



Mountain Housing Council Meeting #11 Notes

January 17, 2019: 8:00 – 11:00am
Truckee Town Hall Council Chambers

Meeting Purpose

- MHC 2.0 Update and Discussion
- Operationalizing ADUs from White Paper to Action

Agenda

I. Welcome

II. Storytelling

- a. City of Bozeman: Regional Housing Action Plan – Cyndy Andrus
 1. The City of Bozeman is the fastest growing micropolitan in the Country – will reach 50,000 this year
 2. The City lead a Needs Assessment that lead to the creation of an Action Plan. There are 19 strategies in the Action Plan (which includes 78 actions) and the City is now focusing on how to prioritize. Learn more here: <https://www.bozeman.net/city-projects/community-housing-action-plan/community-housing-needs-assessment>
 3. The City is also focusing on ADUs
 - a) Worked with university to come up with ADU pilot projects in the historic center – 6 homes (home owners 'volunteered' their homes) – put forward plans and they are now available to all
 - b) Looking to move forward with University architecture students to put forward more plans for community to use, at no charge, to help increase ADU construction
 4. Questions:
 - a) What is "Affordable" to Bozeman
 - a. A place that you can live and work – 1/3 of income or less to housing
 - b. AMI up to 150%

III. Partner Updates

- a. Placer County:
 1. Housing Trust Fund
 - a) Ready in March
 - b) Developers, realtors, bankers etc can contribute to this private fund



- c) County is establishing an advisory group to oversee, along with a funding agreement
 - d) Hoping to 'open the fund' with \$500,000 from County
 2. Nahas Property / Dollar Creek Crossing
 - a) The County has taken a step back to run the entitlement process. The project is no longer being driven by the developer (the developer is consulting)
 3. The County is working to emulate the Vail Indeed program to help first time home buyers purchase housing. They are also looking at a permanent deed restriction as part of the program
 4. Meadowview Place (Shaffer's Mill project) plans have been submitted – the developer is waiting to hear on tax credit financing
 5. The Board of Supervisors accepted the State's ADU legislation changes. They also approved the waiving of all development fees on units below 750sf, with fees increasing proportionality with unit size
 6. Working with the Tahoe Conservancy on a housing development in Kings Beach
 7. Working with Sean Whalen, a local developer, who is building 17 market-rate apartments on the corner of HWY 28 and Lake Forest. The units should be available this summer
- b. Town of Truckee
1. Working with Host Compliance on STR regulations/research
 2. Hired Seana Doherty as their Housing Program Manager
 3. The Council approved \$500,000 from the \$2M Housing Fund to work on an ADU pilot program that includes developing incentives to build ADUs, streamlining permitting and processing to make it easier to build, and considering activities such as deed restriction
 4. Facilitated three meetings of the housing taskforce over the last few months. The Town plans to go out to the community with a 2% TOT increase on the November 2020 ballot. While the increase could go to the general fund, there is consideration to require that it goes to housing only
 5. Council accepted the ADU state law requirement changes in December
 6. Frishman Hollow II is coming down the pipeline. This development will be mixed income. The Town had a developer ready, who had funding lined up. However, the State recently passed a law that requires jurisdictions go to bid with public lands, which will take 60 days to structure and advertise.
 7. The Town is working on Coburn Crossing and trying to iron out issues with the developer
 8. Artist Lofts broke ground before winter, modular units are ordered, and the structure will be going up this summer



9. Town hired new planners (2) to help with the General Plan update, general housing initiatives, and the housing application and development process
- c. Truckee Tahoe Workforce Housing Agency (Employer Housing JPA)
 1. The JPA team has been working for the last year to build the structure of the Agency. It has been very complicated and is the first time this model has been utilized in CA. The JPA hired a legal consultant and a JPA consultant to help execute. Each entity has now approved the term sheet and the group is empowered to start master leasing (the primary goal in its initial stages). The JPA can also purchase and develop property and was structured in a manner that other government agencies can become 'members' as well. They are currently working on the business structure (EIN, PO Box, bank account, etc)
- d. TRPA
 1. While TRPA does not need to comply with new state laws (they are a bi-state agency) they are trying to align with them while maintaining TRPA environment guidelines. The goal is to create a TRPA Housing Action Plan
- e. Sierra Business Council (SBC)
 1. Martis Fund Down Payment Assistance Program is in high demand. The program has utilized most the second round of funding with a long list of potential applicants. The program is nearing \$1M in assistance in the last year and is managed by SBC's Small Business Development Center (SBDC).
- f. CATT
 1. Still working on the septic regulation issue. The Town removed the code requirement re: 3-acre requirement for ADUs on land with septic but they are still trying to determine the potential consequences
- g. Tahoe Prosperity Center
 1. Finished Phase I of the Needs Assessment for South Lake
 2. Now in the Action Planning process and are currently wrapping up the last few days of the community feedback survey

IV. Council Updates and Business

- a. MHC 2.0
 1. Please see the January 17 presentation for information on the ask for MHC 2.0
 2. MHC 2.0 will be focused on both existing and new work. New work includes a Regional Housing Action Plan, a Housing Hub (executing on the RHAP) which could be a one stop shop for homeowners/developers trying to implement Achievable Local



Housing in our region, and accelerator funds including a blended capital model that allows for a pathway for a development, housing program, etc

3. TTCF is asking for another 3-year commitment
4. Comments/Questions from Partners:
 - a) Town: We need ADVOCACY and YIMBY for individual projects – how does MHC nurture the creation of this if MHC can't do it itself? Creation of a YIMBY group?
 - a. MHC: We could do that in the next round – TTCF could be open to building the advocacy arm – we can do a better job of giving the community the tools to advocate. SBC can help as well
 - b. SBC: We've focused on state and federal policy and funding advocacy but the individual project advocacy always becomes political. There is a concern that that level of advocacy will eventually divide the MHC group since all partners are local govt. entities – feels like advocacy function needs to be outside of MHC. ToT on ballot could be a good initiative to advocate for – this is much larger than individual projects
 - b) TDMA: We need a consistent stream of money for a particular organization that can show up for the best interests of housing – advocacy is missing from MHC 2.0
 - c) Placer County – We have been communicating with the Strong Towns Group –they were the 'hope' as a YIMBY group but they need leadership – they need training from MHC / Jurisdictions – they don't know how to show up, what to say, how important public comments are, etc.
 - a. TTCF just funded MAP to do advocacy training in the community
 - d) Placer County – We agree with Town of Truckee that we need advocacy (projects and funding) and YIMBY support – the East County has many groups doing some of this but no one group leading the charge
 - e) Town of Truckee – MHC 2.0 could support innovative/ 'in the know' developers on current projects (ex: Frishman II developers) – some know where to find the money – let's bring them together and work with them to generate ideas
5. TTCF will create a packet in the next week with a partnership ask – We ask that partners inform their board it's coming and agendize the discussion in the next six weeks if possible – if you need Stacy to present in person let her know ASAP



V. Council Updates and Business Cont.

a. MHC Advocacy Tiger Team Update

1. Chris Mertens has moved on to the California Tahoe Conservancy. Simone Cordery-Cotter and Steve Frisch will be our representatives for the near future
2. The Governor's proposed 2021 budget – the proposal includes \$6.8B for housing. Analysts expect a rise of 3.7% in AMI / homes in 2020; demand still outpaces supply but growth is moderate compared to recent years – mostly due to affordability issues. On January 1, annual rent cannot surpass a 5% increase by landlord
 - a) SBC tracking on:
 - a. State Land Bank Development project in South Lake Tahoe: The parcel, owned by the California Tahoe Conservancy, was identified by the Governor as a candidate for building affordable housing on. An RFQ was released for developers on Jan 21, 2020.
 - b. Affordable Housing and Sustainable Communities Program set aside 10% of funds to rural innovation areas
 - c. CalOES proposed \$10M for emergency housing for rural areas and impact from wildfire
 - d. Budget is heavily focused on housing veterans and reducing evictions
 3. SBC is scheduling an MHC Legislative Day for March
 6. TT Update – Please see the January 17 presentation for details
 - a) Questions:
 - a. Town of Truckee: How do we find out about particular State Land Bank sites
 - i. Look at State Lands Inventory online for info
 - b. TTCF: Partners with Lobbyists – SBC, Town, Placer – how do we best lobby and make govt aware of MHC?
 - i. Placer County: try and gather lobbyists once the policy platform is ready – need to come up with criteria we can work in to partner's existing platforms if we want lobbyists to get serious
 - ii. SBC – High Hazard Zone designations preclude available areas for development from funding / process streamlining – we need to take this in to account with legislative activities

b. Mountain Housing Council Communications Campaign

II. ADU Panel

- a. Placer County, Town of Truckee, Tahoe Donner, Nevada County
 1. Town of Truckee:



- a) Allowances in single-family neighborhoods have been supported for years, but HOAs didn't allow. Town helped write the law that makes banning of ADUs illegal.
 - b) Creating incentive package to influence construction – pricing, deed restriction, waiver, fee reduction, existing designs
 - a. Struggling with prevailing wage –PW kicks in when trying to incentivize / build affordable
 - b. ADU ordinance had to be acted upon in December 2019 – emergency ordinance due to timeline. ADUs laws include:
 - i. ADUs now allowed in single and multi-family zones,
 - ii. JADUs allowed on single-family parcels,
 - iii. 2 ADUs allowed on multi-family,
 - iv. Can now convert existing rooms in home to ADU,
 - v. Set back distance changes,
 - vi. Maximum floor area for ADU – detached up to 1200, attached up to 50% of living area, all cases – 850 – 1000sf with restrictions.
 - vii. Parking exceptions implemented
 - viii. ADUs cannot be rented as STRs
 - c. Implemented a \$500,000 ADU Program – some will be used for marketing to help people understand how to navigate the program and what the incentives are
2. Placer County
- a) Implemented same laws as Town of Truckee
 - b) Focusing on fees as part of ADU costs – not many ADU applications coming forward in Tahoe Basin, but starting to see more outside Basin – fee reductions could save people ~\$15,000 per unit
 - c) Working with TRPA re: implementing State Laws
 - d) All ADUs are deed-restricted in Tahoe Basin
 - e) Council is funding Vail Indeed-type program and an ADU financing program – also seeing the prevailing wage issue – deed restriction could be the answer (public benefit)
 - f) Working on marketing program for new laws so people understand what has been implemented – working on ADU web page
 - g) Passed STR ordinance in 2019 – ADUs cannot be STRed in Basin. If outside basin, they can, but must be permitted
 - h) Trying to influence STR owners to long-term rent to locals, and are working to give them the info they need to do so



- i) Developing TBID – If passed, Council will ask NLTRA to play advisory role to use existing TOT for transportation/housing (\$4M)
- 3. Tahoe Donner
 - a) Member Comment period is open right now on ADU rules/regs – Board has not voted yet
 - b) TD working through what the Law that regulates banning ADUs means for them – drafted rules relating to the law – recognize housing issues but also the challenge to adopt the new rules for construction while balancing the character of the community. Encourage construction of housing for locals but concerned with density (parking, growth of STRs, snow issues, traffic congestion). Rules have been crafted that are one step further than the town – working together with Town – tighter restrictions for SF on ADUs (800sf max) – parking, deed restriction on entire property to prohibit STRs in primary and secondary units.
 - c) Deed restrictions for main and secondary housing – applies to unpermitted existing ADUs and new ADUs
 - d) ADU rules will go to board in February
 - e) Creating ADU tool kit, working with Town to ensure consistency
- 4. TRPA
 - a) Laws don't apply to TRPA but they want to align with them while meeting regional goals. Working with Placer County to ensure consistency. TRPA code is already restricted – ADUs only allowed on parcels greater than 1-acre, but rules are more flexible within local jurisdictions – as long as changes support air/water quality goals. Working on implementing law guidelines in February/March
 - b) Working on incentives for ADUs – deed restricted, achievable, moderate, affordable – free development rights and application fee is waived
 - c) Interested in hearing more about parking as it's something that is going to come up with TRPA governance
- 5. Nevada County
 - a) Have prohibited ADUs as short term rentals, except in agritourism areas or within the Soda Springs Area Plan area.
 - b) Added a deed restriction requirement for all ADUs to be required for long term rentals, except as noted above
 - c) Removed owner occupancy requirement and allows both ADU and primary unit to be rented
 - d) Removed restriction on ADUs and employee housing – meaning a property can have both when previously only one was allowed



- e) Allowed for deferral of fees for units less than 800 square feet or restricted to low or very low income
 - f) Removed parcel size restriction of one acre for detached ADUs. Now a detached ADU is allowed regardless of parcel size
 - g) Removed recreation fee requirement for ADUs
 - h) Allowed proportional impact fees to be collected for ADUs regardless of ADU size
 - i) Their ordinance also allows attached ADUs and JADUs although JADUs are not specifically detailed. Those would fall under their definition and allowances for attached ADUs
6. Truckee Tahoe Sanitary Agency
- a) Passed an ordinance to accept new laws as of January, still reviewing with counsel what that looks like. In May, they finalized a connection fee study and implemented cost+ based on all residential development.
7. QUESTIONS
- a) Why are the partners talking about issues with Prevailing Wage?
 - a. Prevailing Wage is required with any public subsidy. Partners are working to understand it and see how we can provide a public subsidy that the PW costs don't cancel out
 - b) Are there specific provisions that promote adding ADUs to new single-family homes?
 - a. No – same state laws apply
 - c) What are other HOAs doing?
 - a. Others are further behind Tahoe Donner – some are waiting for the Town in regards to their emergency ordinance before they make any 'moves'
 - d) What is anticipated # of ADU units to be built?
 - a. Truckee currently has 10 or so a year, would like to double that
 - e) How are new law changes going to affect amnesty for those that have had unpermitted ADUs?
 - a. There is no amnesty for those that have unpermitted ADUs
 - f) Are there any laws that ban ADUs from being Short-term rented?
 - a. Yes there are laws in place.
 - g) How will the Town manage existing ADUs being processed as STRs?
 - a. How the Town monitors remains to be seen



Meeting Attendees

MHC Partners

Community Collaborative of Tahoe Truckee, Alison Schwedner
Contractors Association of Truckee Tahoe, Kristi Thompson
Martis Fund, Heidi Volkhardt Allstead
North Tahoe Public Utility District, Sue Daniels
Placer County, Cindy Gustafson, Jennifer Merchant, Emily Setzer, Lindsay Romack
Sierra Business Council, Steve Frisch, Simone Cotter-Cordery
Sierra Community House, Teresa Crimmens
Sugar Bowl Resort, Monica Pette
Tahoe City Public Utility District, Kim Boyd
Tahoe Donner Homeowner Association, Annie Rosenfeld
Tahoe Forest Hospital District, Ted Owens
Tahoe Prosperity Center, Chase Janvrin, Wendy Sullivan
Tahoe Regional Planning Agency, Karen Fink
Tahoe Truckee Community Foundation, Stacy Caldwell
Tahoe Truckee Unified School District, Jeff Santos
Town of Truckee, Jeff Loux, David Tirman, Seana Doherty, Yumie Dahn
Truckee Donner Public Utility District, Steven Poncelet
Truckee Downtown Merchants Association, Stefanie Olivieri, Cassie Hebel
Truckee Tahoe Airport District, Rick Stephens
Vail Resorts / Northstar California, Jerusha Hall

Community Members

Ali Ballesteros, Town of Truckee
Anne-Flore Dwyer, Ecosense Design
Heather Rankow, Developer's Connection
Marc DiGiacomo, Carr Long Real Estate
Scott Keith, Keith Design Group
Walter Auerbach, Auerbach Engineering
Chantal Birnberg, Town of Truckee
Kim Szczurek, Town of Truckee