewsheds, and height limits.

Furthermore, Section 7.2 and Appendix C of the Area Plan includes specific scenic resources implementation strategies to achieve the goals and policies above.

E. Vegetation

The 2019 Threshold Evaluation found that vegetation in the Region continues to recover from the impacts of legacy land use. The majority of vegetation standards that are currently not in attainment relate to common vegetation in the Region. This finding is consistent with those of past threshold evaluations. As the landscape naturally recovers from the impacts of historic logging, grazing, and ground disturbance activities over the course of this century, many of the standards are expected to be attained.

The proposed amendment area is undeveloped and covered with limited native vegetation. The proposed amendments would not alter or revise the regulations pertaining to native vegetation protection during construction. Consistent with existing conditions, vegetation surrounding the construction site of the subsequent multi-family residential development project is required to comply with Section 33.6,

Vegetation Protection During Construction, of the TRPA Code of Ordinances. Protective requirements include installation of temporary construction fencing, standards for tree removal and tree protection, standards for soil and vegetation protection, and revegetation of disturbed areas.

Amending the land uses would not result in tree or vegetation removal. The proposed multi-family residential development project is subject to project-level environmental review and removal of native, live, dead or dying trees is consistent with Chapter 61, Vegetation and Forest Health, of the TRPA Code of Ordinances. Though currently within the TCAP Recreation District, the amendment area is not within TRPA's Conservation or Recreation land use classifications.

F. Recreation

The 2019 Threshold Evaluation found that land acquisition programs and the Lake Tahoe Environmental Improvement Program have contributed to improved access and visitor and resident satisfaction with the quality and spectrum of recreation opportunities. Partner agencies have improved existing recreation facilities and created new ones, including providing additional access to Lake Tahoe, hiking trailheads, and bicycle trails. Today's emerging concerns are transportation access to recreation sites and maintaining quality recreation experiences as demand grows, concerns that may require the Region to revisit policies and goals for the recreation threshold standards.

The City of South Lake Tahoe contains numerous recreational opportunities within its boundaries and in the immediate vicinity (i.e. Bonanza Park, Camp Richardson, Pope Beach, Baldwin Beach, Kiva Beach, Taylor Creek Day Use Area, Regan Beach, Ski Run Marina and Beach, Lakeside Marina, Heavenly Resort California base, Van Sickle Bi-State Park, Bijou Golf course, and other hiking and mountain bicycle trails).

The TCAP includes goals and policies regarding maintaining, improving and expanding recreation facilities and providing enhanced access through the construction of sidewalks and bike paths and improving public transit.

The approval of any project proposing the creation of additional recreational capacity would be subject to subsequent project-level environmental review and permitting and, if applicable, would be subject to the Persons At One Time (PAOT) system of recreation allocations administered by TRPA as described in Section 50.9 (Regulation of Additional Recreation Facilities) of the TRPA Code of Ordinances. No additional PAOTs are proposed by the amendment. Though the amendment would rezone a privately-held parcel location within the TCAP recreation zoning district to the tourist mixed-use zoning district, the amendment does not include any changes to recreational land uses or policies, nor does it eliminate a planned recreational use for the TCAP.

G. Fisheries

While the 2019 Threshold Evaluation found standards for fisheries to generally be

in attainment, the standards focus on physical habitat requirements that may not reflect the status of native fish populations. Recent population surveys in Lake Tahoe suggest significant declines in native fish species in parts of the nearshore. Declines are likely the result of impacts from the presence of aquatic invasive species in the lake. While efforts to prevent new invasive species from entering the lake have been successful, mitigating the impact of previously introduced existing invasive species remains a high priority challenge. Invasive species control projects are guided by a science-based implementation plan. Ensuring native fish can persist in the Region and the restoration of the historic trophic structure to the lake will likely require partners to explore novel methods to control invasive species and abate the pressure they are placing on native species. Climate change driven shifts in the timing and form of precipitation in the Region pose a longer-term threat to native fish that may need to be monitored.

BMPs required for project development would improve water quality and thus could contribute to improved riparian and lake conditions in receiving water bodies. The TCAP Amendment will not alter the Resource Management and Protection Regulations, Chapters 60 through 68, of the TRPA Code of Ordinances. Chapter 63: Fish Resources includes the provisions to ensure the protection of fish habitat and provide for the enhancement of degraded habitat. Development within the TCAP could benefit the Fisheries Threshold through Goals and Policies aimed at the restoration of SEZs and implementation of BMPs.

H. Wildlife

The 2019 Threshold Evaluation found that twelve of the 16 wildlife standards are in attainment. Over 50 percent of the land area in the Tahoe Region is designated for protection of listed special status species. Populations of special interest species are either stable or increasing.

Future redevelopment projects in the amendment area would be subject to project-level environmental review and permitting at which time the proposals would be required to demonstrate compliance with all federal, state, and TRPA regulations pertaining to the protection of animal species. (Section 62.4 of the TRPA Code). For the subsequent multi-family residential development, potential effects to animal species was evaluated based on applicable species' distribution and known occurrences relative to the project area and the presence of suitable habitat for the species in or near the project area. The analysis included in the IEC concludes that residential development within the proposed amendment area would not impact sensitive wildlife habitat or species.

Implementation of the proposed amendments and subsequent multi-family residential development would not result in the reduction in the number of any unique, rare, or endangered species of animals, including waterfowl. While the rezone amendments would allow for some different land uses, density and heights in the amendment area, they do not propose specific new development that threaten protection of listed species or their habitat, and do not affect policies that

protect biological resources.

I. Noise

The 2019 Threshold Evaluation found that Ambient noise levels in seven of nine land-use categories are in attainment with standards, but because of the proximity of existing development to roadways just two of seven transportation corridors are in attainment with ambient targets. Due to insufficient data, status determinations were not possible for nearly half of the single event noise standards. Limited noise monitoring resources were prioritized towards collecting more robust information to analyze ambient noise standards, which are more conducive to influential management actions than are single event sources. TRPA continues to update and evaluate its noise monitoring program to ensure standards are protective and realistically achievable.

As discussed in the IEC, the TCAP amendments would not alter noise policies and the adopted TRPA CNEL threshold standards, and Regional Plan and General Plan noise policies would continue to be applied.

Noise increases associated with traffic under redevelopment buildout conditions would be similar to existing noise levels as traffic levels are relatively the same between existing and new allowed uses. For these reasons, TCAP amendments would not contribute to an adverse cumulative increase in noise levels.

III. Conclusion

Based on the foregoing: the completion of the IEC; the previously certified RPU EIS, RTP IS/ND/IEC; and the findings made on December 12, 2012 for the RPU, TRPA finds the Regional Plan and all of its elements, as amended by the project achieves and maintains the thresholds. As described above in more detail, the amendments actively promotes threshold achievement and maintenance by, *inter alia*, (1) incentivizing environmentally beneficial redevelopment, (2) requiring the installation of Best Management Practices improvements for all projects in the Area Plan, (3) requiring conformance with the Development and Design Standards that will result in improvements to scenic quality and water quality, (4) facilitating multi-use development in proximity to alternative modes of transportation in order to reduce vehicle miles traveled (VMT); and (5) incorporating projects identified in the City's Pollutant Load Reduction Plan (PLRP) to guarantee the assigned reductions necessary to meet water quality objectives. In addition, as found in Chapter 4 Findings 1 through 3 and the Chapter 13 Findings, no element of the amendments interferes with the efficacy of any of the other elements of the Regional Plan. Thus, the Regional Plan, as amended by the project, will continue to achieve and maintain the thresholds.

Chapter 13 Findings: The following findings must be made prior to adopting amendments to the TCAP:

1. Finding: The proposed Area Plan Amendment is consistent with and furthers the goals and policies of the Regional Plan.

Rationale: Regional Plan Land Use Policy 4.6 encourages the development of area plans that supersede existing plan area statements and community plans or other TRPA regulations in order to be responsive to the unique needs and opportunities of communities. The proposed TCAP amendments were found to be consistent with the goals and policies of the Regional Plan, as described in the Area Plan Conformance Checklist (Attachment F to the staff summary), and as described in Chapter 4, Finding #1, above. The amendments provide the residential land use, density and height necessary to facilitate redevelopment in the town center and further the attainment of environmental thresholds.

The amended area will be subject to the TCAP General Review Standards, the Load Reduction Plans, and Additional Review Standards for Area Plans with Town Centers or Regional Centers.

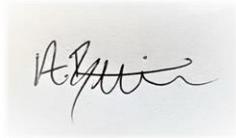
The finding of no significant effect based on the initial environmental checklist can be found on the subsequent page.

FINDING OF NO SIGNIFICANT EFFECT

Project Description: Proposed amendments to the City of South Lake Tahoe's Tourist Core Area Plan.

Staff Analysis: In accordance with Article IV of the Tahoe Regional Planning Compact, as amended, and Section 6.6 of the TRPA Rules of Procedure, TRPA staff reviewed the information submitted with the subject project.

Determination: Based on the Initial Environmental Checklist (attachment C), Agency staff found that the subject project will not have a significant effect on the environment.



TRPA Executive Director/Designee

April 22, 2024

Date

Attachment E
[Compliance Measures Evaluation](#) (Link)

Attachment F
[Area Plan Finding of Conformity Checklist](#) (Link)